

**PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 24, 2025**  
**NOTES TO BE SOLD WEDNESDAY, DECEMBER 3, 2025 AT 10:45 A.M. E.S.T.**

New Issue  
Book-Entry Only

Rating: S&P“\_\_\_”

*In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Under existing law and subject to certain exceptions, the Notes and the income therefrom will be exempt from state, county and municipal taxation in the State of Tennessee. (See "Tax Matters" herein).*

**\$15,000,000\***  
**UNICOI COUNTY, TENNESSEE**  
**GENERAL OBLIGATION CAPITAL OUTLAY NOTES, SERIES 2025 (ULT)**

Dated: Date of Issuance (projected to be December 18, 2025)

Due: July 1, as shown below

Unicoi County, Tennessee (the "County") will issue its \$15,000,000\* General Obligation Capital Outlay Notes, Series 2025 (the "Notes") in fully registered form, without coupons, and, when issued, the Notes will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), DTC will act as securities depository of the Notes, and individual purchases of beneficial ownership interest in the Notes will be made in book-entry form only, in denominations of \$5,000 or multiples thereof through DTC Participants. Interest on the Notes will be payable semiannually on January 1 and July 1 of each year, commencing July 1, 2026, calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of principal of and interest on the Notes are to be made to purchasers by DTC through the Participants (as such term is herein defined) and purchasers will not receive physical delivery of Notes purchased by them. See "The Notes-Book-Entry-Only System." Principal of and interest on the Notes are payable by the County to the designated trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the "Registration Agent").

The Notes shall be subject to optional redemption at any time on or after July 1, 2030, at a price of par plus accrued interest through the redemption date. The Notes are payable on July 1 of each year as follows:

| Maturity<br>(July 1)* | Principal*  | Interest<br>Rate | Price or<br>Yield | CUSIP<br>Number | Maturity<br>(July 1)* | Principal*  | Interest<br>Rate | Price or<br>Yield | CUSIP<br>Number |
|-----------------------|-------------|------------------|-------------------|-----------------|-----------------------|-------------|------------------|-------------------|-----------------|
| 2030                  | \$1,695,000 |                  |                   |                 | 2034                  | \$1,890,000 |                  |                   |                 |
| 2031                  | 1,740,000   |                  |                   |                 | 2035                  | 1,950,000   |                  |                   |                 |
| 2032                  | 1,790,000   |                  |                   |                 | 2036                  | 2,015,000   |                  |                   |                 |
| 2033                  | 1,840,000   |                  |                   |                 | 2037                  | 2,080,000   |                  |                   |                 |

The Notes shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Notes, the full faith and credit of the County are irrevocably pledged (See "The Notes - Security-Source of Payment" and "Tax Levy" herein).

*The Notes are offered when, as and if issued, subject to the approval of the legality by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose opinion will be delivered with the Notes. Certain legal matters will be passed upon for the County by Doug Shults, Esq., counsel to the County. Stephens Inc. is serving as Municipal Advisor to the County. The Notes, in book-entry form, are expected to be available for delivery through Depository Trust Company in New York, New York, on or about December 18, 2025\*.*

December \_\_, 2025

\*Preliminary, subject to change

*This Preliminary Official Statement and the information contained herein are subject to change, completion or amendment without notice. The Notes may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.*

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended (collectively, the “Official Statement”) by Unicoi County, Tennessee (the “County”), is an Official Statement with respect to the Notes described herein that is deemed final by the County as of the date hereof (or of any such supplement or amendment). It is subject to completion with certain information to be established at the time of the sale of the Notes as permitted by Rule 15c2-12 of the Securities and Exchange Commission.

No dealer, broker, salesman or other person has been authorized by the County or by Stephens Inc. (the “Municipal Advisor”) to give any information or make any representations other than those contained in this Official Statement and, if given or made, such information or representations with respect to the County or the Notes must not be relied upon as having been authorized by the County or the Municipal Advisor. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities other than the securities offered hereby to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date as of which information is given in this Official Statement.

**In making an investment decision investors must rely on their own examination of the County and the terms of the offering, including the merits and risks involved. No registration statement relating to the Notes has been filed with the Securities and Exchange Commission or with any state securities agency. The Notes have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.**

CUSIP data herein is subject to copyright 2014, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of The American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with the County or the Underwriter and are included solely for the convenience of the registered owners of the applicable Notes.

Neither the County nor the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Notes or as included herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Notes.

*The material contained herein has been obtained from sources believed to be current and reliable, but the accuracy thereof is not guaranteed. The Official Statement contains statements which are based upon estimates, forecasts, and matters of opinion, whether or not expressly so described, and such statements are intended solely as such and not as representations of fact. All summaries of statutes, resolutions, and reports contained herein are made subject to all the provisions of said documents. The Official Statement is not to be construed as a contract with the purchasers of any of the Unicoi County, Tennessee General Obligation Capital Outlay Notes, Series 2025.*

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**UNICOI COUNTY, TENNESSEE**  
100 North Main Street, Suite 102  
Erwin, Tennessee 37650

**OFFICIALS**

Garland Eveley  
County Mayor

**BOARD OF COMMISSIONERS**

Gina Clark  
Brian Delp  
Wayne Edwards

Jamie Harris II  
Jason Harris  
Stephen Hendrix

Tim Lingerfelt  
Cody Scott  
Loren Thomas

**COUNTY OFFICIALS**

County Clerk  
Trustee

Patty Treadway  
Katie Bennett

**Counsel for the County**

Doug Schults, Esq.  
Erwin, Tennessee

**Bond Counsel**

Bass, Berry & Sims PLC  
Nashville, Tennessee

**Registration and Paying Agent**

U.S. Bank Trust Company, National Association  
Nashville, Tennessee

**Municipal Advisor**

Stephens Inc.  
Nashville, Tennessee

**Underwriter**

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

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NOTICE OF SALE

\$15,000,000\*

UNICOI COUNTY, TENNESSEE

GENERAL OBLIGATION CAPITAL OUTLAY NOTES, SERIES 2025 (ULT)

Notice is hereby given that the County Mayor of Unicoi County, Tennessee (the “County”) will accept a written bid or electronic bid for the purchase of all, but not less than all, of the County's \$15,000,000\* General Obligation Capital Outlay Notes, Series 2025 (the “Notes”) until:

**10:45 A.M. E.S.T. on Wednesday, December 3, 2025.**

Written bids must be addressed and delivered to the County to the attention of the County Mayor 100 North Main Street, Suite 102, Erwin, Tennessee 37650. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. ***The sale of all or any series of the Notes on Wednesday, December 3, 2025, may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours’ notice.***

The Notes will be dated the date of delivery. The interest rate or rates on the Notes shall not exceed 5.00% per annum and shall be payable semi-annually on January 1 and July 1, commencing July 1, 2026. No bid for the Notes will be considered for less than 99.00% of par nor more than 125% of par, as described in the Detailed Notice of Sale. In addition, each maturity of Notes must be reoffered at a price of not less than 98% of the par amount of such maturity. The Notes will mature on July 1 in the years 2030 through 2037, inclusive, with term Notes optional, and will be awarded on the sale date by the County Mayor to the bidder whose bid results in the lowest true interest cost on the Notes. The Notes are subject to redemption at the option of the County.

After opening the bids, the County reserves the right to adjust the principal amount of each maturity of the Notes as described in the Detailed Notice of Sale.

**In the event that the competitive sale requirements of applicable Treasury Regulations are not met, the County will require bidders to comply with the “hold-the-offering-price rule” for purposes of determining the issue price of the Notes.**

The Notes in book-entry only form (except as otherwise set forth in the Detailed Notice of Sale) and approving opinion of Bass, Berry & Sims PLC, Nashville, Tennessee, will be furnished at the expense of the County. Additional information, including the Official Statement and Detailed Notice of Sale, may be obtained from the undersigned at the office of the Unicoi County Clerk, 100 North Main Street, Suite 102, Erwin, Tennessee 37650 or from Stephens Inc. Attention: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4334; Fax: (615) 279-4351.

Garland Eveley  
County Mayor

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**DETAILED NOTICE OF SALE**  
**\$15,000,000\***  
**UNICOI COUNTY, TENNESSEE**  
**GENERAL OBLIGATION CAPITAL OUTLAY NOTES, SERIES 2025 (ULT)**

**Time and Place of Sale**

Notice is hereby given that the County Mayor of Unicoi County, Tennessee (the “County”) will accept a written bid or electronic bid for the purchase of all, but not less than all, of the County's \$15,000,000\* General Obligation Capital Outlay Notes, Series 2025 (the “Notes”) until:

**10:45 A.M. E.S.T. on Wednesday, December 3, 2025.**

The written bids must be addressed and delivered to the County to the attention of the County Mayor, 100 North Main Street, Suite 102, Erwin, Tennessee 37650. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. ***The sale of all or any series of the Notes on Wednesday, December 3, 2025, may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours’ notice.*** The Notes will be awarded on such date by the County Mayor of the County.

**Description of Notes**

The Notes will be issued in fully registered, book-entry form (except as otherwise provided herein), without coupons, be dated the date of delivery, be issued, or reissued upon transfer, in \$5,000 denominations or multiples thereof, as shall be requested by the purchaser or transferor thereof, as appropriate, and will mature and be payable on July 1 of each year as follows:

| <b><u>Year* (July 1)</u></b> | <b><u>Principal*</u></b> |
|------------------------------|--------------------------|
| 2030                         | \$1,695,000              |
| 2031                         | 1,740,000                |
| 2032                         | 1,790,000                |
| 2033                         | 1,840,000                |
| 2034                         | 1,890,000                |
| 2035                         | 1,950,000                |
| 2036                         | 2,015,000                |
| 2037                         | 2,080,000                |

**Registration and Depository Participation**

The Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. One Note certificate for each maturity of each series of Notes will be issued to the Depository Trust Company, New York, New York (“DTC”), and immobilized in its custody. The book-entry system will evidence beneficial ownership interests of the Notes in the principal amount of \$5,000 and any integral multiple of \$5,000, with transfers of beneficial ownership interest effected on the records of DTC participants and, if necessary, in turn by DTC pursuant to rules and procedures established by DTC and its participants. The successful bidder, as a condition to delivery of the Notes, shall be required to deposit the Note certificates with DTC, registered in the name of Cede & Co., nominee of DTC. Interest on

the Notes will be payable semiannually on January 1 and July 1, beginning July 1, 2026, and principal of the Notes will be payable, at maturity or upon redemption, to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Notes by Participants of DTC, will be the responsibility of such participants and of the nominees of beneficial owners. The County will not be responsible or liable for such transfer of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that the book-entry only system for the Notes is discontinued and a successor securities depository is not appointed by the County, Note Certificates in fully registered form will be delivered to, and registered in the names of, the DTC Participants or such other persons as such DTC participants may specify (which may be the indirect participants or beneficial owners), in authorized denominations of \$5,000 or integral multiples thereof. The ownership of Notes so delivered shall be registered in registration books to be kept by U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the “Registration Agent”), at its principal corporate office, and the County and the Registration Agent shall be entitled to treat the registered owners of the Notes, as their names appear in such registration books as of the appropriate dates, as the owners thereof for all purposes described herein and in the resolution authorizing the Notes.

If the successful bidder for the Notes certifies that it has no present intent to reoffer the Notes, among other things, in a form satisfactory to Bond Counsel, then the Notes may be issued in fully registered form only without CUSIP identification numbers.

### **Optional Redemption**

The Notes shall be subject to optional redemption at any time on or after July 1, 2030, at a price of par plus accrued interest through the redemption date.

### **Mandatory Redemption**

The successful bidder for each series of Notes shall have the option to designate certain consecutive serial maturities of such Notes as one or more Term Notes, each Term Note bearing a single interest rate. If a successful bidder designates certain consecutive serial maturities to be combined into one or more Term Notes, each Term Note shall be subject to mandatory sinking fund redemption by the County at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption at the rate stated in the Term Notes to be redeemed. Each such mandatory sinking fund redemption shall be made on the date on which a consecutive maturity included as part of a Term Note is payable in accordance with the proposal of the successful bidder for the Notes and in the amount of the maturing principal installment for the Notes listed above for such principal payment date.

### **Purpose and Authority of Notes**

The Notes are being issued to provide funds to finance the (i) reconstruction and improvement of a public bridge and related roadway and infrastructure work; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident thereto; and (iii) payment of costs incident to the issuance and sale of such Notes. The Notes are being issued under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq. and 9-21-601 et seq., Tennessee Code Annotated and an initial and detailed resolution duly adopted by the Board of County Commissioners on October 27, 2025 (the “Resolution”) in an amount not to exceed \$15,000,000.

## **Security – Source of Payment**

The Notes are payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Notes, the full faith and credit of the County are pledged.

Under Tennessee law, the County's legislative body is authorized to levy a tax on all taxable property within the County, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more complete statement of the general covenants and provisions to which the Notes are issued, reference is hereby made to the Resolution authorizing the Notes.

## **Submission of Bid**

All bids submitted, electronic or otherwise, must be submitted as set forth under the heading **“Time and Place of Sale”**, set forth above.

A written bid for the Notes must be enclosed in a sealed envelope bearing the name and address of the bidder, clearly and legibly marked on the outside “Bid for Notes” and addressed and delivered to the following address:

Office of the County Mayor  
100 North Main Street, Suite 102  
Erwin, Tennessee 37650

Written bids must be submitted on the applicable Bid Form included with the Preliminary Official Statement or on a reasonable facsimile thereof. Electronic bids for the Notes must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. An electronic bid made through the facilities of BiDCOMP/PARITY® shall be deemed an offer to purchase in response to the Notice of Sale and shall be binding upon the bidder as if made by a signed sealed written bid made to the County. To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with the terms of the Detailed Notice of Sale, the Detailed Notice of Sale shall prevail. The County shall not be responsible for any malfunction or mistake made by or as a result of the use of electronic bidding facilities. The use of such facilities is at the sole risk of the bidders. Subscription to I-Deal's BiDCOMP/PARITY® Competitive Bidding System by a bidder is required in order to submit an electronic bid. The County will not confirm any subscription or be responsible for the failure of any prospective bidder to subscribe. Both written bids and electronic bids must be unconditional and received by the office of the County Mayor and/or BiDCOMP/PARITY®, respectively, before the time stated above. Bidders shall be required to comply with the provisions regarding a Good Faith Deposit as described below in the section entitled “Good Faith Deposit”. The County is not liable for any costs incurred in the preparation, delivery, acceptance or rejection of any bid, including, without limitation, the providing of a bid security deposit.

## **Form of Bids**

All bids for the Notes must be for not less than all of the Notes. Bidders must bid not less than 99.00% of par nor greater than 125% of par (the “Purchase Price”) for the Notes. In addition, each maturity of the Notes must be reoffered at a price not less than 98% of the par amount of such maturity. Bidders must name the reoffering prices and must name the interest rate or rates the Notes are to bear in multiples of one-eighth (1/8<sup>th</sup>) or one-one hundredth (1/100<sup>th</sup>) of one percent (1%), but no rate specified for the Notes shall be in excess of 5% per annum. There will be no limitation on the number of rates of interest which may be specified for the Notes, but one rate of interest shall apply to all of the Notes of a maturity. With respect to the Notes, bidders may designate two or more consecutive serial maturities as one or more Term Note

maturities equal in aggregate principal amount to, and with mandatory redemption requirements corresponding to, such designated serial maturities.

### **Revised Maturity Schedule and/or Bid Parameters**

The aggregate principal amount of the Notes (the "Preliminary Aggregate Principal Amount") and the annual principal amounts of Notes (the "Preliminary Annual Principal Amounts" and collectively, with reference to the Preliminary Aggregate Principal Amounts, the "Preliminary Amounts") set forth in this Detailed Notice of Sale may be revised before the viewing of bids for the purchase of the Notes. Any such revisions (the "Revised Aggregate Principal Amount", the "Revised Annual Principal Amounts" and the "Revised Amounts") WILL BE GIVEN BY NOTIFICATION PUBLISHED ON [www.I-dealProspectus.com](http://www.I-dealProspectus.com) NOT LATER THAN 4:00 P.M., CENTRAL STANDARD TIME ON THE DAY PRECEDING THE RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts and will remain as stated in this Detailed Notice of Sale. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMOUNTS, IF ANY. Prospective bidders may request notification by facsimile transmission of any revisions in the Preliminary Amounts by so advising and faxing their telecopier number(s) to Stephens Inc., Municipal Advisor to the County, at (615) 279-4351 by 12:00 Noon, C.S.T., at least one day prior to the date for receipt of the bids.

### **Changes to Maturity Schedule**

The County reserves the right to change the Revised Aggregate Principal Amount of the Notes and the Revised Annual Principal Amounts of the Notes (including the deletion of maturities), after determination of the winning bidder, by increasing or decreasing the Revised Annual Principal Amount of each maturity of the Notes without limitation; provided, that the aggregate principal amount of the Notes may not exceed \$15,000,000. Such changes, if any, will determine the final annual principal amounts of the Notes (the "Final Annual Principal Amounts") and the final aggregate principal amount of Notes (the "Final Aggregate Principal Amount"). The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the Final Aggregate Principal Amount of the Notes. The interest rates specified by the successful bidder for the various maturities at the initial reoffering prices will not change. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BIDS OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS. The County anticipates that the Final Annual Principal Amounts of the Notes and the Final Aggregate Principal Amount of Notes will be communicated to the successful bidder prior to the award of the Notes. THE DOLLAR AMOUNT BID BY THE SUCCESSFUL BIDDER FOR THE PURCHASE OF THE NOTES WILL BE ADJUSTED TO REFLECT ANY CHANGE IN THE ANNUAL PRINCIPAL AMOUNTS BASED UPON THE ASSUMPTION THAT THE COUPON RATES, REOFFERING PRICES, AND THE UNDERWRITER'S DISCOUNT (EXCLUDING ORIGINAL ISSUE DISCOUNT/PREMIUM) STATED AS A PERCENTAGE OF THE AGGREGATE PRINCIPAL AMOUNT, AS SPECIFIED BY THE SUCCESSFUL BIDDER WILL NOT CHANGE.

### **Basis of Award**

If an award is made, the Notes will be awarded to the bidder whose bid results in the lowest true interest cost to the County for the Notes as determined by reference to the Revised Aggregate Principal Amounts as discussed in the paragraph above. The lowest true interest cost of the Notes will be calculated as that rate which when used in computing the present worth of all payments of principal and interest on such Notes (compounded semi-annually from the dated date of such Notes) produces a yield equal to the purchase price of such Notes. For the purpose of calculating the true interest cost, the principal amount of Term Notes scheduled for mandatory sinking fund redemption as part of a Term Note shall be treated as a serial maturity in each year. Each bidder is required to specify its calculation of the true interest cost resulting from its bid, but such information shall not be treated as part of its proposal.

In the event that two or more of the bidders offer to purchase the Notes at the same lowest true interest cost, the County Mayor shall determine in his sole discretion which of the bidders shall be awarded the Notes.

The County Mayor reserves the right to waive any irregularity or informality in any bid, and to reject any or all bids, and notice of rejection of any bid will be made promptly. Unless all bids are rejected, award of the Notes will be made by the County Mayor on the sale date.

### **Good Faith Deposit**

The successful bidder is required to submit, in the manner described below, a good faith deposit (the "Deposit") in the amount of \$300,000 for the Notes to secure the faithful performance of the terms of the bid to purchase the Notes. The Deposit will be delivered to the County by wire transfer or certified check for the prescribed amount. The Deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the County or the County's Municipal Advisor by the successful bidder by 3:00 p.m. E.S.T. on the day of the sale provided the County awards the bid by 1:00 p.m. E.S.T. otherwise the wire shall be received not later than 12:00 noon E.S.T. on the next business day following the award. The County Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier's check or a treasurer's check drawn upon an incorporated bank or trust company payable unconditionally to the order of the County. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder's Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from Stephens Inc., Attn: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351. In the event the successful bidder fails to timely submit the Deposit, the award may be terminated by the County Mayor, and the County Mayor in his discretion may award the Notes to the bidder whose bid results in the next lowest true interest cost to the County as the lowest complying bidder or hold a subsequent sale of the Notes. The County shall have no liability to any bidder who fails to properly submit a Deposit.

The Deposit of the successful bidder will be deposited by the County and the proceeds thereof credited with no interest allowed thereon against the total purchase price to be paid for the Notes upon their delivery or retained as and for full liquidated damages if the successful bidder fails to accept delivery of and pay for such Notes. Checks of unsuccessful bidders will be returned promptly upon the award of the Notes. If a successful bidder fails to timely make the Deposit for the Notes, the award may be terminated in the discretion of the County Mayor and the County shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of such Notes.

### **Establishment of Issue Price**

*General.* The winning bidder shall assist the County in establishing the issue price of the Notes as more fully described herein. All actions to be taken by the County under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the County by the County's Municipal Advisor identified herein and any notice or report to be provided to the County may be provided to the County's Municipal Advisor.

*Anticipated Compliance with Competitive Sale Requirements.* The County anticipates that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “competitive sale requirements”) because:

- the County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- all bidders shall have an equal opportunity to bid;
- the County expects to receive bids from at least three underwriters of municipal Notes who have established industry reputations for underwriting new issuances of municipal Notes; and
- the County anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

*County Intention to Apply the Hold-the-Offering-Price Rule if Competitive Sale Requirements are Not Met.* In the event that the competitive sale requirements are not satisfied with respect to the Notes, the County intends to treat the initial offering prices of the Notes to the public as the issue price of such Notes (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).

*Application of the Hold-the-Offering-Price Rule.* If the competitive sale requirements are not satisfied, then the successful bidder shall, on behalf of the underwriters participating in the purchase of the Notes (i) confirm that the underwriters have offered or will offer each maturity of the Notes to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- the close of the fifth (5th) business day after the sale date; or
- the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the County when the underwriters have sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Notes of that maturity

or all Notes of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

The County acknowledges that, in making the agreements and representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Notes.

*Definitions.* Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- “public” means any person other than an underwriter or a related party,
- “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),
- a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- “sale date” means the date that the Notes are awarded by the County to the winning bidder.

*Issue Price Certificate.* The winning bidder will be required to provide the County, at closing, with an issue price certificate consistent with the foregoing. In the event the winning bidder will not reoffer any maturity of the Notes for sale to the Public (as defined herein) by the delivery date of the Notes, the issue price certificate may be modified in a manner approved by the County and Bond Counsel.

### **Provision of Information for the Official Statement**

The successful bidders must furnish the following information to the County to complete the *Official Statement* in final form within 2 hours after receipt and award of the bids for the Notes:

1. The initial offering prices or yields for the Notes (expressed as a price or yield per maturity, exclusive of any accrued interest, if applicable);

2. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all the Notes are sold at the prices or yields as provided above.
3. The identity of the underwriters if the successful bidders are part of a group or syndicate; and
4. Any other material information necessary to complete the Official Statement in final form but not known to the County.

## **CUSIP**

The County's municipal advisor will request that the CUSIP Service Bureau assign CUSIP identification numbers to the Notes, which numbers will be printed on the Notes. The winning bidder will be responsible for the costs of assigning CUSIP numbers to the Notes. Neither the failure to print a CUSIP number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes in accordance with this Detailed Notice of Sale.

## **Official Statement**

The County will provide or cause to be provided, to the successful bidder, either in electronic format or printed copies, the final official statement sufficient in quantity to enable the successful bidder to comply with SEC Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board. Said final official statement will be provided to the successful bidder not later than seven (7) business days after the sale, or, if the County, or its Municipal Advisor, is notified that any confirmation requesting payment from any customer will be sent before the expiration of such period and specifying the date such confirmation will be sent the final official statement will be provided in sufficient time to accompany such confirmation.

## **Continuing Disclosure**

The County will, at the time the Notes are delivered, execute a Continuing Disclosure Agreement in which it will covenant for the benefit of holders and beneficial owners of the Notes to provide certain financial information and operating data relating to the County not later than twelve months after each of the County's fiscal years (the "Annual Report"), and to provide timely notice of the occurrence of certain enumerated events and notice of failure to timely provide any required financial information of the County. The Annual Report (and audited financial statements, if filed separately) and notices described above will be filed by the County with the Municipal Securities Rulemaking Board ("MSRB") at [www.emma.msrb.org](http://www.emma.msrb.org) and with any State Information Depository established in the State of Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events will be summarized in the County's official statement to be prepared and distributed in connection with the sale of the Notes.

## **Legal Opinion and Transcript**

The book-entry Notes and the approving opinion of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel (which will be delivered with the Notes), together with the Note transcript, including a certificate as to no litigation from the County dated as of the date of the delivery of the Notes, will be furnished to the purchaser at the expense of the County. As set forth in the Official Statement and subject to the limitations set forth therein, Bond Counsel's opinion will include an opinion that (i) interest on the Notes will be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals under the Code. Owners of the Notes, however, may be subject to certain additional taxes or tax consequences arising with

respect to ownership of the Notes. For a discussion thereof, reference is hereby made to the Official Statement and the forms of opinions contained therein

### **Delivery and Payment**

The Notes are expected to be ready for delivery within twenty-eight (28) days after the sale thereof, in book-entry form. At least five (5) days' notice will be given to the successful bidder. Delivery will be made through the Depository Trust Company, New York, New York at the expense of the purchaser. Payment for the Notes must be made in federal funds or other immediately available funds.

### **Further Information**

Copies of the Preliminary Official Statement may be obtained from the undersigned at the office of the County's Finance/Budget Director, 100 North Main Street, Suite 102, Erwin, Tennessee 37650, or from Stephens Inc., Attn: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351.

Garland Eveley,  
County Mayor

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**UNICOI COUNTY, TENNESSEE**

**\$15,000,000\***

**GENERAL OBLIGATION CAPITAL OUTLAY NOTES, SERIES 2025**

**OFFICIAL BID FORM**

The Honorable Garland Eveley, County Mayor  
100 North Main Street, Suite 102  
Erwin, Tennessee 37650

\_\_\_\_\_, 2025

For your legally issued, properly executed Unicoi County, Tennessee (the "County") \$15,000,000\* General Obligation Capital Outlay Notes, Series 2025 (the "Notes") and in all respects to be as more fully outlined in your Detailed Notice of Sale, which by reference is made a part hereof, we will pay you a sum of \$\_\_\_\_\_.

The Notes will be dated the date of issuance, will mature on July 1 as shown below, and shall bear interest at the following rates:

| <u>Maturity<br/>(July 1)*</u> | <u>Amount*</u> | <u>Interest<br/>Rate</u> | <u>Reoffering<br/>Yield</u> | <u>Maturity<br/>(July 1)*</u> | <u>Amount*</u> | <u>Interest<br/>Rate</u> | <u>Reoffering<br/>Yield</u> |
|-------------------------------|----------------|--------------------------|-----------------------------|-------------------------------|----------------|--------------------------|-----------------------------|
| 2030                          | \$1,695,000    | _____                    | _____                       | 2034                          | \$1,890,000    | _____                    | _____                       |
| 2031                          | 1,740,000      | _____                    | _____                       | 2035                          | 1,950,000      | _____                    | _____                       |
| 2032                          | 1,790,000      | _____                    | _____                       | 2036                          | 2,015,000      | _____                    | _____                       |
| 2033                          | 1,840,000      | _____                    | _____                       | 2037                          | 2,080,000      | _____                    | _____                       |

Principal of and interest on the Notes will be payable at the designated trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee.

This bid is made with the understanding that the County will furnish without cost to the successful bidder the unqualified approving opinion of Bass, Berry & Sims PLC, Attorneys, Nashville, Tennessee, and the executed Notes.

We have exercised the option to designate two or more consecutive serial maturities as Term Notes as set forth below:

|                                                                                                                                                                                                                                                                                                   |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <p>Term Note 1, due July 1, _____ includes the following maturities:</p> <p style="padding-left: 40px;">From July 1, _____ to July 1, _____.</p> <p>Term Note 2, due July 1, _____ includes the following maturities:</p> <p style="padding-left: 40px;">From July 1, _____ to July 1, _____.</p> |  |
| Firm Name                                                                                                                                                                                                                                                                                         |  |

In accordance with the terms of the Detailed Notice of Sale, we have or will make a good faith deposit for \$300,000 as set forth in the Detailed Notice of Sale, which is to be applied in accordance with the Detailed Notice of Sale. The good faith deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the County or the County's Municipal Advisor by the successful bidder by 3:00 p.m. E.S.T. on the day of the sale provided the County awards the bid by 1:00 p.m.

E.S.T. otherwise the wire shall be received not later than 12:00 noon E.S.T. on the next business day following the award. The County Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.

2. **Certified Check.** A bank certified check, bank cashier’s check or a treasurer’s check drawn upon an incorporated bank or trust company payable unconditionally to the order of the County. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder’s Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from Stephens Inc., Attn: Ashley McNulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351. If a successful bidder fails to timely make the Deposit for the Notes, the award may be terminated in the discretion of the County Mayor and the County shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of such Notes. The County Mayor in his discretion may award the Notes to the bidder whose bid results in the next lowest true interest cost to the County as the lowest complying bidder or hold a subsequent sale of the Notes. The County shall have no liability to any bidder who fails to properly submit a Deposit.

In the event this bid is accepted and should for any reason we fail to comply with the terms of this bid, said deposit will be forfeited by us as full liquidated damages; otherwise, said deposit will be credited against the purchase price of the Notes at closing. In the event the County Mayor fails to deliver the Notes to us as described in the Detailed Notice of Sale, said deposit will be returned to us.

Accepted this \_\_\_\_ day of \_\_\_\_\_, 2025      Respectfully submitted,

\_\_\_\_\_  
County Mayor

\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone Number of Person to Submit Bid

The following is for information purposes only.

|                                       |  |
|---------------------------------------|--|
| Total Interest Cost                   |  |
| Plus discount or less premium, if any |  |
| Net Interest Cost                     |  |
| True Interest Rate (TIC)              |  |

**(The calculations of Net Interest Costs and True Interest Rate and the Reoffering Prices are for information purposes only and do not constitute a part of this bid.)**

## Summary Statement

*This Summary is expressly qualified by the entire Official Statement, which should be viewed in its entirety by potential investors.*

|                                  |                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ISSUER</b> .....              | Unicoi County, Tennessee (the “County”).                                                                                                                                                                                                                                                                                                                                             |
| <b>ISSUE</b> .....               | \$15,000,000* General Obligation Capital Outlay Notes, Series 2025 (the “Notes”).                                                                                                                                                                                                                                                                                                    |
| <b>PURPOSE</b> .....             | The Notes are being issued to provide funds to finance the (i) reconstruction and improvement of a public bridge and related roadway and infrastructure work; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident thereto; and (iii) payment of costs incident to the issuance and sale of such Notes. See “The Notes – Description” herein. |
| <b>DATED DATE</b> .....          | Settlement Date.                                                                                                                                                                                                                                                                                                                                                                     |
| <b>INTEREST DUE</b> .....        | Each January 1 and July 1, commencing July 1, 2026.                                                                                                                                                                                                                                                                                                                                  |
| <b>PRINCIPAL DUE</b> .....       | July 1, 2030* through July 1, 2037*.                                                                                                                                                                                                                                                                                                                                                 |
| <b>SETTLEMENT DATE</b>           | December 18, 2025* (use for bidding purposes).                                                                                                                                                                                                                                                                                                                                       |
| <b>OPTIONAL REDEMPTION</b> ..... | The Notes shall be subject to redemption prior to maturity at the option of the County at any time on or after July 1, 2030, at a price of par plus accrued interest to the redemption date.                                                                                                                                                                                         |
| <b>SECURITY</b> .....            | The Notes shall be payable from unlimited <u>ad valorem</u> taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Notes, the full faith and credit of the County are irrevocably pledged. See “The Notes – Security – Source of Payment” herein.                                                                  |
| <b>RATING</b> .....              | The Notes have been assigned a rating of “___” by S&P Global Ratings (“S&P”) based on documents and other information provided by the County. The rating reflects only the view of S&P, and neither the County, the Municipal Advisor nor the Underwriter makes any representations as to the appropriateness of such rating.                                                        |

There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by S&P if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Notes. Any explanation of the significance of the rating may be obtained from S&P. See “Rating” herein.

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>TAX MATTERS .....</b>                   | In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Under existing law and subject to certain exceptions, the Notes and the income therefrom will be exempt from state, county and municipal taxation in the State of Tennessee. (See "Tax Matters" herein). |
| <b>REGISTRATION AND PAYING AGENT .....</b> | U.S. Bank Trust Company, National Association, Nashville, Tennessee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>MUNICIPAL ADVISOR.....</b>              | Stephens Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>UNDERWRITER.....</b>                    | _____.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

## **Official Statement**

**\$15,000,000\***

**Unicoi County, Tennessee**

### **General Obligation Capital Outlay Notes, Series 2025**

#### **Introduction**

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Unicoi County, Tennessee (the “County”) of \$15,000,000\* General Obligation Capital Outlay Notes, Series 2025 (the “Notes”).

The Notes are being issued under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq. and 9-21-601 et seq., Tennessee Code Annotated, and pursuant to an initial resolution and a resolution duly adopted by the Board of County Commissioners of the County on October 27, 2025 (collectively, the “Resolution”) authorizing the execution, terms, issuance and sale of the Notes.

This Official Statement includes descriptions of, among other matters, the Notes, the Resolution, and the County. Such descriptions and information do not purport to be comprehensive or definitive. All references to the Resolution are qualified in their entirety by reference to the definitive document, including the form of the Notes included in the Resolution. During the period of the offering of the Notes, copies of the Resolution and any other documents described herein or in the Resolution may be obtained from the County. After delivery of the Notes, copies of such documents will be available for inspection at the County Mayor's office. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in the Resolution.

#### **The Notes**

##### **Description**

The Notes are being issued to provide funds to finance the (i) reconstruction and improvement of a public bridge and related roadway and infrastructure work; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident thereto; and (iii) payment of costs incident to the issuance and sale of such Notes. These projects were necessitated by damage suffered by the County during Hurricane Helene in 2024. The County anticipates that it will be reimbursed for the costs of all or a portion of the projects from Federal Emergency Management Agency (“FEMA”) funds, but the timing of that reimbursement is uncertain. The County expects that it will apply the proceeds of any reimbursement to the redemption of the Notes in accordance with their terms.

The County also expects that the State of Tennessee will reimburse the County for the payment of the issuance costs of the Notes and the interest payable on the Notes during the first three years following their issuance, all pursuant to a grant program established by the State to support counties and municipalities adversely impacted by Hurricane Helene.

The Notes will be issued as fully registered book-entry Notes, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Notes will be dated their date of issuance. Interest on the Notes, at the rates per annum set forth on the cover page and calculated on the basis of a 360-day year, consisting of

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\* Preliminary, subject to change.

twelve 30-day months, will be payable semiannually on January 1 and July 1 of each year (herein an “Interest Payment Date”), commencing July 1, 2026\*.

The Notes will mature on the dates and in the amounts set forth on the cover page.

### **Registration and Payment**

The Notes will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Notes.

U.S. Bank Trust Company, National Association (the “Registration Agent”) will make all interest payments with respect to the Notes on each Interest Payment Date directly to the registered owners as shown on the Note registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the Interest Payment Date (the “Regular Record Date”) by check or draft mailed to such owners at their addresses shown on said registration records, without, except for final payment, the presentation or surrender of such registered Notes, and all such payments shall discharge the obligations of the County in respect of such Notes to the extent of the payments so made. Payment of principal of the Notes shall be made upon presentation and surrender of such Notes to the Registration Agent as the same shall become due and payable. In the event the Notes are no longer registered in the name of DTC or its successor or assigns, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Notes, payment of interest on such Notes shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

Any interest on any Note which is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter “Defaulted Interest”) shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Notes are registered at the close of business on a date (the “Special Record Date”) for the payment of such Defaulted Interest, which shall be fixed in the following manner: The County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall not be more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Note registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in the Resolution or in the Notes shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of and interest on the Notes when due.

## Redemption

### *Optional Redemption*

Notes maturing on or before July 1, 2030 shall mature without option of prior redemption, and Notes maturing July 1, 2031 and thereafter, shall be subject to redemption prior to maturity at the option of the County on July 1, 2030 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Notes shall be called for redemption, the maturities to be redeemed shall be designated by the Board of County Commissioners of the County, in its discretion. If less than all the principal amount of the Notes of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Notes are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Notes to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Notes are not being held under a Book-Entry System by DTC, or a successor Depository, the Notes within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

As described above, the County anticipates that it will be reimbursed for the costs of all or a portion of the projects being financed by the Notes from FEMA funds, but the timing of that reimbursement is uncertain. The County expects that it will apply the proceeds of any reimbursement to the redemption of the Notes in accordance with the terms set forth above.

### *Mandatory Sinking Fund Redemption*

The Notes maturing on July 1, \_\_\_\_ are subject to scheduled mandatory redemption prior to maturity in part (as selected by DTC or a successor depository using its general procedures or, if DTC or a successor depository is no longer serving as securities depository, by lot or in such other manner as may be designated by the Registration Agent) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, in the following principal amounts and on the dates set forth below (the July 1, \_\_\_\_ amounts to be paid rather than redeemed):

| Date<br>(July 1) | Principal<br>Amount |
|------------------|---------------------|
|------------------|---------------------|

If less than all of the Notes within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Notes are being held under a Book-Entry System by DTC, or a successor Depository, the Notes to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Notes are not being held under a Book-Entry System by DTC, or a successor Depository, the Notes within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding such scheduled mandatory redemption date, the County may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Note of the same maturity subject to scheduled mandatory redemption which are delivered to the Registration Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Note of the same maturity which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Registration Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Note so delivered or previously redeemed shall be credited by the Registration Agent, at the principal amount thereof to the obligation of the County on such scheduled mandatory redemption date and the principal amount of the Notes to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

#### *Notice of Redemption*

Notice of call for redemption shall be given by the Registration Agent not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Notes to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Note registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Notes for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Notes, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Notes, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Notes called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Resolution. In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Noteholders that the redemption did not occur and that the Notes called for redemption and not so paid remain Outstanding.

#### **Security – Source of Payment**

The Notes shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Notes, the full faith and credit of the County are irrevocably pledged.

The County has not pledged the proceeds of any FEMA or State reimbursements to secure payment of the Notes and, without limiting the provisions of the preceding paragraph, Noteholders will have no right to require that the proceeds of any reimbursements be applied to the payment of the Notes.

## **Levy of Tax**

Pursuant to the Resolution, the County has covenanted to annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay principal of and interest on the Notes when due, and levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Notes in said year. Principal and interest falling due at any time when there are insufficient funds on hand from this tax levy will be paid from the current funds of the County and reimbursement therefor will be made out of the taxes provided for under the Resolution to be levied when the collected. Such tax may be reduced to the extent of any appropriations from other legally available funds, taxes and revenues of the County, to the payment of debt service on the Notes.

Under Tennessee law, the County's legislative body is authorized to levy a tax on all taxable property within the County, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more complete statement of the general covenants and provisions pursuant to which the Notes are issued, reference is made to the Resolution.

## **Remedies of Noteholders**

Under Tennessee law, any Noteholder has the right, in addition to all other rights:

(1) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce its rights against the County, including, but not limited to, the right to require the County to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the County to carry out any other covenants and agreements, or

(2) By action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Noteholder.

## **Discharge and Satisfaction of Notes**

The Notes may be discharged and defeased in any one or more of the following ways:

(a) By depositing sufficient funds as and when required with the Registration Agent, to pay the principal of and interest on such Notes as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Notes and to pay interest thereon when due until the maturity date;

(c) By delivering such Notes to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable under the Resolution, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Notes when due, then such Notes shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Notes shall be fully discharged and satisfied.

If the County pays and discharges the indebtedness evidenced by any of the Notes in the manner provided in either clause (a) or clause (b) above, then the registered owners of such Notes shall thereafter be entitled only to payment out of the money or Defeasance Obligations.

Defeasance Obligations are direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which Notes or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

### **Book-Entry-Only System**

Except as otherwise provided in the Detailed Notice of Sale, the Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of County or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the County or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that County believes to be reliable, but County takes no responsibility for the accuracy thereof.

**THE COUNTY AND THE REGISTRATION AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE NOTES; (III) THE DELIVERY OR TIMELINESS**

**OF DELIVERY BY ANY PARTICIPANT OR ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO NOTEHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS NOTEHOLDER.**

### **Sources and Uses of Funds**

The following table sets forth the sources and uses of funds in connection with the issuance of the Notes.

#### **Sources of Funds**

|                               |          |
|-------------------------------|----------|
| Par Amount                    | \$ _____ |
| Reoffering Premium (Discount) | _____    |
| Total Sources                 | \$ _____ |

#### **Uses of Funds**

|                                                                  |          |
|------------------------------------------------------------------|----------|
| Deposit to Project Fund                                          | _____    |
| Costs of Issuance (includes Underwriter's Discount and Expenses) | _____    |
| Total Uses                                                       | \$ _____ |

### **Rating**

The Notes have been assigned a rating of " \_\_\_\_ " by S&P Global Ratings ("S&P") based on documents and other information provided by the County. The rating reflects only the view of S&P, and neither the County, the Municipal Advisor nor the Underwriter makes any representation as to the appropriateness of such rating.

There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by S&P if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Notes. Any explanation of the significance of the rating may be obtained from S&P.

### **Continuing Disclosure**

#### **General**

The County will at the time the Notes are delivered execute a Continuing Disclosure Certificate under which it will covenant for the benefit of holders and beneficial owners of the Notes to provide certain financial information and operating data relating to the County by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2025 (the "Annual Report"), and to provide timely notice of the occurrence of certain enumerated events and provide timely notice of failure to provide any required financial information of the County. The Annual Report (and audited financial statements if filed separately) and notices described above will be filed by the County with the Municipal Securities Rulemaking Board ("MSRB") at [www.emma.msrb.org](http://www.emma.msrb.org) and with any State Information Depository which may be established in Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events is summarized below. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b), as it may be amended from time to time (the "Rule").

In the past five years, the County has not failed to comply in any material respect with any previous undertakings with regard to the Rule.

## **Investment Considerations**

### **General**

The purchase of the Notes is subject to a number of investment considerations. The following is a discussion of certain investment considerations, which, among others, could affect the ability of the County to pay the principal of and interest and premium, if any, on the Notes and which could also affect the marketability of, or the market price for, the Notes. Such discussion is not, and is not intended to be, a comprehensive compilation of all possible investment considerations nor a substitute for an independent evaluation of the information presented in this Official Statement, including the Appendices attached hereto. Each prospective purchaser of any Note should read this Official Statement, including the Appendices attached hereto, in its entirety and consult such prospective purchaser's own investment or legal advisor for a more complete explanation of the matters that should be considered when purchasing an investment such as the Notes.

### **Enforceability of Remedies**

The remedies available to the holders or beneficial owners of the Notes upon any event of default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay.

The enforceability of remedies or rights with respect to the Notes may be limited by state and federal laws, rulings and decisions affecting remedies and by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

Under existing law, municipalities must obtain the consent of state governments in order to avail themselves of federal bankruptcy protection under Title 11 of the United States Code. There is currently no law in the State granting such consent. The various legal opinions to be delivered concurrently with the delivery of the Notes will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency, moratorium, or other similar laws affecting the rights of creditors generally or as to the availability of any particular remedy.

### **Secondary Market Prices**

No assurance can be given that a secondary market for any of the Notes will be available and no assurance can be given that the initial offering prices for the Notes will continue for any period of time.

The Notes may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Notes in the event a holder or beneficial owner thereof determines to solicit purchasers of the Notes. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Notes may be sold. Such price may be lower than that paid by the current holder or beneficial owner of the Notes, depending on existing market conditions and other factors.

### **Adverse Weather Events**

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The County's location in the southern United States near various

waterways increases its vulnerability to flooding and extreme heat. In addition to flooding and extreme heat, the County faces other threats due to changing weather patterns, including possible drought conditions that could become more severe and frequent. The County cannot predict the timing, extent or severity of any adverse weather events and their impact on the County's operations and finances.

### **Cyber Security**

The County utilizes various computer systems and network technology to perform many of its vital operations. Such operations often include the storage and transmission of sensitive information. As a result, the County may be the target of cyberattacks attempting to gain access to such information. In addition to intentional attacks, information breaches may occur due to unintentional employee error. A successful cyberattack or unintentional breach may require the expenditure of an unknown amount of money or time to resolve, substantially interrupt County services and operations and subject the County to legal action. Attempted cyber security attacks against organizations or entities similar to the County are increasingly common. In January 2024, the Federal Bureau of Investigation issued a specific warning that international hackers are working to attack governmental infrastructure in the United States. To mitigate against such risks, the County has instituted various policies and procedures to protect its network infrastructure, including a cyber-security training requirement for certain departments, as well as general cyber security training and awareness for all employees. The County also maintains insurance against cyber security incidents, though such insurance may not be sufficient to cover all losses incurred by the County as a result of any cyberattack. Despite the County's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

### **Future Issues**

Except for general obligation refunding bonds issued for the purpose of debt service restructuring, the County does not expect to issue any other general obligation debt in calendar year 2025.

### **Litigation**

The County, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. After reviewing the current status of all pending and threatened litigation with its counsel, the County believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the County or its officials in such capacity are adequately covered by insurance or by sovereign immunity or will not have a material adverse effect upon the County's financial condition.

As of the date of this Official Statement, the County has no knowledge or information concerning any pending or threatened litigation contesting the authority of the County to issue, sell or deliver the Notes. The County has no knowledge or information of any actions pending or expected that would materially affect the County's ability to pay the debt service requirements of the Notes.

### **Approval of Legal Proceedings**

Legal matters incident to the authorization and issuance of the Notes are subject to the unqualified approving opinion of Bass, Berry & Sims PLC, Bond Counsel. A copy of the opinion will be available upon delivery of the Notes. (See Appendix A). Certain legal matters will be passed upon for the County by Doug Schults, Esq., Counsel to the County.

## Tax Matters

### Federal

**General.** Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Notes. Their opinion under existing law, relying on certain statements by the County and assuming compliance by the County with certain covenants, is that interest on the Notes:

- is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and
- is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

The Code imposes requirements on the Notes that the County must continue to meet after the Notes are issued. These requirements generally involve the way that the Note proceeds must be invested and ultimately used. If the County does not meet these requirements, it is possible that a Noteholder may have to include interest on the Notes in its federal gross income on a retroactive basis to the date of issue. The County has covenanted to do everything necessary to meet these requirements of the Code.

A Noteholder or who is a particular kind of taxpayer may also have additional tax consequences from owning the Notes. This is possible if a Noteholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Notes.

If a Noteholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Notes or affect the market price of the Notes. See also "Changes in Federal and State Tax Law" below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Notes, or under State, local or foreign tax law.

**Premium.** If a Noteholder purchases a Note for a price that is more than the principal amount, generally the excess is "premium" on that Note. The tax accounting treatment of premium is complex. It is amortized over time and as it is amortized a Noteholder's tax basis in that Note will be reduced. The holder of a Note that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Notes. A Noteholder in certain circumstances may realize a taxable gain upon the sale of a Note with premium, even though the Note is sold for an amount less than or equal to the owner's original cost. If a Noteholder owns any Notes with premium, it should consult its tax advisor regarding the tax accounting treatment of premium.

**Original Issue Discount.** A Note will have “original issue discount” if the price paid by the original purchaser of such Note is less than the principal amount of such Note. Bond Counsel’s opinion is that any original issue discount on these Notes as it accrues is excluded from a Noteholder’s federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a Noteholder’s tax basis in these Notes will be increased. If a Noteholder owns one of these Notes, it should consult its tax advisor regarding the tax treatment of original issue discount.

**Information Reporting and Backup Withholding.** Information reporting requirements apply to interest on tax-exempt obligations, including the Notes. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Note through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Notes from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s Federal income tax once the required information is furnished to the Internal Revenue Service.

## **State Taxes**

Under existing law, the Notes and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Notes during the period the Notes are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Notes in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

## **Changes in Federal and State Tax Law**

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Notes or otherwise prevent holders of the Notes from realizing the full benefit of the tax exemption of interest on the Notes. Further, such proposals may impact the marketability or market value of the Notes simply by being proposed. It cannot be predicted whether, or in what form, any such proposal might be enacted or if enacted, whether they would apply to Notes issues prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes would be impacted, thereby. Purchasers of the Notes should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Notes, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

### **Municipal Advisor**

Stephens Inc. is serving as Municipal Advisor to the County in connection with the issuance of the Notes. Stephens Inc., in its capacity as Municipal Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal or state income tax status of the Notes. The information set forth herein has been obtained by the County and other sources believed to be reliable. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

### **Underwriting**

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the Notes for an aggregate purchase price of \$\_\_\_\_\_, which is par, plus net original issue premium of \$\_\_\_\_\_, less \$\_\_\_\_\_ underwriter's discount.

The Underwriter may offer and sell the Notes to certain dealers (including dealer banks and dealers depositing the Notes into investment trusts) and others at prices different from the public offering prices stated on the cover page of this Official Statement. Such initial public offering prices may be changed from time to time by the Underwriter.

### **Forward-Looking Statements**

The statements contained in this Official Statement, and in any other information provided that are not purely historic, are forward-looking statements, including statements regarding the expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available on the date hereof, and assumes no obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business and policy decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

### **Miscellaneous**

Any statement made in this Official Statement involving matters of opinion and estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement was duly authorized by the County.

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### **Certificate of County Mayor**

I, Garland Eveley, do hereby certify that I am the duly qualified and acting County Mayor of Unicoi County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated \_\_\_\_\_, 2025 issued in connection with the sale of the County's \$15,000,000\* General Obligation Capital Outlay Notes, Series 2025 and to the best of my knowledge, information, and belief (a) the descriptions and statements contained in said Official Statement were at the time of acceptance of the winning bids and are on the date hereof true and correct in all material respects; and (b) that said Official Statement did not at the time of the acceptance of the winning bids and does not on the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements made, in light of the circumstances under which they are made, not misleading.

WITNESS my official signature this \_\_\_\_ day of \_\_\_\_\_, 2025.

/s/ \_\_\_\_\_  
County Mayor

I, Patty Treadway, do hereby certify that I am the duly qualified and acting County Clerk of Unicoi County, Tennessee, and as such official, I do hereby certify that Garland Eveley is the duly qualified and acting County Mayor of said County and that the signature appended to the foregoing certificate is the true and genuine signature of such official.

WITNESS my official signature and the seal of said Unicoi County, Tennessee as of the date subscribed to the foregoing certificate.

/s/ \_\_\_\_\_  
County Clerk

(SEAL)

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## **APPENDIX A**

Proposed Form of Legal Opinion of Bass, Berry & Sims PLC, Attorneys,  
Nashville, Tennessee relating to the Notes.

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(Proposed Form of Opinion of Bond Counsel)

Bass, Berry & Sims PLC  
21 Platform Way South, Suite 3500  
Nashville, Tennessee 37203

(Dated Closing Date)

We have acted as bond counsel to Unicoi County, Tennessee (the "Issuer") in connection with the issuance of \$\_\_\_\_\_ General Obligation Capital Outlay Notes, Series 2025 (the "Notes"), dated the date hereof. We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Notes have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.

2. The resolution of the Board of County Commissioners of the Issuer authorizing the Notes has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer.

3. The Notes are payable from unlimited ad valorem taxes to be levied on all taxable property within the Issuer. For the prompt payment of the principal of, premium, if any, and interest on the Notes, the full faith and credit of the Issuer have been irrevocably pledged.

4. Interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. Failure to comply with certain of such requirements could cause interest on the Notes to be so includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes. The Issuer has covenanted to comply with all such requirements.

5. Under existing law, the Notes and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on all or a portion of the interest on any of the Notes during the period such Notes are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Notes in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

The rights of the owners of the Notes and the enforceability of the Notes and the resolutions authorizing the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors, and by equity principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Notes. Further, we express no opinion herein regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

**APPENDIX B**

Demographic and General Financial Information  
Related to the County

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## GENERAL INFORMATION

Located in the mountainous section of upper East Tennessee, Unicoi County contains approximately 186 square miles. A large portion of the area of Unicoi County is US Government land, comprised of the Cherokee National Forest and the Appalachian Trail. The county is bordered by the Tennessee counties of Washington, Carter and Greene and by the North Carolina counties of Madison, Yancey and Mitchell. The Nolichucky River is the main waterway in the county. The Nolichucky name originates where the North Toe River joins the Cane River below Hunt Dale, North Carolina. The Nolichucky Gorge is a popular center for whitewater rafting.

The County is within the Johnson City, Tennessee Metropolitan Statistical Area. Interstate 26 that goes from Johnson City to Asheville, North Carolina is within the County. Erwin, the county seat, is approximately fifteen miles from Johnson City and approximately five miles from the North Carolina border. Principal crops are corn, hay, wheat, vegetables, tobacco, fruits and poultry.

### POPULATION

|                            | <u>County</u> | <u>Tennessee</u> |
|----------------------------|---------------|------------------|
| 1980 U.S. Census           | 16,362        | 4,600,252        |
| 1990 U.S. Census           | 16,542        | 4,890,626        |
| 2000 U.S. Census           | 17,656        | 5,703,719        |
| 2010 U.S. Census           | 18,283        | 6,355,518        |
| 2020 U.S. Census           | 17,873        | 6,927,904        |
| 2021 U.S. Census Estimate  | 17,617        | 6,965,740        |
| 2022 U.S. Census Estimate  | 17,606        | 7,062,217        |
| 2023 U.S. Census Estimate  | 17,812        | 7,148,304        |
| 2024 U.S. Census Estimate  | 17,872        | 7,227,750        |
| Source: U.S. Census Bureau |               |                  |

### PER CAPITA PERSONAL INCOME

|                                 | <u>Unicoi County</u> | <u>Tennessee</u> | <u>% of State</u> |
|---------------------------------|----------------------|------------------|-------------------|
| 2014 Per Capita Personal Income | 33,171               | 40,225           | 82.5%             |
| 2015 Per Capita Personal Income | 33,578               | 41,937           | 80.1%             |
| 2016 Per Capita Personal Income | 33,161               | 42,938           | 77.2%             |
| 2017 Per Capita Personal Income | 34,002               | 44,407           | 76.6%             |
| 2018 Per Capita Personal Income | 35,475               | 46,449           | 76.4%             |
| 2019 Per Capita Personal Income | 36,808               | 48,903           | 75.3%             |
| 2020 Per Capita Personal Income | 39,262               | 51,945           | 75.6%             |
| 2021 Per Capita Personal Income | 42,822               | 57,491           | 74.5%             |
| 2022 Per Capita Personal Income | 43,539               | 59,099           | 73.7%             |
| 2023 Per Capita Personal Income | 45,593               | 62,039           | 73.5%             |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, CA1-3 Personal Income Summary

## MEDIAN HOUSING VALUES

|                           | <b>Unicoi<br/>County</b> | <b>Tennessee</b> | <b>% of State</b> |
|---------------------------|--------------------------|------------------|-------------------|
| 2015 Median Housing Value | 119,250                  | 175,000          | 68.1%             |
| 2016 Median Housing Value | 125,000                  | 185,000          | 67.6%             |
| 2017 Median Housing Value | 116,500                  | 196,800          | 59.2%             |
| 2018 Median Housing Value | 125,000                  | 210,000          | 59.5%             |
| 2019 Median Housing Value | 141,000                  | 226,000          | 62.4%             |
| 2020 Median Housing Value | 149,000                  | 244,900          | 60.8%             |
| 2021 Median Housing Value | 165,000                  | 283,410          | 58.2%             |
| 2022 Median Housing Value | 188,000                  | 325,000          | 57.8%             |
| 2023 Median Housing Value | 215,000                  | 339,900          | 63.3%             |
| 2024 Median Housing Value | 220,000                  | 353,000          | 62.3%             |

Source: Tennessee Housing Development Agency – This data reflects only the sales prices of new and existing homes that were sold in the respective years. This data may not be representative of the median value of all homes in the County or State.

## EMPLOYMENT DATA

| <b>Year</b> | <b>Employment</b> | <b>Unemployment</b> | <b>Total Labor<br/>Force</b> | <b>Unemployment Percent</b> |              |             |
|-------------|-------------------|---------------------|------------------------------|-----------------------------|--------------|-------------|
|             |                   |                     |                              | <b>Unicoi<br/>County</b>    | <b>State</b> | <b>U.S.</b> |
| 2015        | 6,551             | 562                 | 7,113                        | 7.9%                        | 5.5%         | 5.3%        |
| 2016        | 7,378             | 496                 | 7,874                        | 6.3%                        | 4.7%         | 4.9%        |
| 2017        | 7,447             | 384                 | 7,831                        | 4.9%                        | 3.7%         | 4.4%        |
| 2018        | 7,526             | 346                 | 7,872                        | 4.4%                        | 3.5%         | 3.9%        |
| 2019        | 7,599             | 350                 | 7,949                        | 4.4%                        | 3.3%         | 3.7%        |
| 2020        | 7,379             | 573                 | 7,952                        | 7.2%                        | 7.5%         | 8.1%        |
| 2021        | 7,395             | 357                 | 7,752                        | 4.6%                        | 4.5%         | 5.4%        |
| 2022        | 7,369             | 299                 | 7,668                        | 3.9%                        | 3.4%         | 3.6%        |
| 2023        | 7,222             | 277                 | 7,499                        | 3.7%                        | 3.2%         | 3.6%        |
| 2024        | 7,227             | 317                 | 7,544                        | 4.2%                        | 3.4%         | 4.0%        |
| Aug-25      | 7,419             | 325                 | 7,744                        | 4.2%                        | 3.6%         | 4.3%        |

Source: Bureau of Labor Statistics

### TOP EMPLOYERS IN UNICOI COUNTY

| <b>Employer</b>                  | <b>Number of Employees</b> | <b>Products/Services</b> |
|----------------------------------|----------------------------|--------------------------|
| Nuclear Fuel Services, Inc.      | 735                        | Nuclear Fuel             |
| Unicoi County Board of Education | 400                        | Education                |
| Specialty Tires of America       | 231                        | Tires                    |
| Tsubaki Nakashima Co., Ltd       | 220                        | Manufacturing            |
| Wal-Mart                         | 200                        | Retail                   |
| Unicoi County Memorial Hospital  | 135                        | Healthcare               |
| Unicoi County Government         | 125                        | County Government        |
| Erwin Health Care Center         | 114                        | Healthcare               |
| Center on Aging & Health         | 110                        | Healthcare               |
| Food City                        | 99                         | Retail                   |

Source: TN Department of Economic & Community Development.

### Location and Transportation

The County has direct access to Interstate 26 that connects Johnson City, Tennessee to Asheville, North Carolina. Unicoi County's federal highways system includes Highways 23 and 19W. State routes include Highways 36, 107, 173, 352, and 395.

#### *Air Transport*

The Tri-Cities Regional Airport, within approximately 25 miles of the County, serves travelers from Northeast Tennessee, Southwest Virginia, Northwest North Carolina and Southeast Kentucky. The Airport offers three scheduled airlines serving passengers through four connecting hubs and leisure destinations. Delta provides service to Atlanta, GA; US Airways Express serves Charlotte, NC; and Allegiant offers service to Orlando, FL and St. Petersburg/Clearwater, FL.

#### *Water Transport*

The nearest port facility is the Port of Knoxville on the Cumberland River, with a ten-foot channel depth. The river links the region to intermediate points on the Ohio and Mississippi Rivers, the Tennessee-Tombigbee Waterway, and the Gulf of Mexico.

## **Public Education**

The County currently has six public schools: four elementary schools, one middle school, and one high school. Average daily membership data is shown below.

| <b><u>School Year</u></b> | <b><u>Unicoi County Schools</u></b> |
|---------------------------|-------------------------------------|
| 2014-2015                 | 2,412                               |
| 2015-2016                 | 2,319                               |
| 2016-2017                 | 2,287                               |
| 2017-2018                 | 2,293                               |
| 2018-2019                 | 2,251                               |
| 2019-2020                 | 2,168                               |
| 2020-2021                 | 2,090                               |
| 2021-2022                 | 2,065                               |
| 2022-2023                 | 2,068                               |
| 2023-2024                 | 1,979                               |

Source: State of Tennessee Annual Statistical  
Report of the Department of Education.

## **Accounting and Financial Reporting for Retirement Commitments**

See page 67, Note F of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2024.

## **Accounting and Financial Reporting for Other Postemployment Benefits**

See page 83, Note G of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2024.

## **SELECTED FINANCIAL INFORMATION REGARDING THE COUNTY**

### **General**

The County accounts for its financial resources on the basis of funds and account groups, each of which is considered a separate accounting entity. The General Fund is the general operating fund of the County. Other funds include Special Revenue Funds, the General Service Fund, Capital Projects Funds, Internal Service Funds and Trust and Agency Funds. For additional information regarding the component units, see Notes to the General Purpose Financial Statements contained in APPENDIX C hereto.

Revenues applicable to the payment of the principal of and interest on the Obligations are accounted for in the Debt Service Fund. Revenues securing the payment of principal of and interest on the Obligations are derived from the collection of ad valorem taxes levied on all taxable property within the boundaries of the County. Such tax collections for the Obligations will be used exclusively to pay the principal of and interest on the Obligations. Included as APPENDIX C to this Official Statement are the General Purpose Financial Statements and notes thereto for the fiscal year ended June 30, 2024. Potential purchasers should read APPENDIX C in its entirety for more complete information concerning the County's financial position.

The County uses the modified accrual basis of accounting for all Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Funds where expenditures determine the eligibility for grants recognize revenue at the time of the expenditures. Grant proceeds received prior to meeting the aforementioned revenue recognition policy are recorded as deferred revenues. Principal and interest on general long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

The primary revenue susceptible to accrual are revenues received from the State of Tennessee. Sales tax collected and held by the State at year end on behalf of the County and its component units are also recognized as revenue.

All Proprietary Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when incurred.

For additional information regarding these funds, see Notes to the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2024, in APPENDIX C hereto.

**UNICOI COUNTY  
GENERAL FINANCIAL INFORMATION  
SUMMARY OF OUTSTANDING DEBT**

| <b>Amount<br/>Issued</b>       | <b>Issue</b>                                    | <b>Date<br/>Issued</b> | <b>Maturity<br/>Date</b> | <b>Interest<br/>Rate</b> | <b>Principal<br/>Outstanding<br/>6/30/2025<sup>(1)</sup></b> |
|--------------------------------|-------------------------------------------------|------------------------|--------------------------|--------------------------|--------------------------------------------------------------|
| <b><u>Bonds</u></b>            |                                                 |                        |                          |                          |                                                              |
| 14,500,000                     | General Obligation Refunding Bonds, Series 2015 | 04/15/15               | 05/01/35                 | 2% - 5%                  | 190,000                                                      |
| 4,960,000                      | General Obligation School Bonds, Series 2019    | 10/17/19               | 05/01/39                 | 1.40% - 5.00%            | 3,790,000                                                    |
| 2,965,000                      | General Obligation Bonds, Series 2024           | 04/04/24               | 05/01/44                 | 4.00% - 5.00%            | 2,885,000                                                    |
| 8,250,000                      | Proposed GO Refunding & PI Bonds, Series 2025   | TBD                    | 05/01/30                 | TBD                      | 8,250,000                                                    |
| Total Bonds                    |                                                 |                        |                          |                          | \$15,115,000                                                 |
| <b><u>Notes</u></b>            |                                                 |                        |                          |                          |                                                              |
| 715,000                        | E911 Office / Jail Roofing                      | 10/02/13               | 04/01/26                 | 2.94%                    | 65,000                                                       |
| 15,000,000                     | Proposed GO Capital Outlay Notes, Series 2025   | TBD                    | 05/01/37                 | TBD                      | 15,000,000                                                   |
| Total Notes                    |                                                 |                        |                          |                          | \$15,065,000                                                 |
| <b><u>Other Loans</u></b>      |                                                 |                        |                          |                          |                                                              |
| \$391,501                      | Helene Emergency Assistance Loan Program        | 12/04/24               | 12/04/34                 | 0.00%                    | \$19,558,000                                                 |
| 140,420                        | Helene Emergency Assistance Loan Program        | 03/28/35               | 03/28/35                 | 0.00%                    | 12,000,000                                                   |
| Total Capitalized Leases       |                                                 |                        |                          |                          | \$31,558,000                                                 |
| Total Current Outstanding Debt |                                                 |                        |                          |                          | \$61,738,000                                                 |

**DEBT STATEMENT  
(as of June 30, 2025)**

|                                                       |              |
|-------------------------------------------------------|--------------|
| <b>Total Current Outstanding Debt</b>                 | \$61,738,000 |
| <b>Gross Direct Debt</b>                              | \$61,738,000 |
| Less: Debt Service Fund Balance (as of June 30, 2025) | (2,909,248)  |
| <b>Net Direct Debt</b>                                | \$58,828,752 |
| <b>Net Overlapping Debt (as of June 30, 2024)</b>     |              |
| Town of Erwin                                         | \$4,312,000  |
| Town of Unicoi                                        | 1,160,915    |
| <b>Total Net Overlapping Debt</b>                     | \$5,472,915  |
| <b>Overall Net Debt</b>                               | \$64,301,667 |

**DEBT RECORD**

**There is no record of a default on bond principal and interest from information available.**

(1) As of June 30, 2025 and adjusted for Proposed Bonds and Proposed Notes.

(2) Excludes Bonds being refunded.

(3) Preliminary, subject to change.

Source: Draft Comprehensive Annual Financial Report for the fiscal years ending June 30, 2025 as prepared by State Comptroller of the Treasury.

### POPULATION

|                            | <u>County</u> | <u>Tennessee</u> |
|----------------------------|---------------|------------------|
| 1980 U.S. Census           | 16,362        | 4,600,252        |
| 1990 U.S. Census           | 16,542        | 4,890,626        |
| 2000 U.S. Census           | 17,656        | 5,703,719        |
| 2010 U.S. Census           | 18,283        | 6,355,518        |
| 2020 U.S. Census           | 17,873        | 6,927,904        |
| 2021 U.S. Census Estimate  | 17,617        | 6,965,740        |
| 2022 U.S. Census Estimate  | 17,606        | 7,062,217        |
| 2023 U.S. Census Estimate  | 17,812        | 7,148,304        |
| 2024 U.S. Census Estimate  | 17,872        | 7,227,750        |
| Source: U.S. Census Bureau |               |                  |

### PER CAPITA DEBT RATIOS

|                            |            |
|----------------------------|------------|
| Outstanding Debt           | \$3,454.45 |
| Gross Direct Debt          | 3,454.45   |
| Net Direct Debt            | 3,291.67   |
| Total Net Overlapping Debt | 306.23     |
| Overall Net Debt           | 3,597.90   |

### DEBT RATIOS

|                               | <u>Assessed<br/>Value</u> | <u>Estimated<br/>Actual Value</u> |
|-------------------------------|---------------------------|-----------------------------------|
| Property Values               | \$ 401,528,207            | \$ 1,978,375,194                  |
| Outstanding Debt to           | 15.38%                    | 3.12%                             |
| Gross Direct Debt to          | 15.38%                    | 3.12%                             |
| Net Direct Debt to            | 14.65%                    | 2.97%                             |
| Total Net Overlapping Debt to | 1.36%                     | 0.28%                             |
| Overall Net Debt to           | 16.01%                    | 3.25%                             |

### DEBT TREND

|                              | <u>(Unaudited)</u>  |                     |                     |                     |                     |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                              | <u>06/30/25</u>     | <u>06/30/24</u>     | <u>06/30/23</u>     | <u>06/30/22</u>     | <u>06/30/21</u>     |
| Bonded Debt                  | \$14,940,000        | \$16,680,000        | \$15,060,000        | \$16,505,000        | \$17,930,000        |
| Notes Debt                   | 65,000              | 162,950             | 260,050             | 401,400             | 550,950             |
| Other Loans                  | 31,559,000          | -                   | -                   | -                   | -                   |
| <b>Total Debt</b>            | <u>\$46,564,000</u> | <u>\$16,842,950</u> | <u>\$15,320,050</u> | <u>\$16,906,400</u> | <u>\$18,480,950</u> |
| Less: Debt Service Fund Bal. | <u>(2,909,248)</u>  | <u>(2,959,599)</u>  | <u>(2,861,455)</u>  | <u>(2,627,495)</u>  | <u>(2,423,549)</u>  |
| <b>Total Net Debt</b>        | <u>\$43,654,752</u> | <u>\$13,883,351</u> | <u>\$12,458,595</u> | <u>\$14,278,905</u> | <u>\$16,057,401</u> |

Sources: Comprehensive Annual Financial Reports for the fiscal years ending June 30, 2021 - 2024 as prepared by Comptroller of the State and Draft Comprehensive Annual Financial Reports for the fiscal year ending June 30, 2025 as prepared by Comptroller of the State.

# DEBT SERVICE REQUIREMENTS

(as of June 30, 2025)<sup>(1)</sup>

| Principal Requirements   |                                                      |                                                                             |                                                                             |                                 |                                 | Interest Requirements                               |                                                                             |                                                                             |                                |                                       |
|--------------------------|------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------|---------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------|---------------------------------------|
| Year<br>Ended<br>June 30 | Outstanding<br>Principal<br>(6/30/24) <sup>(2)</sup> | Plus: Proposed<br>GO Refunding &<br>PI Bonds, Series<br>2025 <sup>(3)</sup> | Plus: Proposed<br>GO Capital<br>Outlay Notes,<br>Series 2025 <sup>(3)</sup> | Total Principal<br>Requirements | Percent<br>Principal<br>Retired | Outstanding<br>Interest<br>(6/30/24) <sup>(2)</sup> | Plus: Proposed<br>GO Refunding &<br>PI Bonds, Series<br>2025 <sup>(3)</sup> | Plus: Proposed<br>GO Capital<br>Outlay Notes,<br>Series 2025 <sup>(3)</sup> | Total Interest<br>Requirements | Total Debt<br>Service<br>Requirements |
| 1 2026                   | 385,000                                              |                                                                             |                                                                             | 385,000                         |                                 | 534,602                                             | 79,766                                                                      | 172,810                                                                     | 787,178                        | 1,172,178                             |
| 2 2027                   | 335,000                                              | 1,985,000                                                                   |                                                                             | 2,320,000                       |                                 | 213,491                                             | 214,297                                                                     | 464,267                                                                     | 892,055                        | 3,212,055                             |
| 3 2028                   | 350,000                                              | 2,035,000                                                                   |                                                                             | 2,385,000                       |                                 | 196,741                                             | 162,290                                                                     | 464,267                                                                     | 823,298                        | 3,208,298                             |
| 4 2029                   | 360,000                                              | 2,090,000                                                                   |                                                                             | 2,450,000                       |                                 | 186,591                                             | 109,990                                                                     | 464,267                                                                     | 760,848                        | 3,210,848                             |
| 5 2030                   | 400,000                                              | 2,140,000                                                                   |                                                                             | 2,540,000                       | 33.40%                          | 176,091                                             | 56,068                                                                      | 464,267                                                                     | 696,426                        | 3,236,426                             |
| 6 2031                   | 420,000                                              |                                                                             | 1,950,000                                                                   | 2,370,000                       |                                 | 164,341                                             |                                                                             | 464,267                                                                     | 628,608                        | 2,998,608                             |
| 7 2032                   | 430,000                                              |                                                                             | 2,025,000                                                                   | 2,455,000                       |                                 | 151,854                                             |                                                                             | 411,422                                                                     | 563,276                        | 3,018,276                             |
| 8 2033                   | 440,000                                              |                                                                             | 2,075,000                                                                   | 2,515,000                       |                                 | 139,016                                             |                                                                             | 353,710                                                                     | 492,726                        | 3,007,726                             |
| 9 2034                   | 460,000                                              |                                                                             | 2,135,000                                                                   | 2,595,000                       |                                 | 125,463                                             |                                                                             | 293,120                                                                     | 418,583                        | 3,013,583                             |
| 10 2035                  | 470,000                                              |                                                                             | 2,200,000                                                                   | 2,670,000                       | 75.17%                          | 111,125                                             |                                                                             | 227,575                                                                     | 338,700                        | 3,008,700                             |
| 11 2036                  | 445,000                                              |                                                                             | 2,270,000                                                                   | 2,715,000                       |                                 | 96,431                                              |                                                                             | 156,955                                                                     | 253,386                        | 2,968,386                             |
| 12 2037                  | 465,000                                              |                                                                             | 2,345,000                                                                   | 2,810,000                       |                                 | 82,156                                              |                                                                             | 81,137                                                                      | 163,293                        | 2,973,293                             |
| 13 2038                  | 475,000                                              |                                                                             |                                                                             | 475,000                         |                                 | 68,806                                              |                                                                             |                                                                             | 68,806                         | 543,806                               |
| 14 2039                  | 490,000                                              |                                                                             |                                                                             | 490,000                         |                                 | 54,763                                              |                                                                             |                                                                             | 54,763                         | 544,763                               |
| 15 2040                  | 185,000                                              |                                                                             |                                                                             | 185,000                         | 97.28%                          | 40,200                                              |                                                                             |                                                                             | 40,200                         | 225,200                               |
| 16 2041                  | 195,000                                              |                                                                             |                                                                             | 195,000                         |                                 | 32,800                                              |                                                                             |                                                                             | 32,800                         | 227,800                               |
| 17 2042                  | 200,000                                              |                                                                             |                                                                             | 200,000                         |                                 | 25,000                                              |                                                                             |                                                                             | 25,000                         | 225,000                               |
| 18 2043                  | 210,000                                              |                                                                             |                                                                             | 210,000                         |                                 | 17,000                                              |                                                                             |                                                                             | 17,000                         | 227,000                               |
| 19 2044                  | 215,000                                              |                                                                             |                                                                             | 215,000                         |                                 | 86,000                                              |                                                                             |                                                                             | 86,000                         | 301,000                               |
| 20 2045                  |                                                      |                                                                             |                                                                             |                                 | 100.00%                         |                                                     |                                                                             |                                                                             |                                |                                       |
|                          | <b>\$6,930,000</b>                                   | <b>\$8,250,000</b>                                                          | <b>\$15,000,000</b>                                                         | <b>\$30,180,000</b>             |                                 | <b>\$2,502,471</b>                                  | <b>\$622,410</b>                                                            | <b>\$4,018,063</b>                                                          | <b>\$7,142,944</b>             | <b>\$37,322,944</b>                   |

(1) As of June 30, 2025 and adjusted for Proposed Bonds and Proposed Notes. Excludes \$31,558,000 in Helene Emergency Assistance Loan Program loans.

(2) Excludes Bonds being refunded.

(3) Preliminary, subject to change.

Source: Draft Comprehensive Annual Financial Report for the fiscal years ending June 30, 2025 as prepared by State Comptroller of the Treasury.

## **Real Property Assessment, Tax Levy and Collection Procedures**

### **State Taxation of Property; Classifications of Taxable Property; Assessment Rates**

Under the Constitution and laws of the State of Tennessee, all real and personal property is subject to taxation, except to the extent that the General Assembly of the State of Tennessee (the “General Assembly”) exempts certain constitutionally permitted categories of property from taxation. Property exempt from taxation includes federal, state and local government property, property of housing authorities, certain low cost housing for elderly persons, property owned and used exclusively for certain religious, charitable, scientific and educational purposes and certain other property as defined under the Tennessee Code Annotated.

Under the Constitution and laws of the State of Tennessee, property is classified into three separate classes for purposes of taxation: Real Property; Tangible Personal Property; and Intangible Personal Property. Real Property includes lands, structures, improvements, machinery and equipment affixed to realty and related rights and interests. Real Property is required constitutionally to be classified into four subclassifications and assessed at the rates as follows:

(a) Public Utility Property (which includes all property of every kind used or held for use in the operation of a public utility, such as railroad companies, certain telephone companies, freight and private car companies, street car companies, power companies, express companies and other public utility companies), to be assessed at 55% of its value;

(b) Industrial and Commercial Property (which includes all property of every kind used or held for use for any commercial, mining, industrial, manufacturing, business or similar purpose), to be assessed at 40% of its value;

(c) Residential Property (which includes all property which is used or held for use for dwelling purposes and contains no more than one rental unit), to be assessed at 25% of its value; and

(d) Farm Property (which includes all real property used or held for use in agriculture), to be assessed at 25% of its value.

Tangible Personal Property includes personal property such as goods, chattels and other articles of value, which are capable of manual or physical possession and certain machinery and equipment. Tangible Personal Property is required constitutionally to be classified into three subclassifications and assessed at the rates as follows:

(a) Public Utility Property, to be assessed at 55% of its value;

(b) Industrial and Commercial Property, to be assessed at 30% of its value; and

(c) All other Tangible Personal Property (including that used in agriculture), to be assessed at 5% of its value, subject to an exemption of \$7,500 worth of Tangible Personal Property for personal household goods and furnishings, wearing apparel and other tangible personal property in the hands of a taxpayer.

Intangible Personal Property includes personal property, such as money, any evidence of debt owed to a taxpayer, any evidence of ownership in a corporation or other business organization having multiple owners and all other

forms of property, the value of which is expressed in terms of what the property represents rather than its own intrinsic value. The Constitution of the State of Tennessee empowers the General Assembly to classify Intangible Personal Property into subclassifications and to establish a ratio of assessment to value in each class or subclass and to provide fair and equitable methods of apportionment of the value to the State of Tennessee for purposes of taxation.

The Constitution of the State of Tennessee requires that the ratio of assessment to value of property in each class or subclass be equal and uniform throughout the State of Tennessee and that the General Assembly direct the method to ascertain the value and definition of property in each class or subclass. Each respective taxing authority is constitutionally required to apply the same tax rate to all property within its jurisdiction.

### **County Taxation of Property**

The Constitution of the State of Tennessee empowers the General Assembly to authorize the several counties and incorporated towns in the State of Tennessee to impose taxes for county and municipal purposes in the manner prescribed by law. Under the Tennessee Code Annotated, the General Assembly has authorized the counties in Tennessee to levy an ad valorem tax on all taxable property within their respective jurisdictions, the amount of which is required to be fixed by the county legislative body of each county.

All property is required to be taxed according to its values upon the principles established in regard to State taxation as described above, including equality and uniformity. All counties, which levy and collect taxes to pay off any bonded indebtedness are empowered, through the respective county legislative bodies, to place all funds levied and collected into a special fund of the respective counties and to appropriate and use the money for the purpose of discharging any bonded indebtedness of the respective counties.

### **Assessment of Property**

The function of assessment is to assess all property (with certain exceptions) to the person or persons owning or claiming to own such property on January 1 for the year for which the assessment is made. All assessment of real and personal property are required to be made annually and as of January 1 for the year to which the assessment applies. Not later than May 20 of each year, the assessor of property in each county is required to (a) make an assessment of all property in the county and (b) note upon the assessor's records the current classification and assessed value of all taxable property within the assessor's jurisdiction.

The assessment records are open to public inspection at the assessor's office during normal business hours. The assessor is required to notify each taxpayer of any change in the classification or assessed value of the taxpayer's property and to cause a notice to be published in a newspaper of general circulation stating where and when such records may be inspected and describing certain information concerning the convening of the county board of equalization. The notice to taxpayers and such published notice are required to be provided and published at least 10 days before the local board of equalization begins its annual session.

### **Valuation for Property Tax Purposes**

The value of all property is based upon its sound, intrinsic and immediate value for purposes of sale between a willing seller and a willing buyer without consideration of speculative values. In determining the value of all

property of every kind, the assessor is to be guided by, and follow the instructions of, the appropriate assessment manuals issued by the division of property assessments and approved by the State board of equalization. Such assessment manuals are required to take into account various factors that are generally recognized by appraisers as bearing on the sound, intrinsic and immediate economic value of property at the time of assessment.

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# **PROPERTY VALUATION AND PROPERTY TAX**

| <b>Fiscal Year<br/>Tax Year</b>         | <b>2024-2025<br/>2024</b> | <b>2023-2024<br/>2023</b> | <b>2022-2023<br/>2022</b> | <b>2021-2022<br/>2021</b> | <b>2020-2021<br/>2020</b> |
|-----------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>ESTIMATED ACTUAL VALUES</b>          |                           |                           |                           |                           |                           |
| Residential & Farm                      | \$1,555,841,684           | \$1,179,470,500           | \$1,100,640,400           | \$1,077,747,560           | \$1,019,959,918           |
| Commercial & Industrial                 | 260,915,980               | 189,143,800               | 187,744,000               | 229,109,215               | 216,435,963               |
| Personal Tangible Property              | 129,928,662               | 124,961,450               | 134,866,867               | 122,129,130               | 126,017,143               |
| Public Utilities                        | 31,688,868                | 43,266,014                | 41,503,233                | 31,071,178                | 31,633,475                |
| <b>Total Estimated Actual Values</b>    | <b>\$1,978,375,194</b>    | <b>\$1,536,841,764</b>    | <b>\$1,464,754,500</b>    | <b>\$1,460,057,083</b>    | <b>\$1,394,046,499</b>    |
| Annual Percentage Change                | 28.73%                    | 4.92%                     | 0.32%                     | 4.74%                     | 1.18%                     |
| Estimated Per Capita Amount             | \$110,697                 | \$86,281                  | \$83,196                  | \$82,878                  | \$77,997                  |
| <b>ASSESSED VALUES</b>                  |                           |                           |                           |                           |                           |
| Residential & Farm (at 25%)             | \$281,918,525             | \$278,020,150             | \$275,160,100             | \$214,687,300             | \$213,248,125             |
| Commercial & Industrial (at 40%)        | 75,644,760                | 75,657,520                | 75,097,600                | 73,021,680                | 72,401,725                |
| Personal Tangible Property (at 30%)     | 30,132,731                | 37,488,453                | 40,460,073                | 31,678,108                | 35,076,394                |
| Public Utilities (at 30%-55%)           | 13,832,191                | 18,885,615                | 18,116,161                | 13,562,569                | 13,808,012                |
| <b>Total Assessed Values</b>            | <b>\$401,528,207</b>      | <b>\$410,051,738</b>      | <b>\$408,833,934</b>      | <b>\$332,949,657</b>      | <b>\$334,534,256</b>      |
| Annual Percentage Change                | -2.08%                    | 0.30%                     | 22.79%                    | -0.47%                    | 1.21%                     |
| Estimated Per Capita Amount             | \$22,467                  | \$23,021                  | \$23,221                  | \$18,899                  | \$18,717                  |
| <b>Appraisal Ratio</b>                  | <b>72.48%</b>             | <b>100.00%</b>            | <b>100.00%</b>            | <b>79.68%</b>             | <b>83.63%</b>             |
| <b>Assessed Values to Actual Values</b> | <b>20.30%</b>             | <b>26.68%</b>             | <b>27.91%</b>             | <b>22.80%</b>             | <b>24.00%</b>             |
| <b>Property Tax Rate</b>                |                           |                           |                           |                           |                           |
| <b>Total Property Tax Rate</b>          | <b>\$2.6105</b>           | <b>\$2.6105</b>           | <b>\$2.3505</b>           | <b>\$2.8538</b>           | <b>\$2.8538</b>           |
| <b>Taxes Levied</b>                     | <b>\$10,481,894</b>       | <b>\$10,704,401</b>       | <b>\$9,609,642</b>        | <b>\$9,501,717</b>        | <b>\$9,546,939</b>        |
| <b>Collections</b>                      |                           |                           |                           |                           |                           |
| Current Fiscal Year                     | \$9,940,730               | \$10,201,650              | \$9,081,964               | \$9,151,701               | \$9,157,104               |
| Percent Collected Current FY            | 94.84%                    | 95.30%                    | 94.51%                    | 96.32%                    | 95.92%                    |

Sources: State Board of Equalization, 2020 - 2024 Tax Aggregate Reports of Tennessee, the Comprehensive Annual Financial Reports for the years ending June 30, 2021 - 2024, and the County Trustee's office.

## TOP TAXPAYERS

| <u>Business</u>            | <u>Type of Business</u> | <u>Tax Year 2024<br/>Assessed Value</u> | <u>Percent of<br/>Assessed Value</u> |
|----------------------------|-------------------------|-----------------------------------------|--------------------------------------|
| Nuclear Fuel Services, Inc | Nuclear Fuel            | \$24,054,765                            | 5.99%                                |
| CSX Transportation, Inc    | Railroad                | 7,304,229                               | 1.82%                                |
| TN Tennessee, LLC          | Metal Fabrication       | 6,060,219                               | 1.51%                                |
| Specialty Tennessee        | N/A                     | 3,115,400                               | 0.78%                                |
| Speciality Tires           | Tire Manufacturing      | 2,989,547                               | 0.74%                                |
| Erwin 2nd Street LLC       | N/A                     | 2,484,760                               | 0.62%                                |
| Wal-Mart                   | Retail                  | 2,481,851                               | 0.62%                                |
| Appalachian Power Company  | Public Utility          | 2,252,959                               | 0.56%                                |
| Center on Aging & Health   | Healthcare              | 1,792,828                               | 0.45%                                |
| Erwin Health Care Assoc    | Healthcare              | 1,542,101                               | 0.38%                                |

Source: Unicoi County Office of the Trustee.

## FUND BALANCES

### FISCAL YEAR ENDING JUNE 30

(Unaudited)

| <b>GOVERNMENTAL FUNDS</b>       | <u>2025</u>         | <u>2024</u>         | <u>2023</u>         | <u>2022</u>         | <u>2021</u>         |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Government Fund         | \$4,308,219         | \$4,639,777         | \$3,050,165         | \$3,135,824         | \$2,735,843         |
| Solid Waste/Sanitation Fund     | 426,329             | 302,878             | 198,744             | 147,758             | 80,260              |
| Highway/Public Works Funds      | 3,536,209           | 4,069,149           | 4,396,553           | 4,240,393           | 3,919,312           |
| Special Revenue Funds           | 356,953             | 37,683              | 48,409              | 48,891              | 53,727              |
| Education Funds                 | 4,690,652           | 7,690,652           | 5,303,711           | 5,683,629           | 4,291,424           |
| Debt Service Funds              | 2,909,248           | 2,959,599           | 2,861,455           | 2,627,495           | 2,423,549           |
| Special Debt Service            | 31,558,000          | -                   | -                   | -                   | -                   |
| General Capital Projects        | -                   | -                   | -                   | -                   | 2,366               |
| <b>Total Governmental Funds</b> | <b>\$47,785,610</b> | <b>\$19,699,738</b> | <b>\$15,859,037</b> | <b>\$15,883,990</b> | <b>\$13,506,481</b> |

Sources: Comprehensive Annual Financial Reports for the fiscal years ending June 30, 2021 - 2024 as prepared by Comptroller of the State and Draft Comprehensive Annual Financial Reports for the fiscal year ending June 30, 2025 as prepared by Comptroller of the State.

## LOCAL SALES TAX

### FISCAL YEAR ENDING JUNE 30

(Unaudited)

|                                       | <u>2025</u>        | <u>2024</u>        | <u>2023</u>        | <u>2022</u>        | <u>2021</u>        |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Rate (Percent of retail sales)</b> | 2.75%              | 2.75%              | 2.75%              | 2.75%              | 2.75%              |
| <b>Distribution</b>                   |                    |                    |                    |                    |                    |
| General Debt Service                  | \$563,610          | \$428,715          | \$442,244          | \$385,045          | \$824,474          |
| General Purpose School                | 3,341,507          | 3,089,526          | 2,896,818          | 2,768,521          | 2,230,242          |
| <b>Total Amount Collected</b>         | <b>\$3,905,117</b> | <b>\$3,518,241</b> | <b>\$3,339,062</b> | <b>\$3,153,566</b> | <b>\$3,054,716</b> |
| <b>% of Increase</b>                  | <b>11.00%</b>      | <b>5.37%</b>       | <b>5.88%</b>       | <b>3.24%</b>       | <b>23.45%</b>      |

Note - Beginning in FY 2023, this table excludes sales taxes collected on behalf of, and distributed to, cities within the County.

Sources: Comprehensive Annual Financial Reports for the fiscal years ending June 30, 2021 - 2024 as prepared by Comptroller of the State and Draft Comprehensive Annual Financial Reports for the fiscal year ending June 30, 2025 as prepared by Comptroller of the State.

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**APPENDIX C**

Comprehensive Annual Financial Report of the County for the  
Fiscal Year Ended June 30, 2024

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## ANNUAL FINANCIAL REPORT

### Unicoi County, Tennessee

*For the Year Ended June 30, 2024*

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



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT**  
**UNICOI COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**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](http://www.comptroller.tn.gov).

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## Summary of Audit Findings

Annual Financial Report  
Unicoi County, Tennessee  
For the Year Ended June 30, 2024

### *Scope*

We have audited the basic financial statements of Unicoi County as of and for the year ended June 30, 2024.

### *Results*

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

Our audit resulted in no findings.

## INTRODUCTORY SECTION

## UNICOI COUNTY OFFICIALS

June 30, 2024

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### Officials

Garland Evelyn, County Mayor  
Terry Haynes, Road Superintendent  
John English, Director of Schools  
Katie Bennett, Trustee  
Teresa Kinsler, Assessor of Property  
Patty Treadway, County Clerk  
Darren Shelton, Circuit and General Sessions Courts Clerk  
Teresa Simerly, Clerk and Master  
Deborah Tittle, Register of Deeds  
Michael Hensley, Sheriff

### Board of County Commissioners

|                        |                 |
|------------------------|-----------------|
| Loren Thomas, Chairman | Jason Harris    |
| Gina Clark             | Stephen Hendrix |
| Brian Delp             | Tim Lingerfelt  |
| Wayne Edwards          | Cody Scott      |
| Jamie Harris           |                 |

### Board of Education

|                        |              |
|------------------------|--------------|
| Steve Willis, Chairman | Steve Scott  |
| Allan Foster           | Cathy Thomas |
| Glenn Fisher           | Tammy Tipton |

### Audit Committee

|                       |                 |
|-----------------------|-----------------|
| John Harris, Chairman | Stephen Hendrix |
| Fain Bennett          | Kenneth Kiesel  |
| Phyllis Bennett       |                 |

## FINANCIAL SECTION



JASON E. MUMPOWER  
*Comptroller*

## **Independent Auditor's Report**

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

To the County Mayor and Board of County Commissioners:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Unicoi County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Unicoi County, Tennessee, as of June 30, 2024, and the respective changes in financial position, and the respective budgetary comparison 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 the Internal School Fund of the Unicoi County School Department (a discretely presented component unit), which represent .98 percent, 1.05 percent, and 2.66 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Unicoi County School Department's Internal School Fund, is based solely on the report of the other auditors.

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

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

### ***Change in Accounting Principle***

As described in Note V. B., Unicoi County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 clarifies financial and reporting requirements for changes in accounting principles, changes in accounting estimates, error corrections, and changes within the reporting entity.

### ***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 Unicoi 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 Unicoi 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 Unicoi County's ability to continue as a going concern for a reasonable period of time.

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

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

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

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

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 6, 2024, on our consideration of Unicoi 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 Unicoi 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 Unicoi County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

September 6, 2024, except for Note V.J., as to which the date is September 30, 2024.

JEM/gc

## BASIC FINANCIAL STATEMENTS SECTION

**UNICOI COUNTY, TENNESSEE**  
**Statement of Net Position**  
**June 30, 2024**

|                                                      |                               | <b>Component<br/>Unit</b> |
|------------------------------------------------------|-------------------------------|---------------------------|
|                                                      | <b>Primary<br/>Government</b> | Unicoi<br>County          |
|                                                      | Governmental<br>Activities    | School<br>Department      |
| <b>ASSETS</b>                                        |                               |                           |
| Cash                                                 | \$ 90,610                     | \$ 1,382,969              |
| Equity in Pooled Cash and Investments                | 13,030,803                    | 5,840,354                 |
| Accounts Receivable                                  | 81,828                        | 50,542                    |
| Due from Other Governments                           | 2,584,663                     | 1,798,485                 |
| Property Taxes Receivable                            | 8,556,893                     | 2,508,975                 |
| Allowance for Uncollectible Property Taxes           | (183,085)                     | (53,526)                  |
| Net Pension Asset - Agent Plan                       | 510,151                       | 373,228                   |
| Net Pension Asset - Teacher Retirement Plan          | 0                             | 68,578                    |
| Net Pension Asset - Teacher Legacy Pension Plan      | 0                             | 2,952,773                 |
| Restricted Assets:                                   |                               |                           |
| Amounts Accumulated for Pension Benefits             | 0                             | 278,729                   |
| Capital Assets:                                      |                               |                           |
| Assets Not Depreciated:                              |                               |                           |
| Land                                                 | 771,680                       | 564,353                   |
| Construction in Progress                             | 55,504                        | 5,428,887                 |
| Assets Net of Accumulated Depreciation/Amortization: |                               |                           |
| Buildings and Improvements                           | 2,808,597                     | 23,149,007                |
| Other Capital Assets                                 | 2,954,652                     | 1,414,625                 |
| Infrastructure                                       | 7,153,295                     | 0                         |
| Intangible Right-to-Use Assets                       | 25,914                        | 0                         |
| Total Assets                                         | <u>\$ 38,441,505</u>          | <u>\$ 45,757,979</u>      |

**DEFERRED OUTFLOWS OF RESOURCES**

|                                              |                     |                     |
|----------------------------------------------|---------------------|---------------------|
| Deferred Charge on Refunding                 | \$ 271,578          | \$ 0                |
| Pension Changes in Experience                | 455,988             | 1,039,413           |
| Pension Changes in Assumptions               | 369,990             | 1,284,374           |
| Pension Changes on Investment Earnings       | 129,731             | 624,669             |
| Pension Changes in Proportion                | 0                   | 385,843             |
| Pension Contributions after Measurement Date | 308,856             | 904,063             |
| OPEB Changes in Experience                   | 0                   | 335,947             |
| OPEB Changes in Assumptions                  | 30,513              | 632,722             |
| OPEB Changes in Proportion                   | 0                   | 81,949              |
| OPEB Contributions after Measurement Date    | 883                 | 98,141              |
| Total Deferred Outflows of Resources         | <u>\$ 1,567,539</u> | <u>\$ 5,387,121</u> |

**LIABILITIES**

|                          |            |            |
|--------------------------|------------|------------|
| Accounts Payable         | \$ 124,137 | \$ 131,755 |
| Accrued Payroll          | 193,224    | 0          |
| Accrued Interest Payable | 82,206     | 0          |

(Continued)

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

|                                      | <b>Primary<br/>Government</b>      | <b>Component<br/>Unit</b>                          |
|--------------------------------------|------------------------------------|----------------------------------------------------|
|                                      | <b>Governmental<br/>Activities</b> | <b>Unicoi<br/>County<br/>School<br/>Department</b> |
| <b>LIABILITIES (CONT.)</b>           |                                    |                                                    |
| Payroll Deductions Payable           | \$ 10,656                          | \$ 0                                               |
| Contracts Payable                    | 1,605,193                          | 472,870                                            |
| Retainage Payable                    | 0                                  | 249,201                                            |
| Due to State of Tennessee            | 58,332                             | 0                                                  |
| Due to Other Governments             | 1,563,506                          | 0                                                  |
| Other Current Liabilities            | 19,838                             | 560,647                                            |
| Noncurrent Liabilities:              |                                    |                                                    |
| Due Within One Year - Lease          | 7,315                              | 0                                                  |
| Due Within One Year - Debt           | 1,837,950                          | 0                                                  |
| Due Within One Year - Other          | 101,538                            | 22,800                                             |
| Due in More Than One Year - Lease    | 18,978                             | 0                                                  |
| Due in More Than One Year - Debt     | 15,716,696                         | 0                                                  |
| Due in More Than One Year - Other    | 177,615                            | 3,142,330                                          |
| Total Liabilities                    | <u>\$ 21,517,184</u>               | <u>\$ 4,579,603</u>                                |
| <b>DEFERRED INFLOWS OF RESOURCES</b> |                                    |                                                    |
| Deferred Current Property Taxes      | \$ 8,114,995                       | \$ 2,380,023                                       |
| Pension Changes in Experience        | 174,251                            | 304,539                                            |
| Pension Changes in Proportion        | 0                                  | 66,188                                             |
| OPEB Changes in Experience           | 21,166                             | 438,948                                            |
| OPEB Changes in Assumptions          | 29,724                             | 356,687                                            |
| OPEB Changes in Proportion           | 0                                  | 205,232                                            |
| Total Deferred Inflows of Resources  | <u>\$ 8,340,136</u>                | <u>\$ 3,751,617</u>                                |
| <b>NET POSITION</b>                  |                                    |                                                    |
| Net Investment in Capital Assets     | \$ 11,643,680                      | \$ 29,834,801                                      |
| Restricted for:                      |                                    |                                                    |
| General Government                   | 270,507                            | 0                                                  |
| Finance                              | 47,807                             | 0                                                  |
| Administration of Justice            | 32,728                             | 0                                                  |
| Public Safety                        | 67,308                             | 0                                                  |
| Public Health and Welfare            | 167,709                            | 0                                                  |
| Highways/Public Works                | 2,696,959                          | 0                                                  |
| Capital Outlay                       | 12,946                             | 1,768,037                                          |
| Education                            | 0                                  | 1,713,430                                          |
| Pensions                             | 510,151                            | 3,673,308                                          |
| Unrestricted                         | <u>(5,298,071)</u>                 | <u>5,824,304</u>                                   |
| Total Net Position                   | <u>\$ 10,151,724</u>               | <u>\$ 42,813,880</u>                               |

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

Exhibit B

**UNICOI COUNTY, TENNESSEE**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

| Functions/Programs                          | Expenses      | Program Revenues        |                                          |                                        | Net (Expense) Revenue and<br>Changes in Net Position |                                          |
|---------------------------------------------|---------------|-------------------------|------------------------------------------|----------------------------------------|------------------------------------------------------|------------------------------------------|
|                                             |               | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Primary<br>Government                                | Component<br>Unit                        |
|                                             |               |                         |                                          |                                        | Total<br>Governmental<br>Activities                  | Unicoi<br>County<br>School<br>Department |
| Primary Government:                         |               |                         |                                          |                                        |                                                      |                                          |
| Governmental Activities:                    |               |                         |                                          |                                        |                                                      |                                          |
| General Government                          | \$ 1,381,087  | \$ 130,548              | \$ 426,327                               | \$ 0                                   | \$ (824,212)                                         | \$ 0                                     |
| Finance                                     | 1,091,314     | 576,015                 | 0                                        | 0                                      | (515,299)                                            | 0                                        |
| Administration of Justice                   | 1,008,106     | 457,283                 | 22,886                                   | 0                                      | (527,937)                                            | 0                                        |
| Public Safety                               | 5,951,164     | 1,470,295               | 659,374                                  | 150,000                                | (3,671,495)                                          | 0                                        |
| Public Health and Welfare                   | 2,714,904     | 0                       | 686,875                                  | 1,201,968                              | (826,061)                                            | 0                                        |
| Social, Cultural, and Recreational Services | 180,408       | 9,180                   | 5,000                                    | 0                                      | (166,228)                                            | 0                                        |
| Agriculture and Natural Resources           | 49,608        | 0                       | 0                                        | 0                                      | (49,608)                                             | 0                                        |
| Highways                                    | 2,618,687     | 117,477                 | 1,991,184                                | 1,573,089                              | 1,063,063                                            | 0                                        |
| Education                                   | 3,193,533     | 0                       | 0                                        | 0                                      | (3,193,533)                                          | 0                                        |
| Interest on Long-term Debt                  | 492,072       | 0                       | 115,431                                  | 0                                      | (376,641)                                            | 0                                        |
| Total Primary Government                    | \$ 18,680,883 | \$ 2,760,798            | \$ 3,907,077                             | \$ 2,925,057                           | \$ (9,087,951)                                       | \$ 0                                     |
| Component Unit:                             |               |                         |                                          |                                        |                                                      |                                          |
| Unicoi County School Department             | \$ 30,425,216 | \$ 244,561              | \$ 6,494,227                             | \$ 5,940,862                           | \$ 0                                                 | \$ (17,745,566)                          |
| Total Component Unit                        | \$ 30,425,216 | \$ 244,561              | \$ 6,494,227                             | \$ 5,940,862                           | \$ 0                                                 | \$ (17,745,566)                          |

(Continued)

Exhibit B

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

| Functions/Programs                                           | Expenses | Program Revenues        |                                          |                                        | Net (Expense) Revenue and<br>Changes in Net Position |                                          |
|--------------------------------------------------------------|----------|-------------------------|------------------------------------------|----------------------------------------|------------------------------------------------------|------------------------------------------|
|                                                              |          | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Primary<br>Government                                | Component<br>Unit                        |
|                                                              |          |                         |                                          |                                        | Total<br>Governmental<br>Activities                  | Unicoi<br>County<br>School<br>Department |
| General Revenues:                                            |          |                         |                                          |                                        |                                                      |                                          |
| Taxes:                                                       |          |                         |                                          |                                        |                                                      |                                          |
| Property Taxes Levied for General Purposes                   |          |                         |                                          |                                        | \$ 7,119,995                                         | \$ 2,420,148                             |
| Property Taxes Levied for Debt Service                       |          |                         |                                          |                                        | 1,168,052                                            | 0                                        |
| Local Option Sales Taxes                                     |          |                         |                                          |                                        | 432,723                                              | 3,096,910                                |
| Hotel/Motel Tax                                              |          |                         |                                          |                                        | 89,710                                               | 0                                        |
| Litigation Tax - General                                     |          |                         |                                          |                                        | 45,672                                               | 0                                        |
| Litigation Tax - Special Purpose                             |          |                         |                                          |                                        | 49,957                                               | 0                                        |
| Litigation Tax - Jail, Workhouse, or Courthouse              |          |                         |                                          |                                        | 87,312                                               | 0                                        |
| Business Tax                                                 |          |                         |                                          |                                        | 104,267                                              | 28,898                                   |
| Wholesale Beer Tax                                           |          |                         |                                          |                                        | 19,721                                               | 5,700                                    |
| Other Local Taxes                                            |          |                         |                                          |                                        | 0                                                    | 145                                      |
| Grants and Contributions Not Restricted to Specific Programs |          |                         |                                          |                                        | 902,244                                              | 17,419,005                               |
| Unrestricted Investment Income                               |          |                         |                                          |                                        | 551,807                                              | 49,770                                   |
| Miscellaneous                                                |          |                         |                                          |                                        | 62,134                                               | 98,019                                   |
| Sale of Property                                             |          |                         |                                          |                                        | 0                                                    | 192,728                                  |
| Total General Revenues                                       |          |                         |                                          |                                        | <u>\$ 10,633,594</u>                                 | <u>\$ 23,311,323</u>                     |
| Change in Net Position                                       |          |                         |                                          |                                        | \$ 1,545,643                                         | \$ 5,565,757                             |
| Net Position, July 1, 2023                                   |          |                         |                                          |                                        | <u>8,606,081</u>                                     | <u>37,248,123</u>                        |
| Net Position, June 30, 2024                                  |          |                         |                                          |                                        | <u>\$ 10,151,724</u>                                 | <u>\$ 42,813,880</u>                     |

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

**UNICOI COUNTY, TENNESSEE****Balance Sheet**

Governmental Funds

**June 30, 2024**

|                                            | <b>Major Funds</b>   |                                |                              |                            | <b>Nonmajor Funds</b>               |                                |
|--------------------------------------------|----------------------|--------------------------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
|                                            | General              | Other<br>General<br>Government | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <b>ASSETS</b>                              |                      |                                |                              |                            |                                     |                                |
| Cash                                       | \$ 53,476            | \$ 0                           | \$ 30,025                    | \$ 0                       | \$ 7,109                            | \$ 90,610                      |
| Equity in Pooled Cash and Investments      | 4,908,875            | 1,103,805                      | 3,746,838                    | 2,868,901                  | 402,384                             | 13,030,803                     |
| Accounts Receivable                        | 65,982               | 0                              | 62                           | 15,580                     | 204                                 | 81,828                         |
| Due from Other Governments                 | 395,417              | 0                              | 2,077,576                    | 111,670                    | 0                                   | 2,584,663                      |
| Due from Other Funds                       | 97,109               | 0                              | 0                            | 0                          | 0                                   | 97,109                         |
| Property Taxes Receivable                  | 6,237,445            | 0                              | 261,319                      | 1,190,300                  | 867,829                             | 8,556,893                      |
| Allowance for Uncollectible Property Taxes | (133,724)            | 0                              | (5,533)                      | (25,552)                   | (18,276)                            | (183,085)                      |
| Total Assets                               | <u>\$ 11,624,580</u> | <u>\$ 1,103,805</u>            | <u>\$ 6,110,287</u>          | <u>\$ 4,160,899</u>        | <u>\$ 1,259,250</u>                 | <u>\$ 24,258,821</u>           |
| <b>LIABILITIES</b>                         |                      |                                |                              |                            |                                     |                                |
| Accounts Payable                           | \$ 65,212            | \$ 0                           | \$ 0                         | \$ 0                       | \$ 58,925                           | \$ 124,137                     |
| Accrued Payroll                            | 193,224              | 0                              | 0                            | 0                          | 0                                   | 193,224                        |
| Payroll Deductions Payable                 | 384                  | 0                              | 10,256                       | 0                          | 16                                  | 10,656                         |
| Contracts Payable                          | 0                    | 0                              | 1,605,193                    | 0                          | 0                                   | 1,605,193                      |
| Due to Other Funds                         | 0                    | 90,000                         | 0                            | 0                          | 7,109                               | 97,109                         |
| Due to State of Tennessee                  | 58,268               | 0                              | 56                           | 0                          | 8                                   | 58,332                         |
| Due to Other Governments                   | 89,972               | 1,473,534                      | 0                            | 0                          | 0                                   | 1,563,506                      |
| Other Current Liabilities                  | 8,257                | 0                              | 7,364                        | 0                          | 4,217                               | 19,838                         |
| Total Liabilities                          | <u>\$ 415,317</u>    | <u>\$ 1,563,534</u>            | <u>\$ 1,622,869</u>          | <u>\$ 0</u>                | <u>\$ 70,275</u>                    | <u>\$ 3,671,995</u>            |

(Continued)

**UNICOI COUNTY, TENNESSEE****Balance Sheet**

Governmental Funds (Cont.)

|                                                                     | <b>Major Funds</b>   |                                |                              |                            | <b>Nonmajor Funds</b>               |                                |
|---------------------------------------------------------------------|----------------------|--------------------------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
|                                                                     | General              | Other<br>General<br>Government | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                |                      |                                |                              |                            |                                     |                                |
| Deferred Current Property Taxes                                     | \$ 5,914,278         | \$ 0                           | \$ 248,053                   | \$ 1,128,501               | \$ 824,163                          | \$ 8,114,995                   |
| Deferred Delinquent Property Taxes                                  | 180,941              | 0                              | 7,386                        | 34,620                     | 24,251                              | 247,198                        |
| Other Deferred/Unavailable Revenue                                  | 14,538               | 0                              | 162,830                      | 38,179                     | 0                                   | 215,547                        |
| Total Deferred Inflows of Resources                                 | <u>\$ 6,109,757</u>  | <u>\$ 0</u>                    | <u>\$ 418,269</u>            | <u>\$ 1,201,300</u>        | <u>\$ 848,414</u>                   | <u>\$ 8,577,740</u>            |
| <b>FUND BALANCES</b>                                                |                      |                                |                              |                            |                                     |                                |
| Restricted:                                                         |                      |                                |                              |                            |                                     |                                |
| Restricted for General Government                                   | \$ 270,507           | \$ 0                           | \$ 0                         | \$ 0                       | \$ 0                                | 270,507                        |
| Restricted for Finance                                              | 47,807               | 0                              | 0                            | 0                          | 0                                   | 47,807                         |
| Restricted for Administration of Justice                            | 32,728               | 0                              | 0                            | 0                          | 0                                   | 32,728                         |
| Restricted for Public Safety                                        | 29,625               | 0                              | 0                            | 0                          | 37,683                              | 67,308                         |
| Restricted for Public Health and Welfare                            | 143,458              | 0                              | 0                            | 0                          | 0                                   | 143,458                        |
| Restricted for Highways/Public Works                                | 0                    | 0                              | 2,549,185                    | 0                          | 0                                   | 2,549,185                      |
| Restricted for Other Purposes                                       | 12,946               | 0                              | 0                            | 0                          | 0                                   | 12,946                         |
| Committed:                                                          |                      |                                |                              |                            |                                     |                                |
| Committed for Public Health and Welfare                             | 0                    | 0                              | 0                            | 0                          | 302,878                             | 302,878                        |
| Committed for Highways/Public Works                                 | 0                    | 0                              | 1,519,964                    | 0                          | 0                                   | 1,519,964                      |
| Committed for Debt Service                                          | 0                    | 0                              | 0                            | 2,959,599                  | 0                                   | 2,959,599                      |
| Committed for Other Purposes                                        | 0                    | 181,040                        | 0                            | 0                          | 0                                   | 181,040                        |
| Unassigned                                                          | 4,562,435            | (640,769)                      | 0                            | 0                          | 0                                   | 3,921,666                      |
| Total Fund Balances                                                 | <u>\$ 5,099,506</u>  | <u>\$ (459,729)</u>            | <u>\$ 4,069,149</u>          | <u>\$ 2,959,599</u>        | <u>\$ 340,561</u>                   | <u>\$ 12,009,086</u>           |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 11,624,580</u> | <u>\$ 1,103,805</u>            | <u>\$ 6,110,287</u>          | <u>\$ 4,160,899</u>        | <u>\$ 1,259,250</u>                 | <u>\$ 24,258,821</u>           |

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

**UNICOI COUNTY, TENNESSEE****Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position****June 30, 2024**

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)                                                                                                                                    |                 | \$ 12,009,086               |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.                                                                  |                 |                             |
| Add: land                                                                                                                                                                                                 | \$ 771,680      |                             |
| Add: construction in progress                                                                                                                                                                             | 55,504          |                             |
| Add: buildings and improvements net of accumulated depreciation                                                                                                                                           | 2,808,597       |                             |
| Add: other capital assets net of accumulated depreciation                                                                                                                                                 | 2,954,652       |                             |
| Add: infrastructure net of accumulated depreciation                                                                                                                                                       | 7,153,295       |                             |
| Add: intangible right-to-use assets net of accumulated amortization                                                                                                                                       | <u>25,914</u>   | 13,769,642                  |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.                                                                         |                 |                             |
| Less: notes payable                                                                                                                                                                                       | \$ (162,950)    |                             |
| Less: bonds payable                                                                                                                                                                                       | (16,680,000)    |                             |
| Less: lease payable                                                                                                                                                                                       | (26,293)        |                             |
| Add: deferred amount on refunding                                                                                                                                                                         | 271,578         |                             |
| Less: unamortized premium on debt                                                                                                                                                                         | (711,696)       |                             |
| Less: net OPEB liability                                                                                                                                                                                  | (134,099)       |                             |
| Less: compensated absences payable                                                                                                                                                                        | (145,054)       |                             |
| Less: accrued interest on bonds and notes                                                                                                                                                                 | <u>(82,206)</u> | (17,670,720)                |
| (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/OPEB expense in future years. |                 |                             |
| Add: deferred outflows of resources related to pensions                                                                                                                                                   | \$ 1,264,565    |                             |
| Less: deferred inflows of resources related to pensions                                                                                                                                                   | (174,251)       |                             |
| Add: deferred outflows of resources related to OPEB                                                                                                                                                       | 31,396          |                             |
| Less: deferred inflows of resources related to OPEB                                                                                                                                                       | <u>(50,890)</u> | 1,070,820                   |
| (4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.                                                                    |                 | 510,151                     |
| (5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.                                                                 |                 | <u>462,745</u>              |
| Net position of governmental activities (Exhibit A)                                                                                                                                                       |                 | <u><u>\$ 10,151,724</u></u> |

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

**UNICOI COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
Governmental Funds  
**For the Year Ended June 30, 2024**

|                                             | Major Funds   |                                |                              |                            |                                |
|---------------------------------------------|---------------|--------------------------------|------------------------------|----------------------------|--------------------------------|
|                                             | General       | Other<br>General<br>Government | Highway /<br>Public<br>Works | General<br>Debt<br>Service | General<br>Capital<br>Projects |
| <b>Revenues</b>                             |               |                                |                              |                            |                                |
| Local Taxes                                 | \$ 6,543,443  | \$ 0                           | \$ 260,840                   | \$ 1,765,358               | \$ 0                           |
| Licenses and Permits                        | 15,199        | 0                              | 289                          | 1,142                      | 0                              |
| Fines, Forfeitures, and Penalties           | 95,348        | 0                              | 0                            | 0                          | 0                              |
| Charges for Current Services                | 105,141       | 0                              | 0                            | 0                          | 0                              |
| Other Local Revenues                        | 531,752       | 79,600                         | 92,526                       | 2,000                      | 0                              |
| Fees Received From County Officials         | 981,571       | 0                              | 0                            | 0                          | 0                              |
| State of Tennessee                          | 1,640,921     | 0                              | 3,554,908                    | 0                          | 0                              |
| Federal Government                          | 1,335,605     | 586,524                        | 21,649                       | 0                          | 0                              |
| Other Governments and Citizens Groups       | 1,213,020     | 0                              | 66,291                       | 331,119                    | 0                              |
| Total Revenues                              | \$ 12,462,000 | \$ 666,124                     | \$ 3,996,503                 | \$ 2,099,619               | \$ 0                           |
| <b>Expenditures</b>                         |               |                                |                              |                            |                                |
| Current:                                    |               |                                |                              |                            |                                |
| General Government                          | \$ 1,140,396  | \$ 0                           | \$ 0                         | \$ 0                       | \$ 0                           |
| Finance                                     | 1,030,813     | 796                            | 0                            | 0                          | 0                              |
| Administration of Justice                   | 978,459       | 0                              | 0                            | 0                          | 0                              |
| Public Safety                               | 5,564,592     | 0                              | 0                            | 0                          | 0                              |
| Public Health and Welfare                   | 841,996       | 0                              | 0                            | 0                          | 0                              |
| Social, Cultural, and Recreational Services | 128,409       | 0                              | 0                            | 0                          | 0                              |
| Agriculture and Natural Resources           | 49,608        | 0                              | 0                            | 0                          | 0                              |
| Other Operations                            | 1,338,142     | 292,452                        | 0                            | 0                          | 0                              |
| Highways                                    | 0             | 0                              | 4,290,099                    | 0                          | 0                              |
| Debt Service:                               |               |                                |                              |                            |                                |
| Principal on Debt                           | 7,162         | 0                              | 0                            | 1,442,100                  | 0                              |
| Interest on Debt                            | 638           | 0                              | 0                            | 561,283                    | 0                              |
| Other Debt Service                          | 0             | 0                              | 0                            | 31,900                     | 91,035                         |

(Continued)

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

|                                                      | Major Funds   |                                |                              |                            |                                |
|------------------------------------------------------|---------------|--------------------------------|------------------------------|----------------------------|--------------------------------|
|                                                      | General       | Other<br>General<br>Government | Highway /<br>Public<br>Works | General<br>Debt<br>Service | General<br>Capital<br>Projects |
| <b>Expenditures (Cont.)</b>                          |               |                                |                              |                            |                                |
| Capital Projects                                     | \$ 39,676     | \$ 0                           | \$ 0                         | \$ 0                       | 0                              |
| Capital Projects - Donated                           | 0             | 0                              | 0                            | 0                          | 3,102,498                      |
| Total Expenditures                                   | \$ 11,119,891 | \$ 293,248                     | \$ 4,290,099                 | \$ 2,035,283               | \$ 3,193,533                   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 1,342,109  | \$ 372,876                     | \$ (293,596)                 | \$ 64,336                  | \$ (3,193,533)                 |
| <b>Other Financing Sources (Uses)</b>                |               |                                |                              |                            |                                |
| Bonds Issued                                         | \$ 0          | \$ 0                           | \$ 0                         | \$ 0                       | 2,965,000                      |
| Premiums on Debt Sold                                | 0             | 0                              | 0                            | 0                          | 228,533                        |
| Insurance Recovery                                   | 24,627        | 0                              | 0                            | 0                          | 0                              |
| Transfers In                                         | 154,220       | 0                              | 0                            | 33,808                     | 0                              |
| Transfers Out                                        | (150,000)     | (154,220)                      | (33,808)                     | 0                          | 0                              |
| Total Other Financing Sources (Uses)                 | \$ 28,847     | \$ (154,220)                   | \$ (33,808)                  | \$ 33,808                  | \$ 3,193,533                   |
| Net Change in Fund Balances                          | \$ 1,370,956  | \$ 218,656                     | \$ (327,404)                 | \$ 98,144                  | \$ 0                           |
| Fund Balance, July 1, 2023                           | 3,728,550     | (678,385)                      | 4,396,553                    | 2,861,455                  | 0                              |
| Fund Balance, June 30, 2024                          | \$ 5,099,506  | \$ (459,729)                   | \$ 4,069,149                 | \$ 2,959,599               | \$ 0                           |

(Continued)

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

|                                             | <b>Nonmajor<br/>Funds</b>           |                                |  |
|---------------------------------------------|-------------------------------------|--------------------------------|--|
|                                             | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |  |
| <b>Revenues</b>                             |                                     |                                |  |
| Local Taxes                                 | \$ 845,125                          | \$ 9,414,766                   |  |
| Licenses and Permits                        | 1,222                               | 17,852                         |  |
| Fines, Forfeitures, and Penalties           | 13,598                              | 108,946                        |  |
| Charges for Current Services                | 2,390                               | 107,531                        |  |
| Other Local Revenues                        | 0                                   | 705,878                        |  |
| Fees Received From County Officials         | 0                                   | 981,571                        |  |
| State of Tennessee                          | 24,021                              | 5,219,850                      |  |
| Federal Government                          | 162,581                             | 2,106,359                      |  |
| Other Governments and Citizens Groups       | 0                                   | 1,610,430                      |  |
| Total Revenues                              | <u>\$ 1,048,937</u>                 | <u>\$ 20,273,183</u>           |  |
| <b>Expenditures</b>                         |                                     |                                |  |
| Current:                                    |                                     |                                |  |
| General Government                          | \$ 0                                | \$ 1,140,396                   |  |
| Finance                                     | 126                                 | 1,031,735                      |  |
| Administration of Justice                   | 2,390                               | 980,849                        |  |
| Public Safety                               | 24,198                              | 5,588,790                      |  |
| Public Health and Welfare                   | 916,234                             | 1,758,230                      |  |
| Social, Cultural, and Recreational Services | 0                                   | 128,409                        |  |
| Agriculture and Natural Resources           | 0                                   | 49,608                         |  |
| Other Operations                            | 162,581                             | 1,793,175                      |  |
| Highways                                    | 0                                   | 4,290,099                      |  |
| Debt Service:                               |                                     |                                |  |
| Principal on Debt                           | 0                                   | 1,449,262                      |  |
| Interest on Debt                            | 0                                   | 561,921                        |  |
| Other Debt Service                          | 0                                   | 122,935                        |  |

(Continued)

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

|                                                          | <b>Nonmajor<br/>Funds</b>           |                      | <b>Total<br/>Governmental<br/>Funds</b> |
|----------------------------------------------------------|-------------------------------------|----------------------|-----------------------------------------|
|                                                          | Other<br>Govern-<br>mental<br>Funds |                      | Funds                                   |
| <hr/>                                                    |                                     |                      |                                         |
| <b>Expenditures (Cont.)</b>                              |                                     |                      |                                         |
| Capital Projects                                         | \$ 0                                | \$                   | 39,676                                  |
| Capital Projects - Donated                               | 0                                   |                      | 3,102,498                               |
| Total Expenditures                                       | <u>\$ 1,105,529</u>                 | <u>\$</u>            | <u>22,037,583</u>                       |
| <br>Excess (Deficiency) of Revenues<br>Over Expenditures | <br><u>\$ (56,592)</u>              | <br><u>\$</u>        | <br><u>(1,764,400)</u>                  |
| <br><b>Other Financing Sources (Uses)</b>                |                                     |                      |                                         |
| Bonds Issued                                             | \$ 0                                | \$                   | 2,965,000                               |
| Premiums on Debt Sold                                    | 0                                   |                      | 228,533                                 |
| Insurance Recovery                                       | 0                                   |                      | 24,627                                  |
| Transfers In                                             | 150,000                             |                      | 338,028                                 |
| Transfers Out                                            | 0                                   |                      | (338,028)                               |
| Total Other Financing Sources (Uses)                     | <u>\$ 150,000</u>                   | <u>\$</u>            | <u>3,218,160</u>                        |
| <br>Net Change in Fund Balances                          | <br>\$ 93,408                       | <br>\$               | <br>1,453,760                           |
| Fund Balance, July 1, 2023                               | <u>247,153</u>                      |                      | <u>10,555,326</u>                       |
| <br>Fund Balance, June 30, 2024                          | <br><u><u>\$ 340,561</u></u>        | <br><u><u>\$</u></u> | <br><u><u>12,009,086</u></u>            |

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

**UNICOI 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, 2024**

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)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |    | \$          | 1,453,760        |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:                                                                                                                                                                                                                                                                                                                                         |    |             |                  |
| Add: capital assets purchased in the current period                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$ | 2,924,248   |                  |
| Less: current-year depreciation expense                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |    | (970,673)   |                  |
| Less: current-year amortization                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |    | (7,404)     | 1,946,171        |
| (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, 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | \$ | 462,745     |                  |
| Less: deferred delinquent property taxes and other deferred June 30, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |    | (509,402)   | (46,657)         |
| (3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items. |    |             |                  |
| Less: bond proceeds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$ | (2,965,000) |                  |
| Add: principal payments on bonds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |    | 1,345,000   |                  |
| Add: principal payments on notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |    | 97,100      |                  |
| Add: principal payments on lease                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |    | 7,162       |                  |
| Less: change in unamortized bond premium                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |    | (59,904)    |                  |
| Less: change in deferred amount on refunding debt                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    | (110,607)   | (1,686,249)      |
| (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 accrued interest payable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$ | 11,827      |                  |
| Change in net OPEB liability                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |    | (40,114)    |                  |
| Change in compensated absences payable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    | 21,483      |                  |
| Change in net pension asset/liability                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |    | 148,298     |                  |
| Change in deferred outflows related to pensions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |    | (280,282)   |                  |
| Change in deferred inflows related to pensions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |    | (11,872)    |                  |
| Change in deferred outflows related to OPEB                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |    | 30,072      |                  |
| Change in deferred inflows related to OPEB                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |    | (794)       | (121,382)        |
| Change in net position of governmental activities (Exhibit B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |    | \$          | <u>1,545,643</u> |

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

**UNICOI COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
General Fund  
**For the Year Ended June 30, 2024**

|                                                |               |               | Budgeted Amounts |            | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|------------------------------------------------|---------------|---------------|------------------|------------|--------------------------------------------------------------|
|                                                | Actual        |               | Original         | Final      |                                                              |
| <b>Revenues</b>                                |               |               |                  |            |                                                              |
| Local Taxes                                    | \$ 6,543,443  | \$ 6,424,319  | \$ 6,424,319     | \$ 119,124 |                                                              |
| Licenses and Permits                           | 15,199        | 18,000        | 18,000           | (2,801)    |                                                              |
| Fines, Forfeitures, and Penalties              | 95,348        | 92,250        | 92,250           | 3,098      |                                                              |
| Charges for Current Services                   | 105,141       | 114,150       | 114,150          | (9,009)    |                                                              |
| Other Local Revenues                           | 531,752       | 102,100       | 117,870          | 413,882    |                                                              |
| Fees Received From County Officials            | 981,571       | 724,000       | 949,000          | 32,571     |                                                              |
| State of Tennessee                             | 1,640,921     | 1,645,177     | 1,954,380        | (313,459)  |                                                              |
| Federal Government                             | 1,335,605     | 26,011        | 1,018,314        | 317,291    |                                                              |
| Other Governments and Citizens Groups          | 1,213,020     | 905,174       | 1,054,056        | 158,964    |                                                              |
| Total Revenues                                 | \$ 12,462,000 | \$ 10,051,181 | \$ 11,742,339    | \$ 719,661 |                                                              |
| <b>Expenditures</b>                            |               |               |                  |            |                                                              |
| General Government                             |               |               |                  |            |                                                              |
| County Commission                              | \$ 48,801     | \$ 53,100     | \$ 53,100        | \$ 4,299   |                                                              |
| Board of Equalization                          | 4,080         | 4,700         | 4,700            | 620        |                                                              |
| County Mayor/Executive                         | 354,302       | 358,834       | 358,911          | 4,609      |                                                              |
| County Attorney                                | 30,000        | 30,000        | 30,000           | 0          |                                                              |
| Election Commission                            | 221,729       | 230,679       | 230,679          | 8,950      |                                                              |
| Register of Deeds                              | 234,385       | 238,018       | 238,668          | 4,283      |                                                              |
| Planning                                       | 15,530        | 16,067        | 16,067           | 537        |                                                              |
| County Buildings                               | 146,450       | 132,720       | 153,110          | 6,660      |                                                              |
| Other General Administration                   | 68,827        | 69,600        | 77,228           | 8,401      |                                                              |
| Preservation of Records                        | 16,292        | 23,150        | 40,349           | 24,057     |                                                              |
| Finance                                        |               |               |                  |            |                                                              |
| Property Assessor's Office                     | 286,149       | 293,085       | 293,085          | 6,936      |                                                              |
| County Trustee's Office                        | 232,472       | 239,742       | 243,292          | 10,820     |                                                              |
| County Clerk's Office                          | 373,397       | 390,871       | 383,071          | 9,674      |                                                              |
| Other Finance                                  | 138,795       | 100,000       | 140,000          | 1,205      |                                                              |
| Administration of Justice                      |               |               |                  |            |                                                              |
| Circuit Court                                  | 570,834       | 577,277       | 582,335          | 11,501     |                                                              |
| General Sessions Court                         | 170,040       | 172,116       | 172,630          | 2,590      |                                                              |
| Chancery Court                                 | 204,570       | 199,710       | 208,441          | 3,871      |                                                              |
| Juvenile Court                                 | 33,015        | 44,943        | 44,880           | 11,865     |                                                              |
| Public Safety                                  |               |               |                  |            |                                                              |
| Sheriff's Department                           | 2,401,369     | 2,216,299     | 2,524,104        | 122,735    |                                                              |
| Administration of the Sexual Offender Registry | 450           | 1,700         | 1,700            | 1,250      |                                                              |
| Jail                                           | 1,243,309     | 1,342,799     | 1,378,860        | 135,551    |                                                              |
| Workhouse                                      | 711,930       | 872,894       | 895,169          | 183,239    |                                                              |
| Juvenile Services                              | 9,041         | 9,000         | 9,041            | 0          |                                                              |
| Fire Prevention and Control                    | 76,500        | 56,500        | 76,500           | 0          |                                                              |
| Civil Defense                                  | 117,850       | 100,040       | 122,279          | 4,429      |                                                              |
| Other Emergency Management                     | 20,000        | 20,000        | 20,000           | 0          |                                                              |
| County Coroner/Medical Examiner                | 51,033        | 51,473        | 51,617           | 584        |                                                              |
| Public Safety Grants Program                   | 50,780        | 0             | 50,780           | 0          |                                                              |
| Other Public Safety                            | 882,330       | 905,767       | 905,767          | 23,437     |                                                              |
| Public Health and Welfare                      |               |               |                  |            |                                                              |
| Local Health Center                            | 64,687        | 78,381        | 83,167           | 18,480     |                                                              |
| Rabies and Animal Control                      | 212,645       | 203,502       | 214,505          | 1,860      |                                                              |

(Continued)

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

|                                                      | Actual        | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|------------------------------------------------------|---------------|------------------|---------------|--------------------------------------------------------------|
|                                                      |               | Original         | Final         |                                                              |
| <b>Expenditures (Cont.)</b>                          |               |                  |               |                                                              |
| Public Health and Welfare (Cont.)                    |               |                  |               |                                                              |
| Ambulance/Emergency Medical Services                 | \$ 287,076    | \$ 147,200       | \$ 287,082    | \$ 6                                                         |
| Other Local Health Services                          | 167,773       | 295,104          | 295,104       | 127,331                                                      |
| Regional Mental Health Center                        | 30,405        | 0                | 40,652        | 10,247                                                       |
| Appropriation to State                               | 36,916        | 36,916           | 36,916        | 0                                                            |
| Sanitation Education/Information                     | 42,494        | 0                | 44,200        | 1,706                                                        |
| Social, Cultural, and Recreational Services          |               |                  |               |                                                              |
| Senior Citizens Assistance                           | 60,600        | 60,600           | 60,600        | 0                                                            |
| Libraries                                            | 61,200        | 66,200           | 71,200        | 10,000                                                       |
| Other Social, Cultural, and Recreational             | 6,609         | 6,609            | 6,609         | 0                                                            |
| Agriculture and Natural Resources                    |               |                  |               |                                                              |
| Agricultural Extension Service                       | 43,808        | 56,904           | 56,904        | 13,096                                                       |
| Forest Service                                       | 800           | 800              | 800           | 0                                                            |
| Soil Conservation                                    | 5,000         | 5,000            | 5,000         | 0                                                            |
| Other Operations                                     |               |                  |               |                                                              |
| Tourism                                              | 13,000        | 13,000           | 13,000        | 0                                                            |
| Industrial Development                               | 73,840        | 70,000           | 73,840        | 0                                                            |
| Veterans' Services                                   | 24,501        | 26,497           | 26,497        | 1,996                                                        |
| Other Charges                                        | 86,133        | 0                | 86,133        | 0                                                            |
| Contributions to Other Agencies                      | 10,000        | 5,000            | 5,000         | (5,000)                                                      |
| Employee Benefits                                    | 13,035        | 37,500           | 37,500        | 24,465                                                       |
| COVID-19 Grant #4                                    | 1,111,979     | 0                | 1,103,272     | (8,707)                                                      |
| Miscellaneous                                        | 5,654         | 5,654            | 5,654         | 0                                                            |
| Principal on Debt                                    |               |                  |               |                                                              |
| General Government                                   | 7,162         | 0                | 7,162         | 0                                                            |
| Interest on Debt                                     |               |                  |               |                                                              |
| General Government                                   | 638           | 0                | 638           | 0                                                            |
| Capital Projects                                     |               |                  |               |                                                              |
| Public Health and Welfare Projects                   | 10,677        | 0                | 10,677        | 0                                                            |
| Social, Cultural, and Recreation Projects            | 28,999        | 0                | 28,999        | 0                                                            |
| Total Expenditures                                   | \$ 11,119,891 | \$ 9,865,951     | \$ 11,907,474 | \$ 787,583                                                   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 1,342,109  | \$ 185,230       | \$ (165,135)  | \$ 1,507,244                                                 |
| <b>Other Financing Sources (Uses)</b>                |               |                  |               |                                                              |
| Insurance Recovery                                   | \$ 24,627     | \$ 0             | \$ 22,204     | \$ 2,423                                                     |
| Transfers In                                         | 154,220       | 0                | 122,838       | 31,382                                                       |
| Transfers Out                                        | (150,000)     | 0                | (240,000)     | 90,000                                                       |
| Total Other Financing Sources                        | \$ 28,847     | \$ 0             | \$ (94,958)   | \$ 123,805                                                   |
| Net Change in Fund Balance                           | \$ 1,370,956  | \$ 185,230       | \$ (260,093)  | \$ 1,631,049                                                 |
| Fund Balance, July 1, 2023                           | 3,728,550     | 2,922,453        | 3,406,122     | 322,428                                                      |
| Fund Balance, June 30, 2024                          | \$ 5,099,506  | \$ 3,107,683     | \$ 3,146,029  | \$ 1,953,477                                                 |

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

**UNICOI COUNTY, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Other General Government Fund  
**For the Year Ended June 30, 2024**

|                                       |                            | <b>Budgeted Amounts</b> |                          | <b>Variance</b>                                            |
|---------------------------------------|----------------------------|-------------------------|--------------------------|------------------------------------------------------------|
|                                       | <b>Actual</b>              | <b>Original</b>         | <b>Final</b>             | <b>with Final<br/>Budget -<br/>Positive<br/>(Negative)</b> |
| <b>Revenues</b>                       |                            |                         |                          |                                                            |
| Other Local Revenues                  | \$ 79,600                  | \$ 0                    | \$ 79,600                | \$ 0                                                       |
| Federal Government                    | 586,524                    | 0                       | 586,524                  | 0                                                          |
| Total Revenues                        | <u>\$ 666,124</u>          | <u>\$ 0</u>             | <u>\$ 666,124</u>        | <u>\$ 0</u>                                                |
| <b>Expenditures</b>                   |                            |                         |                          |                                                            |
| Finance                               |                            |                         |                          |                                                            |
| Other Finance                         | \$ 796                     | \$ 0                    | \$ 800                   | \$ 4                                                       |
| Other Operations                      |                            |                         |                          |                                                            |
| American Rescue Plan Act Grant #1     | 292,452                    | 0                       | 292,452                  | 0                                                          |
| Total Expenditures                    | <u>\$ 293,248</u>          | <u>\$ 0</u>             | <u>\$ 293,252</u>        | <u>\$ 4</u>                                                |
| Excess (Deficiency) of Revenues       |                            |                         |                          |                                                            |
| Over Expenditures                     | <u>\$ 372,876</u>          | <u>\$ 0</u>             | <u>\$ 372,872</u>        | <u>\$ 4</u>                                                |
| <b>Other Financing Sources (Uses)</b> |                            |                         |                          |                                                            |
| Transfers Out                         | \$ (154,220)               | \$ 0                    | \$ (154,220)             | \$ 0                                                       |
| Total Other Financing Sources         | <u>\$ (154,220)</u>        | <u>\$ 0</u>             | <u>\$ (154,220)</u>      | <u>\$ 0</u>                                                |
| Net Change in Fund Balance            | \$ 218,656                 | \$ 0                    | \$ 218,652               | \$ 4                                                       |
| Fund Balance, July 1, 2023            | <u>(678,385)</u>           | <u>0</u>                | <u>0</u>                 | <u>(678,385)</u>                                           |
| Fund Balance, June 30, 2024           | <u><u>\$ (459,729)</u></u> | <u><u>\$ 0</u></u>      | <u><u>\$ 218,652</u></u> | <u><u>\$ (678,381)</u></u>                                 |

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

**UNICOI COUNTY, TENNESSEE****Statement of Revenues, Expenditures, and Changes****in Fund Balance - Actual and Budget**

Highway/Public Works Fund

**For the Year Ended June 30, 2024**

|                                                      |                     | <b>Budgeted Amounts</b> |                     | <b>Variance<br/>with Final<br/>Budget -<br/>Positive<br/>(Negative)</b> |
|------------------------------------------------------|---------------------|-------------------------|---------------------|-------------------------------------------------------------------------|
|                                                      | <b>Actual</b>       | <b>Original</b>         | <b>Final</b>        |                                                                         |
| <b>Revenues</b>                                      |                     |                         |                     |                                                                         |
| Local Taxes                                          | \$ 260,840          | \$ 255,558              | \$ 255,558          | \$ 5,282                                                                |
| Licenses and Permits                                 | 289                 | 600                     | 600                 | (311)                                                                   |
| Other Local Revenues                                 | 92,526              | 28,596                  | 28,596              | 63,930                                                                  |
| State of Tennessee                                   | 3,554,908           | 5,129,352               | 5,129,352           | (1,574,444)                                                             |
| Federal Government                                   | 21,649              | 22,000                  | 22,000              | (351)                                                                   |
| Other Governments and Citizens Groups                | 66,291              | 0                       | 0                   | 66,291                                                                  |
| Total Revenues                                       | <u>\$ 3,996,503</u> | <u>\$ 5,436,106</u>     | <u>\$ 5,436,106</u> | <u>\$ (1,439,603)</u>                                                   |
| <b>Expenditures</b>                                  |                     |                         |                     |                                                                         |
| Highways                                             |                     |                         |                     |                                                                         |
| Administration                                       | \$ 352,411          | \$ 357,880              | \$ 384,518          | \$ 32,107                                                               |
| Highway and Bridge Maintenance                       | 1,224,422           | 1,363,200               | 1,356,266           | 131,844                                                                 |
| Operation and Maintenance of Equipment               | 206,257             | 378,500                 | 296,224             | 89,967                                                                  |
| Other Charges                                        | 176,079             | 146,500                 | 182,158             | 6,079                                                                   |
| Capital Outlay                                       | 2,330,930           | 3,469,620               | 3,802,120           | 1,471,190                                                               |
| Total Expenditures                                   | <u>\$ 4,290,099</u> | <u>\$ 5,715,700</u>     | <u>\$ 6,021,286</u> | <u>\$ 1,731,187</u>                                                     |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (293,596)</u> | <u>\$ (279,594)</u>     | <u>\$ (585,180)</u> | <u>\$ 291,584</u>                                                       |
| <b>Other Financing Sources (Uses)</b>                |                     |                         |                     |                                                                         |
| Transfers Out                                        | \$ (33,808)         | 0                       | \$ (33,808)         | 0                                                                       |
| Total Other Financing Sources                        | <u>\$ (33,808)</u>  | <u>0</u>                | <u>\$ (33,808)</u>  | <u>0</u>                                                                |
| Net Change in Fund Balance                           | \$ (327,404)        | \$ (279,594)            | \$ (618,988)        | 291,584                                                                 |
| Fund Balance, July 1, 2023                           | <u>4,396,553</u>    | <u>4,140,833</u>        | <u>4,140,833</u>    | <u>255,720</u>                                                          |
| Fund Balance, June 30, 2024                          | <u>\$ 4,069,149</u> | <u>\$ 3,861,239</u>     | <u>\$ 3,521,845</u> | <u>\$ 547,304</u>                                                       |

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

**UNICOI COUNTY, TENNESSEE****Statement of Net Position**

Fiduciary Funds

**June 30, 2024**

|                                                                  | <b><u>Custodial<br/>Funds</u></b> |
|------------------------------------------------------------------|-----------------------------------|
| <b>ASSETS</b>                                                    |                                   |
| Cash                                                             | \$ 1,127,396                      |
| Accounts Receivable                                              | 13,780                            |
| Due from Other Governments                                       | <u>656,259</u>                    |
| Total Assets                                                     | <u>\$ 1,797,435</u>               |
| <b>LIABILITIES</b>                                               |                                   |
| Due to Other Taxing Units                                        | <u>\$ 656,259</u>                 |
| Total Liabilities                                                | <u>\$ 656,259</u>                 |
| <b>NET POSITION</b>                                              |                                   |
| Restricted for Individuals, Organizations, and Other Governments | <u>\$ 1,141,176</u>               |
| Total Net Position                                               | <u><u>\$ 1,141,176</u></u>        |

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

**UNICOI COUNTY, TENNESSEE**  
**Statement of Changes in Net Position**  
 Fiduciary Funds  
**For the Year Ended June 30, 2024**

|                                                       | <u><b>Custodial<br/>Funds</b></u> |
|-------------------------------------------------------|-----------------------------------|
| <b>ADDITIONS</b>                                      |                                   |
| Sales Tax Collections for Other Governments           | \$ 2,616,617                      |
| Collections for Industrial Development Board          | 52,364                            |
| Fines/Fees and Other Collections                      | <u>3,311,776</u>                  |
| Total Additions                                       | <u>\$ 5,980,757</u>               |
| <b>DEDUCTIONS</b>                                     |                                   |
| Payment of Sales Tax Collections to Other Governments | \$ 2,616,617                      |
| Payments to State                                     | 2,337,677                         |
| Payments to Individuals and Others                    | 786,017                           |
| Payments to Industrial Development Board              | <u>52,364</u>                     |
| Total Deductions                                      | <u>\$ 5,792,675</u>               |
| Net Increase (Decrease) in Fiduciary Net Position     | \$ 188,082                        |
| Net Position, July 1, 2023                            | <u>953,094</u>                    |
| Net Position, June 30, 2024                           | <u><u>\$ 1,141,176</u></u>        |

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

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# UNICOI COUNTY, TENNESSEE

## INDEX OF NOTES TO THE FINANCIAL STATEMENTS

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**UNICOI COUNTY, TENNESSEE**  
**INDEX OF NOTES TO THE FINANCIAL STATEMENTS**

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**UNICOI COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2024**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Unicoi 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 Unicoi County:

***A. Reporting Entity***

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

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

The Unicoi County School Department operates the public school system in the county, and the voters of Unicoi 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 Unicoi County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Unicoi County, and the Unicoi County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Unicoi County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Unicoi 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 Unicoi County Emergency Communications District can be obtained from their administrative office at the following address:

Administrative Office:

Unicoi County Emergency Communications District  
P.O. Box 548  
Erwin, TN 37650

***B. Government-wide and Fund Financial Statements***

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

Unicoi County issues all debt for the discretely presented Unicoi County School Department. Net debt issues totaling \$3,102,498 were contributed by the county to the school department during the year ended June 20, 2024. Other significant transactions between the primary government and the school department during the year include: \$320,431 paid from the General Purpose School Fund to the county's General Debt Service Fund as discussed in Note IV.I.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Unicoi 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 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.

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

Unicoi 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 and reports financial resources and expenditures relating to 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.

**General Capital Projects Fund** – This fund accounts for general capital expenditures of the county and for debt issued by the primary government for the benefit of the discretely presented Unicoi County School Department.

Additionally, Unicoi County reports the following fund type:

**Custodial Funds** – These funds account for amounts collected in a custodial capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in Unicoi County, and tax increment financing revenues collected by the trustee that are to be remitted to the Industrial Development Board.

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

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

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

**Education Capital Projects Fund** – This fund is used to account for the receipt of debt issued by Unicoi County and contributed to the school department for building construction and renovations.

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 (FY24) report was not available from the auditor of the Internal School Fund in time for inclusion in this report. Therefore, the prior year balances (FY23) 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 at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

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

**1. Deposits and Investments**

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Unicoi 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. Income from these pooled investments is assigned to the various funds based on the approved budgets. Unicoi 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. Unicoi County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

## **2. Receivables and Payables**

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.11 percent of total taxes levied.

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

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

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

Most payables are disaggregated on the face of the financial statements. The balance in the Due to Other Governments account on the Statement of Net Position for the primary government totaling \$1,563,506 represents \$1,473,534 of American Rescue Plan Act funds and \$89,972 of Local Assistance and Tribal Consistency Fund funds received in advance. The balance in the Other Current Liabilities account totaling \$19,838 on the Statement of Net Position for the primary government represents the remaining balance in the retirement clearing account and asset seizures that have not been awarded to the county as of June 30, 2024. The balance in the Other Current Liabilities account totaling \$560,647 on the Statement of Net Position for the discretely presented Unicoi County School Department represents the remaining

balances in the retirement clearing account (\$44,200) and teacher's insurance clearing account (\$516,447).

Retainage payable in the discretely presented Unicoi County School Department's Education Capital Projects Fund represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held as Equity in Pooled Cash and Investments in the Education Capital Projects Fund.

### **3. Restricted Assets**

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

### **4. Capital Assets**

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

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, and similar items), and intangible right-to-use assets (e.g., lease 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 \$10,000 or more and an estimated useful life of more than three 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 term or useful life.

| <u>Assets</u>              | <u>Years</u> |
|----------------------------|--------------|
| Buildings and Improvements | 30           |
| Other Capital Assets       | 5 - 10       |
| Infrastructure:            |              |
| Roads                      | 40           |
| Bridges                    | 40           |
| Right-to-Use Assets        | 5            |

## 5. **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for pension changes in experience, assumptions, investment earnings, and proportion; pension and OPEB contributions after the measurement date; OPEB changes in experience, assumptions, and proportion; and the deferred charge on refunding. 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; pension changes in experience and proportion; OPEB changes in experience, assumptions, and proportion; and various receivables for revenues, which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

## 6. **Compensated Absences**

It is the county's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits. Vacation benefits for employees of the discretely presented Unicoi County School Department do not vest or accumulate and must be used within the year or lost. There is no liability for unpaid accumulated sick leave since neither Unicoi County nor the school department has a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the

county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

## **7. Long-term Debt, Lease Obligations, and Long-term Obligations**

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable and lease 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, termination benefits, and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

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

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

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

The government-wide Statement of Net Position reports \$3,806,115 of restricted net position, of which \$586,059 is restricted by enabling legislation.

As of June 30, 2024, Unicoi County had \$16,360,000 in outstanding debt for capital purposes for the discretely presented Unicoi County School Department. This debt is a liability of Unicoi County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Unicoi 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.

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission makes assignments for the general government and the Board of Education makes assignments for the school department. Assigned fund balance in the school department's General Purpose School Fund includes amounts assigned for encumbrances \$376,911 and fund balance appropriated for use in the 2024-25 year budget totaling \$520,329.

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

***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 Unicoi County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Unicoi 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 Unicoi 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 Unicoi County. For this purpose, Unicoi County recognizes benefit payments when due and payable in accordance with benefit terms. Unicoi County's OPEB plan is not administered through a trust.

**Discretely Presented Unicoi 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 Unicoi 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 Unicoi County School Department**

Exhibit I-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

### B. *Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities*

#### **Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

#### **Discretely Presented Unicoi County School Department**

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

## III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### A. *Budgetary Information*

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

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures.

Expenditures and encumbrances may not legally exceed appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

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

On June 30, 2024, the discretely presented Unicoi County School Department reported the following significant encumbrances:

| <u>Funds</u>            | <u>Amount</u> |
|-------------------------|---------------|
| School Department:      |               |
| Major Funds:            |               |
| General Purpose School  | \$ 376,911    |
| School Federal Projects | 131,545       |
| Nonmajor Governmental   | 50,951        |

***B. Fund Deficits/Budgetary Basis Fund Deficit***

The Other General Government Fund had a deficit in unassigned fund balance of \$640,769 due to grant expenditure reporting prescribed by the U.S. Treasury for the State and Local Fiscal Recovery Funds Grant (ALN 21.027). The grant expenditures can only be reported in April of each year. Unicoi County made expenditures of grant funds after the reporting period but before the end of the fiscal year which resulted in the deficit.

The School Federal Projects Fund of the discretely presented Unicoi County School Department had a deficit unassigned fund balance of \$148,789 on June 30, 2024. This deficit unassigned fund balance resulted from COVID-19 – Education Stabilization Fund Program – Elementary and Secondary School Emergency Relief Fund (ESSER ARP) grant program construction contract related expenditures being incurred for which the related reimbursement had not been requested timely. The deficit unassigned fund balance was liquidated when revenues were recognized after June 30, 2024. This fund also reported a budgetary basis fund deficit of \$80,334 on June 30, 2024. This was due to the recognition of encumbrances as budgetary basis expenditures. The future expenditures represented by the encumbrances will be funded by federal grants.

**C. *Expenditures Exceeded Appropriations***

Expenditures exceeded appropriations approved by the county commission at the major category level (the legal level of control) in the following funds.

| <u>Fund/Major Appropriation Category</u> | <u>Amount<br/>Overspent</u> |
|------------------------------------------|-----------------------------|
| Primary Government:                      |                             |
| General:                                 |                             |
| Contributions to Other Agencies          | \$ 5,000                    |
| COVID-19 Grant #4                        | 8,707                       |
| Solid Waste/Sanitation:                  |                             |
| Sanitation Management                    | 39,816                      |
| Discretely Presented School Department:  |                             |
| General Purpose School:                  |                             |
| Regular Capital Outlay                   | 1,440                       |

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 respective funds.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. *Deposits and Investments***

Unicoi County and the Unicoi 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 and investments reflected on the balance sheets or statements of net position represent nonpooled amounts held separately by individual funds.

**Deposits**

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

additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

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

## **Investments**

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

investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller’s Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2024, Unicoi County had the following investments carried at amortized cost using a Stable Net Asset Value. Separate disclosures concerning pooled investments cannot be made for Unicoi County and the discretely presented Unicoi County School Department since both pool their deposits and investments through the county trustee.

| Investment                        | Weighted<br>Average<br>Maturity | Amortized<br>Cost |
|-----------------------------------|---------------------------------|-------------------|
| Investments at Amortized Cost:    |                                 |                   |
| State Treasurer's Investment Pool | 1 to 48 days                    | \$ 9,978,866      |

**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. Unicoi 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. Unicoi County has no investment policy that would further limit its investment choices. As of June 30, 2024, Unicoi 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 at <https://www.tn.gov/finance/rd-doa/fa-accfin-ar.html>.

### TCRS Stabilization Trust

**Legal Provisions.** The Unicoi 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 Unicoi 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, 2024, the Unicoi 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<br>Average<br>Maturity<br>(days) | Maturities | Fair<br>Value            |
|--------------------------------------------|-------------------------------------------|------------|--------------------------|
| Investments at Fair Value:                 |                                           |            |                          |
| U.S. Equity                                | N/A                                       | N/A        | \$ 86,406                |
| Developed Market International Equity      | N/A                                       | N/A        | 39,022                   |
| Emerging Market International Equity       | N/A                                       | N/A        | 11,149                   |
| U.S. Fixed Income                          | N/A                                       | N/A        | 55,746                   |
| Real Estate                                | N/A                                       | N/A        | 27,873                   |
| Short-term Securities                      | N/A                                       | N/A        | 2,787                    |
| NAV - Private Equity and Strategic Lending | N/A                                       | N/A        | <u>55,746</u>            |
| Total                                      |                                           |            | <u><u>\$ 278,729</u></u> |

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

**B. Capital Assets**

Capital assets activity for the year ended June 30, 2024, was as follows:

**Primary Government**

**Governmental Activities:**

|                                             | Balance<br>7-1-23 | Increases    | Decreases   | Balance<br>6-30-24 |
|---------------------------------------------|-------------------|--------------|-------------|--------------------|
| Capital Assets Not Depreciated:             |                   |              |             |                    |
| Land                                        | \$ 771,680        | \$ 0         | \$ 0        | \$ 771,680         |
| Construction in Progress                    | 123,201           | 0            | (67,697)    | 55,504             |
| Total Capital Assets Not Depreciated        | \$ 894,881        | \$ 0         | \$ (67,697) | \$ 827,184         |
| Capital Assets Depreciated:                 |                   |              |             |                    |
| Buildings and Improvements                  | \$ 7,443,355      | \$ 0         | \$ 0        | \$ 7,443,355       |
| Other Capital Assets                        | 6,477,253         | 1,303,516    | (63,897)    | 7,716,872          |
| Infrastructure                              | 11,450,402        | 1,688,429    | 0           | 13,138,831         |
| Total Capital Assets Depreciated            | \$ 25,371,010     | \$ 2,991,945 | \$ (63,897) | \$ 28,299,058      |
| Less Accumulated Depreciation For:          |                   |              |             |                    |
| Buildings and Improvements                  | \$ 4,423,355      | \$ 211,403   | \$ 0        | \$ 4,634,758       |
| Other Capital Assets                        | 4,366,027         | 460,090      | (63,897)    | 4,762,220          |
| Infrastructure                              | 5,686,356         | 299,180      | 0           | 5,985,536          |
| Total Accumulated Depreciation              | \$ 14,475,738     | \$ 970,673   | \$ (63,897) | \$ 15,382,514      |
| Total Capital Assets Depreciated, Net       | \$ 10,895,272     | \$ 2,021,272 | \$ 0        | \$ 12,916,544      |
| Intangible Right-to-Use Assets:             |                   |              |             |                    |
| Leased Building                             | \$ 37,045         | \$ 0         | \$ 0        | \$ 37,045          |
| Less: Accumulated Amortization              | (3,727)           | (7,404)      | 0           | (11,131)           |
| Net Intangible Right-to-Use Assets          | \$ 33,318         | \$ (7,404)   | \$ 0        | \$ 25,914          |
| Governmental Activities Capital Assets, Net | \$ 11,823,471     | \$ 2,013,868 | \$ (67,697) | \$ 13,769,642      |

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

**Governmental Activities:**

|                           |    |                |
|---------------------------|----|----------------|
| General Government        | \$ | 200,687        |
| Finance                   |    | 12,154         |
| Administration of Justice |    | 7,920          |
| Public Safety             |    | 152,963        |
| Public Health and Welfare |    | 14,715         |
| Highways/Public Works     |    | <u>589,638</u> |

|                                                                          |    |                       |
|--------------------------------------------------------------------------|----|-----------------------|
| Total Depreciation and Amortization Expense -<br>Governmental Activities | \$ | <u><u>978,077</u></u> |
|--------------------------------------------------------------------------|----|-----------------------|

**Net Investment in Capital Assets**

---

|                                                                                       |    |                          |
|---------------------------------------------------------------------------------------|----|--------------------------|
| Capital Assets (both tangible and intangible)                                         | \$ | 13,769,642               |
| Less:                                                                                 |    |                          |
| Outstanding principal of capital debt and other<br>capital borrowings                 |    | (509,243)                |
| Unamortized balance of original issue premiums<br>on outstanding capital-related debt |    | (11,526)                 |
| Capital related contracts payable                                                     |    | <u>(1,605,193)</u>       |
| Net Investment in Capital Assets                                                      | \$ | <u><u>11,643,680</u></u> |

## Discretely Presented Unicoi County School Department

### Governmental Activities:

|                                             | Balance<br>7-1-23    | Increases           | Decreases             | (1) | Balance<br>6-30-24   |
|---------------------------------------------|----------------------|---------------------|-----------------------|-----|----------------------|
| Capital Assets Not Depreciated:             |                      |                     |                       |     |                      |
| Land                                        | \$ 615,753           | \$ 0                | \$ (51,400)           |     | \$ 564,353           |
| Construction in Progress                    | 1,896,297            | 4,678,262           | (1,145,672)           |     | 5,428,887            |
| Total Capital Assets Not Depreciated        | <u>\$ 2,512,050</u>  | <u>\$ 4,678,262</u> | <u>\$ (1,197,072)</u> |     | <u>\$ 5,993,240</u>  |
| Capital Assets Depreciated:                 |                      |                     |                       |     |                      |
| Buildings and Improvements                  | \$ 44,373,681        | \$ 1,247,489        | \$ (76,000)           |     | \$ 45,545,170        |
| Other Capital Assets                        | 5,740,956            | 511,794             | 0                     |     | 6,252,750            |
| Total Capital Assets Depreciated            | <u>\$ 50,114,637</u> | <u>\$ 1,759,283</u> | <u>\$ (76,000)</u>    |     | <u>\$ 51,797,920</u> |
| Less Accumulated Depreciated For:           |                      |                     |                       |     |                      |
| Buildings and Improvements                  | \$ 21,144,413        | \$ 1,289,750        | \$ (38,000)           |     | \$ 22,396,163        |
| Other Capital Assets                        | 4,577,525            | 260,600             | 0                     |     | 4,838,125            |
| Total Accumulated Depreciation              | <u>\$ 25,721,938</u> | <u>\$ 1,550,350</u> | <u>\$ (38,000)</u>    |     | <u>\$ 27,234,288</u> |
| Total Capital Assets Depreciated, Net       | <u>\$ 24,392,699</u> | <u>\$ 208,933</u>   | <u>\$ (38,000)</u>    |     | <u>\$ 24,563,632</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 26,904,749</u> | <u>\$ 4,887,195</u> | <u>\$ (1,235,072)</u> |     | <u>\$ 30,556,872</u> |

(1) The school department sold property which had not been previously reported in capital assets and recognized proceeds from the sale (\$99,928) as a gain.

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

### Governmental Activities:

|                                                      |                     |
|------------------------------------------------------|---------------------|
| Instruction                                          | \$ 870,176          |
| Support Services                                     | 665,119             |
| Operation of Non-instructional Services              | <u>15,055</u>       |
| Total Depreciation Expense - Governmental Activities | <u>\$ 1,550,350</u> |

## Net Investment in Capital Assets

|                                                                                      |                      |
|--------------------------------------------------------------------------------------|----------------------|
| Capital Assets                                                                       | \$ 30,556,872        |
| Less:                                                                                |                      |
| Outstanding principal balance of capital-<br>related contracts and retainage payable | (722,071)            |
| Net Investment in Capital Assets                                                     | <u>\$ 29,834,801</u> |

### ***C. Impairment Loss for Capital Assets and Insurance Recovery***

#### **Insurance Recovery**

#### **Discretely Presented Unicoi County School Department**

Program expenses of governmental activities for the General Purpose School Fund include an impairment loss of \$180,355 due to storm damage to the high school roof. The school department received an associated insurance recovery of \$179,527, which has been netted against the costs to repair the roof on the government-wide financial statements.

### ***D. Construction Commitments***

On June 30, 2024, the discretely presented Unicoi County School Department had uncompleted construction contracts of approximately \$169,209 for gymnasium addition at Unicoi Elementary School, \$228,810 for construction of tennis courts, \$1,458,369 for track resurfacing, and \$783,981 for fieldhouse renovations at the Unicoi County High School. Funding for these future expenditures is being provided by a federal grant in the School Federal Projects Fund, and in the Education Capital Projects Fund through remaining proceeds of general obligation bonds issued by Unicoi County and contributed to the school department in the current year.

### ***E. Interfund Receivables, Payables, and Transfers***

The composition of interfund balances as of June 30, 2024, was as follows:

#### **Due to/from Other Funds:**

| Receivable Fund                            | Payable Fund             | Amount    |
|--------------------------------------------|--------------------------|-----------|
| Primary Government:                        |                          |           |
| General                                    | Other General Government | \$ 90,000 |
| "                                          | Nonmajor governmental    | 7,109     |
| Discretely Presented School<br>Department: |                          |           |
| Education Capital Projects                 | School Federal Projects  | 148,789   |

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

#### Interfund Transfers:

Interfund transfers for the year ended June 30, 2024, consisted of the following amounts:

#### Primary Government

| Transfers Out                 | Transfers In      |                           |                             |
|-------------------------------|-------------------|---------------------------|-----------------------------|
|                               | General Fund      | General Debt Service Fund | Nonmajor Governmental Funds |
| General Fund                  | \$ 0              | \$ 0                      | \$ 150,000                  |
| Other General Government Fund | 154,220           | 0                         | 0                           |
| Highway/Public Works Fund     | 0                 | 33,808                    | 0                           |
| Total                         | <u>\$ 154,220</u> | <u>\$ 33,808</u>          | <u>\$ 150,000</u>           |

Transfers from the General Fund supplemented operational activities of the nonmajor governmental funds. Transfers from the Other General Government Fund to the General Fund represent American Rescue Plan Act funds. Transfers from the Highway/Public Works Fund were for debt retirement.

#### Discretely Presented Unicoi County School Department

| Transfer Out                | Transfer In                     |
|-----------------------------|---------------------------------|
|                             | Education Capital Projects Fund |
| General Purpose School Fund | \$ 119,263                      |

This transfer was for capital purposes.

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 and General Purpose School funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

#### *F. Lease Obligation*

On October 28, 2022, the county entered into a lease agreement for the use of a drive thru location for the County Clerk's Office through December 1, 2027. The county will make

annual payments of \$7,800 under the agreement. Unicoi County recognized \$7,162 in lease principal and \$638 in lease interest expenditures during the current fiscal year related to this lease. As of June 30, 2024, the lease liability balance was \$26,293.

The present value of the lease was determined using a discount rate of 2.11 percent, the same as the county's incremental borrowing rate. The leased asset and accumulated amortization of the right-to-use asset is outlined in Note IV.B.

The future lease payments on this asset lease include:

| Year Ending<br>June 30 | Building Lease |          |           |
|------------------------|----------------|----------|-----------|
|                        | Principal      | Interest | Total     |
| 2025                   | \$ 7,315       | \$ 485   | \$ 7,800  |
| 2026                   | 7,472          | 328      | 7,800     |
| 2027                   | 7,631          | 169      | 7,800     |
| 2028                   | 3,875          | 24       | 3,899     |
| Total                  | \$ 26,293      | \$ 1,006 | \$ 27,299 |

#### Changes in Lease Obligation

Lease obligation activity for the year ended June 30, 2024, was as follows:

##### Governmental Activities:

|                             | Lease     |
|-----------------------------|-----------|
| Balance, July 1, 2023       | \$ 33,455 |
| Reductions                  | (7,162)   |
| Balance, June 30, 2024      | \$ 26,293 |
| Balance Due Within One Year | \$ 7,315  |

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

|                                                                           |           |
|---------------------------------------------------------------------------|-----------|
| Total Noncurrent Liabilities - Lease, June 30, 2024                       | \$ 26,293 |
| Less: Balance Due Within One Year - Lease                                 | (7,315)   |
| Noncurrent Liabilities - Due in<br>More Than One Year - Lease - Exhibit A | \$ 18,978 |

**G. Long-term Debt**

**Primary Government**

**General Obligation Bonds and Notes**

**General Obligation Bonds** - Unicoi 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 bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 20 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, 2024, will be retired from the General Debt Service Fund.

**Direct Borrowing and Direct Placements** - Unicoi County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes outstanding were issued for original terms of up to 13 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2024, will be retired from the General Debt Service Fund. The county had no other loans outstanding as of June 30, 2024.

General obligation bonds and capital outlay notes outstanding as of June 30, 2024, for governmental activities are as follows:

| Type                                                              | Interest<br>Rate |   | Final<br>Maturity |    | Original<br>Amount<br>of Issue |    | Balance<br>6-30-24 |
|-------------------------------------------------------------------|------------------|---|-------------------|----|--------------------------------|----|--------------------|
| General Obligation Bonds                                          | 1.4 to 5%        | % | 5-1-44            | \$ | 7,925,000                      | \$ | 6,970,000          |
| General Obligation Bonds -<br>Refunding                           | 2 to 5           |   | 5-1-35            |    | 14,500,000                     |    | 9,710,000          |
| Direct Borrowing<br>and Direct Placement:<br>Capital Outlay Notes | 2.65 to 2.94     |   | 4-1-26            |    | 957,000                        |    | 162,950            |

On February 27, 2023, Unicoi County entered into an interlocal agreement to fund \$406,200 of debt repayment for the Erwin Utilities Authority. The debt, which is to be used to fund waterline extension projects in Unicoi County, is expected to be borrowed by the Erwin Utilities Authority from the State Revolving Loan Fund. As of the date of this report, this debt has not been issued.

The annual requirements to amortize all general obligation bonds and notes as of June 30, 2024, including interest payments, are presented in the following table:

| Year Ending<br>June 30 | Bonds         |              |               |
|------------------------|---------------|--------------|---------------|
|                        | Principal     | Interest     | Total         |
| 2025                   | \$ 1,740,000  | \$ 629,670   | \$ 2,369,670  |
| 2026                   | 2,350,000     | 532,691      | 2,882,691     |
| 2027                   | 2,370,000     | 415,191      | 2,785,191     |
| 2028                   | 2,370,000     | 317,041      | 2,687,041     |
| 2029                   | 2,350,000     | 246,291      | 2,596,291     |
| 2030-2034              | 2,150,000     | 756,765      | 2,906,765     |
| 2035-2039              | 2,345,000     | 413,281      | 2,758,281     |
| 2040-2044              | 1,005,000     | 123,600      | 1,128,600     |
| Total                  | \$ 16,680,000 | \$ 3,434,530 | \$ 20,114,530 |

| Year Ending<br>June 30 | Notes - Direct Placement |          |            |
|------------------------|--------------------------|----------|------------|
|                        | Principal                | Interest | Total      |
| 2025                   | \$ 97,950                | \$ 4,695 | \$ 102,645 |
| 2026                   | 65,000                   | 1,911    | 66,911     |
| Total                  | \$ 162,950               | \$ 6,606 | \$ 169,556 |

There is \$2,959,599 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$930, based on the 2020 federal census. Total debt per capita, including bonds, notes, and unamortized debt premiums, totaled \$979, based on the 2020 federal census.

### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2024, was as follows:

#### Governmental Activities:

|                                | Bonds                | Notes -<br>Direct<br>Placement |
|--------------------------------|----------------------|--------------------------------|
| Balance, July 1, 2023          | \$ 15,060,000        | \$ 260,050                     |
| Additions                      | 2,965,000            | 0                              |
| Reductions                     | (1,345,000)          | (97,100)                       |
| Balance, June 30, 2024         | <u>\$ 16,680,000</u> | <u>\$ 162,950</u>              |
| Balance Due Within<br>One Year | <u>\$ 1,740,000</u>  | <u>\$ 97,950</u>               |

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

|                                                                          |                      |
|--------------------------------------------------------------------------|----------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2024                       | \$ 16,842,950        |
| Less: Balance Due Within One Year - Debt                                 | (1,837,950)          |
| Add: Unamortized Premium on Debt                                         | <u>711,696</u>       |
| Noncurrent Liabilities - Due in<br>More Than One Year - Debt - Exhibit A | <u>\$ 15,716,696</u> |

*H. Long-term Obligations*

**Primary Government**

**Changes in Long-term Obligations**

Long-term obligations activity for the year ended June 30, 2024, was as follows:

**Governmental Activities:**

|                             | Compensated<br>Absences | Other<br>Postemployment<br>Benefits |
|-----------------------------|-------------------------|-------------------------------------|
| Balance, July 1, 2023       | \$ 166,537              | \$ 93,985                           |
| Additions                   | 209,041                 | 51,905                              |
| Reductions                  | (230,524)               | (11,791)                            |
| Balance, June 30, 2024      | <u>\$ 145,054</u>       | <u>\$ 134,099</u>                   |
| Balance Due Within One Year | <u>\$ 101,538</u>       | <u>\$ 0</u>                         |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

|                                                                           |                   |
|---------------------------------------------------------------------------|-------------------|
| Total Other Noncurrent Liabilities, June 30, 2024                         | \$ 279,153        |
| Less: Balance Due Within One Year - Other                                 | <u>(101,538)</u>  |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit A | <u>\$ 177,615</u> |

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds.

## Discretely Presented Unicoi County School Department

### Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Unicoi County School Department for the year ended June 30, 2024, was as follows:

#### Governmental Activities:

|                             | Other<br>Postemployment<br>Benefits | Termination<br>Benefits |
|-----------------------------|-------------------------------------|-------------------------|
| Balance, July 1, 2023       | \$ 2,965,636                        | \$ 140,600              |
| Additions                   | 470,011                             | 23,600                  |
| Reductions                  | (410,117)                           | (24,600)                |
| Balance, June 30, 2024      | <u>\$ 3,025,530</u>                 | <u>\$ 139,600</u>       |
| Balance Due Within One Year | <u>\$ 0</u>                         | <u>\$ 22,800</u>        |

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

|                                                                           |                     |
|---------------------------------------------------------------------------|---------------------|
| Total Noncurrent Liabilities - Other, June 30, 2024                       | \$ 3,165,130        |
| Less: Balance Due Within One Year - Other                                 | <u>(22,800)</u>     |
|                                                                           | 0                   |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit A | <u>\$ 3,142,330</u> |

Other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds. Termination benefits will be paid from the General Purpose School Fund.

### *I. Pledges of Receivables and Future Revenues*

#### Local Option Sales Tax Revenues Pledged

By agreement in prior years, Unicoi County, the town of Unicoi, and the discretely presented Unicoi County School Department pledged proceeds of one cent of the local option sales tax levy toward the retirement of the outstanding General Obligation Refunding Bonds, Series 2001. A portion of those bonds were used to refinance obligations related to the construction of a high school. The town of Unicoi's pledge was limited to \$175,000 per year. This agreement dissolved with the maturity of the debt on April 1, 2021.

On September 13, 2019, Unicoi County and the discretely presented Unicoi County School Department agreed to continue the commitment of one cent on the local option sales tax rate for the repayment of General Obligation Bonds Series 2019 issued on October 17, 2019, to finance school construction projects. This agreement became effective with the maturity of

the General Obligation Refunding Bonds Series 2001 on April 1, 2021. The town of Unicoi is not a party to the new agreement. The remaining principal (\$4,005,000) and interest (\$780,613) requirements for the bonds are payable semiannually through May 2039. For the current year, principal and interest paid was \$320,431. The amount of revenues generated by the pledged sales tax levy in the current year was \$1,123,464. The excess of pledged sales tax revenues over debt service requirements in the prior years and current year was \$1,423,021 and \$803,033, respectively, for a total of \$2,226,054. The excess of pledged sales tax revenues over debt service requirements was presented as Committed for Debt Service in the General Purpose School Fund in prior years; however, upon further review of the agreement, it was determined that any balance remaining after the annual debt service requirements are satisfied should have been reflected in unassigned fund balance of the General Purpose School Fund. The prior years and current year's excess of the pledged sales tax revenues over the debt service requirements have been reclassified and are presented as part of the unassigned fund balance in the General Purpose School Fund per the agreement.

On March 18, 2024, Unicoi County and the discretely presented Unicoi County School Department entered into an agreement for the repayment of General Obligation Bonds Series 2024 issued on April 4, 2024, to finance school construction projects. The school department agreed to contribute an amount sufficient to pay debt service requirements on said bonds on or before May 1 of each year from local option sales tax from the General Purpose School Fund. The remaining principal (\$2,965,000) and interest (\$1,541,578) requirements for the bonds are payable semiannually through May 2044. There were no principal and interest requirements paid during the current year.

***J. On-Behalf Payments – Discretely Presented Unicoi County School Department***

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Unicoi County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2024, were \$58,799. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

***A. Risk Management***

**Primary Government**

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

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

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

### **Discretely Presented Unicoi County School Department**

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

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

### ***B. Accounting Change***

GASB Statement No. 100, *Accounting Changes and Error Corrections*, became effective for the fiscal year ending June 30, 2024. This statement clarifies the financial accounting and reporting requirements for changes in accounting principles, changes in accounting estimates, error corrections, and changes within the reporting entity.

### ***C. Contingent Liabilities***

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

The county is involved in several pending lawsuits. Based on letters from attorneys, management estimates that the potential claims not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

***D. Joint Ventures***

**Primary Government**

The Upper East Tennessee Regional Juvenile Detention Center was formed through cooperative agreements between Unicoi County and the counties of Carter, Greene, Hawkins, Johnson, Sullivan, and Washington for the operation of a program to divert youth from commitment to the Department of Correction facilities. This program is governed by a board of directors designated by the counties. The board of directors has contracted with ElyJenn Health Services, LLC, to undertake the management of this program. Operation costs to the counties are allocated according to percentages based on population. Unicoi County's participation is 3.5 percent. The county also pays a daily fee for individuals from the county using the facility.

The Erwin, Unicoi, and Unicoi County Animal Welfare Board was formed through a cooperative agreement between Unicoi County, the town of Erwin, and the town of Unicoi to operate and maintain a facility for the sheltering of animals. This entity is governed by a seven-member board comprising two appointees from the county, two from the town of Erwin, two from the town of Unicoi, and one from the Unicoi County Humane Society. The board generates its operating revenues from fees charged for the reclamation, adoption, spaying, and neutering of animals; however, each member is responsible for one-third of the annual operating costs of the shelter if revenues are insufficient to meet such costs. Unicoi County contributed \$54,448 to the Animal Welfare Board for the year ended June 30, 2024.

The First Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the First Judicial District, Carter, Unicoi, and Washington counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Unicoi County did not contribute to the DTF for the year ended June 30, 2024.

Unicoi County Emergency Medical Services (EMS) is a joint venture formed through an interlocal agreement between Unicoi County, the town of Erwin, and the town of Unicoi to provide ambulance services in Unicoi County. This entity is governed by a nine-member board comprising three appointees from the county, two from the town of Erwin, two from the town of Unicoi, the CEO of the local hospital or their designee, and the Medical Director of the Unicoi County EMS. Unicoi County EMS generates its operating revenues from fees charged for services; however, Unicoi County, the town of Erwin, and the town of Unicoi are respectively responsible for 64 percent, 22 percent, and 14 percent of the annual operating costs if revenues are insufficient to meet such costs. Unicoi County contributed \$147,200 to the Unicoi County Emergency Medical Services for the year ended June 30, 2024.

Complete financial statements for the Juvenile Detention Center; the Erwin, Unicoi, and Unicoi County Animal Welfare Board, the First Judicial District Drug Task Force, and Unicoi County Emergency Medical Services can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Upper East Tennessee Regional  
Juvenile Detention Center  
307 Wesley Street  
Johnson City, TN 37601

Erwin, Unicoi, and Unicoi County  
Animal Welfare Board  
185 North Industrial Drive  
Erwin, TN 37650

Office of District Attorney General  
First Judicial District Drug Task Force  
P.O. Box 38  
Jonesborough, TN 37659

Unicoi County Emergency Medical Services  
630 Oneega Avenue  
Erwin, TN 37650

**Discretely Presented School Department**

The discretely presented school department participates in the Northeast Tennessee Cooperative (NETCO). The cooperative was established through a contractual agreement between the Boards of Education of Unicoi County and various other counties and cities in the upper East Tennessee area. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated* and was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Johnson City School System) and a service provider to provide this service. NETCO is governed by a representative committee, including one representative from each of the member districts and an executive council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the representative committee.

Complete financial statements for NETCO can be obtained from its administrative office at the following address:

Administrative Office:

Northeast Tennessee Cooperative  
100 East Maple Street  
P.O. Box 1517  
Johnson City, TN 37605

## ***E. Jointly Governed Organization***

The East Tennessee Regional Agribusiness Marketing Authority was established through Title 64 of *Tennessee Code Annotated, (TCA)*, and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Unicoi, and Washington. The purpose of the authority is to establish and operate a market for agricultural products of the region through a food distribution center, and to further the economy and growth of the region served by the authority by developing, marketing, and promoting facilities for warehousing, distribution, light manufacturing, and agribusiness purposes. The authority is governed by a Board of Directors consisting of the county mayors of each county or the county mayor's designee and one nonvoting member representing the Tennessee Department of Agriculture and the University of Tennessee's Agriculture Extension Service. An executive committee, consisting of the chairman, vice-chairman, secretary, and treasurer of the Board of Directors, along with the center manager as an ex-officio member, is in charge of the daily operation of the center.

The Joint Economic Development Board of Unicoi County is jointly governed by Unicoi County, the towns of Erwin and Unicoi, the Unicoi County Gas Utility District, and various local private enterprises. The board is composed of 16 members, four of whom represent Unicoi County. The purpose is to coordinate the governmental and private sector activities in attracting businesses and industries to the Unicoi County area.

## ***F. Retirement Commitments***

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

#### **Primary Government**

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

*Plan Description.* Employees of Unicoi County and non-certified employees of the discretely presented Unicoi County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprised 57.75 percent, the non-certified employees of the discretely presented school department comprised 42.25 percent of the plan based on contribution data. The TCRS was created by state statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age

55. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

|                                                      |                   |
|------------------------------------------------------|-------------------|
| Inactive Employees or Beneficiaries Currently        |                   |
| Receiving Benefits                                   | 202               |
| Inactive Employees Entitled to But Not Yet Receiving |                   |
| Benefits                                             | 328               |
| Active Employees                                     | 245               |
| Total                                                | <u><u>775</u></u> |

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary to the plan. Unicoi 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, 2024, the employer contributions for Unicoi County were \$528,254 based on a rate of 6.47 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Unicoi 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)***

Unicoi County's net pension liability (asset) was measured as of June 30, 2023, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2023, 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%<br>to 3.44% Based on Age, Including<br>Inflation, Averaging 4% |
| Investment Rate of Return | 6.75%, Net of Pension Plan<br>Investment Expenses, Including<br>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, 2023, 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<br>Long-term<br>Expected<br>Real Rate<br>of Return | Percentage<br>Target<br>Allocations |
|-----------------------|---------------------------------------------------------------|-------------------------------------|
| U.S. Equity           | 4.88                                                          | 31                                  |
| Developed Market      |                                                               |                                     |
| International Equity  | 5.37                                                          | 14                                  |
| Emerging Market       |                                                               |                                     |
| International Equity  | 6.09                                                          | 4                                   |
| Private Equity and    |                                                               |                                     |
| Strategic Lending     | 6.57                                                          | 20                                  |
| U.S. Fixed Income     | 1.20                                                          | 20                                  |
| Real Estate           | 4.38                                                          | 10                                  |
| Short-term Securities | 0.00                                                          | 1                                   |
| Total                 |                                                               | 100                                 |

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

*Discount Rate.* The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Unicoi 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<br>Pension<br>Liability<br>(a) | Plan<br>Fiduciary<br>Net Position<br>(b) | Net Pension<br>Liability<br>(Asset)<br>(a)-(b) |
| Balance, July 1, 2022                                               | \$ 26,584,801                        | \$ 27,199,361                            | \$ (614,560)                                   |
| Changes for the year:                                               |                                      |                                          |                                                |
| Service Cost                                                        | \$ 792,613                           | \$ 0                                     | \$ 792,613                                     |
| Interest                                                            | 1,807,060                            | 0                                        | 1,807,060                                      |
| Differences Between Expected<br>and Actual Experience               | (189,433)                            | 0                                        | (189,433)                                      |
| Contributions-Employer                                              | 0                                    | 501,149                                  | (501,149)                                      |
| Contributions-Employees                                             | 0                                    | 387,850                                  | (387,850)                                      |
| Net Investment Income                                               | 0                                    | 1,816,549                                | (1,816,549)                                    |
| Benefit Payments, Including<br>Refunds of Employee<br>Contributions | (1,212,295)                          | (1,212,295)                              | 0                                              |
| Administrative Expense                                              | 0                                    | (26,489)                                 | 26,489                                         |
| Net Changes                                                         | \$ 1,197,945                         | \$ 1,466,764                             | \$ (268,819)                                   |
| Balance, June 30, 2023                                              | \$ 27,782,746                        | \$ 28,666,125                            | \$ (883,379)                                   |

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

|                    |        | Total<br>Pension<br>Liability | Plan<br>Fiduciary<br>Net<br>Position | Net<br>Pension<br>Liability<br>(Asset) |
|--------------------|--------|-------------------------------|--------------------------------------|----------------------------------------|
| Primary Government | 57.75% | \$ 16,044,536                 | \$ 16,554,687                        | \$ (510,151)                           |
| School Department  | 42.25% | 11,738,210                    | 12,111,438                           | (373,228)                              |
| Total              |        | <u>\$ 27,782,746</u>          | <u>\$ 28,666,125</u>                 | <u>\$ (883,379)</u>                    |

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Unicoi 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%<br>Decrease | Current<br>Discount<br>Rate | 1%<br>Increase |
|-------------------------------|----------------|-----------------------------|----------------|
| Unicoi County                 | 5.75%          | 6.75%                       | 7.75%          |
| Net Pension Liability (Asset) | \$ 2,856,538   | \$ (883,379)                | \$ (3,961,515) |

### ***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, 2024, Unicoi County recognized pension expense (negative pension expense) of \$735,607.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, Unicoi County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                          | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--------------------------------------------------------------------------|-----------------------------------------|----------------------------------------|
| Difference Between Expected and<br>Actual Experience                     | \$ 789,590                              | \$ 301,734                             |
| Net Difference Between Projected and<br>Actual Earnings on Pension Plan  |                                         |                                        |
| Investments                                                              | 224,643                                 | 0                                      |
| Changes in Assumptions                                                   | 640,676                                 | 0                                      |
| Contributions Subsequent to the<br>Measurement Date of June 30, 2023 (1) | 528,254                                 | N/A                                    |
| Total                                                                    | <u>\$ 2,183,163</u>                     | <u>\$ 301,734</u>                      |

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2023,” 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<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 1,264,566                         | \$ 174,251                          |
| School Department  | 918,597                              | 127,483                             |
| Total              | <u>\$ 2,183,163</u>                  | <u>\$ 301,734</u>                   |

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

| Year Ending<br>June 30 | Amount     |
|------------------------|------------|
| 2025                   | \$ 280,968 |
| 2026                   | 282,567    |
| 2027                   | 826,007    |
| 2028                   | (36,366)   |
| 2029                   | 0          |
| Thereafter             | 0          |

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

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

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

*Plan Description.* As noted above under the primary government, employees of Unicoi County and non-certified employees of the discretely presented Unicoi 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 57.75 percent and the non-certified employees of the discretely presented school department comprise 42.25 percent of the plan based on contribution data.

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

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

*Plan Description.* Teachers of the Unicoi 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 at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*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, 2024, to the Teacher Retirement Plan were \$114,569, which is 2.95 percent of covered payroll. In addition, employer contributions of \$40,779, which is 1.05 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, 2024, the school department reported a liability (asset) of (\$68,578) for its proportionate share of the net pension liability (asset). The

net pension liability (asset) was measured as of June 30, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2023, the school department's proportion was .161728 percent. The proportion as of June 30, 2022, was .151220 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$87,046.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the school department reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

|                                                                                        | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|----------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------|
| Difference Between Expected and<br>Actual Experience                                   | \$ 2,310                                | \$ 40,028                              |
| Net Difference Between Projected and<br>Actual Earnings on Pension Plan<br>Investments | 17,436                                  | 0                                      |
| Changes in Assumptions                                                                 | 51,594                                  | 0                                      |
| Changes in Proportion of Net Pension<br>Liability (Asset)                              | 13,214                                  | 16,739                                 |
| LEA's Contributions Subsequent to the<br>Measurement Date of June 30, 2023             | 114,569                                 | N/A                                    |
| Total                                                                                  | <u>\$ 199,123</u>                       | <u>\$ 56,767</u>                       |

The school department's employer contributions of \$114,569 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2025. 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<br>June 30 | Amount  |
|------------------------|---------|
| 2025                   | \$ (64) |
| 2026                   | (2,602) |
| 2027                   | 24,295  |
| 2028                   | 1,491   |
| 2029                   | 1,597   |
| Thereafter             | 3,071   |

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, 2023, 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%<br>to 3.44% Based on Age, Including<br>Inflation, Averaging 4% |
| Investment Rate of Return | 6.75%, Net of Pension Plan<br>Investment Expenses, Including<br>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, 2023, 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<br>Long-term<br>Expected<br>Real Rate<br>of Return |   | Percentage<br>Target<br>Allocations |   |
|-----------------------|---------------------------------------------------------------|---|-------------------------------------|---|
| U.S. Equity           | 4.88                                                          | % | 31                                  | % |
| Developed Market      |                                                               |   |                                     |   |
| International Equity  | 5.37                                                          |   | 14                                  |   |
| Emerging Market       |                                                               |   |                                     |   |
| International Equity  | 6.09                                                          |   | 4                                   |   |
| Private Equity and    |                                                               |   |                                     |   |
| Strategic Lending     | 6.57                                                          |   | 20                                  |   |
| U.S. Fixed Income     | 1.20                                                          |   | 20                                  |   |
| Real Estate           | 4.38                                                          |   | 10                                  |   |
| Short-term Securities | 0.00                                                          |   | 1                                   |   |
| Total                 |                                                               |   | 100                                 | % |

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

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

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

| School Department's<br>Proportionate Share of<br>the Net Pension<br>Liability (Asset) | 1%<br>Decrease<br>5.75% | Current<br>Discount<br>Rate<br>6.75% | 1%<br>Increase<br>7.75% |
|---------------------------------------------------------------------------------------|-------------------------|--------------------------------------|-------------------------|
| Net Pension Liability (Asset)                                                         | \$ 315,457              | \$ (68,578)                          | \$ (345,052)            |

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

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

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

*Plan Description.* Teachers of the Unicoi 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 at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

*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 Unicoi County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$570,096, which is 6.81 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, 2024, the school department reported a liability (asset) of (\$2,952,773) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, 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, 2023, the school department's proportion was .250453 percent. The proportion measured at June 30, 2022, was .275169 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$841,422.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                        | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|----------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------|
| Difference Between Expected and<br>Actual Experience                                   | \$ 703,501                              | \$ 137,028                             |
| Changes in Assumptions                                                                 | 962,094                                 | 0                                      |
| Net Difference Between Projected and<br>Actual Earnings on Pension Plan<br>Investments | 512,321                                 | 0                                      |
| Changes in Proportion of Net Pension<br>Liability (Asset)                              | 372,629                                 | 49,449                                 |
| LEA's Contributions Subsequent to the<br>Measurement Date of June 30, 2023             | 570,096                                 | N/A                                    |
| Total                                                                                  | <u>\$ 3,120,641</u>                     | <u>\$ 186,477</u>                      |

The school department's employer contributions of \$570,096 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2025. 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<br>June 30 | Amount     |
|------------------------|------------|
| 2025                   | \$ 790,529 |
| 2026                   | (302,087)  |
| 2027                   | 1,871,613  |
| 2028                   | 4,013      |
| 2029                   | 0          |
| Thereafter             | 0          |

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

*Actuarial Assumptions.* The total pension liability as of the June 30, 2023, 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%<br>to 3.44% Based on Age, Including<br>Inflation, Averaging 4% |
| Investment Rate of Return | 6.75%, Net of Pension Plan<br>Investment Expenses, Including<br>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, 2023, 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<br>Long-term<br>Expected<br>Real Rate<br>of Return | Percentage<br>Target<br>Allocations |
|-----------------------------------------------------------------|---------------------------------------------------------------|-------------------------------------|
| U.S. Equity<br>Developed Market                                 | 4.88 %                                                        | 31 %                                |
| International Equity<br>Emerging Market                         | 5.37                                                          | 14                                  |
| International Equity<br>Private Equity and<br>Strategic Lending | 6.09                                                          | 4                                   |
| U.S. Fixed Income                                               | 6.57                                                          | 20                                  |
| Real Estate                                                     | 1.20                                                          | 20                                  |
| Short-term Securities                                           | 4.38                                                          | 10                                  |
|                                                                 | 0.00                                                          | 1                                   |
| Total                                                           |                                                               | 100 %                               |

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

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

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

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

|                               |    |           |    |             |    |              |
|-------------------------------|----|-----------|----|-------------|----|--------------|
| Net Pension Liability (Asset) | \$ | 6,431,345 | \$ | (2,952,773) | \$ | (10,757,713) |
|-------------------------------|----|-----------|----|-------------|----|--------------|

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

## 2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$182,719 and teachers contributed \$223,155 to this deferred compensation pension plan.

### G. Other Postemployment Benefits (OPEB)

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

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

The county and the school department's total OPEB liability for each plan was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs.* The total OPEB liability in the June 30, 2023, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                                        |                                                                                                                                                                                         |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial Cost Method                  | Entry Age Normal                                                                                                                                                                        |
| Inflation                              | 2.25%                                                                                                                                                                                   |
| Salary Increases                       | Salary increases used in the July 1, 2021, TCRS actuarial valuation; 3.44% to 8.72%, including inflation                                                                                |
| Discount Rate                          | 3.65%                                                                                                                                                                                   |
| Healthcare Cost Trend Rates            | Based on the Getzen Model, with trend starting at 10.31% for pre-65 retirees in the 2023 calendar year, and decreasing annually over a 11-year period to an ultimate trend rate of 4.5% |
| Retirees Share of Benefit Related Cost | Discussed under each plan                                                                                                                                                               |

The discount rate was 3.65 percent, based on an average rating of AA/Aa as shown on the Bond Buyers 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2023, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2023, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted employee mortality table for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement rates are headcount-weighted below median healthy annuitant and adjusted with a 6 percent load for males and a 14 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

*Changes in Assumptions.* The discount rate changed from 3.54 percent as of the beginning of the measurement period to 3.65 percent as of the measurement date of June 30, 2023. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2023 plan year was revised from 8.37 percent to 10.31 percent.

### **Local Government OPEB Plans (Primary Government)**

*Plan Description.* Employees of Unicoi County are provided with pre-65 retiree health insurance benefits through the closed Local Government Plans (LGPs) administered by the Tennessee

Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGPs.

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

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

|                                                                          | County | Highway<br>Department | Total |
|--------------------------------------------------------------------------|--------|-----------------------|-------|
| Inactive Employees Currently Receiving<br>Benefit Payments               | 0      | 0                     | 0     |
| Inactive Employees Entitled To But Not Yet<br>Receiving Benefit Payments | 0      | 0                     | 0     |
| Active Employees Eligible for Benefits                                   | 109    | 13                    | 122   |
| Total                                                                    | 109    | 13                    | 122   |

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGPs by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, the county paid \$883 (County - \$850, Highway Department - \$33) to the LGP for OPEB benefits as they came due.

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

|                                                         | County    | Highway<br>Department | Total      |
|---------------------------------------------------------|-----------|-----------------------|------------|
| Balance July 1, 2022                                    | \$ 60,300 | \$ 33,685             | \$ 93,985  |
| Changes for the Year:                                   |           |                       |            |
| Service Cost                                            | \$ 10,210 | \$ 2,513              | \$ 12,723  |
| Interest                                                | 2,475     | 1,279                 | 3,754      |
| Difference between Expected<br>and Actuarial Experience | (1,808)   | (8,659)               | (10,467)   |
| Changes in Assumption                                   | 23,780    | 11,648                | 35,428     |
| Benefit Payments                                        | (1,214)   | (110)                 | (1,324)    |
| Net Changes                                             | \$ 33,443 | \$ 6,671              | \$ 40,114  |
| Balance June 30, 2023                                   | \$ 93,743 | \$ 40,356             | \$ 134,099 |

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the county recognized OPEB expense of \$11,719 (County - \$11,045, Highway Department - \$674). On June 30, 2024, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                              | County    | Highway<br>Department | Total     |
|--------------------------------------------------------------|-----------|-----------------------|-----------|
| Deferred Outflows of Resources:                              |           |                       |           |
| Changes in Assumptions                                       | \$ 20,575 | \$ 9,938              | \$ 30,513 |
| Benefits Paid after the<br>Measurement Date of June 30, 2023 | 850       | 33                    | 883       |
| Total Deferred Outflows<br>of Resources                      | \$ 21,425 | \$ 9,971              | \$ 31,396 |

|                                                      | County    | Highway<br>Department | Total     |
|------------------------------------------------------|-----------|-----------------------|-----------|
| Deferred Inflows of Resources:                       |           |                       |           |
| Difference Between Expected<br>and Actual Experience | \$ 10,750 | \$ 10,416             | \$ 21,166 |
| Changes in Assumptions                               | 17,499    | 12,225                | 29,724    |
| Total Deferred Inflows<br>of Resources               | \$ 28,249 | \$ 22,641             | \$ 50,890 |

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

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

| Year Ending<br>June 30 | General<br>County | Highway<br>Department | Total<br>Amount |
|------------------------|-------------------|-----------------------|-----------------|
| 2025                   | \$ (1,640)        | \$ (3,118)            | \$ (4,758)      |
| 2026                   | (1,640)           | (3,118)               | (4,758)         |
| 2027                   | (1,640)           | (3,118)               | (4,758)         |
| 2028                   | (1,640)           | (3,118)               | (4,758)         |
| 2029                   | (1,640)           | (592)                 | (2,232)         |
| Thereafter             | 526               | 361                   | 887             |

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:

| <u>Discount Rate</u> | 1%<br>Decrease<br>2.65% | Current<br>Discount<br>Rate<br>3.65% | 1%<br>Increase<br>4.65% |
|----------------------|-------------------------|--------------------------------------|-------------------------|
| County               | \$ 102,045              | \$ 93,743                            | \$ 86,091               |
| Highway Department   | 43,320                  | 40,356                               | 37,548                  |
| Total OPEB Liability | <u>\$ 145,365</u>       | <u>\$ 134,099</u>                    | <u>\$ 123,639</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:

| <u>Healthcare Cost Trend Rate</u> | 1%<br>Decrease<br>9.31 to 3.5% | Current<br>Trend<br>Rate<br>10.31 to 4.5% | 1%<br>Increase<br>11.31 to 5.5% |
|-----------------------------------|--------------------------------|-------------------------------------------|---------------------------------|
| County                            | \$ 82,017                      | \$ 93,743                                 | \$ 107,740                      |
| Highway Department                | 36,449                         | 40,356                                    | 44,827                          |
| Total OPEB Liability              | <u>\$ 118,466</u>              | <u>\$ 134,099</u>                         | <u>\$ 152,567</u>               |

## Discretely Presented Unicoi County School Department

### Closed Local Education (LEP) OPEB Plan

*Plan Description.* Employees of the Unicoi County School Department, who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

*Benefits Provided.* The Unicoi County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The school department does not provide a direct subsidy except for the \$1,200 annual supplement discussed in Note V.H., Termination Benefits, which retirees may elect to have applied to their insurance coverage. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retiree's premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2023, the following employees were covered by the benefit terms:

|                                                                          | <u>Total</u>      |
|--------------------------------------------------------------------------|-------------------|
| Inactive Employees Currently Receiving<br>Benefit Payments               | 14                |
| Inactive Employees Entitled To But Not Yet<br>Receiving Benefit Payments | 0                 |
| Active Employees Eligible For Benefits                                   | <u>205</u>        |
| Total                                                                    | <u><u>219</u></u> |

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$98,141 to the LEP for OPEB benefits as they came due.

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

|                                                         | Share of Collective Liability |                | Total OPEB<br>Liability |
|---------------------------------------------------------|-------------------------------|----------------|-------------------------|
|                                                         | Unicoi County                 | State of       |                         |
|                                                         | School Department<br>62.3413% | TN<br>37.6587% |                         |
| Balance July 1, 2022                                    | \$ 2,965,636                  | \$ 1,655,926   | \$ 4,621,562            |
| Changes for the Year:                                   |                               |                |                         |
| Service Cost                                            | \$ 135,357                    | \$ 81,766      | \$ 217,123              |
| Interest                                                | 104,839                       | 63,331         | 168,170                 |
| Difference between<br>Expected and Actual<br>Experience | (214,798)                     | (129,754)      | (344,552)               |
| Changes in Proportion                                   | (84,491)                      | 84,491         | 0                       |
| Changes in Assumption                                   | 229,824                       | 138,831        | 368,655                 |
| Benefit Payments                                        | (110,837)                     | (66,953)       | (177,790)               |
| Net Changes                                             | \$ 59,894                     | \$ 171,712     | \$ 231,606              |
| Balance June 30, 2023                                   | \$ 3,025,530                  | \$ 1,827,638   | \$ 4,853,168            |

The Unicoi County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Unicoi County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$174,955 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Unicoi County School Department's proportionate share of the collective OPEB liability was 62.3413 percent and the State of Tennessee's share was 37.6587 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2024, the school department recognized OPEB expense of \$423,765, including the state's share of the expense. On June 30, 2024, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

|                                                              | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--------------------------------------------------------------|-----------------------------------------|----------------------------------------|
| Difference Between Expected and<br>Actual Experience         | \$ 335,947                              | \$ 438,948                             |
| Changes of Assumptions                                       | 632,722                                 | 356,687                                |
| Changes in Proportion                                        | 81,949                                  | 205,232                                |
| Benefits Paid After the Measurement Date<br>of June 30, 2023 | 98,141                                  | 0                                      |
| Total                                                        | <u>\$ 1,148,759</u>                     | <u>\$ 1,000,867</u>                    |

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

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

| Year Ending<br>June 30 | School<br>Department |
|------------------------|----------------------|
| 2025                   | \$ 8,614             |
| 2026                   | 8,614                |
| 2027                   | 8,614                |
| 2028                   | 13,706               |
| 2029                   | 16,374               |
| Thereafter             | (6,171)              |

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

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

| <u>Discount Rate</u> |          | Current  |          |
|----------------------|----------|----------|----------|
|                      | 1%       | Discount | 1%       |
|                      | Decrease | Rate     | Increase |
|                      | 2.65%    | 3.65%    | 4.65%    |

|                                                                  |              |              |              |
|------------------------------------------------------------------|--------------|--------------|--------------|
| Proportionate Share of the<br>Collective Total OPEB<br>Liability | \$ 3,275,970 | \$ 3,025,530 | \$ 2,788,955 |
|------------------------------------------------------------------|--------------|--------------|--------------|

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

| <u>Healthcare Cost Trend Rate</u> |              | Current       |               |
|-----------------------------------|--------------|---------------|---------------|
|                                   | 1%           | Rate          | 1%            |
|                                   | Decrease     |               | Increase      |
|                                   | 9.31 to 3.5% | 10.31 to 4.5% | 11.31 to 5.5% |

|                                                                  |              |              |              |
|------------------------------------------------------------------|--------------|--------------|--------------|
| Proportionate Share of the<br>Collective Total OPEB<br>Liability | \$ 2,678,601 | \$ 3,025,530 | \$ 3,432,663 |
|------------------------------------------------------------------|--------------|--------------|--------------|

#### ***H. Termination Benefits***

The discretely presented Unicoi County School Department through School Board policy provides termination benefits to all professional employees who meet eligibility requirements for the benefit. To be eligible for the benefit, employees must be at least age 52 and have at least 15 years of service with the Unicoi County School System at the time of retirement. Under the terms of the policy, those retirees will receive a supplement of \$1,200 per year for a period of ten years or until Medicare eligible. At the retiree's discretion, that supplement may be received in cash or applied toward payment of health insurance premiums for the retiree under the Local Education Plan discussed in Note V.G., Other Postemployment Benefits. Retirees also receive an additional one-time payment of \$1,500 their first year of retirement. Upon death of the retiree, this benefit ceases. Currently, 21 retirees are eligible for participation in the program. The estimated cost of the cash payments for this benefit reported in the government-wide statement of net position is \$139,600. During the year, expenditures of \$24,600 were made for the supplement benefits. No payments were made for the one-time payment during the fiscal year ended June 30, 2024.

## ***I. Purchasing Laws***

### **Office of County Mayor**

Purchasing procedures for the Office of County Mayor are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, which provide for purchases exceeding \$25,000 (excluding emergency purchases) to be made after public advertisement and solicitation of competitive bids.

### **Office of Road Superintendent**

Purchasing procedures for the highway department are governed by Chapter 678, Private Acts of 1949, and provisions of the Uniform Road Law, Section 54-7-113, TCA, which provide for purchases exceeding \$25,000 to be made after public advertisement and solicitation of competitive bids.

### **Office of Director of Schools**

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

## ***J. Subsequent Event***

On September 27, 2024, the remnants of hurricane Helene passed through northeast Tennessee causing widespread flooding and storm related property damage to Unicoi County. The extent of damage and an estimate of loss are unknown as of the date of this report.

## REQUIRED SUPPLEMENTARY INFORMATION SECTION

**UNICOI COUNTY, TENNESSEE****Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Pension Plan of TCRS**

Primary Government

**For the Fiscal Year Ended June 30**

|                                                                              | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020           | 2021           | 2022           | 2023          |
|------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|---------------|
| <b>Total Pension Liability</b>                                               |               |               |               |               |               |               |                |                |                |               |
| Service Cost                                                                 | \$ 450,749    | \$ 498,400    | \$ 523,977    | \$ 549,365    | \$ 570,740    | \$ 579,934    | \$ 548,002     | \$ 582,051     | \$ 705,364     | \$ 792,613    |
| Interest                                                                     | 1,265,006     | 1,307,182     | 1,341,066     | 1,383,248     | 1,405,036     | 1,425,084     | 1,514,864      | 1,557,829      | 1,631,727      | 1,807,060     |
| Differences Between Actual and Expected Experience                           | (278,910)     | (414,817)     | (286,629)     | (489,764)     | (632,907)     | 242,249       | (504,966)      | (122,988)      | 1,315,982      | (189,433)     |
| Changes in Assumptions                                                       | 0             | 0             | 0             | 606,551       | 0             | 0             | 0              | 1,601,693      | 0              | 0             |
| Benefit Payments, Including Refunds of Employee Contributions                | (887,503)     | (956,791)     | (972,329)     | (1,110,430)   | (1,158,104)   | (992,985)     | (960,996)      | (1,037,653)    | (1,073,275)    | (1,212,295)   |
| Net Change in Total Pension Liability                                        | \$ 549,342    | \$ 433,974    | \$ 606,085    | \$ 938,970    | \$ 184,765    | \$ 1,254,282  | \$ 596,904     | \$ 2,580,932   | \$ 2,579,798   | \$ 1,197,945  |
| Total Pension Liability, Beginning                                           | 16,859,749    | 17,409,091    | 17,843,065    | 18,449,150    | 19,388,120    | 19,572,885    | 20,827,167     | 21,424,071     | 24,005,003     | 26,584,801    |
| Total Pension Liability, Ending (a)                                          | \$ 17,409,091 | \$ 17,843,065 | \$ 18,449,150 | \$ 19,388,120 | \$ 19,572,885 | \$ 20,827,167 | \$ 21,424,071  | \$ 24,005,003  | \$ 26,584,801  | \$ 27,782,746 |
| <b>Plan Fiduciary Net Position</b>                                           |               |               |               |               |               |               |                |                |                |               |
| Contributions - Employer                                                     | \$ 477,234    | \$ 486,697    | \$ 517,289    | \$ 534,120    | \$ 534,791    | \$ 540,136    | \$ 512,954     | \$ 540,612     | \$ 614,067     | \$ 501,149    |
| Contributions - Employee                                                     | 284,754       | 286,181       | 303,989       | 314,359       | 314,259       | 317,781       | 328,568        | 345,108        | 392,209        | 387,850       |
| Net Investment Income                                                        | 2,408,454     | 516,295       | 453,553       | 1,965,211     | 1,577,152     | 1,514,157     | 1,076,460      | 5,836,091      | (1,083,730)    | 1,816,549     |
| Benefit Payments, Including Refunds of Employee Contributions                | (887,503)     | (956,791)     | (972,329)     | (1,110,430)   | (1,158,104)   | (992,985)     | (960,996)      | (1,037,653)    | (1,073,275)    | (1,212,295)   |
| Administrative Expense                                                       | (8,521)       | (10,989)      | (17,570)      | (19,097)      | (21,159)      | (19,444)      | (19,973)       | (19,970)       | (23,286)       | (26,489)      |
| Net Change in Plan Fiduciary Net Position                                    | \$ 2,274,418  | \$ 321,393    | \$ 284,932    | \$ 1,684,163  | \$ 1,246,939  | \$ 1,359,645  | \$ 937,013     | \$ 5,664,188   | \$ (1,174,015) | \$ 1,466,764  |
| Plan Fiduciary Net Position, Beginning                                       | 14,600,685    | 16,875,103    | 17,196,496    | 17,481,428    | 19,165,591    | 20,412,530    | 21,772,175     | 22,709,188     | 28,373,376     | 27,199,361    |
| Plan Fiduciary Net Position, Ending (b)                                      | \$ 16,875,103 | \$ 17,196,496 | \$ 17,481,428 | \$ 19,165,591 | \$ 20,412,530 | \$ 21,772,175 | \$ 22,709,188  | \$ 28,373,376  | \$ 27,199,361  | \$ 28,666,125 |
| Net Pension Liability (Asset), Ending (a - b)                                | \$ 533,988    | \$ 646,569    | \$ 967,722    | \$ 222,529    | \$ (839,645)  | \$ (945,008)  | \$ (1,285,117) | \$ (4,368,373) | \$ (614,560)   | \$ (883,379)  |
| Plan Fiduciary Net Position as a Percentage of Total Pension Asset/Liability | 96.93%        | 96.38%        | 94.75%        | 98.85%        | 104.29%       | 104.54%       | 106.00%        | 118.20%        | 102.31%        | 103.18%       |
| Covered Payroll                                                              | \$ 5,695,012  | \$ 5,712,194  | \$ 6,071,475  | \$ 6,269,021  | \$ 6,276,884  | \$ 6,339,618  | \$ 6,542,779   | \$ 6,895,553   | \$ 7,832,476   | \$ 7,745,733  |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll             | 9.38%         | 11.32%        | 15.94%        | 3.55%         | (13.38%)      | (14.91%)      | (19.64%)       | (63.35%)       | (7.85%)        | (11.4%)       |

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

Exhibit E-2

**UNICOI COUNTY, TENNESSEE**

**Schedule of Contributions Based on Participation in the Public**

**Employee Pension Plan of TCRS**

Primary Government

**For the Fiscal Year Ended June 30**

|                                                                            | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         |
|----------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Actuarially Determined Contribution                                        | \$ 486,697   | \$ 517,289   | \$ 534,120   | \$ 534,791   | \$ 540,136   | \$ 512,954   | \$ 540,612   | \$ 614,067   | \$ 501,149   | \$ 528,254   |
| Less: Contributions in Relation to the Actuarially Determined Contribution | (486,697)    | (517,289)    | (534,120)    | (534,791)    | (540,136)    | (512,954)    | (540,612)    | (614,067)    | (501,149)    | (528,254)    |
| Contribution Deficiency (Excess)                                           | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         |
| Covered Payroll                                                            | \$ 5,712,194 | \$ 6,071,475 | \$ 6,269,021 | \$ 6,276,884 | \$ 6,339,618 | \$ 6,542,779 | \$ 6,895,553 | \$ 7,832,476 | \$ 7,745,733 | \$ 8,164,659 |
| Contributions as a Percentage of Covered Payroll                           | 8.52%        | 8.52%        | 8.52%        | 8.52%        | 8.52%        | 7.84%        | 7.84%        | 7.84%        | 6.47%        | 6.47%        |

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

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

Discretely Presented Unicoi County School Department

**For the Fiscal Year Ended June 30**

|                                                                               | 2015       | 2016       | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         |
|-------------------------------------------------------------------------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution                                           | \$ 21,130  | \$ 30,757  | \$ 45,127    | \$ 48,580    | \$ 34,025    | \$ 40,233    | \$ 42,199    | \$ 51,906    | \$ 92,324    | \$ 114,569   |
| Less: Contributions in Relation to the<br>Contractually Required Contribution | (21,130)   | (30,757)   | (45,127)     | (48,580)     | (34,025)     | (40,233)     | (42,199)     | (51,906)     | (92,324)     | (114,569)    |
| Contribution Deficiency (Excess)                                              | \$ 0       | \$ 0       | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         |
| Covered Payroll                                                               | \$ 528,255 | \$ 768,938 | \$ 1,128,172 | \$ 1,214,508 | \$ 1,753,888 | \$ 1,981,892 | \$ 2,089,074 | \$ 2,582,372 | \$ 3,216,847 | \$ 3,883,697 |
| Contributions as a Percentage of Covered Payroll                              | 4.00%      | 4.00%      | 4.00%        | 4.00%        | 1.94%        | 2.03%        | 2.02%        | 2.01%        | 2.87%        | 2.95%        |

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%

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

Discretely Presented Unicoi County School Department

**For the Fiscal Year Ended June 30**

|                                                                               | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         |
|-------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution                                           | \$ 813,280   | \$ 821,505   | \$ 811,753   | \$ 829,869   | \$ 934,022   | \$ 927,065   | \$ 913,723   | \$ 932,731   | \$ 706,263   | \$ 570,096   |
| Less: Contributions in Relation to the<br>Contractually Required Contribution | (813,280)    | (821,505)    | (811,753)    | (829,869)    | (934,022)    | (927,065)    | (913,723)    | (932,731)    | (706,263)    | (570,096)    |
| Contribution Deficiency (Excess)                                              | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         | \$ 0         |
| Covered Payroll                                                               | \$ 8,996,468 | \$ 9,087,944 | \$ 8,979,594 | \$ 9,139,517 | \$ 8,929,460 | \$ 8,721,202 | \$ 8,897,068 | \$ 9,055,646 | \$ 8,127,317 | \$ 8,371,442 |
| Contributions as a Percentage of Covered Payroll                              | 9.04%        | 9.04%        | 9.04%        | 9.08%        | 10.46%       | 10.63%       | 10.27%       | 10.30%       | 8.69%        | 6.81%        |

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

Discretely Presented Unicoi County School Department

**For the Fiscal Year Ended June 30**

|                                                                                                                     | <b>2015</b> | <b>2016</b> | <b>2017</b>  | <b>2018</b>  | <b>2019</b>  | <b>2020</b>  | <b>2021</b>  | <b>2022</b>  | <b>2023</b>  |
|---------------------------------------------------------------------------------------------------------------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| School Department's Proportion of the Net Pension Liability (Asset)                                                 | 0.248998%   | 0.174756%   | 0.171889%    | 0.138979%    | 0.165742%    | 0.157055%    | 0.144751%    | 0.151220%    | 0.161728%    |
| School Department's Proportionate Share of the Net Pension Liability (Asset)                                        | \$ (10,228) | \$ (18,193) | \$ (45,349)  | \$ (63,031)  | \$ (93,559)  | \$ (89,308)  | \$ (156,796) | \$ (45,808)  | \$ (68,578)  |
| Covered Payroll                                                                                                     | \$ 528,255  | \$ 768,938  | \$ 1,128,172 | \$ 1,214,508 | \$ 1,753,888 | \$ 1,981,892 | \$ 2,089,074 | \$ 2,582,372 | \$ 3,216,847 |
| 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%)      |
| 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%      |

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

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

Discretely Presented Unicoi County School Department

**For the Fiscal Year Ended June 30**

|                                                                                                                     | 2014         | 2015         | 2016         | 2017         | 2018         | 2019           | 2020           | 2021            | 2022           | 2023           |
|---------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|-----------------|----------------|----------------|
| School Department's Proportion of the Net Pension Liability (Asset)                                                 | 0.242324%    | 0.240322%    | 0.251744%    | 0.254023%    | 0.261005%    | 0.266301%      | 0.262035%      | 0.271071%       | 0.275169%      | 0.250453%      |
| School Department's Proportionate Share of the Net Pension Liability (Asset)                                        | \$ (39,377)  | \$ 98,444    | \$ 1,573,259 | \$ (83,112)  | \$ (918,453) | \$ (2,738,058) | \$ (1,998,212) | \$ (11,691,943) | \$ (3,374,687) | \$ (2,952,773) |
| Covered Payroll                                                                                                     | \$ 9,511,212 | \$ 8,996,468 | \$ 9,087,444 | \$ 8,979,594 | \$ 9,139,517 | \$ 8,929,460   | \$ 8,721,202   | \$ 8,897,069    | \$ 9,055,646   | \$ 8,127,317   |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (0.41%)      | 1.09%        | 17.31%       | (0.93%)      | (10.05%)     | (30.66%)       | (22.91%)       | (131.41%)       | (37.27%)       | (36.33%)       |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)                                  | 100.08%      | 99.81%       | 97.14%       | 100.14%      | 101.49%      | 104.28%        | 103.09%        | 116.13%         | 104.42%        | 104.11%        |

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

Primary Government

**For the Fiscal Year Ended June 30****Unicoi County Plan (General Employees)**

|                                                                | 2021         | 2022         | 2023         |
|----------------------------------------------------------------|--------------|--------------|--------------|
| <b>Total OPEB Liability</b>                                    |              |              |              |
| Service Cost                                                   | \$ 0         | \$ 15,863    | \$ 10,210    |
| Interest                                                       | 0            | 2,043        | 2,475        |
| Changes of Benefit Terms                                       | 79,112       | 0            | 0            |
| Differences Between Actual and Expected Experience             | 0            | (12,354)     | (1,808)      |
| Changes in Assumptions or Other Inputs                         | 0            | (23,533)     | 23,780       |
| Benefit Payments                                               | 0            | (831)        | (1,214)      |
| Net Change in Total OPEB Liability                             | \$ 79,112    | \$ (18,812)  | \$ 33,443    |
| Total OPEB Liability, Beginning                                | 0            | 79,112       | 60,300       |
| Total OPEB Liability, Ending                                   | \$ 79,112    | \$ 60,300    | \$ 93,743    |
| Covered Employee Payroll                                       | \$ 3,652,106 | \$ 3,942,228 | \$ 3,982,582 |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 2.17%        | 1.53%        | 2.35%        |

**Highway Department Plan**

|                                                                | 2021       | 2022        | 2023       |
|----------------------------------------------------------------|------------|-------------|------------|
| <b>Total OPEB Liability</b>                                    |            |             |            |
| Service Cost                                                   | \$ 0       | \$ 4,646    | \$ 2,513   |
| Interest                                                       | 0          | 1,189       | 1,279      |
| Changes of Benefit Terms                                       | 50,587     | 0           | 0          |
| Differences Between Actual and Expected Experience             | 0          | (4,441)     | (8,659)    |
| Changes in Assumptions or Other Inputs                         | 0          | (17,925)    | 11,648     |
| Benefit Payments                                               | 0          | (371)       | (110)      |
| Net Change in Total OPEB Liability                             | \$ 50,587  | \$ (16,902) | \$ 6,671   |
| Total OPEB Liability, Beginning                                | 0          | 50,587      | 33,685     |
| Total OPEB Liability, Ending                                   | \$ 50,587  | \$ 33,685   | \$ 40,356  |
| Covered Employee Payroll                                       | \$ 725,886 | \$ 795,257  | \$ 748,962 |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 6.97%      | 4.24%       | 5.39%      |

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

Note 2: Changes in assumptions.

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

|      |        |
|------|--------|
| 2021 | 2.16 % |
| 2022 | 3.54%  |
| 2023 | 3.65%  |

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

For the 2022 plan year - from 9.02% to 7.36%

For the 2023 plan - from 7.36% to 8.37%

For the 2024 plan - from 8.37% to 10.31%

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

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

Discretely Presented Unicoi County School Department

**For the Fiscal Year Ended June 30**

|                                                                                 | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                |
|---------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total OPEB Liability</b>                                                     |                     |                     |                     |                     |                     |                     |                     |
| Service Cost                                                                    | \$ 220,180          | \$ 202,754          | \$ 187,711          | \$ 172,056          | \$ 222,790          | \$ 280,122          | \$ 217,123          |
| Interest                                                                        | 107,523             | 129,624             | 107,607             | 115,626             | 84,292              | 104,975             | 168,170             |
| Changes in Benefit Terms                                                        | 0                   | (129,693)           | 0                   | 0                   | 0                   | 0                   | 0                   |
| Differences Between Actual and Expected Experience                              | 0                   | (777,215)           | 451,551             | (81,387)            | 204,370             | 235,599             | (344,552)           |
| Changes in Assumptions or Other Inputs                                          | (171,366)           | 90,615              | (249,107)           | 412,180             | 613,187             | (509,629)           | 368,655             |
| Benefit Payments                                                                | (177,061)           | (183,131)           | (157,471)           | (163,515)           | (134,382)           | (137,901)           | (177,790)           |
| Net Change in Total OPEB Liability                                              | \$ (20,724)         | \$ (667,046)        | \$ 340,291          | \$ 454,960          | \$ 990,257          | \$ (26,834)         | \$ 231,606          |
| Total OPEB Liability, Beginning                                                 | 3,550,658           | 3,529,934           | 2,862,888           | 3,203,179           | 3,658,139           | 4,648,396           | 4,621,562           |
| Total OPEB Liability, Ending                                                    | <u>\$ 3,529,934</u> | <u>\$ 2,862,888</u> | <u>\$ 3,203,179</u> | <u>\$ 3,658,139</u> | <u>\$ 4,648,396</u> | <u>\$ 4,621,562</u> | <u>\$ 4,853,168</u> |
| Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability | \$ 1,249,900        | \$ 929,978          | \$ 1,077,982        | \$ 1,164,300        | \$ 1,575,293        | \$ 1,655,926        | \$ 1,827,638        |
| Employer Proportionate Share of the Total OPEB Liability                        | 2,280,034           | 1,932,910           | 2,125,197           | 2,493,839           | 3,073,103           | 2,965,636           | 3,025,530           |
| Covered Employee Payroll                                                        | \$ 11,477,624       | \$ 11,613,974       | \$ 12,014,577       | \$ 12,135,144       | \$ 12,503,274       | \$ 13,632,252       | \$ 13,878,157       |
| Net OPEB Liability as a Percentage of Covered Employee Payroll                  | 19.87%              | 16.64%              | 17.69%              | 20.55%              | 24.58%              | 21.75%              | 21.80%              |

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

Note 2: Changes in assumptions.

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

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

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

|                |                        |
|----------------|------------------------|
| 2019 plan year | - from 5.4% to 6.75%   |
| 2020 plan year | - from 6.75% to 6.03%  |
| 2021 plan year | - from 6.03% to 9.02%  |
| 2022 plan year | - from 9.02% to 7.36%  |
| 2023 plan year | - from 7.36% to 8.37%  |
| 2024 plan year | - from 8.37% to 10.31% |

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

**UNICOI COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2024**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2024 were calculated based on the June 30, 2022, 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 Market Value                                               |
| Inflation                     | 2.25%                                                                                                |
| Salary Increases              | Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, averaging 4%             |
| Investment Rate of Return     | 6.75%, Net of Investment Expense, Including Inflation                                                |
| Retirement Age                | Pattern of Retirement Determined by Experience Study                                                 |
| Mortality                     | Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement |
| Cost of Living Adjustment     | 2.125%                                                                                               |

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

# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

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

**Solid Waste/Sanitation Fund** – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection. Local taxes are the foundational revenues of this fund.

**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 PROJECT FUNDS

---

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

**Community Development/Industrial Park Fund** – The Community Development/Industrial Park Fund is used to account for activities related to the Community Development Block Grant.

**UNICOI COUNTY, TENNESSEE**  
**Combining Balance Sheet**  
Nonmajor Governmental Funds  
**June 30, 2024**

**ASSETS**

Cash  
Equity in Pooled Cash and Investments  
Accounts Receivable  
Property Taxes Receivable  
Allowance for Uncollectible Property Taxes  
  
Total Assets

**LIABILITIES**

Accounts Payable  
Payroll Deductions Payable  
Due to Other Funds  
Due to State of Tennessee  
Other Current Liabilities  
Total Liabilities

**DEFERRED INFLOWS OF RESOURCES**

Deferred Current Property Taxes  
Deferred Delinquent Property Taxes  
Total Deferred Inflows of Resources

| <b>Special Revenue Funds</b>   |                 |                                            | Total                             |
|--------------------------------|-----------------|--------------------------------------------|-----------------------------------|
| Solid<br>Waste /<br>Sanitation | Drug<br>Control | Constitu -<br>tional<br>Officers -<br>Fees | Nonmajor<br>Governmental<br>Funds |
| \$ 0                           | \$ 0            | \$ 7,109                                   | \$ 7,109                          |
| 360,460                        | 41,924          | 0                                          | 402,384                           |
| 204                            | 0               | 0                                          | 204                               |
| 867,829                        | 0               | 0                                          | 867,829                           |
| (18,276)                       | 0               | 0                                          | (18,276)                          |
| <hr/>                          |                 |                                            |                                   |
| \$ 1,210,217                   | \$ 41,924       | \$ 7,109                                   | \$ 1,259,250                      |
| <hr/>                          |                 |                                            |                                   |
| <hr/>                          |                 |                                            |                                   |
| \$ 58,925                      | \$ 0            | \$ 0                                       | \$ 58,925                         |
| 0                              | 16              | 0                                          | 16                                |
| 0                              | 0               | 7,109                                      | 7,109                             |
| 0                              | 8               | 0                                          | 8                                 |
| 0                              | 4,217           | 0                                          | 4,217                             |
| <hr/>                          |                 |                                            |                                   |
| \$ 58,925                      | \$ 4,241        | \$ 7,109                                   | \$ 70,275                         |
| <hr/>                          |                 |                                            |                                   |
| <hr/>                          |                 |                                            |                                   |
| \$ 824,163                     | \$ 0            | \$ 0                                       | \$ 824,163                        |
| 24,251                         | 0               | 0                                          | 24,251                            |
| <hr/>                          |                 |                                            |                                   |
| \$ 848,414                     | \$ 0            | \$ 0                                       | \$ 848,414                        |
| <hr/>                          |                 |                                            |                                   |

(Continued)

**UNICOI COUNTY, TENNESSEE****Combining Balance Sheet**

Nonmajor Governmental Funds (Cont.)

**FUND BALANCES**

Restricted:

Restricted for Public Safety

Committed:

Committed for Public Health and Welfare

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

| <b>Special Revenue Funds</b>   |                  |                                            |                                            |
|--------------------------------|------------------|--------------------------------------------|--------------------------------------------|
| Solid<br>Waste /<br>Sanitation | Drug<br>Control  | Constitu -<br>tional<br>Officers -<br>Fees | Total<br>Nonmajor<br>Governmental<br>Funds |
| \$ 0                           | \$ 37,683        | \$ 0                                       | \$ 37,683                                  |
| 302,878                        | 0                | 0                                          | 302,878                                    |
| <b>\$ 302,878</b>              | <b>\$ 37,683</b> | <b>\$ 0</b>                                | <b>\$ 340,561</b>                          |
| <b>\$ 1,210,217</b>            | <b>\$ 41,924</b> | <b>\$ 7,109</b>                            | <b>\$ 1,259,250</b>                        |

**UNICOI COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances**

Nonmajor Governmental Funds

**For the Year Ended June 30, 2024**

|                                                      | <b>Special Revenue Funds</b>   |                         |                                           |                          | <b>Capital<br/>Projects<br/>Fund</b>            | <b>Total<br/>Nonmajor<br/>Governmental<br/>Funds</b> |
|------------------------------------------------------|--------------------------------|-------------------------|-------------------------------------------|--------------------------|-------------------------------------------------|------------------------------------------------------|
|                                                      | Solid<br>Waste /<br>Sanitation | Drug<br>Control         | Constitu-<br>tional<br>Officers -<br>Fees | Total                    | Community<br>Development/<br>Industrial<br>Park |                                                      |
| <b>Revenues</b>                                      |                                |                         |                                           |                          |                                                 |                                                      |
| Local Taxes                                          | \$ 845,125                     | \$ 0                    | \$ 0                                      | \$ 845,125               | \$ 0                                            | \$ 845,125                                           |
| Licenses and Permits                                 | 1,222                          | 0                       | 0                                         | 1,222                    | 0                                               | 1,222                                                |
| Fines, Forfeitures, and Penalties                    | 0                              | 13,598                  | 0                                         | 13,598                   | 0                                               | 13,598                                               |
| Charges for Current Services                         | 0                              | 0                       | 2,390                                     | 2,390                    | 0                                               | 2,390                                                |
| State of Tennessee                                   | 24,021                         | 0                       | 0                                         | 24,021                   | 0                                               | 24,021                                               |
| Federal Government                                   | 0                              | 0                       | 0                                         | 0                        | 162,581                                         | 162,581                                              |
| Total Revenues                                       | <u>\$ 870,368</u>              | <u>\$ 13,598</u>        | <u>\$ 2,390</u>                           | <u>\$ 886,356</u>        | <u>\$ 162,581</u>                               | <u>\$ 1,048,937</u>                                  |
| <b>Expenditures</b>                                  |                                |                         |                                           |                          |                                                 |                                                      |
| Current:                                             |                                |                         |                                           |                          |                                                 |                                                      |
| Finance                                              | \$ 0                           | \$ 126                  | \$ 0                                      | \$ 126                   | \$ 0                                            | \$ 126                                               |
| Administration of Justice                            | 0                              | 0                       | 2,390                                     | 2,390                    | 0                                               | 2,390                                                |
| Public Safety                                        | 0                              | 24,198                  | 0                                         | 24,198                   | 0                                               | 24,198                                               |
| Public Health and Welfare                            | 916,234                        | 0                       | 0                                         | 916,234                  | 0                                               | 916,234                                              |
| Other Operations                                     | 0                              | 0                       | 0                                         | 0                        | 162,581                                         | 162,581                                              |
| Total Expenditures                                   | <u>\$ 916,234</u>              | <u>\$ 24,324</u>        | <u>\$ 2,390</u>                           | <u>\$ 942,948</u>        | <u>\$ 162,581</u>                               | <u>\$ 1,105,529</u>                                  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (45,866)</u>             | <u>\$ (10,726)</u>      | <u>\$ 0</u>                               | <u>\$ (56,592)</u>       | <u>\$ 0</u>                                     | <u>\$ (56,592)</u>                                   |
| <b>Other Financing Sources (Uses)</b>                |                                |                         |                                           |                          |                                                 |                                                      |
| Transfers In                                         | \$ 150,000                     | \$ 0                    | \$ 0                                      | \$ 150,000               | \$ 0                                            | \$ 150,000                                           |
| Total Other Financing Sources (Uses)                 | <u>\$ 150,000</u>              | <u>\$ 0</u>             | <u>\$ 0</u>                               | <u>\$ 150,000</u>        | <u>\$ 0</u>                                     | <u>\$ 150,000</u>                                    |
| Net Change in Fund Balances                          | \$ 104,134                     | \$ (10,726)             | \$ 0                                      | \$ 93,408                | \$ 0                                            | \$ 93,408                                            |
| Fund Balance, July 1, 2023                           | 198,744                        | 48,409                  | 0                                         | 247,153                  | 0                                               | 247,153                                              |
| Fund Balance, June 30, 2024                          | <u><u>\$ 302,878</u></u>       | <u><u>\$ 37,683</u></u> | <u><u>\$ 0</u></u>                        | <u><u>\$ 340,561</u></u> | <u><u>\$ 0</u></u>                              | <u><u>\$ 340,561</u></u>                             |

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Solid Waste/Sanitation Fund  
**For the Year Ended June 30, 2024**

|                                                      |                    |           | <b>Budgeted Amounts</b> |                    | <b>Variance<br/>with Final<br/>Budget -<br/>Positive<br/>(Negative)</b> |
|------------------------------------------------------|--------------------|-----------|-------------------------|--------------------|-------------------------------------------------------------------------|
|                                                      | <b>Actual</b>      |           | <b>Original</b>         | <b>Final</b>       |                                                                         |
| <b>Revenues</b>                                      |                    |           |                         |                    |                                                                         |
| Local Taxes                                          | \$ 845,125         | \$        | 810,571                 | \$ 810,571         | \$ 34,554                                                               |
| Licenses and Permits                                 | 1,222              |           | 1,500                   | 1,500              | (278)                                                                   |
| State of Tennessee                                   | 24,021             |           | 20,000                  | 20,000             | 4,021                                                                   |
| Total Revenues                                       | <u>\$ 870,368</u>  | <u>\$</u> | <u>832,071</u>          | <u>\$ 832,071</u>  | <u>\$ 38,297</u>                                                        |
| <b>Expenditures</b>                                  |                    |           |                         |                    |                                                                         |
| Public Health and Welfare                            |                    |           |                         |                    |                                                                         |
| Sanitation Management                                | \$ 916,234         | \$        | 832,071                 | \$ 876,418         | \$ (39,816)                                                             |
| Total Expenditures                                   | <u>\$ 916,234</u>  | <u>\$</u> | <u>832,071</u>          | <u>\$ 876,418</u>  | <u>\$ (39,816)</u>                                                      |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (45,866)</u> | <u>\$</u> | <u>0</u>                | <u>\$ (44,347)</u> | <u>\$ (1,519)</u>                                                       |
| <b>Other Financing Sources (Uses)</b>                |                    |           |                         |                    |                                                                         |
| Transfers In                                         | \$ 150,000         | \$        | 0                       | \$ 0               | \$ 150,000                                                              |
| Total Other Financing Sources                        | <u>\$ 150,000</u>  | <u>\$</u> | <u>0</u>                | <u>\$ 0</u>        | <u>\$ 150,000</u>                                                       |
| Net Change in Fund Balance                           | \$ 104,134         | \$        | 0                       | \$ (44,347)        | \$ 148,481                                                              |
| Fund Balance, July 1, 2023                           | <u>198,744</u>     |           | <u>193,479</u>          | <u>193,479</u>     | <u>5,265</u>                                                            |
| Fund Balance, June 30, 2024                          | <u>\$ 302,878</u>  | <u>\$</u> | <u>193,479</u>          | <u>\$ 149,132</u>  | <u>\$ 153,746</u>                                                       |

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
Drug Control Fund  
**For the Year Ended June 30, 2024**

|                                                      | Actual                  | Budgeted Amounts        |                         | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|------------------------------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------------------------------------|
|                                                      |                         | Original                | Final                   |                                                              |
| <b>Revenues</b>                                      |                         |                         |                         |                                                              |
| Fines, Forfeitures, and Penalties                    | \$ 13,598               | \$ 8,000                | \$ 8,000                | \$ 5,598                                                     |
| Total Revenues                                       | <u>\$ 13,598</u>        | <u>\$ 8,000</u>         | <u>\$ 8,000</u>         | <u>\$ 5,598</u>                                              |
| <b>Expenditures</b>                                  |                         |                         |                         |                                                              |
| Finance                                              |                         |                         |                         |                                                              |
| Other Finance                                        | \$ 126                  | \$ 0                    | \$ 130                  | \$ 4                                                         |
| Public Safety                                        |                         |                         |                         |                                                              |
| Sheriff's Department                                 | 24,198                  | 34,470                  | 34,470                  | 10,272                                                       |
| Total Expenditures                                   | <u>\$ 24,324</u>        | <u>\$ 34,470</u>        | <u>\$ 34,600</u>        | <u>\$ 10,276</u>                                             |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (10,726)</u>      | <u>\$ (26,470)</u>      | <u>\$ (26,600)</u>      | <u>\$ 15,874</u>                                             |
| Net Change in Fund Balance                           | \$ (10,726)             | \$ (26,470)             | \$ (26,600)             | \$ 15,874                                                    |
| Fund Balance, July 1, 2023                           | <u>48,409</u>           | <u>42,123</u>           | <u>42,123</u>           | <u>6,286</u>                                                 |
| Fund Balance, June 30, 2024                          | <u><u>\$ 37,683</u></u> | <u><u>\$ 15,653</u></u> | <u><u>\$ 15,523</u></u> | <u><u>\$ 22,160</u></u>                                      |

## MAJOR GOVERNMENTAL FUNDS

### GENERAL DEBT SERVICE FUND

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*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.*

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Actual and Budget**  
 General Debt Service Fund  
**For the Year Ended June 30, 2024**

|                                                      |                            |                            | <b>Budgeted Amounts</b>    |                  | <b>Variance<br/>with Final<br/>Budget -<br/>Positive<br/>(Negative)</b> |
|------------------------------------------------------|----------------------------|----------------------------|----------------------------|------------------|-------------------------------------------------------------------------|
|                                                      | <b>Actual</b>              | <b>Original</b>            | <b>Final</b>               |                  |                                                                         |
| <b>Revenues</b>                                      |                            |                            |                            |                  |                                                                         |
| Local Taxes                                          | \$ 1,765,358               | \$ 1,768,771               | \$ 1,768,771               | \$               | (3,413)                                                                 |
| Licenses and Permits                                 | 1,142                      | 6,000                      | 6,000                      |                  | (4,858)                                                                 |
| Other Local Revenues                                 | 2,000                      | 2,000                      | 2,000                      |                  | 0                                                                       |
| Other Governments and Citizens Groups                | 331,119                    | 354,256                    | 320,448                    |                  | 10,671                                                                  |
| Total Revenues                                       | <u>\$ 2,099,619</u>        | <u>\$ 2,131,027</u>        | <u>\$ 2,097,219</u>        | <u>\$</u>        | <u>2,400</u>                                                            |
| <b>Expenditures</b>                                  |                            |                            |                            |                  |                                                                         |
| Principal on Debt                                    |                            |                            |                            |                  |                                                                         |
| General Government                                   | \$ 1,205,000               | \$ 1,410,000               | \$ 1,205,000               | \$               | 0                                                                       |
| Highways and Streets                                 | 32,100                     | 0                          | 32,100                     |                  | 0                                                                       |
| Education                                            | 205,000                    | 0                          | 205,000                    |                  | 0                                                                       |
| Interest on Debt                                     |                            |                            |                            |                  |                                                                         |
| General Government                                   | 444,144                    | 559,625                    | 444,194                    |                  | 50                                                                      |
| Highways and Streets                                 | 1,708                      | 33,824                     | 1,724                      |                  | 16                                                                      |
| Education                                            | 115,431                    | 0                          | 115,431                    |                  | 0                                                                       |
| Other Debt Service                                   |                            |                            |                            |                  |                                                                         |
| General Government                                   | 31,900                     | 0                          | 32,492                     |                  | 592                                                                     |
| Total Expenditures                                   | <u>\$ 2,035,283</u>        | <u>\$ 2,003,449</u>        | <u>\$ 2,035,941</u>        | <u>\$</u>        | <u>658</u>                                                              |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 64,336</u>           | <u>\$ 127,578</u>          | <u>\$ 61,278</u>           | <u>\$</u>        | <u>3,058</u>                                                            |
| <b>Other Financing Sources (Uses)</b>                |                            |                            |                            |                  |                                                                         |
| Transfers In                                         | \$ 33,808                  | 0                          | 33,808                     | \$               | 0                                                                       |
| Total Other Financing Sources                        | <u>\$ 33,808</u>           | <u>\$ 0</u>                | <u>\$ 33,808</u>           | <u>\$</u>        | <u>0</u>                                                                |
| Net Change in Fund Balance                           | \$ 98,144                  | \$ 127,578                 | \$ 95,086                  | \$               | 3,058                                                                   |
| Fund Balance, July 1, 2023                           | 2,861,455                  | 2,658,267                  | 2,658,267                  |                  | 203,188                                                                 |
| Fund Balance, June 30, 2024                          | <u><u>\$ 2,959,599</u></u> | <u><u>\$ 2,785,845</u></u> | <u><u>\$ 2,753,353</u></u> | <u><u>\$</u></u> | <u><u>206,246</u></u>                                                   |

## CUSTODIAL FUNDS

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*Custodial Funds are used to account for assets held by the county in a custodial capacity or as an agent for individuals, private organizations, other governments. 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.

**Community Development – Custodial Fund** – The Community Development - Custodial Fund is used to remit tax increment financing revenues collected by the trustee that are remitted to the Industrial Development Board.

**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.

**UNICOI COUNTY, TENNESSEE**  
**Combining Statement of Net Position**  
 Custodial Funds  
**June 30, 2024**

|                                                                  | <b>Custodial Funds</b> |                     |                     |
|------------------------------------------------------------------|------------------------|---------------------|---------------------|
|                                                                  | Cities -               | Constitu -          |                     |
|                                                                  | Sales                  | tional              |                     |
|                                                                  | Tax                    | Officers -          |                     |
|                                                                  |                        | Custodial           | Total               |
| <b>ASSETS</b>                                                    |                        |                     |                     |
| Cash                                                             | \$ 0                   | \$ 1,127,396        | \$ 1,127,396        |
| Accounts Receivable                                              | 0                      | 13,780              | 13,780              |
| Due from Other Governments                                       | 656,259                | 0                   | 656,259             |
| Total Assets                                                     | <u>\$ 656,259</u>      | <u>\$ 1,141,176</u> | <u>\$ 1,797,435</u> |
| <b>LIABILITIES</b>                                               |                        |                     |                     |
| Due to Other Taxing Units                                        | \$ 656,259             | \$ 0                | \$ 656,259          |
| Total Liabilities                                                | <u>\$ 656,259</u>      | <u>\$ 0</u>         | <u>\$ 656,259</u>   |
| <b>NET POSITION</b>                                              |                        |                     |                     |
| Restricted for Individuals, Organizations, and Other Governments | \$ 0                   | \$ 1,141,176        | \$ 1,141,176        |
| Total Net Position                                               | <u>\$ 0</u>            | <u>\$ 1,141,176</u> | <u>\$ 1,141,176</u> |

**UNICOI COUNTY, TENNESSEE****Combining Statement of Changes in Net Position**

Custodial Funds

**For the Year Ended June 30, 2024**

|                                                        | <b>Custodial Funds</b>   |                                         |                                                 |              |
|--------------------------------------------------------|--------------------------|-----------------------------------------|-------------------------------------------------|--------------|
|                                                        | Cities -<br>Sales<br>Tax | Community<br>Development -<br>Custodial | Constitu -<br>tional<br>Officers -<br>Custodial | Total        |
| <b>Additions</b>                                       |                          |                                         |                                                 |              |
| Sales Tax Collections for Other Governments            | \$ 2,616,617             | \$ 0                                    | \$ 0                                            | \$ 2,616,617 |
| Collections for Industrial Development Board           | 0                        | 52,364                                  | 0                                               | 52,364       |
| Fines/Fees and Other Collections                       | 0                        | 0                                       | 3,311,776                                       | 3,311,776    |
| Total Additions                                        | \$ 2,616,617             | \$ 52,364                               | \$ 3,311,776                                    | \$ 5,980,757 |
| <b>Deductions</b>                                      |                          |                                         |                                                 |              |
| Payment of Sales Tax Collections for Other Governments | \$ 2,616,617             | \$ 0                                    | \$ 0                                            | \$ 2,616,617 |
| Payments to State                                      | 0                        | 0                                       | 2,337,677                                       | 2,337,677    |
| Payments to Individuals and Others                     | 0                        | 0                                       | 786,017                                         | 786,017      |
| Payments to Industrial Development Board               | 0                        | 52,364                                  | 0                                               | 52,364       |
| Total Deductions                                       | \$ 2,616,617             | \$ 52,364                               | \$ 3,123,694                                    | \$ 5,792,675 |
| Change in Net Position                                 | \$ 0                     | \$ 0                                    | \$ 188,082                                      | \$ 188,082   |
| Net Position July 1, 2023                              | 0                        | 0                                       | 953,094                                         | 953,094      |
| Net Position June 30, 2024                             | \$ 0                     | \$ 0                                    | \$ 1,141,176                                    | \$ 1,141,176 |

# UNICOI COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

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

**UNICOI COUNTY, TENNESSEE****Statement of Activities**

Discretely Presented Unicoi County School Department

**For the Year Ended June 30, 2024**

| Functions/Programs                                            | Expenses             | Program Revenues        |                                          |                                        | Net (Expense)<br>Revenue and<br>Changes in<br>Net Position |
|---------------------------------------------------------------|----------------------|-------------------------|------------------------------------------|----------------------------------------|------------------------------------------------------------|
|                                                               |                      | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Total<br>Governmental<br>Activities                        |
| Governmental Activities:                                      |                      |                         |                                          |                                        |                                                            |
| Instruction                                                   | \$ 16,629,594        | \$ 114,697              | \$ 3,592,611                             | \$ 2,838,364                           | \$ (10,083,922)                                            |
| Support Services                                              | 10,155,036           | 0                       | 463,058                                  | 3,102,498                              | (6,589,480)                                                |
| Operation of Non-instructional Services                       | 3,320,155            | 129,864                 | 2,438,558                                | 0                                      | (751,733)                                                  |
| Other Debt Service                                            | 320,431              | 0                       | 0                                        | 0                                      | (320,431)                                                  |
| Total Governmental Activities                                 | <u>\$ 30,425,216</u> | <u>\$ 244,561</u>       | <u>\$ 6,494,227</u>                      | <u>\$ 5,940,862</u>                    | <u>\$ (17,745,566)</u>                                     |
| General Revenues:                                             |                      |                         |                                          |                                        |                                                            |
| Taxes:                                                        |                      |                         |                                          |                                        |                                                            |
| Property Taxes Levied for General Purposes                    |                      |                         |                                          | \$                                     | 2,420,148                                                  |
| Local Option Sales Taxes                                      |                      |                         |                                          |                                        | 3,096,910                                                  |
| Business Tax                                                  |                      |                         |                                          |                                        | 28,898                                                     |
| Wholesale Beer Tax                                            |                      |                         |                                          |                                        | 5,700                                                      |
| Other Local Taxes                                             |                      |                         |                                          |                                        | 145                                                        |
| Grants and Contributions Not Restricted for Specific Programs |                      |                         |                                          |                                        | 17,419,005                                                 |
| Unrestricted Investment Income                                |                      |                         |                                          |                                        | 49,770                                                     |
| Miscellaneous                                                 |                      |                         |                                          |                                        | 98,019                                                     |
| Sale of Property                                              |                      |                         |                                          |                                        | 192,728                                                    |
| Total General Revenues                                        |                      |                         |                                          | <u>\$</u>                              | <u>23,311,323</u>                                          |
| Change in Net Position                                        |                      |                         |                                          | \$                                     | 5,565,757                                                  |
| Net Position, July 1, 2023                                    |                      |                         |                                          |                                        | <u>37,248,123</u>                                          |
| Net Position, June 30, 2024                                   |                      |                         |                                          | <u>\$</u>                              | <u>42,813,880</u>                                          |

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

Discretely Presented Unicoi County School Department

**June 30, 2024**

|                                            | <b>Major Funds</b>     |                         |                            | <b>Nonmajor Funds</b>    |                          |
|--------------------------------------------|------------------------|-------------------------|----------------------------|--------------------------|--------------------------|
|                                            | General Purpose School | School Federal Projects | Education Capital Projects | Other Governmental Funds | Total Governmental Funds |
| <b>ASSETS</b>                              |                        |                         |                            |                          |                          |
| Cash                                       | \$ 713,000             | \$ 0                    | \$ 218,211                 | \$ 451,758               | \$ 1,382,969             |
| Equity in Pooled Cash and Investments      | 2,608,193              | 169,005                 | 1,922,328                  | 1,140,828                | 5,840,354                |
| Accounts Receivable                        | 48,819                 | 0                       | 0                          | 1,723                    | 50,542                   |
| Due from Other Governments                 | 1,527,743              | 39,140                  | 194,280                    | 37,322                   | 1,798,485                |
| Due from Other Funds                       | 0                      | 0                       | 148,789                    | 0                        | 148,789                  |
| Property Taxes Receivable                  | 2,508,975              | 0                       | 0                          | 0                        | 2,508,975                |
| Allowance for Uncollectible Property Taxes | (53,526)               | 0                       | 0                          | 0                        | (53,526)                 |
| Restricted Assets                          | 278,729                | 0                       | 0                          | 0                        | 278,729                  |
| Total Assets                               | <u>\$ 7,631,933</u>    | <u>\$ 208,145</u>       | <u>\$ 2,483,608</u>        | <u>\$ 1,631,631</u>      | <u>\$ 11,955,317</u>     |
| <b>LIABILITIES</b>                         |                        |                         |                            |                          |                          |
| Accounts Payable                           | \$ 130,110             | \$ 1,645                | \$ 0                       | \$ 0                     | \$ 131,755               |
| Contracts Payable                          | 0                      | 6,500                   | 466,370                    | 0                        | 472,870                  |
| Retainage Payable                          | 0                      | 0                       | 249,201                    | 0                        | 249,201                  |
| Due to Other Funds                         | 0                      | 148,789                 | 0                          | 0                        | 148,789                  |
| Other Current Liabilities                  | 560,647                | 0                       | 0                          | 0                        | 560,647                  |
| Total Liabilities                          | <u>\$ 690,757</u>      | <u>\$ 156,934</u>       | <u>\$ 715,571</u>          | <u>\$ 0</u>              | <u>\$ 1,563,262</u>      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>       |                        |                         |                            |                          |                          |
| Deferred Current Property Taxes            | \$ 2,380,023           | \$ 0                    | \$ 0                       | \$ 0                     | \$ 2,380,023             |
| Deferred Delinquent Property Taxes         | 72,041                 | 0                       | 0                          | 0                        | 72,041                   |
| Other Deferred/Unavailable Revenue         | 249,339                | 0                       | 0                          | 0                        | 249,339                  |
| Total Deferred Inflows of Resources        | <u>\$ 2,701,403</u>    | <u>\$ 0</u>             | <u>\$ 0</u>                | <u>\$ 0</u>              | <u>\$ 2,701,403</u>      |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

|                                                                     | <b>Major Funds</b>     |                         |                            | <b>Nonmajor Funds</b>    | <b>Total Governmental Funds</b> |
|---------------------------------------------------------------------|------------------------|-------------------------|----------------------------|--------------------------|---------------------------------|
|                                                                     | General Purpose School | School Federal Projects | Education Capital Projects | Other Governmental Funds |                                 |
|                                                                     |                        |                         |                            |                          |                                 |
| <b>FUND BALANCES</b>                                                |                        |                         |                            |                          |                                 |
| Restricted:                                                         |                        |                         |                            |                          |                                 |
| Restricted for Education                                            | \$ 81,799              | \$ 0                    | \$ 0                       | \$ 1,631,631             | \$ 1,713,430                    |
| Restricted for Capital Projects                                     | 0                      | 0                       | 1,768,037                  | 0                        | 1,768,037                       |
| Restricted for Hybrid Retirement Stabilization Funds                | 278,729                | 0                       | 0                          | 0                        | 278,729                         |
| Committed:                                                          |                        |                         |                            |                          |                                 |
| Committed for Education                                             | 0                      | 200,000                 | 0                          | 0                        | 200,000                         |
| Assigned:                                                           |                        |                         |                            |                          |                                 |
| Assigned for Education                                              | 897,240                | 0                       | 0                          | 0                        | 897,240                         |
| Unassigned                                                          | 2,982,005              | (148,789)               | 0                          | 0                        | 2,833,216                       |
| Total Fund Balances                                                 | <u>\$ 4,239,773</u>    | <u>\$ 51,211</u>        | <u>\$ 1,768,037</u>        | <u>\$ 1,631,631</u>      | <u>\$ 7,690,652</u>             |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 7,631,933</u>    | <u>\$ 208,145</u>       | <u>\$ 2,483,608</u>        | <u>\$ 1,631,631</u>      | <u>\$ 11,955,317</u>            |

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

Discretely Presented Unicoi County School Department

**June 30, 2024**

Amounts reported for governmental activities in the statement  
of net position (Exhibit A) are different because:

|                                                                                                                                                                                                  |                    |                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit I-2)                                                                                                                           |                    | \$ 7,690,652                |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.                                                         |                    |                             |
| Add: land                                                                                                                                                                                        | \$ 564,353         |                             |
| Add: construction in progress                                                                                                                                                                    | 5,428,887          |                             |
| Add: buildings and improvements net of accumulated depreciation                                                                                                                                  | 23,149,007         |                             |
| Add: other capital assets net of accumulated depreciation                                                                                                                                        | <u>1,414,625</u>   | 30,556,872                  |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.                                                                |                    |                             |
| Less: OPEB liability                                                                                                                                                                             | \$ (3,025,530)     |                             |
| Less: termination benefits liability                                                                                                                                                             | <u>(139,600)</u>   | (3,165,130)                 |
| (3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of expense in future years. |                    |                             |
| Add: deferred outflows of resources related to pensions                                                                                                                                          | \$ 4,238,362       |                             |
| Less: deferred inflows of resources related to pensions                                                                                                                                          | (370,727)          |                             |
| Add: deferred outflows of resources related to OPEB                                                                                                                                              | 1,148,759          |                             |
| Less: deferred inflows of resources related to OPEB                                                                                                                                              | <u>(1,000,867)</u> | 4,015,527                   |
| (4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.                                                                             |                    |                             |
| Add: net pension asset - agent plan                                                                                                                                                              | \$ 373,228         |                             |
| Add: net pension asset - teacher retirement plan                                                                                                                                                 | 68,578             |                             |
| Add: net pension asset - teacher legacy pension plan                                                                                                                                             | <u>2,952,773</u>   | 3,394,579                   |
| (5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.                                                        |                    | <u>321,380</u>              |
| Net position of governmental activities (Exhibit A)                                                                                                                                              |                    | <u><u>\$ 42,813,880</u></u> |

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

Discretely Presented Unicoi County School Department

**For the Year Ended June 30, 2024**

|                                                      | <b>Major Funds</b>           |                               |                                  | <b>Nonmajor<br/>Funds</b>           |                                |
|------------------------------------------------------|------------------------------|-------------------------------|----------------------------------|-------------------------------------|--------------------------------|
|                                                      | General<br>Purpose<br>School | School<br>Federal<br>Projects | Education<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <b>Revenues</b>                                      |                              |                               |                                  |                                     |                                |
| Local Taxes                                          | \$ 5,644,462                 | \$ 0                          | \$ 0                             | \$ 0                                | \$ 5,644,462                   |
| Licenses and Permits                                 | 4,818                        | 0                             | 0                                | 0                                   | 4,818                          |
| Charges for Current Services                         | 118,457                      | 0                             | 0                                | 126,104                             | 244,561                        |
| Other Local Revenues                                 | 353,970                      | 0                             | 841,531                          | 1,001,284                           | 2,196,785                      |
| State of Tennessee                                   | 17,931,670                   | 0                             | 0                                | 9,015                               | 17,940,685                     |
| Federal Government                                   | 622,119                      | 4,304,935                     | 0                                | 1,470,584                           | 6,397,638                      |
| Other Governments and Citizens Groups                | 359,706                      | 0                             | 3,102,498                        | 0                                   | 3,462,204                      |
| Total Revenues                                       | <u>\$ 25,035,202</u>         | <u>\$ 4,304,935</u>           | <u>\$ 3,944,029</u>              | <u>\$ 2,606,987</u>                 | <u>\$ 35,891,153</u>           |
| <b>Expenditures</b>                                  |                              |                               |                                  |                                     |                                |
| Current:                                             |                              |                               |                                  |                                     |                                |
| Instruction                                          | \$ 14,047,080                | \$ 1,553,490                  | \$ 0                             | \$ 0                                | \$ 15,600,570                  |
| Support Services                                     | 8,964,351                    | 570,201                       | 0                                | 0                                   | 9,534,552                      |
| Operation of Non-Instructional Services              | 736,462                      | 0                             | 0                                | 2,547,618                           | 3,284,080                      |
| Capital Outlay                                       | 426,606                      | 2,370,205                     | 2,175,992                        | 0                                   | 4,972,803                      |
| Debt Service:                                        |                              |                               |                                  |                                     |                                |
| Other Debt Service                                   | 320,431                      | 0                             | 0                                | 0                                   | 320,431                        |
| Total Expenditures                                   | <u>\$ 24,494,930</u>         | <u>\$ 4,493,896</u>           | <u>\$ 2,175,992</u>              | <u>\$ 2,547,618</u>                 | <u>\$ 33,712,436</u>           |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 540,272</u>            | <u>\$ (188,961)</u>           | <u>\$ 1,768,037</u>              | <u>\$ 59,369</u>                    | <u>\$ 2,178,717</u>            |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

|                                       | <b>Major Funds</b>           |                               |                                  | <b>Nonmajor<br/>Funds</b>           |                                |
|---------------------------------------|------------------------------|-------------------------------|----------------------------------|-------------------------------------|--------------------------------|
|                                       | General<br>Purpose<br>School | School<br>Federal<br>Projects | Education<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <b>Other Financing Sources (Uses)</b> |                              |                               |                                  |                                     |                                |
| Insurance Recovery                    | \$ 208,224                   | \$ 0                          | \$ 0                             | \$ 0                                | \$ 208,224                     |
| Transfers In                          | 0                            | 0                             | 119,263                          | 0                                   | 119,263                        |
| Transfers Out                         | (119,263)                    | 0                             | 0                                | 0                                   | (119,263)                      |
| Total Other Financing Sources (Uses)  | \$ 88,961                    | \$ 0                          | \$ 119,263                       | \$ 0                                | \$ 208,224                     |
| Net Change in Fund Balances           | \$ 629,233                   | \$ (188,961)                  | \$ 1,887,300                     | \$ 59,369                           | \$ 2,386,941                   |
| Fund Balance, July 1, 2023            | 3,610,540                    | 240,172                       | (119,263)                        | 1,572,262                           | 5,303,711                      |
| Fund Balance, June 30, 2024           | \$ 4,239,773                 | \$ 51,211                     | \$ 1,768,037                     | \$ 1,631,631                        | \$ 7,690,652                   |

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

Discretely Presented Unicoi County School Department

**For the Year Ended June 30, 2024**

Amounts reported for governmental activities in the statement  
of activities (Exhibit B) are different because:

|                                                                                                                                                                                                                                                                                             |                    |                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------|
| Net change in fund balances - total governmental funds (Exhibit I-4)                                                                                                                                                                                                                        |                    | \$ 2,386,941        |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows: |                    |                     |
| Add: capital assets purchased in the current period                                                                                                                                                                                                                                         | \$ 5,291,873       |                     |
| Less: current-year depreciation expense                                                                                                                                                                                                                                                     | <u>(1,550,350)</u> | 3,741,523           |
| (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.                                                                                                                                            |                    |                     |
| Less: book value of assets disposed                                                                                                                                                                                                                                                         |                    | (89,400)            |
| (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, 2024                                                                                                                                                                                                                    | \$ 321,380         |                     |
| Less: deferred delinquent property taxes and other deferred June 30, 2023                                                                                                                                                                                                                   | <u>(337,716)</u>   | (16,336)            |
| (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 other OPEB liability                                                                                                                                                                                                                                                              | \$ (59,894)        |                     |
| Change in deferred outflows related to OPEB                                                                                                                                                                                                                                                 | 12,663             |                     |
| Change in deferred inflows related to OPEB                                                                                                                                                                                                                                                  | (103,438)          |                     |
| Change in termination benefits liability                                                                                                                                                                                                                                                    | 1,000              |                     |
| Change in net pension asset/liability                                                                                                                                                                                                                                                       | (278,623)          |                     |
| Change in deferred outflows related to pensions                                                                                                                                                                                                                                             | (464,370)          |                     |
| Change in deferred inflows related to pensions                                                                                                                                                                                                                                              | <u>435,691</u>     | <u>(456,971)</u>    |
| Change in net position of governmental activities (Exhibit B)                                                                                                                                                                                                                               |                    | <u>\$ 5,565,757</u> |

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

Discretely Presented Unicoi County School Department

**June 30, 2024**

|                                       | <u>Special Revenue Funds</u> |                    | Total<br>Nonmajor<br>Governmental<br>Funds |
|---------------------------------------|------------------------------|--------------------|--------------------------------------------|
|                                       | Central<br>Cafeteria         | Internal<br>School |                                            |
| <b>ASSETS</b>                         |                              |                    |                                            |
| Cash                                  | \$ 3,000                     | \$ 448,758         | \$ 451,758                                 |
| Equity in Pooled Cash and Investments | 1,140,828                    | 0                  | 1,140,828                                  |
| Accounts Receivable                   | 1,723                        | 0                  | 1,723                                      |
| Due from Other Governments            | 37,322                       | 0                  | 37,322                                     |
|                                       |                              |                    |                                            |
| Total Assets                          | <u>\$ 1,182,873</u>          | <u>\$ 448,758</u>  | <u>\$ 1,631,631</u>                        |
|                                       |                              |                    |                                            |
| <b>FUND BALANCES</b>                  |                              |                    |                                            |
| Restricted:                           |                              |                    |                                            |
| Restricted for Education              | <u>\$ 1,182,873</u>          | <u>\$ 448,758</u>  | <u>\$ 1,631,631</u>                        |
|                                       |                              |                    |                                            |
| Total Fund Balances                   | <u>\$ 1,182,873</u>          | <u>\$ 448,758</u>  | <u>\$ 1,631,631</u>                        |

**UNICOI COUNTY, TENNESSEE****Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds**Discretely Presented Unicoi County School Department  
**For the Year Ended June 30, 2024**

|                                                      | <b>Special Revenue Funds</b> |                          | Total<br>Nonmajor<br>Governmental<br>Funds |
|------------------------------------------------------|------------------------------|--------------------------|--------------------------------------------|
|                                                      | Central<br>Cafeteria         | Internal<br>School       |                                            |
| <b>Revenues</b>                                      |                              |                          |                                            |
| Charges for Current Services                         | \$ 126,104                   | \$ 0                     | \$ 126,104                                 |
| Other Local Revenues                                 | 42,325                       | 958,959                  | 1,001,284                                  |
| State of Tennessee                                   | 9,015                        | 0                        | 9,015                                      |
| Federal Government                                   | 1,470,584                    | 0                        | 1,470,584                                  |
| Total Revenues                                       | <u>\$ 1,648,028</u>          | <u>\$ 958,959</u>        | <u>\$ 2,606,987</u>                        |
| <b>Expenditures</b>                                  |                              |                          |                                            |
| Current:                                             |                              |                          |                                            |
| Operation of Non-Instructional Services              | \$ 1,558,170                 | \$ 989,448               | \$ 2,547,618                               |
| Total Expenditures                                   | <u>\$ 1,558,170</u>          | <u>\$ 989,448</u>        | <u>\$ 2,547,618</u>                        |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 89,858</u>             | <u>\$ (30,489)</u>       | <u>\$ 59,369</u>                           |
| Net Change in Fund Balances                          | \$ 89,858                    | \$ (30,489)              | \$ 59,369                                  |
| Fund Balance, July 1, 2023                           | <u>1,093,015</u>             | <u>479,247</u>           | <u>1,572,262</u>                           |
| Fund Balance, June 30, 2024                          | <u><u>\$ 1,182,873</u></u>   | <u><u>\$ 448,758</u></u> | <u><u>\$ 1,631,631</u></u>                 |

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

Discretely Presented Unicoi County School Department

General Purpose School Fund

**For the Year Ended June 30, 2024**

|                                        | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2023 | Add:<br>Encumbrances<br>6/30/2024 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|----------------------------------------|---------------------------|-----------------------------------|-----------------------------------|-------------------------------------------------------------|------------------|---------------|--------------------------------------------------------------|
|                                        |                           |                                   |                                   |                                                             | Original         | Final         |                                                              |
| <b>Revenues</b>                        |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Local Taxes                            | \$ 5,644,462              | \$ 0                              | \$ 0                              | \$ 5,644,462                                                | \$ 5,276,182     | \$ 5,276,182  | \$ 368,280                                                   |
| Licenses and Permits                   | 4,818                     | 0                                 | 0                                 | 4,818                                                       | 11,500           | 19,500        | (14,682)                                                     |
| Charges for Current Services           | 118,457                   | 0                                 | 0                                 | 118,457                                                     | 169,270          | 118,734       | (277)                                                        |
| Other Local Revenues                   | 353,970                   | 0                                 | 0                                 | 353,970                                                     | 204,400          | 477,605       | (123,635)                                                    |
| State of Tennessee                     | 17,931,670                | 0                                 | 0                                 | 17,931,670                                                  | 16,589,804       | 18,732,079    | (800,409)                                                    |
| Federal Government                     | 622,119                   | 0                                 | 0                                 | 622,119                                                     | 394,965          | 521,150       | 100,969                                                      |
| Other Governments and Citizens Groups  | 359,706                   | 0                                 | 0                                 | 359,706                                                     | 0                | 359,706       | 0                                                            |
| Total Revenues                         | \$ 25,035,202             | \$ 0                              | \$ 0                              | \$ 25,035,202                                               | \$ 22,646,121    | \$ 25,504,956 | \$ (469,754)                                                 |
| <b>Expenditures</b>                    |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Instruction                            |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Regular Instruction Program            | \$ 10,657,239             | \$ (6,818)                        | \$ 1,323                          | \$ 10,651,744                                               | \$ 9,844,645     | \$ 10,800,500 | \$ 148,756                                                   |
| Alternative Instruction Program        | 156,403                   | 0                                 | 0                                 | 156,403                                                     | 78,615           | 156,588       | 185                                                          |
| Special Education Program              | 1,789,920                 | 0                                 | 0                                 | 1,789,920                                                   | 1,776,107        | 1,826,795     | 36,875                                                       |
| Career and Technical Education Program | 1,443,518                 | (68,417)                          | 64                                | 1,375,165                                                   | 1,011,058        | 1,937,394     | 562,229                                                      |
| Support Services                       |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Attendance                             | 126,009                   | 0                                 | 0                                 | 126,009                                                     | 127,388          | 127,388       | 1,379                                                        |
| Health Services                        | 391,529                   | (2,976)                           | 5,696                             | 394,249                                                     | 377,042          | 417,886       | 23,637                                                       |
| Other Student Support                  | 712,729                   | 0                                 | 0                                 | 712,729                                                     | 650,606          | 745,265       | 32,536                                                       |
| Regular Instruction Program            | 657,420                   | (260)                             | 0                                 | 657,160                                                     | 701,766          | 701,766       | 44,606                                                       |
| Special Education Program              | 224,658                   | 0                                 | 0                                 | 224,658                                                     | 202,910          | 231,410       | 6,752                                                        |
| Career and Technical Education Program | 165,973                   | 0                                 | 0                                 | 165,973                                                     | 166,512          | 166,612       | 639                                                          |
| Technology                             | 544,096                   | (182)                             | 2,129                             | 546,043                                                     | 532,115          | 569,995       | 23,952                                                       |
| Other Programs                         | 58,799                    | 0                                 | 0                                 | 58,799                                                      | 0                | 58,799        | 0                                                            |
| Board of Education                     | 496,952                   | 0                                 | 750                               | 497,702                                                     | 578,117          | 579,563       | 81,861                                                       |
| Director of Schools                    | 297,596                   | 0                                 | 926                               | 298,522                                                     | 300,691          | 317,997       | 19,475                                                       |
| Office of the Principal                | 1,352,269                 | 0                                 | 0                                 | 1,352,269                                                   | 1,405,274        | 1,382,964     | 30,695                                                       |
| Fiscal Services                        | 237,221                   | 0                                 | 0                                 | 237,221                                                     | 227,369          | 246,015       | 8,794                                                        |
| Operation of Plant                     | 1,835,592                 | 0                                 | 0                                 | 1,835,592                                                   | 1,932,518        | 1,936,733     | 101,141                                                      |

(Continued)

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

|                                                      | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2023 | Add:<br>Encumbrances<br>6/30/2024 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|------------------------------------------------------|---------------------------|-----------------------------------|-----------------------------------|-------------------------------------------------------------|------------------|---------------|--------------------------------------------------------------|
|                                                      |                           |                                   |                                   |                                                             | Original         | Final         |                                                              |
| <b>Expenditures (Cont.)</b>                          |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Support Services (Cont.)                             |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Maintenance of Plant                                 | \$ 609,892                | \$ (15,668)                       | \$ 69,435                         | \$ 663,659                                                  | \$ 495,071       | \$ 733,715    | \$ 70,056                                                    |
| Transportation                                       | 1,173,746                 | (217,488)                         | 239,188                           | 1,195,446                                                   | 1,192,319        | 1,406,236     | 210,790                                                      |
| Central and Other                                    | 79,870                    | (412)                             | 0                                 | 79,458                                                      | 78,000           | 88,000        | 8,542                                                        |
| Operation of Non-Instructional Services              |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Community Services                                   | 108,938                   | 0                                 | 0                                 | 108,938                                                     | 0                | 126,185       | 17,247                                                       |
| Early Childhood Education                            | 627,524                   | 0                                 | 0                                 | 627,524                                                     | 657,563          | 655,204       | 27,680                                                       |
| Capital Outlay                                       |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Regular Capital Outlay                               | 426,606                   | 0                                 | 57,400                            | 484,006                                                     | 0                | 482,566       | (1,440)                                                      |
| Principal on Debt                                    |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Education                                            | 0                         | 0                                 | 0                                 | 0                                                           | 205,000          | 0             | 0                                                            |
| Interest on Debt                                     |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Education                                            | 0                         | 0                                 | 0                                 | 0                                                           | 115,435          | 0             | 0                                                            |
| Other Debt Service                                   |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Education                                            | 320,431                   | 0                                 | 0                                 | 320,431                                                     | 0                | 320,435       | 4                                                            |
| Total Expenditures                                   | \$ 24,494,930             | \$ (312,221)                      | \$ 376,911                        | \$ 24,559,620                                               | \$ 22,656,121    | \$ 26,016,011 | \$ 1,456,391                                                 |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 540,272                | \$ 312,221                        | \$ (376,911)                      | \$ 475,582                                                  | \$ (10,000)      | \$ (511,055)  | \$ 986,637                                                   |
| Other Financing Sources (Uses)                       |                           |                                   |                                   |                                                             |                  |               |                                                              |
| Insurance Recovery                                   | \$ 208,224                | \$ 0                              | \$ 0                              | \$ 208,224                                                  | \$ 10,000        | \$ 189,527    | \$ 18,697                                                    |
| Transfers Out                                        | (119,263)                 | 0                                 | 0                                 | (119,263)                                                   | 0                | (119,263)     | 0                                                            |
| Total Other Financing Sources                        | \$ 88,961                 | \$ 0                              | \$ 0                              | \$ 88,961                                                   | \$ 10,000        | \$ 70,264     | \$ 18,697                                                    |
| Net Change in Fund Balance                           | \$ 629,233                | \$ 312,221                        | \$ (376,911)                      | \$ 564,543                                                  | \$ 0             | \$ (440,791)  | \$ 1,005,334                                                 |
| Fund Balance, July 1, 2023                           | 3,610,540                 | (312,221)                         | 0                                 | 3,298,319                                                   | 1,991,008        | 1,991,008     | 1,307,311                                                    |
| Fund Balance, June 30, 2024                          | \$ 4,239,773              | \$ 0                              | \$ (376,911)                      | \$ 3,862,862                                                | \$ 1,991,008     | \$ 1,550,217  | \$ 2,312,645                                                 |

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

Discretely Presented Unicoi County School Department

School Federal Projects Fund

**For the Year Ended June 30, 2024**

|                                                      | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2023 | Add:<br>Encumbrances<br>6/30/2024 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|------------------------------------------------------|---------------------------|-----------------------------------|-----------------------------------|-------------------------------------------------------------|------------------|--------------|--------------------------------------------------------------|
|                                                      |                           |                                   |                                   |                                                             | Original         | Final        |                                                              |
| <b>Revenues</b>                                      |                           |                                   |                                   |                                                             |                  |              |                                                              |
| Federal Government                                   | \$ 4,304,935              | \$ 0                              | \$ 0                              | \$ 4,304,935                                                | \$ 4,634,803     | \$ 4,988,152 | \$ (683,217)                                                 |
| Total Revenues                                       | \$ 4,304,935              | \$ 0                              | \$ 0                              | \$ 4,304,935                                                | \$ 4,634,803     | \$ 4,988,152 | \$ (683,217)                                                 |
| <b>Expenditures</b>                                  |                           |                                   |                                   |                                                             |                  |              |                                                              |
| Instruction                                          |                           |                                   |                                   |                                                             |                  |              |                                                              |
| Regular Instruction Program                          | \$ 863,686                | \$ (28,187)                       | \$ 0                              | \$ 835,499                                                  | \$ 964,845       | \$ 1,087,315 | \$ 251,816                                                   |
| Special Education Program                            | 660,251                   | 0                                 | 0                                 | 660,251                                                     | 726,488          | 741,130      | 80,879                                                       |
| Career and Technical Education Program               | 29,553                    | 0                                 | 0                                 | 29,553                                                      | 29,553           | 29,553       | 0                                                            |
| Support Services                                     |                           |                                   |                                   |                                                             |                  |              |                                                              |
| Health Services                                      | 7,907                     | 0                                 | 0                                 | 7,907                                                       | 7,907            | 7,907        | 0                                                            |
| Other Student Support                                | 79,409                    | 0                                 | 0                                 | 79,409                                                      | 152,015          | 149,534      | 70,125                                                       |
| Regular Instruction Program                          | 383,971                   | 0                                 | 0                                 | 383,971                                                     | 409,809          | 494,713      | 110,742                                                      |
| Special Education Program                            | 64,683                    | 0                                 | 0                                 | 64,683                                                      | 12,927           | 110,482      | 45,799                                                       |
| Career and Technical Education Program               | 1,000                     | 0                                 | 0                                 | 1,000                                                       | 1,000            | 1,000        | 0                                                            |
| Office of the Principal                              | 26,322                    | 0                                 | 0                                 | 26,322                                                      | 17,165           | 33,823       | 7,501                                                        |
| Transportation                                       | 6,909                     | 0                                 | 0                                 | 6,909                                                       | 26,499           | 33,499       | 26,590                                                       |
| Capital Outlay                                       |                           |                                   |                                   |                                                             |                  |              |                                                              |
| Regular Capital Outlay                               | 2,370,205                 | (2,262,363)                       | 131,545                           | 239,387                                                     | 2,286,595        | 2,299,196    | 2,059,809                                                    |
| Total Expenditures                                   | \$ 4,493,896              | \$ (2,290,550)                    | \$ 131,545                        | \$ 2,334,891                                                | \$ 4,634,803     | \$ 4,988,152 | \$ 2,653,261                                                 |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (188,961)              | \$ 2,290,550                      | \$ (131,545)                      | \$ 1,970,044                                                | \$ 0             | \$ 0         | \$ 1,970,044                                                 |
| Net Change in Fund Balance                           | \$ (188,961)              | \$ 2,290,550                      | \$ (131,545)                      | \$ 1,970,044                                                | \$ 0             | \$ 0         | \$ 1,970,044                                                 |
| Fund Balance, July 1, 2023                           | 240,172                   | (2,290,550)                       | 0                                 | (2,050,378)                                                 | 200,000          | 200,000      | (2,250,378)                                                  |
| Fund Balance, June 30, 2024                          | \$ 51,211                 | \$ 0                              | \$ (131,545)                      | \$ (80,334)                                                 | \$ 200,000       | \$ 200,000   | \$ (280,334)                                                 |

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

Discretely Presented Unicoi County School Department

Central Cafeteria Fund

**For the Year Ended June 30, 2024**

|                                                      | Actual<br>(GAAP<br>Basis)  | Less:<br>Encumbrances<br>7/1/2023 | Add:<br>Encumbrances<br>6/30/2024 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts           |                            | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|------------------------------------------------------|----------------------------|-----------------------------------|-----------------------------------|-------------------------------------------------------------|----------------------------|----------------------------|--------------------------------------------------------------|
|                                                      |                            |                                   |                                   |                                                             | Original                   | Final                      |                                                              |
| <b>Revenues</b>                                      |                            |                                   |                                   |                                                             |                            |                            |                                                              |
| Charges for Current Services                         | \$ 126,104                 | \$ 0                              | \$ 0                              | \$ 126,104                                                  | \$ 197,000                 | \$ 197,000                 | \$ (70,896)                                                  |
| Other Local Revenues                                 | 42,325                     | 0                                 | 0                                 | 42,325                                                      | 35,600                     | 35,600                     | 6,725                                                        |
| State of Tennessee                                   | 9,015                      | 0                                 | 0                                 | 9,015                                                       | 13,000                     | 13,000                     | (3,985)                                                      |
| Federal Government                                   | 1,470,584                  | 0                                 | 0                                 | 1,470,584                                                   | 1,313,295                  | 1,434,986                  | 35,598                                                       |
| Total Revenues                                       | <u>\$ 1,648,028</u>        | <u>\$ 0</u>                       | <u>\$ 0</u>                       | <u>\$ 1,648,028</u>                                         | <u>\$ 1,558,895</u>        | <u>\$ 1,680,586</u>        | <u>\$ (32,558)</u>                                           |
| <b>Expenditures</b>                                  |                            |                                   |                                   |                                                             |                            |                            |                                                              |
| Operation of Non-Instructional Services              |                            |                                   |                                   |                                                             |                            |                            |                                                              |
| Food Service                                         | \$ 1,558,170               | \$ (41,248)                       | \$ 50,951                         | \$ 1,567,873                                                | \$ 1,558,895               | \$ 1,680,585               | \$ 112,712                                                   |
| Total Expenditures                                   | <u>\$ 1,558,170</u>        | <u>\$ (41,248)</u>                | <u>\$ 50,951</u>                  | <u>\$ 1,567,873</u>                                         | <u>\$ 1,558,895</u>        | <u>\$ 1,680,585</u>        | <u>\$ 112,712</u>                                            |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 89,858</u>           | <u>\$ 41,248</u>                  | <u>\$ (50,951)</u>                | <u>\$ 80,155</u>                                            | <u>\$ 0</u>                | <u>\$ 1</u>                | <u>\$ 80,154</u>                                             |
| Net Change in Fund Balance                           | \$ 89,858                  | \$ 41,248                         | \$ (50,951)                       | \$ 80,155                                                   | \$ 0                       | \$ 1                       | \$ 80,154                                                    |
| Fund Balance, July 1, 2023                           | <u>1,093,015</u>           | <u>(41,248)</u>                   | <u>0</u>                          | <u>1,051,767</u>                                            | <u>1,072,091</u>           | <u>1,072,091</u>           | <u>(20,324)</u>                                              |
| Fund Balance, June 30, 2024                          | <u><u>\$ 1,182,873</u></u> | <u><u>\$ 0</u></u>                | <u><u>\$ (50,951)</u></u>         | <u><u>\$ 1,131,922</u></u>                                  | <u><u>\$ 1,072,091</u></u> | <u><u>\$ 1,072,092</u></u> | <u><u>\$ 59,830</u></u>                                      |

## MISCELLANEOUS SCHEDULES

Exhibit J-1

**UNICOI COUNTY, TENNESSEE**

**Schedule of Changes in Long-term Notes and Bonds**

**For the Year Ended June 30, 2024**

| Description of Indebtedness               | Original<br>Amount<br>of Issue | Interest<br>Rate | Date<br>of<br>Issue | Last<br>Maturity<br>Date | Outstanding<br>7-1-23 | Issued<br>During<br>Period | Paid and/or<br>Matured<br>During<br>Period | Outstanding<br>6-30-24 |
|-------------------------------------------|--------------------------------|------------------|---------------------|--------------------------|-----------------------|----------------------------|--------------------------------------------|------------------------|
| <b>NOTES PAYABLE</b>                      |                                |                  |                     |                          |                       |                            |                                            |                        |
| Payable through General Debt Service Fund |                                |                  |                     |                          |                       |                            |                                            |                        |
| Capital Outlay - E911 Office/Jail Roofing | \$ 715,000                     | 2.94 %           | 10-2-13             | 4-1-26                   | \$ 195,000            | \$ 0                       | \$ 65,000                                  | \$ 130,000             |
| Capital Outlay - Highway Equipment        | 242,000                        | 2.65             | 1-24-17             | 5-1-25                   | 65,050                | 0                          | 32,100                                     | 32,950                 |
| Total Notes Payable                       |                                |                  |                     |                          | <u>\$ 260,050</u>     | <u>\$ 0</u>                | <u>\$ 97,100</u>                           | <u>\$ 162,950</u>      |
| <b>BONDS PAYABLE</b>                      |                                |                  |                     |                          |                       |                            |                                            |                        |
| Payable through General Debt Service Fund |                                |                  |                     |                          |                       |                            |                                            |                        |
| General Obligation Refunding, Series 2015 | 14,500,000                     | 2 to 5           | 4-15-15             | 5-1-35                   | \$ 10,850,000         | \$ 0                       | \$ 1,140,000                               | \$ 9,710,000           |
| General Obligation, Series 2019           | 4,960,000                      | 1.4 to 5         | 10-17-19            | 5-1-39                   | 4,210,000             | 0                          | 205,000                                    | 4,005,000              |
| General Obligation, Series 2024           | 2,965,000                      | 4 to 5           | 4-4-24              | 5-1-44                   | 0                     | 2,965,000                  | 0                                          | 2,965,000              |
| Total Bonds Payable                       |                                |                  |                     |                          | <u>\$ 15,060,000</u>  | <u>\$ 2,965,000</u>        | <u>\$ 1,345,000</u>                        | <u>\$ 16,680,000</u>   |

Exhibit J-2

**UNICOI COUNTY, TENNESSEE**

**Schedule of Long-term Debt Requirements by Year**

| Year<br>Ending<br>June 30 | Notes      |          |            |
|---------------------------|------------|----------|------------|
|                           | Principal  | Interest | Total      |
| 2025                      | \$ 97,950  | \$ 4,695 | \$ 102,645 |
| 2026                      | 65,000     | 1,911    | 66,911     |
| Total                     | \$ 162,950 | \$ 6,606 | \$ 169,556 |

| Year<br>Ending<br>June 30 | Bonds         |              |               |
|---------------------------|---------------|--------------|---------------|
|                           | Principal     | Interest     | Total         |
| 2025                      | \$ 1,740,000  | \$ 629,670   | \$ 2,369,670  |
| 2026                      | 2,350,000     | 532,691      | 2,882,691     |
| 2027                      | 2,370,000     | 415,191      | 2,785,191     |
| 2028                      | 2,370,000     | 317,041      | 2,687,041     |
| 2029                      | 2,350,000     | 246,291      | 2,596,291     |
| 2030                      | 400,000       | 176,091      | 576,091       |
| 2031                      | 420,000       | 164,341      | 584,341       |
| 2032                      | 430,000       | 151,854      | 581,854       |
| 2033                      | 440,000       | 139,016      | 579,016       |
| 2034                      | 460,000       | 125,463      | 585,463       |
| 2035                      | 470,000       | 111,125      | 581,125       |
| 2036                      | 445,000       | 96,431       | 541,431       |
| 2037                      | 465,000       | 82,156       | 547,156       |
| 2038                      | 475,000       | 68,806       | 543,806       |
| 2039                      | 490,000       | 54,763       | 544,763       |
| 2040                      | 185,000       | 40,200       | 225,200       |
| 2041                      | 195,000       | 32,800       | 227,800       |
| 2042                      | 200,000       | 25,000       | 225,000       |
| 2043                      | 210,000       | 17,000       | 227,000       |
| 2044                      | 215,000       | 8,600        | 223,600       |
| Total                     | \$ 16,680,000 | \$ 3,434,530 | \$ 20,114,530 |

Exhibit J-3

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Changes in Lease Obligations**  
**For the Year Ended June 30, 2024**

| Description of Indebtedness        | Original<br>Amount<br>of Issue | Interest<br>Rate |   | Date<br>of<br>Issue | Maturity<br>Date | Outstanding<br>7-1-23 | Paid and/or<br>Matured<br>During<br>Period | Outstanding<br>6-30-24 |
|------------------------------------|--------------------------------|------------------|---|---------------------|------------------|-----------------------|--------------------------------------------|------------------------|
| <b>LEASE PAYABLE</b>               |                                |                  |   |                     |                  |                       |                                            |                        |
| Payable through General Fund       |                                |                  |   |                     |                  |                       |                                            |                        |
| County Clerk - Drive Thru Location | \$ 37,045                      | 2.11             | % | 1-1-23              | 12-31-27         | \$ 33,455             | \$ 7,162                                   | \$ 26,293              |
| Total Payable through General Fund |                                |                  |   |                     |                  | \$ 33,455             | \$ 7,162                                   | \$ 26,293              |
| Total Lease Payable                |                                |                  |   |                     |                  | \$ 33,455             | \$ 7,162                                   | \$ 26,293              |

Exhibit J-4

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Lease Requirements by Year**

| Year<br>Ending<br>June 30 | Lease     |          |           |
|---------------------------|-----------|----------|-----------|
|                           | Principal | Interest | Total     |
| 2025                      | \$ 7,315  | \$ 485   | \$ 7,800  |
| 2026                      | 7,472     | 328      | 7,800     |
| 2027                      | 7,631     | 169      | 7,800     |
| 2028                      | 3,875     | 24       | 3,899     |
| Total                     | \$ 26,293 | \$ 1,006 | \$ 27,299 |

**UNICOI COUNTY, TENNESSEE****Schedule of Transfers**

Primary Government and Discretely Presented Unicoi County School Department

**For the Year Ended June 30, 2024**

| <b>From Fund</b>                                                        | <b>To Fund</b>             | <b>Purpose</b>                                          | <b>Amount</b>            |
|-------------------------------------------------------------------------|----------------------------|---------------------------------------------------------|--------------------------|
| <b>PRIMARY GOVERNMENT</b>                                               |                            |                                                         |                          |
| General                                                                 | Solid Waste/Sanitation     | Operations                                              | \$ 150,000               |
| Other General Government                                                | General                    | Operating expenditures - American Rescue Plan Act funds | 2,500                    |
| "                                                                       | "                          | Capital expenditures - American Rescue Plan Act funds   | 151,720                  |
| Highway/Public Works                                                    | General Debt Service       | Debt retirement                                         | <u>33,808</u>            |
| Total Transfers Primary Government                                      |                            |                                                         | <u><u>\$ 338,028</u></u> |
| <b>DISCRETELY PRESENTED UNICOI<br/>COUNTY SCHOOL DEPARTMENT</b>         |                            |                                                         |                          |
| General Purpose School                                                  | Education Capital Projects | Capital expenditures                                    | <u>\$ 119,263</u>        |
| Total Transfers Discretely Presented Unicoi<br>County School Department |                            |                                                         | <u><u>\$ 119,263</u></u> |

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

Primary Government and Discretely Presented Unicoi County School Department

**For the Year Ended June 30, 2024**

| <b>Official</b>                                  | <b>Salary</b>     | <b>Authorization</b>                                      | <b>Bond</b> | <b>Surety</b>                               |
|--------------------------------------------------|-------------------|-----------------------------------------------------------|-------------|---------------------------------------------|
| <b>County Mayor</b>                              |                   | Section 8-24-102, <i>TCA</i>                              | \$ (1)      | Local Government Property and Casualty Fund |
| Base salary/Total compensation                   | <u>\$ 105,165</u> |                                                           |             |                                             |
| <b>Road Superintendent</b>                       |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary/Total compensation                   | <u>\$ 95,388</u>  |                                                           |             |                                             |
| <b>Director of Schools</b>                       |                   | State Board of Education and<br>County Board of Education | (1)         | Tennessee Risk Management Trust             |
| Base salary                                      | \$ 141,225        |                                                           |             |                                             |
| Travel allowance                                 | 6,000             |                                                           |             |                                             |
| Unused vacation payout                           | 5,884             |                                                           |             |                                             |
| Salary equity                                    | 685               |                                                           |             |                                             |
| Chief executive officer supplement               | 1,000             |                                                           |             |                                             |
| Total compensation                               | <u>\$ 154,794</u> |                                                           |             |                                             |
| <b>Trustee</b>                                   |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary/Total compensation                   | <u>\$ 86,716</u>  |                                                           |             |                                             |
| <b>Assessor of Property</b>                      |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary/Total compensation                   | <u>\$ 86,716</u>  |                                                           |             |                                             |
| <b>County Clerk</b>                              |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary/Total compensation                   | <u>\$ 86,716</u>  |                                                           |             |                                             |
| <b>Circuit and General Sessions Courts Clerk</b> |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary                                      | \$ 86,716         |                                                           |             |                                             |
| Special commissioner fees                        | 1,890             |                                                           |             |                                             |
| Total compensation                               | <u>\$ 88,606</u>  |                                                           |             |                                             |
| <b>Clerk and Master</b>                          |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary                                      | \$ 86,716         |                                                           |             |                                             |
| Special commissioner fees                        | 500               |                                                           |             |                                             |
| Total compensation                               | <u>\$ 87,216</u>  |                                                           |             |                                             |
| <b>Register of Deeds</b>                         |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary/Total compensation                   | <u>\$ 86,716</u>  |                                                           |             |                                             |
| <b>Sheriff</b>                                   |                   | Section 8-24-102, <i>TCA</i>                              | (1)         | Local Government Property and Casualty Fund |
| Base salary                                      | \$ 95,388         |                                                           |             |                                             |
| Superintendent of workhouse (5% on base)         | 4,769             |                                                           |             |                                             |
| Law enforcement training supplement              | 800               |                                                           |             |                                             |
| Total compensation                               | <u>\$ 100,957</u> |                                                           |             |                                             |
| Employee Blanket Bonds:                          |                   |                                                           |             |                                             |
| Employee Fidelity - County Departments           |                   |                                                           | 400,000     | Local Government Property and Casualty Fund |
| Employee Fidelity - School Department            |                   |                                                           | 400,000     | Tennessee Risk Management Trust             |

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

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Detailed Revenues -**  
**All Governmental Fund Types**  
**For the Year Ended June 30, 2024**

|                                                          | Special Revenue Funds |                                |                 |                                        |                                            |
|----------------------------------------------------------|-----------------------|--------------------------------|-----------------|----------------------------------------|--------------------------------------------|
|                                                          | General               | Solid<br>Waste /<br>Sanitation | Drug<br>Control | Other<br>General<br>Government<br>Fund | Constitu -<br>tional<br>Officers -<br>Fees |
| <b>Local Taxes</b>                                       |                       |                                |                 |                                        |                                            |
| County Property Taxes                                    |                       |                                |                 |                                        |                                            |
| Current Property Tax                                     | \$ 5,781,280          | \$ 775,490                     | \$ 0            | \$ 0                                   | 0                                          |
| Trustee's Collections - Prior Year                       | 193,489               | 18,458                         | 0               | 0                                      | 0                                          |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 60,915                | 5,811                          | 0               | 0                                      | 0                                          |
| Interest and Penalty                                     | 37,894                | 4,013                          | 0               | 0                                      | 0                                          |
| Pickup Taxes                                             | 6,455                 | 758                            | 0               | 0                                      | 0                                          |
| Payments in-Lieu-of Taxes - T.V.A.                       | 280                   | 37                             | 0               | 0                                      | 0                                          |
| Payments in-Lieu-of Taxes - Local Utilities              | 120,367               | 16,140                         | 0               | 0                                      | 0                                          |
| Payments in-Lieu-of Taxes - Other                        | 15,676                | 1,952                          | 0               | 0                                      | 0                                          |
| County Local Option Taxes                                |                       |                                |                 |                                        |                                            |
| Local Option Sales Tax                                   | 0                     | 0                              | 0               | 0                                      | 0                                          |
| Hotel/Motel Tax                                          | 89,710                | 0                              | 0               | 0                                      | 0                                          |
| Litigation Tax - General                                 | 45,672                | 0                              | 0               | 0                                      | 0                                          |
| Litigation Tax - Special Purpose                         | 49,957                | 0                              | 0               | 0                                      | 0                                          |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 0                     | 0                              | 0               | 0                                      | 0                                          |
| Business Tax                                             | 70,637                | 12,763                         | 0               | 0                                      | 0                                          |
| Statutory Local Taxes                                    |                       |                                |                 |                                        |                                            |
| Bank Excise Tax                                          | 56,462                | 7,571                          | 0               | 0                                      | 0                                          |
| Wholesale Beer Tax                                       | 14,649                | 2,132                          | 0               | 0                                      | 0                                          |
| Total Local Taxes                                        | \$ 6,543,443          | \$ 845,125                     | \$ 0            | \$ 0                                   | 0                                          |
| <b>Licenses and Permits</b>                              |                       |                                |                 |                                        |                                            |
| Licenses                                                 |                       |                                |                 |                                        |                                            |
| Cable TV Franchise                                       | \$ 15,009             | \$ 1,222                       | \$ 0            | \$ 0                                   | 0                                          |
| Permits                                                  |                       |                                |                 |                                        |                                            |
| Beer Permits                                             | 190                   | 0                              | 0               | 0                                      | 0                                          |
| Total Licenses and Permits                               | \$ 15,199             | \$ 1,222                       | \$ 0            | \$ 0                                   | 0                                          |

(Continued)

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

|                                         | Special Revenue Funds |                          |              |                               |                                |
|-----------------------------------------|-----------------------|--------------------------|--------------|-------------------------------|--------------------------------|
|                                         | General               | Solid Waste / Sanitation | Drug Control | Other General Government Fund | Constitutional Officers - Fees |
| Fines, Forfeitures, and Penalties       |                       |                          |              |                               |                                |
| Circuit Court                           |                       |                          |              |                               |                                |
| Fines                                   | \$ 308                | \$ 0                     | \$ 0         | \$ 0                          | 0                              |
| Officers Costs                          | 1,936                 | 0                        | 0            | 0                             | 0                              |
| Drug Control Fines                      | 107                   | 0                        | 1,791        | 0                             | 0                              |
| Drug Court Fees                         | 134                   | 0                        | 0            | 0                             | 0                              |
| Jail Fees                               | 1,448                 | 0                        | 0            | 0                             | 0                              |
| DUI Treatment Fines                     | 190                   | 0                        | 0            | 0                             | 0                              |
| Courtroom Security Fee                  | 84                    | 0                        | 0            | 0                             | 0                              |
| Criminal Court                          |                       |                          |              |                               |                                |
| Fines                                   | 4                     | 0                        | 0            | 0                             | 0                              |
| Data Entry Fee - Criminal Court         | 1,591                 | 0                        | 0            | 0                             | 0                              |
| Victims Assistance Assessments          | 830                   | 0                        | 0            | 0                             | 0                              |
| General Sessions Court                  |                       |                          |              |                               |                                |
| Fines                                   | 10,652                | 0                        | 114          | 0                             | 0                              |
| Fines for Littering                     | 5                     | 0                        | 0            | 0                             | 0                              |
| Officers Costs                          | 11,966                | 0                        | 0            | 0                             | 0                              |
| Game and Fish Fines                     | 56                    | 0                        | 0            | 0                             | 0                              |
| Drug Control Fines                      | 0                     | 0                        | 5,266        | 0                             | 0                              |
| Drug Court Fees                         | 2,962                 | 0                        | 0            | 0                             | 0                              |
| Jail Fees                               | 24,965                | 0                        | 0            | 0                             | 0                              |
| DUI Treatment Fines                     | 2,945                 | 0                        | 0            | 0                             | 0                              |
| Data Entry Fee - General Sessions Court | 6,659                 | 0                        | 0            | 0                             | 0                              |
| Courtroom Security Fee                  | 1,284                 | 0                        | 0            | 0                             | 0                              |
| Victims Assistance Assessments          | 6,829                 | 0                        | 0            | 0                             | 0                              |
| Juvenile Court                          |                       |                          |              |                               |                                |
| Officers Costs                          | 1,021                 | 0                        | 0            | 0                             | 0                              |

(Continued)

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

|                                                  | General           | Special Revenue Funds          |                  |                                        |                                            |
|--------------------------------------------------|-------------------|--------------------------------|------------------|----------------------------------------|--------------------------------------------|
|                                                  |                   | Solid<br>Waste /<br>Sanitation | Drug<br>Control  | Other<br>General<br>Government<br>Fund | Constitu -<br>tional<br>Officers -<br>Fees |
| <b>Fines, Forfeitures, and Penalties (Cont.)</b> |                   |                                |                  |                                        |                                            |
| Juvenile Court (Cont.)                           |                   |                                |                  |                                        |                                            |
| Jail Fees                                        | \$ 933            | \$ 0                           | \$ 0             | \$ 0                                   | 0                                          |
| Data Entry Fee - Juvenile Court                  | 4,413             | 0                              | 0                | 0                                      | 0                                          |
| Courtroom Security Fee                           | 4                 | 0                              | 0                | 0                                      | 0                                          |
| Chancery Court                                   |                   |                                |                  |                                        |                                            |
| Officers Costs                                   | 286               | 0                              | 0                | 0                                      | 0                                          |
| Data Entry Fee - Chancery Court                  | 1,486             | 0                              | 0                | 0                                      | 0                                          |
| Judicial District Drug Program                   |                   |                                |                  |                                        |                                            |
| Data Entry Fee - Other Courts                    | 12,250            | 0                              | 0                | 0                                      | 0                                          |
| Other Fines, Forfeitures, and Penalties          |                   |                                |                  |                                        |                                            |
| Proceeds from Confiscated Property               | 0                 | 0                              | 6,427            | 0                                      | 0                                          |
| Total Fines, Forfeitures, and Penalties          | <u>\$ 95,348</u>  | <u>\$ 0</u>                    | <u>\$ 13,598</u> | <u>\$ 0</u>                            | <u>0</u>                                   |
| <b>Charges for Current Services</b>              |                   |                                |                  |                                        |                                            |
| Fees                                             |                   |                                |                  |                                        |                                            |
| Recreation Fees                                  | \$ 9,180          | \$ 0                           | \$ 0             | \$ 0                                   | 0                                          |
| Archives and Records Management Fee              | 40,284            | 0                              | 0                | 0                                      | 0                                          |
| Greenbelt Late Application Fee                   | 50                | 0                              | 0                | 0                                      | 0                                          |
| Telephone Commissions                            | 28,165            | 0                              | 0                | 0                                      | 0                                          |
| Additional Fees - Titling and Registration       | 16,322            | 0                              | 0                | 0                                      | 0                                          |
| Special Commissioner Fees/Special Master Fees    | 0                 | 0                              | 0                | 0                                      | 2,390                                      |
| Data Processing Fee - Register                   | 4,554             | 0                              | 0                | 0                                      | 0                                          |
| Data Processing Fee - Sheriff                    | 800               | 0                              | 0                | 0                                      | 0                                          |
| Sexual Offender Registration Fee - Sheriff       | 1,350             | 0                              | 0                | 0                                      | 0                                          |
| Data Processing Fee - County Clerk               | 2,071             | 0                              | 0                | 0                                      | 0                                          |
| Vehicle Registration Reinstatement Fees          | 2,365             | 0                              | 0                | 0                                      | 0                                          |
| Total Charges for Current Services               | <u>\$ 105,141</u> | <u>\$ 0</u>                    | <u>\$ 0</u>      | <u>\$ 0</u>                            | <u>2,390</u>                               |

(Continued)

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

|                                            | Special Revenue Funds |                                |                 |                                        |                                            |
|--------------------------------------------|-----------------------|--------------------------------|-----------------|----------------------------------------|--------------------------------------------|
|                                            | General               | Solid<br>Waste /<br>Sanitation | Drug<br>Control | Other<br>General<br>Government<br>Fund | Constitu -<br>tional<br>Officers -<br>Fees |
| <b>Other Local Revenues</b>                |                       |                                |                 |                                        |                                            |
| Recurring Items                            |                       |                                |                 |                                        |                                            |
| Investment Income                          | \$ 443,207            | \$ 0                           | \$ 0            | \$ 79,600                              | \$ 0                                       |
| Sale of Materials and Supplies             | 1,100                 | 0                              | 0               | 0                                      | 0                                          |
| Commissary Sales                           | 9,869                 | 0                              | 0               | 0                                      | 0                                          |
| Sale of Recycled Materials                 | 0                     | 0                              | 0               | 0                                      | 0                                          |
| Retirees' Insurance Payments               | 2,065                 | 0                              | 0               | 0                                      | 0                                          |
| Miscellaneous Refunds                      | 45,729                | 0                              | 0               | 0                                      | 0                                          |
| Nonrecurring Items                         |                       |                                |                 |                                        |                                            |
| Sale of Equipment                          | 29,782                | 0                              | 0               | 0                                      | 0                                          |
| Total Other Local Revenues                 | \$ 531,752            | \$ 0                           | \$ 0            | \$ 79,600                              | \$ 0                                       |
| <b>Fees Received From County Officials</b> |                       |                                |                 |                                        |                                            |
| Fees In-Lieu-of Salary                     |                       |                                |                 |                                        |                                            |
| County Clerk                               | \$ 194,563            | \$ 0                           | \$ 0            | \$ 0                                   | \$ 0                                       |
| Circuit Court Clerk                        | 62,922                | 0                              | 0               | 0                                      | 0                                          |
| General Sessions Court Clerk               | 251,490               | 0                              | 0               | 0                                      | 0                                          |
| Clerk and Master                           | 39,065                | 0                              | 0               | 0                                      | 0                                          |
| Juvenile Court Clerk                       | 11,147                | 0                              | 0               | 0                                      | 0                                          |
| Register                                   | 67,858                | 0                              | 0               | 0                                      | 0                                          |
| Sheriff                                    | 6,132                 | 0                              | 0               | 0                                      | 0                                          |
| Trustee                                    | 348,394               | 0                              | 0               | 0                                      | 0                                          |
| Total Fees Received From County Officials  | \$ 981,571            | \$ 0                           | \$ 0            | \$ 0                                   | \$ 0                                       |
| <b>State of Tennessee</b>                  |                       |                                |                 |                                        |                                            |
| General Government Grants                  |                       |                                |                 |                                        |                                            |
| Juvenile Services Program                  | \$ 9,000              | \$ 0                           | \$ 0            | \$ 0                                   | \$ 0                                       |

(Continued)

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

|                                                | Special Revenue Funds |                          |              |                               |                                |
|------------------------------------------------|-----------------------|--------------------------|--------------|-------------------------------|--------------------------------|
|                                                | General               | Solid Waste / Sanitation | Drug Control | Other General Government Fund | Constitutional Officers - Fees |
| <b>State of Tennessee (Cont.)</b>              |                       |                          |              |                               |                                |
| Public Safety Grants                           |                       |                          |              |                               |                                |
| Law Enforcement Training Programs              | \$ 15,200             | \$ 0                     | \$ 0         | \$ 0                          | 0                              |
| Health and Welfare Grants                      |                       |                          |              |                               |                                |
| Health Department Programs                     | 167,774               | 0                        | 0            | 0                             | 0                              |
| Other Health and Welfare Grants                | 6,750                 | 0                        | 0            | 0                             | 0                              |
| Public Works Grants                            |                       |                          |              |                               |                                |
| State Aid Program                              | 0                     | 0                        | 0            | 0                             | 0                              |
| Litter Program                                 | 59,923                | 0                        | 0            | 0                             | 0                              |
| Other State Revenues                           |                       |                          |              |                               |                                |
| Income Tax                                     | 32                    | 0                        | 0            | 0                             | 0                              |
| Beer Tax                                       | 18,498                | 0                        | 0            | 0                             | 0                              |
| Vehicle Certificate of Title Fees              | 6,705                 | 0                        | 0            | 0                             | 0                              |
| Alcoholic Beverage Tax                         | 45,342                | 0                        | 0            | 0                             | 0                              |
| Opioid Settlement Funds - TN Abatement Council | 90,449                | 0                        | 0            | 0                             | 0                              |
| State Revenue Sharing - T.V.A.                 | 176,524               | 19,869                   | 0            | 0                             | 0                              |
| State Revenue Sharing - Telecommunications     | 17,637                | 0                        | 0            | 0                             | 0                              |
| State Shared Sports Gaming Privilege Tax       | 14,874                | 0                        | 0            | 0                             | 0                              |
| Contracted Prisoner Boarding                   | 517,812               | 0                        | 0            | 0                             | 0                              |
| Gasoline and Motor Fuel Tax                    | 0                     | 0                        | 0            | 0                             | 0                              |
| Hybrid/Electric Vehicle Registration Fee       | 0                     | 0                        | 0            | 0                             | 0                              |
| Petroleum Special Tax                          | 0                     | 0                        | 0            | 0                             | 0                              |
| Registrar's Salary Supplement                  | 15,164                | 0                        | 0            | 0                             | 0                              |
| Other State Grants                             | 231,014               | 0                        | 0            | 0                             | 0                              |
| Other State Revenues                           | 248,223               | 4,152                    | 0            | 0                             | 0                              |
| Total State of Tennessee                       | \$ 1,640,921          | \$ 24,021                | \$ 0         | \$ 0                          | 0                              |

(Continued)

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

|                                              | Special Revenue Funds |                                |                  |                                        |                                            |
|----------------------------------------------|-----------------------|--------------------------------|------------------|----------------------------------------|--------------------------------------------|
|                                              | General               | Solid<br>Waste /<br>Sanitation | Drug<br>Control  | Other<br>General<br>Government<br>Fund | Constitu -<br>tional<br>Officers -<br>Fees |
| <b>Federal Government</b>                    |                       |                                |                  |                                        |                                            |
| Federal Through State                        |                       |                                |                  |                                        |                                            |
| Community Development                        | \$ 0                  | \$ 0                           | \$ 0             | \$ 0                                   | 0                                          |
| Civil Defense Reimbursement                  | 26,011                | 0                              | 0                | 0                                      | 0                                          |
| American Rescue Plan Act Grant #1            | 1,008,004             | 0                              | 0                | 586,524                                | 0                                          |
| Other Federal through State                  | 790                   | 0                              | 0                | 0                                      | 0                                          |
| Direct Federal Revenue                       |                       |                                |                  |                                        |                                            |
| Forest Service                               | 0                     | 0                              | 0                | 0                                      | 0                                          |
| Other Direct Federal Revenue                 | 300,800               | 0                              | 0                | 0                                      | 0                                          |
| Total Federal Government                     | <u>\$ 1,335,605</u>   | <u>\$ 0</u>                    | <u>\$ 0</u>      | <u>\$ 586,524</u>                      | <u>\$ 0</u>                                |
| <b>Other Governments and Citizens Groups</b> |                       |                                |                  |                                        |                                            |
| Other Governments                            |                       |                                |                  |                                        |                                            |
| Contributions                                | \$ 226,138            | \$ 0                           | \$ 0             | \$ 0                                   | 0                                          |
| Contracted Services                          | 868,858               | 0                              | 0                | 0                                      | 0                                          |
| Other                                        |                       |                                |                  |                                        |                                            |
| Opioid Settlement Funds - Past Remediation   | 118,024               | 0                              | 0                | 0                                      | 0                                          |
| Total Other Governments and Citizens Groups  | <u>\$ 1,213,020</u>   | <u>\$ 0</u>                    | <u>\$ 0</u>      | <u>\$ 0</u>                            | <u>0</u>                                   |
| Total                                        | <u>\$ 12,462,000</u>  | <u>\$ 870,368</u>              | <u>\$ 13,598</u> | <u>\$ 666,124</u>                      | <u>\$ 2,390</u>                            |

(Continued)

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

|                                                          | Special<br>Revenue<br>Fund   | Debt Service<br>Fund       | Capital<br>Projects<br>Fund                     |              |
|----------------------------------------------------------|------------------------------|----------------------------|-------------------------------------------------|--------------|
|                                                          | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Community<br>Development/<br>Industrial<br>Park | Total        |
| <b>Local Taxes</b>                                       |                              |                            |                                                 |              |
| County Property Taxes                                    |                              |                            |                                                 |              |
| Current Property Tax                                     | \$ 234,835                   | \$ 1,104,837               | \$ 0                                            | \$ 7,896,442 |
| Trustee's Collections - Prior Year                       | 9,521                        | 57,622                     | 0                                               | 279,090      |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 3,098                        | 18,141                     | 0                                               | 87,965       |
| Interest and Penalty                                     | 1,833                        | 10,189                     | 0                                               | 53,929       |
| Pickup Taxes                                             | 292                          | 1,530                      | 0                                               | 9,035        |
| Payments in-Lieu-of Taxes - T.V.A.                       | 11                           | 53                         | 0                                               | 381          |
| Payments in-Lieu-of Taxes - Local Utilities              | 4,906                        | 23,020                     | 0                                               | 164,433      |
| Payments in-Lieu-of Taxes - Other                        | 593                          | 2,784                      | 0                                               | 21,005       |
| County Local Option Taxes                                |                              |                            |                                                 |              |
| Local Option Sales Tax                                   | 0                            | 428,715                    | 0                                               | 428,715      |
| Hotel/Motel Tax                                          | 0                            | 0                          | 0                                               | 89,710       |
| Litigation Tax - General                                 | 0                            | 0                          | 0                                               | 45,672       |
| Litigation Tax - Special Purpose                         | 0                            | 0                          | 0                                               | 49,957       |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 0                            | 87,312                     | 0                                               | 87,312       |
| Business Tax                                             | 2,891                        | 17,976                     | 0                                               | 104,267      |
| Statutory Local Taxes                                    |                              |                            |                                                 |              |
| Bank Excise Tax                                          | 2,301                        | 10,798                     | 0                                               | 77,132       |
| Wholesale Beer Tax                                       | 559                          | 2,381                      | 0                                               | 19,721       |
| Total Local Taxes                                        | \$ 260,840                   | \$ 1,765,358               | \$ 0                                            | \$ 9,414,766 |
| <b>Licenses and Permits</b>                              |                              |                            |                                                 |              |
| Licenses                                                 |                              |                            |                                                 |              |
| Cable TV Franchise                                       | \$ 289                       | \$ 1,142                   | \$ 0                                            | \$ 17,662    |
| Permits                                                  |                              |                            |                                                 |              |
| Beer Permits                                             | 0                            | 0                          | 0                                               | 190          |
| Total Licenses and Permits                               | \$ 289                       | \$ 1,142                   | \$ 0                                            | \$ 17,852    |

(Continued)

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

|                                          | Special<br>Revenue<br>Fund   | Debt Service<br>Fund       | Capital<br>Projects<br>Fund                     |        |
|------------------------------------------|------------------------------|----------------------------|-------------------------------------------------|--------|
|                                          | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Community<br>Development/<br>Industrial<br>Park | Total  |
| <b>Fines, Forfeitures, and Penalties</b> |                              |                            |                                                 |        |
| Circuit Court                            |                              |                            |                                                 |        |
| Fines                                    | \$ 0                         | \$ 0                       | \$ 0                                            | \$ 308 |
| Officers Costs                           | 0                            | 0                          | 0                                               | 1,936  |
| Drug Control Fines                       | 0                            | 0                          | 0                                               | 1,898  |
| Drug Court Fees                          | 0                            | 0                          | 0                                               | 134    |
| Jail Fees                                | 0                            | 0                          | 0                                               | 1,448  |
| DUI Treatment Fines                      | 0                            | 0                          | 0                                               | 190    |
| Courtroom Security Fee                   | 0                            | 0                          | 0                                               | 84     |
| Criminal Court                           |                              |                            |                                                 |        |
| Fines                                    | 0                            | 0                          | 0                                               | 4      |
| Data Entry Fee - Criminal Court          | 0                            | 0                          | 0                                               | 1,591  |
| Victims Assistance Assessments           | 0                            | 0                          | 0                                               | 830    |
| General Sessions Court                   |                              |                            |                                                 |        |
| Fines                                    | 0                            | 0                          | 0                                               | 10,766 |
| Fines for Littering                      | 0                            | 0                          | 0                                               | 5      |
| Officers Costs                           | 0                            | 0                          | 0                                               | 11,966 |
| Game and Fish Fines                      | 0                            | 0                          | 0                                               | 56     |
| Drug Control Fines                       | 0                            | 0                          | 0                                               | 5,266  |
| Drug Court Fees                          | 0                            | 0                          | 0                                               | 2,962  |
| Jail Fees                                | 0                            | 0                          | 0                                               | 24,965 |
| DUI Treatment Fines                      | 0                            | 0                          | 0                                               | 2,945  |
| Data Entry Fee - General Sessions Court  | 0                            | 0                          | 0                                               | 6,659  |
| Courtroom Security Fee                   | 0                            | 0                          | 0                                               | 1,284  |
| Victims Assistance Assessments           | 0                            | 0                          | 0                                               | 6,829  |
| Juvenile Court                           |                              |                            |                                                 |        |
| Officers Costs                           | 0                            | 0                          | 0                                               | 1,021  |

(Continued)

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

|                                                  | Special<br>Revenue<br>Fund   | Debt Service<br>Fund       | Capital<br>Projects<br>Fund                     |                |
|--------------------------------------------------|------------------------------|----------------------------|-------------------------------------------------|----------------|
|                                                  | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Community<br>Development/<br>Industrial<br>Park | Total          |
| <b>Fines, Forfeitures, and Penalties (Cont.)</b> |                              |                            |                                                 |                |
| Juvenile Court (Cont.)                           |                              |                            |                                                 |                |
| Jail Fees                                        | \$ 0                         | \$ 0                       | \$ 0                                            | 933            |
| Data Entry Fee - Juvenile Court                  | 0                            | 0                          | 0                                               | 4,413          |
| Courtroom Security Fee                           | 0                            | 0                          | 0                                               | 4              |
| Chancery Court                                   |                              |                            |                                                 |                |
| Officers Costs                                   | 0                            | 0                          | 0                                               | 286            |
| Data Entry Fee - Chancery Court                  | 0                            | 0                          | 0                                               | 1,486          |
| Judicial District Drug Program                   |                              |                            |                                                 |                |
| Data Entry Fee - Other Courts                    | 0                            | 0                          | 0                                               | 12,250         |
| Other Fines, Forfeitures, and Penalties          |                              |                            |                                                 |                |
| Proceeds from Confiscated Property               | 0                            | 0                          | 0                                               | 6,427          |
| Total Fines, Forfeitures, and Penalties          | <u>\$ 0</u>                  | <u>\$ 0</u>                | <u>\$ 0</u>                                     | <u>108,946</u> |
| <b>Charges for Current Services</b>              |                              |                            |                                                 |                |
| Fees                                             |                              |                            |                                                 |                |
| Recreation Fees                                  | \$ 0                         | \$ 0                       | \$ 0                                            | 9,180          |
| Archives and Records Management Fee              | 0                            | 0                          | 0                                               | 40,284         |
| Greenbelt Late Application Fee                   | 0                            | 0                          | 0                                               | 50             |
| Telephone Commissions                            | 0                            | 0                          | 0                                               | 28,165         |
| Additional Fees - Titling and Registration       | 0                            | 0                          | 0                                               | 16,322         |
| Special Commissioner Fees/Special Master Fees    | 0                            | 0                          | 0                                               | 2,390          |
| Data Processing Fee - Register                   | 0                            | 0                          | 0                                               | 4,554          |
| Data Processing Fee - Sheriff                    | 0                            | 0                          | 0                                               | 800            |
| Sexual Offender Registration Fee - Sheriff       | 0                            | 0                          | 0                                               | 1,350          |
| Data Processing Fee - County Clerk               | 0                            | 0                          | 0                                               | 2,071          |
| Vehicle Registration Reinstatement Fees          | 0                            | 0                          | 0                                               | 2,365          |
| Total Charges for Current Services               | <u>\$ 0</u>                  | <u>\$ 0</u>                | <u>\$ 0</u>                                     | <u>107,531</u> |

(Continued)

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

|                                            | Special<br>Revenue<br>Fund   | Debt Service<br>Fund       | Capital<br>Projects<br>Fund                     |            |
|--------------------------------------------|------------------------------|----------------------------|-------------------------------------------------|------------|
|                                            | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Community<br>Development/<br>Industrial<br>Park | Total      |
| <b>Other Local Revenues</b>                |                              |                            |                                                 |            |
| Recurring Items                            |                              |                            |                                                 |            |
| Investment Income                          | \$ 27,000                    | \$ 2,000                   | \$ 0                                            | \$ 551,807 |
| Sale of Materials and Supplies             | 0                            | 0                          | 0                                               | 1,100      |
| Commissary Sales                           | 0                            | 0                          | 0                                               | 9,869      |
| Sale of Recycled Materials                 | 946                          | 0                          | 0                                               | 946        |
| Retirees' Insurance Payments               | 1,638                        | 0                          | 0                                               | 3,703      |
| Miscellaneous Refunds                      | 12,702                       | 0                          | 0                                               | 58,431     |
| Nonrecurring Items                         |                              |                            |                                                 |            |
| Sale of Equipment                          | 50,240                       | 0                          | 0                                               | 80,022     |
| Total Other Local Revenues                 | \$ 92,526                    | \$ 2,000                   | \$ 0                                            | \$ 705,878 |
| <b>Fees Received From County Officials</b> |                              |                            |                                                 |            |
| Fees In-Lieu-of Salary                     |                              |                            |                                                 |            |
| County Clerk                               | \$ 0                         | \$ 0                       | \$ 0                                            | \$ 194,563 |
| Circuit Court Clerk                        | 0                            | 0                          | 0                                               | 62,922     |
| General Sessions Court Clerk               | 0                            | 0                          | 0                                               | 251,490    |
| Clerk and Master                           | 0                            | 0                          | 0                                               | 39,065     |
| Juvenile Court Clerk                       | 0                            | 0                          | 0                                               | 11,147     |
| Register                                   | 0                            | 0                          | 0                                               | 67,858     |
| Sheriff                                    | 0                            | 0                          | 0                                               | 6,132      |
| Trustee                                    | 0                            | 0                          | 0                                               | 348,394    |
| Total Fees Received From County Officials  | \$ 0                         | \$ 0                       | \$ 0                                            | \$ 981,571 |
| <b>State of Tennessee</b>                  |                              |                            |                                                 |            |
| General Government Grants                  |                              |                            |                                                 |            |
| Juvenile Services Program                  | \$ 0                         | \$ 0                       | \$ 0                                            | \$ 9,000   |

(Continued)

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

|                                                | Special<br>Revenue<br>Fund   | Debt Service<br>Fund       | Capital<br>Projects<br>Fund                     |              |
|------------------------------------------------|------------------------------|----------------------------|-------------------------------------------------|--------------|
|                                                | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Community<br>Development/<br>Industrial<br>Park | Total        |
| <b>State of Tennessee (Cont.)</b>              |                              |                            |                                                 |              |
| Public Safety Grants                           |                              |                            |                                                 |              |
| Law Enforcement Training Programs              | \$ 0                         | \$ 0                       | \$ 0                                            | 15,200       |
| Health and Welfare Grants                      |                              |                            |                                                 |              |
| Health Department Programs                     | 0                            | 0                          | 0                                               | 167,774      |
| Other Health and Welfare Grants                | 0                            | 0                          | 0                                               | 6,750        |
| Public Works Grants                            |                              |                            |                                                 |              |
| State Aid Program                              | 1,573,089                    | 0                          | 0                                               | 1,573,089    |
| Litter Program                                 | 0                            | 0                          | 0                                               | 59,923       |
| Other State Revenues                           |                              |                            |                                                 |              |
| Income Tax                                     | 0                            | 0                          | 0                                               | 32           |
| Beer Tax                                       | 35                           | 0                          | 0                                               | 18,533       |
| Vehicle Certificate of Title Fees              | 0                            | 0                          | 0                                               | 6,705        |
| Alcoholic Beverage Tax                         | 0                            | 0                          | 0                                               | 45,342       |
| Opioid Settlement Funds - TN Abatement Council | 0                            | 0                          | 0                                               | 90,449       |
| State Revenue Sharing - T.V.A.                 | 6,039                        | 0                          | 0                                               | 202,432      |
| State Revenue Sharing - Telecommunications     | 0                            | 0                          | 0                                               | 17,637       |
| State Shared Sports Gaming Privilege Tax       | 0                            | 0                          | 0                                               | 14,874       |
| Contracted Prisoner Boarding                   | 0                            | 0                          | 0                                               | 517,812      |
| Gasoline and Motor Fuel Tax                    | 1,959,383                    | 0                          | 0                                               | 1,959,383    |
| Hybrid/Electric Vehicle Registration Fee       | 4,483                        | 0                          | 0                                               | 4,483        |
| Petroleum Special Tax                          | 11,879                       | 0                          | 0                                               | 11,879       |
| Registrar's Salary Supplement                  | 0                            | 0                          | 0                                               | 15,164       |
| Other State Grants                             | 0                            | 0                          | 0                                               | 231,014      |
| Other State Revenues                           | 0                            | 0                          | 0                                               | 252,375      |
| Total State of Tennessee                       | \$ 3,554,908                 | \$ 0                       | \$ 0                                            | \$ 5,219,850 |

(Continued)

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

|                                              | Special<br>Revenue<br>Fund   | Debt Service<br>Fund       | Capital<br>Projects<br>Fund                     |                      |
|----------------------------------------------|------------------------------|----------------------------|-------------------------------------------------|----------------------|
|                                              | Highway /<br>Public<br>Works | General<br>Debt<br>Service | Community<br>Development/<br>Industrial<br>Park | Total                |
| <b>Federal Government</b>                    |                              |                            |                                                 |                      |
| Federal Through State                        |                              |                            |                                                 |                      |
| Community Development                        | \$ 0                         | \$ 0                       | \$ 162,581                                      | \$ 162,581           |
| Civil Defense Reimbursement                  | 0                            | 0                          | 0                                               | 26,011               |
| American Rescue Plan Act Grant #1            | 0                            | 0                          | 0                                               | 1,594,528            |
| Other Federal through State                  | 0                            | 0                          | 0                                               | 790                  |
| Direct Federal Revenue                       |                              |                            |                                                 |                      |
| Forest Service                               | 21,649                       | 0                          | 0                                               | 21,649               |
| Other Direct Federal Revenue                 | 0                            | 0                          | 0                                               | 300,800              |
| Total Federal Government                     | <u>\$ 21,649</u>             | <u>\$ 0</u>                | <u>\$ 162,581</u>                               | <u>\$ 2,106,359</u>  |
| <b>Other Governments and Citizens Groups</b> |                              |                            |                                                 |                      |
| Other Governments                            |                              |                            |                                                 |                      |
| Contributions                                | \$ 0                         | \$ 331,119                 | \$ 0                                            | \$ 557,257           |
| Contracted Services                          | 66,291                       | 0                          | 0                                               | 935,149              |
| Other                                        |                              |                            |                                                 |                      |
| Opioid Settlement Funds - Past Remediation   | 0                            | 0                          | 0                                               | 118,024              |
| Total Other Governments and Citizens Groups  | <u>\$ 66,291</u>             | <u>\$ 331,119</u>          | <u>\$ 0</u>                                     | <u>\$ 1,610,430</u>  |
| Total                                        | <u>\$ 3,996,503</u>          | <u>\$ 2,099,619</u>        | <u>\$ 162,581</u>                               | <u>\$ 20,273,183</u> |

Exhibit J-8

**UNICOI COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

Discretely Presented Unicoi County School Department

**For the Year Ended June 30, 2024**

|                                                          | Special Revenue Funds        |                               |                      |                    | Capital<br>Projects<br>Fund      |                  |
|----------------------------------------------------------|------------------------------|-------------------------------|----------------------|--------------------|----------------------------------|------------------|
|                                                          | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Internal<br>School | Education<br>Capital<br>Projects | Total            |
| <b>Local Taxes</b>                                       |                              |                               |                      |                    |                                  |                  |
| County Property Taxes                                    |                              |                               |                      |                    |                                  |                  |
| Current Property Tax                                     | \$ 2,305,208                 | \$ 0                          | \$ 0                 | \$ 0               | \$ 0                             | 2,305,208        |
| Trustee's Collections - Prior Year                       | 89,717                       | 0                             | 0                    | 0                  | 0                                | 89,717           |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 28,703                       | 0                             | 0                    | 0                  | 0                                | 28,703           |
| Interest and Penalty                                     | 17,434                       | 0                             | 0                    | 0                  | 0                                | 17,434           |
| Pickup Taxes                                             | 2,806                        | 0                             | 0                    | 0                  | 0                                | 2,806            |
| Payments in-Lieu-of Taxes - T.V.A.                       | 111                          | 0                             | 0                    | 0                  | 0                                | 111              |
| Payments in-Lieu-of Taxes - Local Utilities              | 47,930                       | 0                             | 0                    | 0                  | 0                                | 47,930           |
| Payments in-Lieu-of Taxes - Other                        | 5,801                        | 0                             | 0                    | 0                  | 0                                | 5,801            |
| County Local Option Taxes                                |                              |                               |                      |                    |                                  |                  |
| Local Option Sales Tax                                   | 3,089,526                    | 0                             | 0                    | 0                  | 0                                | 3,089,526        |
| Business Tax                                             | 28,898                       | 0                             | 0                    | 0                  | 0                                | 28,898           |
| Other County Local Option Taxes                          | 145                          | 0                             | 0                    | 0                  | 0                                | 145              |
| Statutory Local Taxes                                    |                              |                               |                      |                    |                                  |                  |
| Bank Excise Tax                                          | 22,483                       | 0                             | 0                    | 0                  | 0                                | 22,483           |
| Wholesale Beer Tax                                       | 5,700                        | 0                             | 0                    | 0                  | 0                                | 5,700            |
| Total Local Taxes                                        | <u>\$ 5,644,462</u>          | <u>\$ 0</u>                   | <u>\$ 0</u>          | <u>\$ 0</u>        | <u>\$ 0</u>                      | <u>5,644,462</u> |
| <b>Licenses and Permits</b>                              |                              |                               |                      |                    |                                  |                  |
| Licenses                                                 |                              |                               |                      |                    |                                  |                  |
| Marriage Licenses                                        | \$ 1,753                     | \$ 0                          | \$ 0                 | \$ 0               | \$ 0                             | 1,753            |
| Cable TV Franchise                                       | 3,065                        | 0                             | 0                    | 0                  | 0                                | 3,065            |
| Total Licenses and Permits                               | <u>\$ 4,818</u>              | <u>\$ 0</u>                   | <u>\$ 0</u>          | <u>\$ 0</u>        | <u>\$ 0</u>                      | <u>4,818</u>     |

(Continued)

Exhibit J-8

**UNICOI COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

Discretely Presented Unicoi County School Department (Cont.)

|                                     | Special Revenue Funds  |                         |                   |                 | Capital Projects Fund      |           |
|-------------------------------------|------------------------|-------------------------|-------------------|-----------------|----------------------------|-----------|
|                                     | General Purpose School | School Federal Projects | Central Cafeteria | Internal School | Education Capital Projects | Total     |
| <b>Charges for Current Services</b> |                        |                         |                   |                 |                            |           |
| Education Charges                   |                        |                         |                   |                 |                            |           |
| Tuition - Other                     | \$ 114,697             | \$ 0                    | \$ 0              | \$ 0            | \$ 0                       | 114,697   |
| Lunch Payments - Children           | 0                      | 0                       | 69,215            | 0               | 0                          | 69,215    |
| Lunch Payments - Adults             | 0                      | 0                       | 6,900             | 0               | 0                          | 6,900     |
| Income from Breakfast               | 0                      | 0                       | 852               | 0               | 0                          | 852       |
| A la Carte Sales                    | 0                      | 0                       | 49,065            | 0               | 0                          | 49,065    |
| Other Charges for Services          | 3,760                  | 0                       | 72                | 0               | 0                          | 3,832     |
| Total Charges for Current Services  | \$ 118,457             | \$ 0                    | \$ 126,104        | \$ 0            | \$ 0                       | 244,561   |
| <b>Other Local Revenues</b>         |                        |                         |                   |                 |                            |           |
| Recurring Items                     |                        |                         |                   |                 |                            |           |
| Investment Income                   | \$ 9,000               | \$ 0                    | \$ 23,915         | \$ 0            | \$ 16,855                  | 49,770    |
| Retirees' Insurance Payments        | 15,616                 | 0                       | 0                 | 0               | 0                          | 15,616    |
| Rebates                             | 0                      | 0                       | 13,607            | 0               | 0                          | 13,607    |
| Miscellaneous Refunds               | 61,793                 | 0                       | 4,603             | 0               | 0                          | 66,396    |
| Nonrecurring Items                  |                        |                         |                   |                 |                            |           |
| Sale of Property                    | 0                      | 0                       | 0                 | 0               | 192,728                    | 192,728   |
| Damages Recovered from Individuals  | 2,400                  | 0                       | 0                 | 0               | 0                          | 2,400     |
| Contributions and Gifts             | 20,910                 | 0                       | 0                 | 0               | 0                          | 20,910    |
| Other Local Revenues                |                        |                         |                   |                 |                            |           |
| Other Local Revenues                | 244,251                | 0                       | 200               | 958,959         | 631,948                    | 1,835,358 |
| Total Other Local Revenues          | \$ 353,970             | \$ 0                    | \$ 42,325         | \$ 958,959      | \$ 841,531                 | 2,196,785 |

(Continued)

Exhibit J-8

**UNICOI COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

Discretely Presented Unicoi County School Department (Cont.)

|                                               | Special Revenue Funds        |                               |                      |                    | Capital<br>Projects<br>Fund      |            |
|-----------------------------------------------|------------------------------|-------------------------------|----------------------|--------------------|----------------------------------|------------|
|                                               | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Internal<br>School | Education<br>Capital<br>Projects | Total      |
| <b>State of Tennessee</b>                     |                              |                               |                      |                    |                                  |            |
| General Government Grants                     |                              |                               |                      |                    |                                  |            |
| On-behalf Contributions for OPEB              | \$ 58,799                    | \$ 0                          | \$ 0                 | \$ 0               | \$ 0                             | 58,799     |
| <b>State Education Funds</b>                  |                              |                               |                      |                    |                                  |            |
| Tennessee Investment in Student Achievement   | 16,156,832                   | 0                             | 0                    | 0                  | 0                                | 16,156,832 |
| TISA - On-behalf Payments                     | 48,046                       | 0                             | 0                    | 0                  | 0                                | 48,046     |
| Early Childhood Education                     | 487,574                      | 0                             | 0                    | 0                  | 0                                | 487,574    |
| School Food Service                           | 0                            | 0                             | 9,015                | 0                  | 0                                | 9,015      |
| Other State Education Funds                   | 228,176                      | 0                             | 0                    | 0                  | 0                                | 228,176    |
| Career Ladder Program                         | 19,692                       | 0                             | 0                    | 0                  | 0                                | 19,692     |
| Other Vocational                              | 676,687                      | 0                             | 0                    | 0                  | 0                                | 676,687    |
| <b>Other State Revenues</b>                   |                              |                               |                      |                    |                                  |            |
| State Revenue Sharing - T.V.A.                | 59,007                       | 0                             | 0                    | 0                  | 0                                | 59,007     |
| Other State Grants                            | 120,365                      | 0                             | 0                    | 0                  | 0                                | 120,365    |
| Safe Schools                                  | 55,084                       | 0                             | 0                    | 0                  | 0                                | 55,084     |
| Other State Revenues                          | 21,408                       | 0                             | 0                    | 0                  | 0                                | 21,408     |
| Total State of Tennessee                      | \$ 17,931,670                | \$ 0                          | \$ 9,015             | \$ 0               | \$ 0                             | 17,940,685 |
| <b>Federal Government</b>                     |                              |                               |                      |                    |                                  |            |
| Federal Through State                         |                              |                               |                      |                    |                                  |            |
| USDA School Lunch Program                     | \$ 0                         | \$ 0                          | \$ 809,098           | \$ 0               | \$ 0                             | 809,098    |
| USDA - Commodities                            | 0                            | 0                             | 105,065              | 0                  | 0                                | 105,065    |
| Breakfast                                     | 0                            | 0                             | 417,852              | 0                  | 0                                | 417,852    |
| USDA - Other                                  | 0                            | 0                             | 138,569              | 0                  | 0                                | 138,569    |
| Vocational Education - Basic Grants to States | 0                            | 43,570                        | 0                    | 0                  | 0                                | 43,570     |
| Title I Grants to Local Education Agencies    | 0                            | 614,314                       | 0                    | 0                  | 0                                | 614,314    |

(Continued)

Exhibit J-8

**UNICOI COUNTY, TENNESSEE**

**Schedule of Detailed Revenues -**

**All Governmental Fund Types**

Discretely Presented Unicoi County School Department (Cont.)

|                                                  | Special Revenue Funds        |                               |                      |                    | Capital<br>Projects<br>Fund      |               |
|--------------------------------------------------|------------------------------|-------------------------------|----------------------|--------------------|----------------------------------|---------------|
|                                                  | General<br>Purpose<br>School | School<br>Federal<br>Projects | Central<br>Cafeteria | Internal<br>School | Education<br>Capital<br>Projects | Total         |
| <b>Federal Government (Cont.)</b>                |                              |                               |                      |                    |                                  |               |
| Federal Through State (Cont.)                    |                              |                               |                      |                    |                                  |               |
| Special Education - Grants to States             | \$ 0                         | \$ 662,017                    | \$ 0                 | \$ 0               | \$ 0                             | \$ 662,017    |
| Special Education Preschool Grants               | 0                            | 62,795                        | 0                    | 0                  | 0                                | 62,795        |
| English Language Acquisition Grants              | 0                            | 6,200                         | 0                    | 0                  | 0                                | 6,200         |
| Safe and Drug-free Schools - State Grants        | 0                            | 41,500                        | 0                    | 0                  | 0                                | 41,500        |
| Eisenhower Professional Development State Grants | 0                            | 69,386                        | 0                    | 0                  | 0                                | 69,386        |
| COVID-19 Grant B                                 | 0                            | 179,747                       | 0                    | 0                  | 0                                | 179,747       |
| COVID-19 Grant D                                 | 0                            | 125,300                       | 0                    | 0                  | 0                                | 125,300       |
| American Rescue Plan Act Grant #1                | 0                            | 2,494,679                     | 0                    | 0                  | 0                                | 2,494,679     |
| American Rescue Plan Act Grant #2                | 0                            | 5,427                         | 0                    | 0                  | 0                                | 5,427         |
| Other Federal through State                      | 108,936                      | 0                             | 0                    | 0                  | 0                                | 108,936       |
| Direct Federal Revenue                           |                              |                               |                      |                    |                                  |               |
| Public Law 874 - Maintenance and Operation       | 251,293                      | 0                             | 0                    | 0                  | 0                                | 251,293       |
| ROTC Reimbursement                               | 74,928                       | 0                             | 0                    | 0                  | 0                                | 74,928        |
| Other Direct Federal Revenue                     | 186,962                      | 0                             | 0                    | 0                  | 0                                | 186,962       |
| Total Federal Government                         | \$ 622,119                   | \$ 4,304,935                  | \$ 1,470,584         | \$ 0               | \$ 0                             | \$ 6,397,638  |
| <b>Other Governments and Citizens Groups</b>     |                              |                               |                      |                    |                                  |               |
| Other Governments                                |                              |                               |                      |                    |                                  |               |
| Contributions                                    | \$ 359,706                   | \$ 0                          | \$ 0                 | \$ 0               | \$ 3,102,498                     | \$ 3,462,204  |
| Total Other Governments and Citizens Groups      | \$ 359,706                   | \$ 0                          | \$ 0                 | \$ 0               | \$ 3,102,498                     | \$ 3,462,204  |
| Total                                            | \$ 25,035,202                | \$ 4,304,935                  | \$ 1,648,028         | \$ 958,959         | \$ 3,944,029                     | \$ 35,891,153 |

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types**  
**For the Year Ended June 30, 2024**

**General Fund**

General Government

**County Commission**

|                                           |    |        |           |
|-------------------------------------------|----|--------|-----------|
| Board and Committee Members Fees          | \$ | 31,500 |           |
| Social Security                           |    | 1,953  |           |
| Unemployment Compensation                 |    | 1      |           |
| Employer Medicare                         |    | 457    |           |
| Audit Services                            |    | 7,709  |           |
| Dues and Memberships                      |    | 5,170  |           |
| Legal Notices, Recording, and Court Costs |    | 1,974  |           |
| Printing, Stationery, and Forms           |    | 37     |           |
| Total County Commission                   |    |        | \$ 48,801 |

**Board of Equalization**

|                                  |    |       |       |
|----------------------------------|----|-------|-------|
| Board and Committee Members Fees | \$ | 4,000 |       |
| Travel                           |    | 80    |       |
| Total Board of Equalization      |    |       | 4,080 |

**County Mayor/Executive**

|                                                    |    |         |         |
|----------------------------------------------------|----|---------|---------|
| County Official/Administrative Officer             | \$ | 105,165 |         |
| Accountants/Bookkeepers                            |    | 53,250  |         |
| Secretary(ies)                                     |    | 36,000  |         |
| Clerical Personnel                                 |    | 45,000  |         |
| Part-time Personnel                                |    | 872     |         |
| Longevity Pay                                      |    | 950     |         |
| Social Security                                    |    | 14,225  |         |
| Pensions                                           |    | 15,552  |         |
| Life Insurance                                     |    | 624     |         |
| Medical Insurance                                  |    | 40,328  |         |
| Dental Insurance                                   |    | 1,093   |         |
| Unemployment Compensation                          |    | 79      |         |
| Employer Medicare                                  |    | 3,327   |         |
| Communication                                      |    | 3,714   |         |
| Data Processing Services                           |    | 20,340  |         |
| Dues and Memberships                               |    | 1,795   |         |
| Maintenance Agreements                             |    | 1,074   |         |
| Maintenance and Repair Services - Office Equipment |    | 2,172   |         |
| Travel                                             |    | 2,844   |         |
| Office Supplies                                    |    | 3,783   |         |
| Premiums on Corporate Surety Bonds                 |    | 36      |         |
| In Service/Staff Development                       |    | 249     |         |
| Other Charges                                      |    | 1,331   |         |
| Office Equipment                                   |    | 499     |         |
| Total County Mayor/Executive                       |    |         | 354,302 |

**County Attorney**

|                                        |    |        |        |
|----------------------------------------|----|--------|--------|
| County Official/Administrative Officer | \$ | 30,000 |        |
| Total County Attorney                  |    |        | 30,000 |

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Election Commission**

|                                             |    |        |            |
|---------------------------------------------|----|--------|------------|
| County Official/Administrative Officer      | \$ | 78,044 |            |
| Deputy(ies)                                 |    | 36,414 |            |
| Mechanic(s)                                 |    | 908    |            |
| Clerical Personnel                          |    | 6,690  |            |
| Longevity Pay                               |    | 1,150  |            |
| Election Commission                         |    | 7,020  |            |
| Election Workers                            |    | 11,835 |            |
| Social Security                             |    | 7,695  |            |
| Pensions                                    |    | 7,470  |            |
| Life Insurance                              |    | 312    |            |
| Medical Insurance                           |    | 15,289 |            |
| Dental Insurance                            |    | 547    |            |
| Unemployment Compensation                   |    | 55     |            |
| Employer Medicare                           |    | 1,800  |            |
| Communication                               |    | 2,177  |            |
| Data Processing Services                    |    | 19,817 |            |
| Janitorial Services                         |    | 1,150  |            |
| Legal Notices, Recording, and Court Costs   |    | 4,660  |            |
| Maintenance Agreements                      |    | 1,074  |            |
| Maintenance and Repair Services - Buildings |    | 1,715  |            |
| Maintenance and Repair Services - Equipment |    | 75     |            |
| Printing, Stationery, and Forms             |    | 900    |            |
| Travel                                      |    | 7,834  |            |
| Other Contracted Services                   |    | 2,626  |            |
| Electricity                                 |    | 2,327  |            |
| Office Supplies                             |    | 1,914  |            |
| Office Equipment                            |    | 231    |            |
| Total Election Commission                   |    |        | \$ 221,729 |

**Register of Deeds**

|                                                    |    |        |  |
|----------------------------------------------------|----|--------|--|
| County Official/Administrative Officer             | \$ | 86,716 |  |
| Deputy(ies)                                        |    | 36,387 |  |
| Clerical Personnel                                 |    | 31,297 |  |
| Part-time Personnel                                |    | 7,950  |  |
| Longevity Pay                                      |    | 800    |  |
| Social Security                                    |    | 9,818  |  |
| Pensions                                           |    | 10,028 |  |
| Life Insurance                                     |    | 429    |  |
| Medical Insurance                                  |    | 24,044 |  |
| Dental Insurance                                   |    | 820    |  |
| Unemployment Compensation                          |    | 87     |  |
| Employer Medicare                                  |    | 2,296  |  |
| Communication                                      |    | 3,057  |  |
| Data Processing Services                           |    | 6,716  |  |
| Dues and Memberships                               |    | 923    |  |
| Maintenance Agreements                             |    | 794    |  |
| Maintenance and Repair Services - Office Equipment |    | 1,058  |  |

(Continued)

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

**General Fund (Cont.)**

General Government (Cont.)

**Register of Deeds (Cont.)**

|                              |    |       |            |
|------------------------------|----|-------|------------|
| Travel                       | \$ | 2,037 |            |
| Other Contracted Services    |    | 125   |            |
| Data Processing Supplies     |    | 665   |            |
| Office Supplies              |    | 3,494 |            |
| In Service/Staff Development |    | 695   |            |
| Data Processing Equipment    |    | 1,015 |            |
| Office Equipment             |    | 3,134 |            |
| Total Register of Deeds      |    |       | \$ 234,385 |

**Planning**

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Board and Committee Members Fees   | \$ | 3,500  |        |
| Social Security                    |    | 217    |        |
| Unemployment Compensation          |    | 1      |        |
| Employer Medicare                  |    | 51     |        |
| Contracts with Government Agencies |    | 11,761 |        |
| Total Planning                     |    |        | 15,530 |

**County Buildings**

|                                             |    |        |         |
|---------------------------------------------|----|--------|---------|
| Part-time Personnel                         | \$ | 29,470 |         |
| Longevity Pay                               |    | 950    |         |
| Social Security                             |    | 1,886  |         |
| Unemployment Compensation                   |    | 58     |         |
| Employer Medicare                           |    | 441    |         |
| Maintenance and Repair Services - Buildings |    | 36,143 |         |
| Custodial Supplies                          |    | 4,597  |         |
| Natural Gas                                 |    | 12,195 |         |
| Utilities                                   |    | 36,065 |         |
| Building and Contents Insurance             |    | 10,759 |         |
| Other Charges                               |    | 13,886 |         |
| Total County Buildings                      |    |        | 146,450 |

**Other General Administration**

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Postal Charges                     | \$ | 27,775 |        |
| Duplicating Supplies               |    | 5,744  |        |
| Liability Insurance                |    | 29,705 |        |
| Other Charges                      |    | 5,603  |        |
| Total Other General Administration |    |        | 68,827 |

**Preservation of Records**

|                                             |    |       |        |
|---------------------------------------------|----|-------|--------|
| Dues and Memberships                        | \$ | 225   |        |
| Maintenance and Repair Services - Buildings |    | 6,000 |        |
| Office Supplies                             |    | 274   |        |
| Utilities                                   |    | 5,739 |        |
| Other Charges                               |    | 4,054 |        |
| Total Preservation of Records               |    |       | 16,292 |

(Continued)

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

**General Fund (Cont.)**

Finance

**Property Assessor's Office**

|                                                    |    |        |            |
|----------------------------------------------------|----|--------|------------|
| County Official/Administrative Officer             | \$ | 86,716 |            |
| Assistant(s)                                       |    | 33,549 |            |
| Deputy(ies)                                        |    | 25,676 |            |
| Clerical Personnel                                 |    | 32,478 |            |
| Longevity Pay                                      |    | 800    |            |
| Other Salaries and Wages                           |    | 8,805  |            |
| Social Security                                    |    | 11,388 |            |
| Pensions                                           |    | 11,595 |            |
| Life Insurance                                     |    | 624    |            |
| Medical Insurance                                  |    | 32,065 |            |
| Dental Insurance                                   |    | 1,069  |            |
| Unemployment Compensation                          |    | 117    |            |
| Employer Medicare                                  |    | 2,663  |            |
| Audit Services                                     |    | 4,030  |            |
| Communication                                      |    | 4,463  |            |
| Data Processing Services                           |    | 8,395  |            |
| Dues and Memberships                               |    | 1,250  |            |
| Maintenance and Repair Services - Office Equipment |    | 5,853  |            |
| Maintenance and Repair Services - Vehicles         |    | 258    |            |
| Printing, Stationery, and Forms                    |    | 297    |            |
| Travel                                             |    | 2,332  |            |
| Gasoline                                           |    | 814    |            |
| Office Supplies                                    |    | 2,443  |            |
| Office Equipment                                   |    | 8,469  |            |
| Total Property Assessor's Office                   |    |        | \$ 286,149 |

**County Trustee's Office**

|                                                    |    |        |         |
|----------------------------------------------------|----|--------|---------|
| County Official/Administrative Officer             | \$ | 86,716 |         |
| Assistant(s)                                       |    | 35,509 |         |
| Deputy(ies)                                        |    | 27,321 |         |
| Longevity Pay                                      |    | 350    |         |
| Social Security                                    |    | 8,858  |         |
| Pensions                                           |    | 9,698  |         |
| Life Insurance                                     |    | 416    |         |
| Medical Insurance                                  |    | 33,847 |         |
| Dental Insurance                                   |    | 729    |         |
| Unemployment Compensation                          |    | 56     |         |
| Employer Medicare                                  |    | 2,072  |         |
| Communication                                      |    | 2,273  |         |
| Data Processing Services                           |    | 13,082 |         |
| Dues and Memberships                               |    | 788    |         |
| Legal Notices, Recording, and Court Costs          |    | 315    |         |
| Maintenance and Repair Services - Office Equipment |    | 2,240  |         |
| Travel                                             |    | 2,074  |         |
| Data Processing Supplies                           |    | 1,589  |         |
| Office Supplies                                    |    | 1,074  |         |
| Office Equipment                                   |    | 3,465  |         |
| Total County Trustee's Office                      |    |        | 232,472 |

(Continued)

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

**General Fund (Cont.)**

Finance (Cont.)

**County Clerk's Office**

|                                                    |    |        |            |
|----------------------------------------------------|----|--------|------------|
| County Official/Administrative Officer             | \$ | 86,716 |            |
| Deputy(ies)                                        |    | 35,964 |            |
| Accountants/Bookkeepers                            |    | 33,415 |            |
| Clerical Personnel                                 |    | 60,232 |            |
| Part-time Personnel                                |    | 33,534 |            |
| Longevity Pay                                      |    | 600    |            |
| Social Security                                    |    | 15,130 |            |
| Pensions                                           |    | 14,035 |            |
| Life Insurance                                     |    | 676    |            |
| Medical Insurance                                  |    | 42,044 |            |
| Dental Insurance                                   |    | 1,189  |            |
| Unemployment Compensation                          |    | 213    |            |
| Employer Medicare                                  |    | 3,538  |            |
| Communication                                      |    | 4,625  |            |
| Dues and Memberships                               |    | 973    |            |
| Maintenance and Repair Services - Office Equipment |    | 24,408 |            |
| Travel                                             |    | 4,948  |            |
| Office Supplies                                    |    | 6,522  |            |
| Utilities                                          |    | 1,737  |            |
| Other Charges                                      |    | 664    |            |
| Data Processing Equipment                          |    | 147    |            |
| Office Equipment                                   |    | 2,087  |            |
| Total County Clerk's Office                        |    |        | \$ 373,397 |

**Other Finance**

|                      |    |         |         |
|----------------------|----|---------|---------|
| Trustee's Commission | \$ | 138,795 |         |
| Total Other Finance  |    |         | 138,795 |

Administration of Justice

**Circuit Court**

|                                        |    |         |  |
|----------------------------------------|----|---------|--|
| County Official/Administrative Officer | \$ | 86,716  |  |
| Assistant(s)                           |    | 34,385  |  |
| Deputy(ies)                            |    | 221,666 |  |
| Part-time Personnel                    |    | 18,675  |  |
| Longevity Pay                          |    | 3,150   |  |
| Overtime Pay                           |    | 15,261  |  |
| Jury and Witness Expense               |    | 8,996   |  |
| Social Security                        |    | 23,117  |  |
| Pensions                               |    | 21,259  |  |
| Life Insurance                         |    | 1,404   |  |
| Medical Insurance                      |    | 42,904  |  |
| Dental Insurance                       |    | 1,937   |  |
| Unemployment Compensation              |    | 252     |  |
| Employer Medicare                      |    | 5,406   |  |
| Communication                          |    | 10,589  |  |
| Data Processing Services               |    | 802     |  |
| Dues and Memberships                   |    | 847     |  |

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Circuit Court (Cont.)**

|                                                    |    |        |            |
|----------------------------------------------------|----|--------|------------|
| Evaluation and Testing                             | \$ | 2,235  |            |
| Maintenance Agreements                             |    | 1,240  |            |
| Maintenance and Repair Services - Office Equipment |    | 53,527 |            |
| Office Supplies                                    |    | 15,406 |            |
| Premiums on Corporate Surety Bonds                 |    | 40     |            |
| Office Equipment                                   |    | 1,020  |            |
| Total Circuit Court                                |    |        | \$ 570,834 |

**General Sessions Court**

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Judge(s)                        | \$ | 128,388 |         |
| Social Security                 |    | 7,813   |         |
| Pensions                        |    | 8,307   |         |
| Life Insurance                  |    | 156     |         |
| Medical Insurance               |    | 14,680  |         |
| Dental Insurance                |    | 273     |         |
| Unemployment Compensation       |    | 28      |         |
| Employer Medicare               |    | 1,827   |         |
| Communication                   |    | 510     |         |
| Travel                          |    | 937     |         |
| Remittance of Revenue Collected |    | 7,121   |         |
| Total General Sessions Court    |    |         | 170,040 |

**Chancery Court**

|                                                    |    |        |         |
|----------------------------------------------------|----|--------|---------|
| County Official/ Administrative Officer            | \$ | 86,716 |         |
| Deputy(ies)                                        |    | 31,667 |         |
| Part-time Personnel                                |    | 19,305 |         |
| Longevity Pay                                      |    | 500    |         |
| Social Security                                    |    | 8,378  |         |
| Pensions                                           |    | 7,659  |         |
| Life Insurance                                     |    | 312    |         |
| Medical Insurance                                  |    | 15,121 |         |
| Dental Insurance                                   |    | 547    |         |
| Unemployment Compensation                          |    | 56     |         |
| Employer Medicare                                  |    | 1,959  |         |
| Communication                                      |    | 1,927  |         |
| Dues and Memberships                               |    | 788    |         |
| Legal Notices, Recording, and Court Costs          |    | 5,151  |         |
| Maintenance and Repair Services - Office Equipment |    | 17,474 |         |
| Travel                                             |    | 682    |         |
| Data Processing Supplies                           |    | 3,969  |         |
| Office Supplies                                    |    | 2,359  |         |
| Total Chancery Court                               |    |        | 204,570 |

**Juvenile Court**

|                           |    |        |  |
|---------------------------|----|--------|--|
| Salary Supplements        | \$ | 10,609 |  |
| Social Security           |    | 658    |  |
| Unemployment Compensation |    | 29     |  |

(Continued)

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

**General Fund (Cont.)**

Administration of Justice (Cont.)

**Juvenile Court (Cont.)**

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Employer Medicare                  | \$ | 154    |        |
| Communication                      |    | 527    |        |
| Contracts with Government Agencies |    | 20,733 |        |
| Office Supplies                    |    | 305    |        |
| Total Juvenile Court               | \$ |        | 33,015 |

Public Safety

**Sheriff's Department**

|                                             |    |         |           |
|---------------------------------------------|----|---------|-----------|
| County Official/Administrative Officer      | \$ | 100,157 |           |
| Supervisor/Director                         |    | 60,000  |           |
| Deputy(ies)                                 |    | 510,101 |           |
| Investigator(s)                             |    | 168,160 |           |
| Captain(s)                                  |    | 84,700  |           |
| Sergeant(s)                                 |    | 179,200 |           |
| Secretary(ies)                              |    | 75,019  |           |
| Longevity Pay                               |    | 6,600   |           |
| Overtime Pay                                |    | 30,642  |           |
| Other Salaries and Wages                    |    | 55,508  |           |
| In-service Training                         |    | 35,200  |           |
| Social Security                             |    | 78,517  |           |
| Pensions                                    |    | 77,797  |           |
| Life Insurance                              |    | 5,337   |           |
| Medical Insurance                           |    | 197,460 |           |
| Dental Insurance                            |    | 7,178   |           |
| Unemployment Compensation                   |    | 1,014   |           |
| Employer Medicare                           |    | 18,339  |           |
| Communication                               |    | 15,643  |           |
| Dues and Memberships                        |    | 1,900   |           |
| Evaluation and Testing                      |    | 1,063   |           |
| Maintenance Agreements                      |    | 1,080   |           |
| Maintenance and Repair Services - Buildings |    | 6,122   |           |
| Maintenance and Repair Services - Equipment |    | 890     |           |
| Maintenance and Repair Services - Vehicles  |    | 64,654  |           |
| Towing Services                             |    | 1,825   |           |
| Travel                                      |    | 7,198   |           |
| Other Contracted Services                   |    | 2,010   |           |
| Gasoline                                    |    | 111,192 |           |
| Law Enforcement Supplies                    |    | 6,472   |           |
| Office Supplies                             |    | 3,995   |           |
| Tires and Tubes                             |    | 6,710   |           |
| Uniforms                                    |    | 13,614  |           |
| Other Supplies and Materials                |    | 1,461   |           |
| Liability Insurance                         |    | 131,446 |           |
| Workers' Compensation Insurance             |    | 64,319  |           |
| Other Charges                               |    | 3,310   |           |
| Communication Equipment                     |    | 4,992   |           |
| Law Enforcement Equipment                   |    | 19,800  |           |
| Motor Vehicles                              |    | 240,744 |           |
| Total Sheriff's Department                  |    |         | 2,401,369 |

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Administration of the Sexual Offender Registry**

|                                                      |    |     |        |
|------------------------------------------------------|----|-----|--------|
| Fines, Assessments, and Penalties                    | \$ | 450 |        |
| Total Administration of the Sexual Offender Registry |    |     | \$ 450 |

**Jail**

|                                             |    |         |           |
|---------------------------------------------|----|---------|-----------|
| Supervisor/Director                         | \$ | 81,924  |           |
| Teachers                                    |    | 16,292  |           |
| Guards                                      |    | 433,156 |           |
| Longevity Pay                               |    | 1,200   |           |
| Other Salaries and Wages                    |    | 22      |           |
| Social Security                             |    | 32,485  |           |
| Pensions                                    |    | 25,527  |           |
| Life Insurance                              |    | 2,327   |           |
| Medical Insurance                           |    | 77,770  |           |
| Dental Insurance                            |    | 3,129   |           |
| Unemployment Compensation                   |    | 725     |           |
| Employer Medicare                           |    | 7,597   |           |
| Maintenance and Repair Services - Buildings |    | 36,567  |           |
| Maintenance and Repair Services - Equipment |    | 2,304   |           |
| Maintenance and Repair Services - Vehicles  |    | 1,173   |           |
| Medical and Dental Services                 |    | 22,171  |           |
| Travel                                      |    | 3,040   |           |
| Other Contracted Services                   |    | 240,242 |           |
| Custodial Supplies                          |    | 3,275   |           |
| Food Supplies                               |    | 162,594 |           |
| Natural Gas                                 |    | 6,505   |           |
| Prisoners Clothing                          |    | 1,196   |           |
| Uniforms                                    |    | 218     |           |
| Utilities                                   |    | 56,270  |           |
| Building and Contents Insurance             |    | 22,649  |           |
| Other Charges                               |    | 2,951   |           |
| Total Jail                                  |    |         | 1,243,309 |

**Workhouse**

|                                             |    |         |  |
|---------------------------------------------|----|---------|--|
| Supervisor/Director                         | \$ | 38,796  |  |
| Guards                                      |    | 295,421 |  |
| Longevity Pay                               |    | 2,600   |  |
| Social Security                             |    | 20,330  |  |
| Pensions                                    |    | 14,934  |  |
| Life Insurance                              |    | 1,919   |  |
| Medical Insurance                           |    | 62,540  |  |
| Dental Insurance                            |    | 1,960   |  |
| Unemployment Compensation                   |    | 432     |  |
| Employer Medicare                           |    | 4,755   |  |
| Evaluation and Testing                      |    | 750     |  |
| Maintenance and Repair Services - Buildings |    | 36,927  |  |
| Maintenance and Repair Services - Equipment |    | 3,234   |  |
| Maintenance and Repair Services - Vehicles  |    | 731     |  |

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**Workhouse (Cont.)**

|                           |    |        |            |
|---------------------------|----|--------|------------|
| Other Contracted Services | \$ | 92,054 |            |
| Custodial Supplies        |    | 2,985  |            |
| Food Supplies             |    | 63,520 |            |
| Natural Gas               |    | 7,213  |            |
| Prisoners Clothing        |    | 486    |            |
| Utilities                 |    | 49,542 |            |
| Other Charges             |    | 6,398  |            |
| Law Enforcement Equipment |    | 4,403  |            |
| Total Workhouse           |    |        | \$ 711,930 |

**Juvenile Services**

|                          |    |       |       |
|--------------------------|----|-------|-------|
| Other Salaries and Wages | \$ | 8,397 |       |
| Social Security          |    | 522   |       |
| Employer Medicare        |    | 122   |       |
| Total Juvenile Services  |    |       | 9,041 |

**Fire Prevention and Control**

|                                   |    |        |        |
|-----------------------------------|----|--------|--------|
| Contributions                     | \$ | 76,500 |        |
| Total Fire Prevention and Control |    |        | 76,500 |

**Civil Defense**

|                                            |    |        |         |
|--------------------------------------------|----|--------|---------|
| County Official/Administrative Officer     | \$ | 60,282 |         |
| Social Security                            |    | 3,680  |         |
| Pensions                                   |    | 3,900  |         |
| Life Insurance                             |    | 156    |         |
| Dental Insurance                           |    | 273    |         |
| Unemployment Compensation                  |    | 28     |         |
| Employer Medicare                          |    | 861    |         |
| Maintenance and Repair Services - Vehicles |    | 23,809 |         |
| Travel                                     |    | 1,919  |         |
| Gasoline                                   |    | 5,557  |         |
| Law Enforcement Supplies                   |    | 5,829  |         |
| Office Supplies                            |    | 862    |         |
| Utilities                                  |    | 4,840  |         |
| Other Supplies and Materials               |    | 1,537  |         |
| Communication Equipment                    |    | 4,317  |         |
| Total Civil Defense                        |    |        | 117,850 |

**Other Emergency Management**

|                                  |    |        |        |
|----------------------------------|----|--------|--------|
| Contributions                    | \$ | 20,000 |        |
| Total Other Emergency Management |    |        | 20,000 |

**County Coroner/Medical Examiner**

|                                        |    |       |  |
|----------------------------------------|----|-------|--|
| County Official/Administrative Officer | \$ | 2,978 |  |
| Assistant(s)                           |    | 2,685 |  |
| Social Security                        |    | 351   |  |
| Pensions                               |    | 219   |  |

(Continued)

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

**General Fund (Cont.)**

Public Safety (Cont.)

**County Coroner/Medical Examiner (Cont.)**

|                                       |    |        |        |
|---------------------------------------|----|--------|--------|
| Unemployment Compensation             | \$ | 10     |        |
| Employer Medicare                     |    | 82     |        |
| Contracts with Other Public Agencies  |    | 42,036 |        |
| Law Enforcement Supplies              |    | 2,672  |        |
| Total County Coroner/Medical Examiner | \$ |        | 51,033 |

**Public Safety Grants Program**

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Other Supplies and Materials       | \$ | 4,323  |        |
| Motor Vehicles                     |    | 46,457 |        |
| Total Public Safety Grants Program |    |        | 50,780 |

**Other Public Safety**

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Supervisor/Director             | \$ | 32,116  |         |
| Accountants/Bookkeepers         |    | 18,900  |         |
| Dispatchers/Radio Operators     |    | 384,305 |         |
| Part-time Personnel             |    | 14,991  |         |
| Longevity Pay                   |    | 3,200   |         |
| Overtime Pay                    |    | 68,913  |         |
| Bonus Payments                  |    | 22,500  |         |
| Other Salaries and Wages        |    | 11,750  |         |
| Social Security                 |    | 33,756  |         |
| Pensions                        |    | 33,388  |         |
| Life Insurance                  |    | 1,729   |         |
| Medical Insurance               |    | 71,162  |         |
| Dental Insurance                |    | 3,083   |         |
| Unemployment Compensation       |    | 521     |         |
| Employer Medicare               |    | 7,895   |         |
| Other Contracted Services       |    | 173,623 |         |
| Workers' Compensation Insurance |    | 498     |         |
| Total Other Public Safety       |    |         | 882,330 |

Public Health and Welfare

**Local Health Center**

|                                                    |    |        |        |
|----------------------------------------------------|----|--------|--------|
| Communication                                      | \$ | 3,050  |        |
| Contracts with Private Agencies                    |    | 24,109 |        |
| Maintenance and Repair Services - Buildings        |    | 5,180  |        |
| Maintenance and Repair Services - Equipment        |    | 2,036  |        |
| Maintenance and Repair Services - Office Equipment |    | 418    |        |
| Drugs and Medical Supplies                         |    | 483    |        |
| Natural Gas                                        |    | 2,148  |        |
| Office Supplies                                    |    | 568    |        |
| Utilities                                          |    | 17,062 |        |
| Other Supplies and Materials                       |    | 835    |        |
| Liability Insurance                                |    | 8,173  |        |
| Other Charges                                      |    | 625    |        |
| Total Local Health Center                          |    |        | 64,687 |

(Continued)

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

**General Fund (Cont.)**

Public Health and Welfare (Cont.)

**Rabies and Animal Control**

|                                 |    |         |            |
|---------------------------------|----|---------|------------|
| Supervisor/Director             | \$ | 41,194  |            |
| Part-time Personnel             |    | 111,855 |            |
| Other Salaries and Wages        |    | 33,622  |            |
| Social Security                 |    | 11,541  |            |
| Pensions                        |    | 2,110   |            |
| Life Insurance                  |    | 234     |            |
| Dental Insurance                |    | 403     |            |
| Unemployment Compensation       |    | 357     |            |
| Employer Medicare               |    | 2,699   |            |
| Workers' Compensation Insurance |    | 1,930   |            |
| Other Charges                   |    | 6,700   |            |
| Total Rabies and Animal Control |    |         | \$ 212,645 |

**Ambulance/Emergency Medical Services**

|                                            |    |         |         |
|--------------------------------------------|----|---------|---------|
| Medical Insurance                          | \$ | 139,876 |         |
| Other Contracted Services                  |    | 147,200 |         |
| Total Ambulance/Emergency Medical Services |    |         | 287,076 |

**Other Local Health Services**

|                                   |    |         |         |
|-----------------------------------|----|---------|---------|
| Longevity Pay                     | \$ | 1,800   |         |
| Other Salaries and Wages          |    | 120,557 |         |
| Social Security                   |    | 7,351   |         |
| Pensions                          |    | 7,916   |         |
| Life Insurance                    |    | 468     |         |
| Medical Insurance                 |    | 24,040  |         |
| Dental Insurance                  |    | 820     |         |
| Unemployment Compensation         |    | 84      |         |
| Employer Medicare                 |    | 1,671   |         |
| Travel                            |    | 2,307   |         |
| Other Contracted Services         |    | 368     |         |
| Workers' Compensation Insurance   |    | 333     |         |
| Other Charges                     |    | 58      |         |
| Total Other Local Health Services |    |         | 167,773 |

**Regional Mental Health Center**

|                                            |    |        |        |
|--------------------------------------------|----|--------|--------|
| Maintenance and Repair Services - Vehicles | \$ | 6,262  |        |
| Other Charges                              |    | 24,143 |        |
| Total Regional Mental Health Center        |    |        | 30,405 |

**Appropriation to State**

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Contracts with Government Agencies | \$ | 36,916 |        |
| Total Appropriation to State       |    |        | 36,916 |

**Sanitation Education/Information**

|                                        |    |        |        |
|----------------------------------------|----|--------|--------|
| Instructional Supplies and Materials   | \$ | 42,494 |        |
| Total Sanitation Education/Information |    |        | 42,494 |

(Continued)

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

**General Fund (Cont.)**

Social, Cultural, and Recreational Services

**Senior Citizens Assistance**

|                                      |    |               |           |
|--------------------------------------|----|---------------|-----------|
| Contracts with Other Public Agencies | \$ | 10,600        |           |
| Contributions                        |    | <u>50,000</u> |           |
| Total Senior Citizens Assistance     |    |               | \$ 60,600 |

**Libraries**

|                 |    |               |        |
|-----------------|----|---------------|--------|
| Contributions   | \$ | <u>61,200</u> |        |
| Total Libraries |    |               | 61,200 |

**Other Social, Cultural, and Recreational**

|                                                |    |              |       |
|------------------------------------------------|----|--------------|-------|
| Contributions                                  | \$ | <u>6,609</u> |       |
| Total Other Social, Cultural, and Recreational |    |              | 6,609 |

Agriculture and Natural Resources

**Agricultural Extension Service**

|                                      |    |            |        |
|--------------------------------------|----|------------|--------|
| Communication                        | \$ | 4,727      |        |
| Contributions                        |    | 33,527     |        |
| Dues and Memberships                 |    | 304        |        |
| Travel                               |    | 3,750      |        |
| Office Supplies                      |    | 750        |        |
| Office Equipment                     |    | <u>750</u> |        |
| Total Agricultural Extension Service |    |            | 43,808 |

**Forest Service**

|                      |    |            |     |
|----------------------|----|------------|-----|
| Contributions        | \$ | <u>800</u> |     |
| Total Forest Service |    |            | 800 |

**Soil Conservation**

|                         |    |              |       |
|-------------------------|----|--------------|-------|
| Contributions           | \$ | <u>5,000</u> |       |
| Total Soil Conservation |    |              | 5,000 |

Other Operations

**Tourism**

|               |    |               |        |
|---------------|----|---------------|--------|
| Contributions | \$ | <u>13,000</u> |        |
| Total Tourism |    |               | 13,000 |

**Industrial Development**

|                              |    |              |        |
|------------------------------|----|--------------|--------|
| Contributions                | \$ | 65,000       |        |
| Other Charges                |    | <u>8,840</u> |        |
| Total Industrial Development |    |              | 73,840 |

**Veterans' Services**

|                           |    |              |        |
|---------------------------|----|--------------|--------|
| Supervisor/Director       | \$ | 20,485       |        |
| Social Security           |    | 1,270        |        |
| Unemployment Compensation |    | 28           |        |
| Employer Medicare         |    | 297          |        |
| Communication             |    | 527          |        |
| Travel                    |    | 733          |        |
| Office Supplies           |    | <u>1,161</u> |        |
| Total Veterans' Services  |    |              | 24,501 |

(Continued)

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

**General Fund (Cont.)**

Other Operations (Cont.)

**Other Charges**

|                                             |           |           |
|---------------------------------------------|-----------|-----------|
| Maintenance and Repair Services - Buildings | \$ 86,133 |           |
| Total Other Charges                         |           | \$ 86,133 |

**Contributions to Other Agencies**

|                                       |           |        |
|---------------------------------------|-----------|--------|
| Contributions                         | \$ 10,000 |        |
| Total Contributions to Other Agencies |           | 10,000 |

**Employee Benefits**

|                                  |          |        |
|----------------------------------|----------|--------|
| Employee and Dependent Insurance | \$ 2,022 |        |
| Workers' Compensation Insurance  | 11,013   |        |
| Total Employee Benefits          |          | 13,035 |

**COVID-19 Grant #4**

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Consultants                          | \$ 48,442 |           |
| Contracts with Other Public Agencies | 957,183   |           |
| Contributions                        | 106,354   |           |
| Total COVID-19 Grant #4              |           | 1,111,979 |

**Miscellaneous**

|                     |          |       |
|---------------------|----------|-------|
| Contributions       | \$ 5,654 |       |
| Total Miscellaneous |          | 5,654 |

Principal on Debt

**General Government**

|                          |          |       |
|--------------------------|----------|-------|
| Principal on Leases      | \$ 7,162 |       |
| Total General Government |          | 7,162 |

Interest on Debt

**General Government**

|                          |        |     |
|--------------------------|--------|-----|
| Interest on Leases       | \$ 638 |     |
| Total General Government |        | 638 |

Capital Projects

**Public Health and Welfare Projects**

|                                          |           |        |
|------------------------------------------|-----------|--------|
| Building Improvements                    | \$ 10,677 |        |
| Total Public Health and Welfare Projects |           | 10,677 |

**Social, Cultural, and Recreation Projects**

|                                                 |           |        |
|-------------------------------------------------|-----------|--------|
| Other Contracted Services                       | \$ 28,999 |        |
| Total Social, Cultural, and Recreation Projects |           | 28,999 |

Total General Fund \$ 11,119,891

**Solid Waste/Sanitation Fund**

Public Health and Welfare

**Sanitation Management**

|               |          |  |
|---------------|----------|--|
| Communication | \$ 2,094 |  |
|---------------|----------|--|

(Continued)

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

**Solid Waste/Sanitation Fund (Cont.)**

Public Health and Welfare (Cont.)

**Sanitation Management (Cont.)**

|                                 |    |         |            |
|---------------------------------|----|---------|------------|
| Contracts with Private Agencies | \$ | 782,520 |            |
| Lease/SBTA Payments             |    | 64,701  |            |
| Rentals                         |    | 1,698   |            |
| Other Contracted Services       |    | 33,000  |            |
| Electricity                     |    | 5,262   |            |
| Liability Insurance             |    | 1,326   |            |
| Trustee's Commission            |    | 16,723  |            |
| Workers' Compensation Insurance |    | 1,075   |            |
| Site Development                |    | 7,835   |            |
| Total Sanitation Management     |    |         | \$ 916,234 |

Total Solid Waste/Sanitation Fund \$ 916,234

**Drug Control Fund**

Finance

**Other Finance**

|                      |    |     |        |
|----------------------|----|-----|--------|
| Trustee's Commission | \$ | 126 |        |
| Total Other Finance  |    |     | \$ 126 |

Public Safety

**Sheriff's Department**

|                                             |    |       |           |
|---------------------------------------------|----|-------|-----------|
| Deputy(ies)                                 | \$ | 3,008 |           |
| Longevity Pay                               |    | 400   |           |
| Social Security                             |    | 211   |           |
| Unemployment Compensation                   |    | 14    |           |
| Employer Medicare                           |    | 49    |           |
| Advertising                                 |    | 745   |           |
| Communication                               |    | 50    |           |
| Confidential Drug Enforcement Payments      |    | 4,000 |           |
| Dues and Memberships                        |    | 2,000 |           |
| Maintenance and Repair Services - Equipment |    | 844   |           |
| Towing Services                             |    | 700   |           |
| Travel                                      |    | 880   |           |
| Animal Food and Supplies                    |    | 1,153 |           |
| Law Enforcement Supplies                    |    | 2,979 |           |
| Office Supplies                             |    | 484   |           |
| Uniforms                                    |    | 340   |           |
| Other Supplies and Materials                |    | 392   |           |
| Other Charges                               |    | 5,949 |           |
| Total Sheriff's Department                  |    |       | \$ 24,198 |

Total Drug Control Fund \$ 24,324

**Other General Government Special Revenue Fund**

Finance

**Other Finance**

|                      |    |     |        |
|----------------------|----|-----|--------|
| Trustee's Commission | \$ | 796 |        |
| Total Other Finance  |    |     | \$ 796 |

(Continued)

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

**Other General Government Special Revenue Fund (Cont.)**

Other Operations

**American Rescue Plan Act Grant #1**

|                                             |    |         |            |
|---------------------------------------------|----|---------|------------|
| Communication                               | \$ | 289,027 |            |
| Maintenance and Repair Services - Buildings |    | 2,500   |            |
| Site Development                            |    | 925     |            |
| Total American Rescue Plan Act Grant #1     |    |         | \$ 292,452 |

Total Other General Government Special Revenue Fund \$ 293,248

**Constitutional Officers - Fees Fund**

Administration of Justice

**General Sessions Court**

|                                               |    |       |          |
|-----------------------------------------------|----|-------|----------|
| Special Commissioner Fees/Special Master Fees | \$ | 1,890 |          |
| Total General Sessions Court                  |    |       | \$ 1,890 |

**Chancery Court**

|                                               |    |     |        |
|-----------------------------------------------|----|-----|--------|
| Special Commissioner Fees/Special Master Fees | \$ | 500 |        |
| Total Chancery Court                          |    |     | \$ 500 |

Total Constitutional Officers - Fees Fund \$ 2,390

**Highway/Public Works Fund**

Highways

**Administration**

|                                        |    |        |            |
|----------------------------------------|----|--------|------------|
| County Official/Administrative Officer | \$ | 95,388 |            |
| Supervisor/Director                    |    | 54,600 |            |
| Accountants/Bookkeepers                |    | 96,355 |            |
| Overtime Pay                           |    | 5,279  |            |
| Bonus Payments                         |    | 3,825  |            |
| Other Salaries and Wages               |    | 3,257  |            |
| In-service Training                    |    | 1,330  |            |
| Social Security                        |    | 16,011 |            |
| Pensions                               |    | 15,046 |            |
| Life Insurance                         |    | 546    |            |
| Medical Insurance                      |    | 30,845 |            |
| Dental Insurance                       |    | 959    |            |
| Unemployment Compensation              |    | 179    |            |
| Employer Medicare                      |    | 3,745  |            |
| Communication                          |    | 7,352  |            |
| Evaluation and Testing                 |    | 2,155  |            |
| Postal Charges                         |    | 155    |            |
| Travel                                 |    | 4,015  |            |
| Data Processing Supplies               |    | 531    |            |
| Office Supplies                        |    | 757    |            |
| Other Charges                          |    | 2,028  |            |
| Data Processing Equipment              |    | 7,245  |            |
| Office Equipment                       |    | 808    |            |
| Total Administration                   |    |        | \$ 352,411 |

(Continued)

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

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

Highways (Cont.)

**Highway and Bridge Maintenance**

|                                      |    |         |              |
|--------------------------------------|----|---------|--------------|
| Laborers                             | \$ | 514,393 |              |
| Overtime Pay                         |    | 21,492  |              |
| Bonus Payments                       |    | 14,500  |              |
| Other Salaries and Wages             |    | 4,500   |              |
| Social Security                      |    | 33,746  |              |
| Pensions                             |    | 32,927  |              |
| Life Insurance                       |    | 1,898   |              |
| Medical Insurance                    |    | 93,003  |              |
| Dental Insurance                     |    | 3,328   |              |
| Unemployment Compensation            |    | 736     |              |
| Employer Medicare                    |    | 7,892   |              |
| Asphalt                              |    | 352,191 |              |
| Crushed Stone                        |    | 14,261  |              |
| Other Road Materials                 |    | 782     |              |
| Pipe                                 |    | 31,153  |              |
| Salt                                 |    | 84,425  |              |
| Small Tools                          |    | 483     |              |
| Other Supplies and Materials         |    | 555     |              |
| Other Charges                        |    | 12,157  |              |
| Total Highway and Bridge Maintenance |    |         | \$ 1,224,422 |

**Operation and Maintenance of Equipment**

|                                              |    |        |         |
|----------------------------------------------|----|--------|---------|
| Rentals                                      | \$ | 957    |         |
| Diesel Fuel                                  |    | 75,115 |         |
| Electricity                                  |    | 7,810  |         |
| Equipment and Machinery Parts                |    | 60,870 |         |
| Garage Supplies                              |    | 1,456  |         |
| Gasoline                                     |    | 20,477 |         |
| Lubricants                                   |    | 10,953 |         |
| Natural Gas                                  |    | 4,442  |         |
| Propane Gas                                  |    | 156    |         |
| Tires and Tubes                              |    | 7,880  |         |
| Uniforms                                     |    | 13,253 |         |
| Other Charges                                |    | 2,888  |         |
| Total Operation and Maintenance of Equipment |    |        | 206,257 |

**Other Charges**

|                                             |    |        |         |
|---------------------------------------------|----|--------|---------|
| Maintenance Agreements                      | \$ | 35,858 |         |
| Maintenance and Repair Services - Buildings |    | 7,462  |         |
| Other Contracted Services                   |    | 9,900  |         |
| Trustee's Commission                        |    | 24,600 |         |
| Vehicle and Equipment Insurance             |    | 44,700 |         |
| Workers' Compensation Insurance             |    | 53,559 |         |
| Total Other Charges                         |    |        | 176,079 |

**Capital Outlay**

|                     |    |        |  |
|---------------------|----|--------|--|
| Bridge Construction | \$ | 86,546 |  |
|---------------------|----|--------|--|

(Continued)

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

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

Highways (Cont.)

**Capital Outlay (Cont.)**

|                       |    |           |              |
|-----------------------|----|-----------|--------------|
| Building Construction | \$ | 30,915    |              |
| Highway Equipment     |    | 608,276   |              |
| State Aid Projects    |    | 1,605,193 |              |
| Total Capital Outlay  |    |           | \$ 2,330,930 |

Total Highway/Public Works Fund \$ 4,290,099

**General Debt Service Fund**

Principal on Debt

**General Government**

|                          |    |           |              |
|--------------------------|----|-----------|--------------|
| Principal on Bonds       | \$ | 1,140,000 |              |
| Principal on Notes       |    | 65,000    |              |
| Total General Government |    |           | \$ 1,205,000 |

**Highways and Streets**

|                            |    |        |        |
|----------------------------|----|--------|--------|
| Principal on Notes         | \$ | 32,100 |        |
| Total Highways and Streets |    |        | 32,100 |

**Education**

|                    |    |         |         |
|--------------------|----|---------|---------|
| Principal on Bonds | \$ | 205,000 |         |
| Total Education    |    |         | 205,000 |

Interest on Debt

**General Government**

|                          |    |         |         |
|--------------------------|----|---------|---------|
| Interest on Bonds        | \$ | 438,460 |         |
| Interest on Notes        |    | 5,684   |         |
| Total General Government |    |         | 444,144 |

**Highways and Streets**

|                            |    |       |       |
|----------------------------|----|-------|-------|
| Interest on Notes          | \$ | 1,708 |       |
| Total Highways and Streets |    |       | 1,708 |

**Education**

|                   |    |         |         |
|-------------------|----|---------|---------|
| Interest on Bonds | \$ | 115,431 |         |
| Total Education   |    |         | 115,431 |

Other Debt Service

**General Government**

|                          |    |        |        |
|--------------------------|----|--------|--------|
| Trustee's Commission     | \$ | 31,200 |        |
| Other Debt Service       |    | 700    |        |
| Total General Government |    |        | 31,900 |

Total General Debt Service Fund 2,035,283

(Continued)

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

**General Capital Projects Fund**

Other Debt Service

**Education**

Other Debt Issuance Charges

\$ 91,035

Total Education

\$ 91,035

Capital Projects - Donated

**Capital Projects Donated to School Department**

Contributions

\$ 3,102,498

Total Capital Projects Donated to School Department

3,102,498

Total General Capital Projects Fund

\$ 3,193,533

**Community Development/Industrial Park Fund**

Other Operations

**Industrial Development**

Consultants

\$ 8,191

Contracts with Other Public Agencies

154,390

Total Industrial Development

\$ 162,581

Total Community Development/Industrial Park Fund

162,581

Total Governmental Funds - Primary Government

\$ 22,037,583

**UNICOI COUNTY, TENNESSEE**  
**Schedule of Detailed Expenditures -**  
**All Governmental Fund Types**  
Discretely Presented Unicoi County School Department  
**For the Year Ended June 30, 2024**

**General Purpose School Fund**

Instruction

**Regular Instruction Program**

|                                      |    |           |               |
|--------------------------------------|----|-----------|---------------|
| Supervisor/Director                  | \$ | 14,000    |               |
| Teachers                             |    | 6,819,688 |               |
| Career Ladder Program                |    | 9,501     |               |
| Homebound Teachers                   |    | 5,154     |               |
| Educational Assistants               |    | 241,749   |               |
| Other Salaries and Wages             |    | 338,020   |               |
| Certified Substitute Teachers        |    | 23,659    |               |
| Non-certified Substitute Teachers    |    | 77,956    |               |
| Social Security                      |    | 461,247   |               |
| Pensions                             |    | 500,965   |               |
| Life Insurance                       |    | 5,683     |               |
| Medical Insurance                    |    | 969,888   |               |
| Dental Insurance                     |    | 11,118    |               |
| Employer Medicare                    |    | 107,728   |               |
| Contributions                        |    | 359,706   |               |
| Other Contracted Services            |    | 11,984    |               |
| Instructional Supplies and Materials |    | 183,848   |               |
| Textbooks - Bound                    |    | 388,942   |               |
| Other Supplies and Materials         |    | 17,212    |               |
| Fee Waivers                          |    | 17,190    |               |
| TISA - On-behalf Payments            |    | 36,658    |               |
| Other Charges                        |    | 20,845    |               |
| Regular Instruction Equipment        |    | 34,498    |               |
| Total Regular Instruction Program    |    |           | \$ 10,657,239 |

**Alternative Instruction Program**

|                                       |    |         |         |
|---------------------------------------|----|---------|---------|
| Teachers                              | \$ | 130,434 |         |
| Social Security                       |    | 7,973   |         |
| Pensions                              |    | 8,882   |         |
| Life Insurance                        |    | 79      |         |
| Medical Insurance                     |    | 7,050   |         |
| Dental Insurance                      |    | 120     |         |
| Employer Medicare                     |    | 1,865   |         |
| Total Alternative Instruction Program |    |         | 156,403 |

**Special Education Program**

|                                   |    |         |  |
|-----------------------------------|----|---------|--|
| Teachers                          | \$ | 970,399 |  |
| Educational Assistants            |    | 150,405 |  |
| Speech Pathologist                |    | 203,776 |  |
| Certified Substitute Teachers     |    | 5,474   |  |
| Non-certified Substitute Teachers |    | 4,597   |  |
| Social Security                   |    | 77,780  |  |
| Pensions                          |    | 93,862  |  |
| Life Insurance                    |    | 1,206   |  |
| Medical Insurance                 |    | 233,503 |  |
| Dental Insurance                  |    | 2,807   |  |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Instruction (Cont.)

**Special Education Program (Cont.)**

|                                      |    |        |              |
|--------------------------------------|----|--------|--------------|
| Employer Medicare                    | \$ | 18,190 |              |
| Instructional Supplies and Materials |    | 4,943  |              |
| Other Supplies and Materials         |    | 8,953  |              |
| TISA - On-behalf Payments            |    | 11,388 |              |
| Special Education Equipment          |    | 2,637  |              |
| Total Special Education Program      |    |        | \$ 1,789,920 |

**Career and Technical Education Program**

|                                              |    |         |           |
|----------------------------------------------|----|---------|-----------|
| Teachers                                     | \$ | 785,262 |           |
| Career Ladder Program                        |    | 2,000   |           |
| Educational Assistants                       |    | 47,993  |           |
| Other Salaries and Wages                     |    | 4,300   |           |
| Non-certified Substitute Teachers            |    | 6,191   |           |
| Social Security                              |    | 47,881  |           |
| Pensions                                     |    | 63,436  |           |
| Life Insurance                               |    | 683     |           |
| Medical Insurance                            |    | 147,410 |           |
| Dental Insurance                             |    | 1,472   |           |
| Employer Medicare                            |    | 11,198  |           |
| Maintenance and Repair Services - Equipment  |    | 4,193   |           |
| Other Contracted Services                    |    | 5,844   |           |
| Instructional Supplies and Materials         |    | 80,130  |           |
| Other Supplies and Materials                 |    | 4,310   |           |
| Vocational Instruction Equipment             |    | 231,215 |           |
| Total Career and Technical Education Program |    |         | 1,443,518 |

## Support Services

**Attendance**

|                       |    |        |         |
|-----------------------|----|--------|---------|
| Supervisor/Director   | \$ | 93,671 |         |
| Career Ladder Program |    | 1,000  |         |
| Social Security       |    | 5,570  |         |
| Pensions              |    | 6,447  |         |
| Life Insurance        |    | 39     |         |
| Medical Insurance     |    | 16,286 |         |
| Employer Medicare     |    | 1,303  |         |
| Travel                |    | 1,693  |         |
| Total Attendance      |    |        | 126,009 |

**Health Services**

|                          |    |         |  |
|--------------------------|----|---------|--|
| Supervisor/Director      | \$ | 73,170  |  |
| Medical Personnel        |    | 190,837 |  |
| Other Salaries and Wages |    | 17,667  |  |
| Social Security          |    | 16,445  |  |
| Pensions                 |    | 19,834  |  |
| Life Insurance           |    | 314     |  |
| Medical Insurance        |    | 50,303  |  |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Support Services (Cont.)

**Health Services (Cont.)**

|                              |    |       |            |
|------------------------------|----|-------|------------|
| Dental Insurance             | \$ | 537   |            |
| Employer Medicare            |    | 3,737 |            |
| Travel                       |    | 5,894 |            |
| Drugs and Medical Supplies   |    | 8,661 |            |
| Other Supplies and Materials |    | 2,904 |            |
| Other Charges                |    | 1,226 |            |
| Total Health Services        |    |       | \$ 391,529 |

**Other Student Support**

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Guidance Personnel           | \$ | 365,437 |         |
| Social Workers               |    | 144,540 |         |
| Other Salaries and Wages     |    | 28,397  |         |
| Social Security              |    | 31,522  |         |
| Pensions                     |    | 40,533  |         |
| Life Insurance               |    | 446     |         |
| Medical Insurance            |    | 84,215  |         |
| Dental Insurance             |    | 1,154   |         |
| Employer Medicare            |    | 7,372   |         |
| Other Supplies and Materials |    | 5,765   |         |
| In Service/Staff Development |    | 3,348   |         |
| Total Other Student Support  |    |         | 712,729 |

**Regular Instruction Program**

|                                   |    |         |         |
|-----------------------------------|----|---------|---------|
| Supervisor/Director               | \$ | 212,140 |         |
| Career Ladder Program             |    | 3,000   |         |
| Librarians                        |    | 277,367 |         |
| Social Security                   |    | 29,415  |         |
| Pensions                          |    | 34,091  |         |
| Life Insurance                    |    | 283     |         |
| Medical Insurance                 |    | 52,266  |         |
| Dental Insurance                  |    | 720     |         |
| Employer Medicare                 |    | 6,879   |         |
| Travel                            |    | 6,665   |         |
| Other Supplies and Materials      |    | 325     |         |
| In Service/Staff Development      |    | 34,269  |         |
| Total Regular Instruction Program |    |         | 657,420 |

**Special Education Program**

|                       |    |        |  |
|-----------------------|----|--------|--|
| Supervisor/Director   | \$ | 87,904 |  |
| Career Ladder Program |    | 1,000  |  |
| Secretary(ies)        |    | 47,447 |  |
| Social Security       |    | 8,152  |  |
| Pensions              |    | 9,124  |  |
| Life Insurance        |    | 81     |  |
| Medical Insurance     |    | 14,100 |  |
| Dental Insurance      |    | 240    |  |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Support Services (Cont.)

**Special Education Program (Cont.)**

|                                      |    |        |            |
|--------------------------------------|----|--------|------------|
| Employer Medicare                    | \$ | 1,907  |            |
| Contracts with Other Public Agencies |    | 50,715 |            |
| Travel                               |    | 3,438  |            |
| In Service/Staff Development         |    | 550    |            |
| Total Special Education Program      |    |        | \$ 224,658 |

**Career and Technical Education Program**

|                                              |    |        |         |
|----------------------------------------------|----|--------|---------|
| Supervisor/Director                          | \$ | 81,756 |         |
| Secretary(ies)                               |    | 34,494 |         |
| Social Security                              |    | 6,485  |         |
| Pensions                                     |    | 7,791  |         |
| Life Insurance                               |    | 81     |         |
| Medical Insurance                            |    | 28,610 |         |
| Dental Insurance                             |    | 120    |         |
| Employer Medicare                            |    | 1,517  |         |
| Maintenance and Repair Services - Equipment  |    | 2,956  |         |
| Travel                                       |    | 989    |         |
| Other Supplies and Materials                 |    | 1,174  |         |
| Total Career and Technical Education Program |    |        | 165,973 |

**Technology**

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Supervisor/Director          | \$ | 73,002  |         |
| Computer Programmer(s)       |    | 160,713 |         |
| Data Processing Personnel    |    | 52,075  |         |
| Other Salaries and Wages     |    | 4,000   |         |
| Social Security              |    | 17,073  |         |
| Pensions                     |    | 16,561  |         |
| Life Insurance               |    | 231     |         |
| Medical Insurance            |    | 37,890  |         |
| Dental Insurance             |    | 480     |         |
| Employer Medicare            |    | 3,993   |         |
| Internet Connectivity        |    | 50,206  |         |
| Travel                       |    | 1,620   |         |
| Data Processing Supplies     |    | 32,768  |         |
| Other Supplies and Materials |    | 45,299  |         |
| Other Charges                |    | 48,185  |         |
| Total Technology             |    |         | 544,096 |

**Other Programs**

|                            |    |        |        |
|----------------------------|----|--------|--------|
| On-behalf Payments to OPEB | \$ | 58,799 |        |
| Total Other Programs       |    |        | 58,799 |

**Board of Education**

|                                  |    |        |  |
|----------------------------------|----|--------|--|
| Secretary to Board               | \$ | 36,759 |  |
| Other Salaries and Wages         |    | 41,399 |  |
| Board and Committee Members Fees |    | 5,580  |  |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Support Services (Cont.)

**Board of Education (Cont.)**

|                                                |    |         |            |
|------------------------------------------------|----|---------|------------|
| Social Security                                | \$ | 3,781   |            |
| Pensions                                       |    | 2,378   |            |
| Life Insurance                                 |    | 40      |            |
| Unemployment Compensation                      |    | 1,004   |            |
| Employer Medicare                              |    | 884     |            |
| Audit Services                                 |    | 5,066   |            |
| Dues and Memberships                           |    | 9,366   |            |
| Legal Services                                 |    | 18,000  |            |
| Travel                                         |    | 16,702  |            |
| Maintenance and Repair Services - Records      |    | 3,364   |            |
| Other Supplies and Materials                   |    | 2,365   |            |
| Liability Insurance                            |    | 60,000  |            |
| Trustee's Commission                           |    | 111,200 |            |
| Workers' Compensation Insurance                |    | 170,203 |            |
| Refund to Applicant for Criminal Investigation |    | 706     |            |
| Other Charges                                  |    | 8,155   |            |
| Total Board of Education                       |    |         | \$ 496,952 |

**Director of Schools**

|                                        |    |         |         |
|----------------------------------------|----|---------|---------|
| County Official/Administrative Officer | \$ | 141,225 |         |
| Assistant(s)                           |    | 41,363  |         |
| Career Ladder Extended Contracts       |    | 1,000   |         |
| Secretary(ies)                         |    | 35,105  |         |
| Clerical Personnel                     |    | 3,058   |         |
| Other Salaries and Wages               |    | 5,884   |         |
| Social Security                        |    | 13,862  |         |
| Pensions                               |    | 15,172  |         |
| Life Insurance                         |    | 122     |         |
| Medical Insurance                      |    | 19,380  |         |
| Dental Insurance                       |    | 120     |         |
| Employer Medicare                      |    | 3,242   |         |
| Other Fringe Benefits                  |    | 7,682   |         |
| Dues and Memberships                   |    | 2,207   |         |
| Travel                                 |    | 6,995   |         |
| Administration Equipment               |    | 1,179   |         |
| Total Director of Schools              |    |         | 297,596 |

**Office of the Principal**

|                         |    |         |  |
|-------------------------|----|---------|--|
| Principals              | \$ | 486,634 |  |
| Accountants/Bookkeepers |    | 57,969  |  |
| Assistant Principals    |    | 316,363 |  |
| Secretary(ies)          |    | 177,533 |  |
| Social Security         |    | 60,604  |  |
| Pensions                |    | 72,361  |  |
| Life Insurance          |    | 753     |  |
| Medical Insurance       |    | 164,363 |  |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Support Services (Cont.)

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

|                               |    |        |              |
|-------------------------------|----|--------|--------------|
| Dental Insurance              | \$ | 1,516  |              |
| Employer Medicare             |    | 14,173 |              |
| Total Office of the Principal |    |        | \$ 1,352,269 |

**Fiscal Services**

|                           |    |         |         |
|---------------------------|----|---------|---------|
| Accountants/Bookkeepers   | \$ | 168,797 |         |
| Social Security           |    | 9,951   |         |
| Pensions                  |    | 10,921  |         |
| Life Insurance            |    | 130     |         |
| Medical Insurance         |    | 24,138  |         |
| Dental Insurance          |    | 324     |         |
| Employer Medicare         |    | 2,327   |         |
| Data Processing Services  |    | 838     |         |
| Other Contracted Services |    | 17,746  |         |
| Data Processing Supplies  |    | 857     |         |
| Other Charges             |    | 1,026   |         |
| Administration Equipment  |    | 166     |         |
| Total Fiscal Services     |    |         | 237,221 |

**Operation of Plant**

|                                 |    |         |           |
|---------------------------------|----|---------|-----------|
| Supervisor/Director             | \$ | 43,848  |           |
| Custodial Personnel             |    | 618,974 |           |
| Social Security                 |    | 39,229  |           |
| Pensions                        |    | 34,621  |           |
| Life Insurance                  |    | 945     |           |
| Medical Insurance               |    | 140,161 |           |
| Dental Insurance                |    | 1,108   |           |
| Employer Medicare               |    | 9,174   |           |
| Janitorial Services             |    | 23,908  |           |
| Disposal Fees                   |    | 40,297  |           |
| Other Contracted Services       |    | 4,847   |           |
| Custodial Supplies              |    | 52,691  |           |
| Electricity                     |    | 577,168 |           |
| Natural Gas                     |    | 71,658  |           |
| Water and Sewer                 |    | 32,963  |           |
| Boiler Insurance                |    | 4,000   |           |
| Building and Contents Insurance |    | 140,000 |           |
| Total Operation of Plant        |    |         | 1,835,592 |

**Maintenance of Plant**

|                       |    |         |  |
|-----------------------|----|---------|--|
| Supervisor/Director   | \$ | 62,640  |  |
| Maintenance Personnel |    | 143,166 |  |
| Social Security       |    | 12,009  |  |
| Pensions              |    | 13,014  |  |
| Life Insurance        |    | 198     |  |
| Medical Insurance     |    | 32,098  |  |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Support Services (Cont.)

**Maintenance of Plant (Cont.)**

|                                             |    |         |            |
|---------------------------------------------|----|---------|------------|
| Dental Insurance                            | \$ | 346     |            |
| Employer Medicare                           |    | 2,808   |            |
| Maintenance and Repair Services - Buildings |    | 114,349 |            |
| Maintenance and Repair Services - Equipment |    | 9,772   |            |
| Maintenance and Repair Services - Vehicles  |    | 11,057  |            |
| Pest Control                                |    | 11,895  |            |
| Travel                                      |    | 2,545   |            |
| Other Contracted Services                   |    | 105,765 |            |
| Other Supplies and Materials                |    | 24,191  |            |
| Other Charges                               |    | 8,955   |            |
| Other Equipment                             |    | 55,084  |            |
| Total Maintenance of Plant                  |    |         | \$ 609,892 |

**Transportation**

|                                 |    |         |           |
|---------------------------------|----|---------|-----------|
| Supervisor/Director             | \$ | 54,914  |           |
| Mechanic(s)                     |    | 43,867  |           |
| Bus Drivers                     |    | 361,927 |           |
| Other Salaries and Wages        |    | 5,780   |           |
| Social Security                 |    | 28,605  |           |
| Pensions                        |    | 23,617  |           |
| Life Insurance                  |    | 80      |           |
| Medical Insurance               |    | 20,512  |           |
| Dental Insurance                |    | 117     |           |
| Employer Medicare               |    | 6,690   |           |
| Laundry Service                 |    | 4,124   |           |
| Medical and Dental Services     |    | 1,929   |           |
| Other Contracted Services       |    | 3,626   |           |
| Diesel Fuel                     |    | 120,648 |           |
| Garage Supplies                 |    | 62      |           |
| Gasoline                        |    | 19,073  |           |
| Lubricants                      |    | 4,368   |           |
| Tires and Tubes                 |    | 18,183  |           |
| Vehicle Parts                   |    | 53,682  |           |
| Other Supplies and Materials    |    | 4,079   |           |
| Vehicle and Equipment Insurance |    | 38,278  |           |
| Other Charges                   |    | 27,879  |           |
| Transportation Equipment        |    | 331,706 |           |
| Total Transportation            |    |         | 1,173,746 |

**Central and Other**

|                                             |    |        |        |
|---------------------------------------------|----|--------|--------|
| Communication                               | \$ | 53,552 |        |
| Maintenance and Repair Services - Equipment |    | 3,832  |        |
| Postal Charges                              |    | 4,266  |        |
| Other Contracted Services                   |    | 1,990  |        |
| Office Supplies                             |    | 10,693 |        |
| Other Supplies and Materials                |    | 5,537  |        |
| Total Central and Other                     |    |        | 79,870 |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Operation of Non-Instructional Services

**Community Services**

|                                      |    |        |            |
|--------------------------------------|----|--------|------------|
| Supervisor/Director                  | \$ | 15,820 |            |
| Teachers                             |    | 7,300  |            |
| Clerical Personnel                   |    | 4,030  |            |
| Educational Assistants               |    | 42,308 |            |
| Other Salaries and Wages             |    | 7,388  |            |
| Social Security                      |    | 4,024  |            |
| Pensions                             |    | 4,568  |            |
| Employer Medicare                    |    | 941    |            |
| Other Contracted Services            |    | 4,400  |            |
| Instructional Supplies and Materials |    | 12,390 |            |
| Other Supplies and Materials         |    | 1,900  |            |
| In Service/Staff Development         |    | 3,869  |            |
| Total Community Services             |    |        | \$ 108,938 |

**Early Childhood Education**

|                                      |    |         |         |
|--------------------------------------|----|---------|---------|
| Supervisor/Director                  | \$ | 75,498  |         |
| Teachers                             |    | 249,469 |         |
| Educational Assistants               |    | 162,733 |         |
| Social Security                      |    | 28,779  |         |
| Pensions                             |    | 32,814  |         |
| Life Insurance                       |    | 599     |         |
| Medical Insurance                    |    | 59,861  |         |
| Dental Insurance                     |    | 839     |         |
| Employer Medicare                    |    | 6,731   |         |
| Instructional Supplies and Materials |    | 7,383   |         |
| Other Supplies and Materials         |    | 1,814   |         |
| In Service/Staff Development         |    | 643     |         |
| Other Charges                        |    | 361     |         |
| Total Early Childhood Education      |    |         | 627,524 |

## Capital Outlay

**Regular Capital Outlay**

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Other Contracted Services    | \$ | 137,468 |         |
| Building Construction        |    | 108,533 |         |
| Building Improvements        |    | 180,605 |         |
| Total Regular Capital Outlay |    |         | 426,606 |

## Other Debt Service

**Education**

|                                                 |    |         |         |
|-------------------------------------------------|----|---------|---------|
| Debt Service Contribution to Primary Government | \$ | 320,431 |         |
| Total Education                                 |    |         | 320,431 |

Total General Purpose School Fund \$ 24,494,930

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

**School Federal Projects Fund**

## Instruction

**Regular Instruction Program**

|                                      |    |         |            |
|--------------------------------------|----|---------|------------|
| Teachers                             | \$ | 54,952  |            |
| Educational Assistants               |    | 98,853  |            |
| Other Salaries and Wages             |    | 406,463 |            |
| Social Security                      |    | 15,102  |            |
| Pensions                             |    | 12,511  |            |
| Life Insurance                       |    | 409     |            |
| Medical Insurance                    |    | 47,042  |            |
| Dental Insurance                     |    | 552     |            |
| Employer Medicare                    |    | 3,417   |            |
| Instructional Supplies and Materials |    | 158,282 |            |
| Regular Instruction Equipment        |    | 66,103  |            |
| Total Regular Instruction Program    |    |         | \$ 863,686 |

**Special Education Program**

|                                      |    |         |         |
|--------------------------------------|----|---------|---------|
| Teachers                             | \$ | 45,817  |         |
| Educational Assistants               |    | 411,389 |         |
| Social Security                      |    | 26,478  |         |
| Pensions                             |    | 26,000  |         |
| Life Insurance                       |    | 1,067   |         |
| Medical Insurance                    |    | 128,461 |         |
| Dental Insurance                     |    | 1,734   |         |
| Employer Medicare                    |    | 6,193   |         |
| Instructional Supplies and Materials |    | 5,149   |         |
| Other Supplies and Materials         |    | 5,239   |         |
| Special Education Equipment          |    | 2,724   |         |
| Total Special Education Program      |    |         | 660,251 |

**Career and Technical Education Program**

|                                              |    |        |        |
|----------------------------------------------|----|--------|--------|
| Instructional Supplies and Materials         | \$ | 6,689  |        |
| Other Supplies and Materials                 |    | 1,928  |        |
| Vocational Instruction Equipment             |    | 20,936 |        |
| Total Career and Technical Education Program |    |        | 29,553 |

## Support Services

**Health Services**

|                       |    |       |       |
|-----------------------|----|-------|-------|
| Medical Personnel     | \$ | 5,331 |       |
| Social Security       |    | 331   |       |
| Pensions              |    | 345   |       |
| Life Insurance        |    | 10    |       |
| Medical Insurance     |    | 1,677 |       |
| Dental Insurance      |    | 27    |       |
| Employer Medicare     |    | 186   |       |
| Total Health Services |    |       | 7,907 |

**Other Student Support**

|                |    |        |  |
|----------------|----|--------|--|
| Social Workers | \$ | 41,768 |  |
|----------------|----|--------|--|

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Support Services (Cont.)

**Other Student Support (Cont.)**

|                              |    |        |           |
|------------------------------|----|--------|-----------|
| Other Salaries and Wages     | \$ | 1,512  |           |
| Social Security              |    | 2,683  |           |
| Pensions                     |    | 1,249  |           |
| Life Insurance               |    | 36     |           |
| Medical Insurance            |    | 6,002  |           |
| Dental Insurance             |    | 106    |           |
| Employer Medicare            |    | 628    |           |
| Travel                       |    | 8,638  |           |
| Other Supplies and Materials |    | 3,816  |           |
| In Service/Staff Development |    | 11,991 |           |
| Other Charges                |    | 980    |           |
| Total Other Student Support  |    |        | \$ 79,409 |

**Regular Instruction Program**

|                                   |    |         |         |
|-----------------------------------|----|---------|---------|
| Supervisor/Director               | \$ | 42,072  |         |
| Secretary(ies)                    |    | 17,667  |         |
| Other Salaries and Wages          |    | 45,000  |         |
| In-service Training               |    | 832     |         |
| Social Security                   |    | 6,206   |         |
| Pensions                          |    | 7,448   |         |
| Life Insurance                    |    | 81      |         |
| Medical Insurance                 |    | 18,391  |         |
| Dental Insurance                  |    | 156     |         |
| Employer Medicare                 |    | 1,451   |         |
| Travel                            |    | 905     |         |
| Other Contracted Services         |    | 144,050 |         |
| Library Books/Media               |    | 9,581   |         |
| Other Supplies and Materials      |    | 4,290   |         |
| In Service/Staff Development      |    | 84,831  |         |
| Other Equipment                   |    | 1,010   |         |
| Total Regular Instruction Program |    |         | 383,971 |

**Special Education Program**

|                                      |    |        |        |
|--------------------------------------|----|--------|--------|
| Contracts with Other Public Agencies | \$ | 18,242 |        |
| Contracts with Private Agencies      |    | 33,500 |        |
| Evaluation and Testing               |    | 2,964  |        |
| Travel                               |    | 43     |        |
| Other Supplies and Materials         |    | 2,817  |        |
| In Service/Staff Development         |    | 5,692  |        |
| Other Charges                        |    | 1,076  |        |
| Other Equipment                      |    | 349    |        |
| Total Special Education Program      |    |        | 64,683 |

**Career and Technical Education Program**

|                                              |    |       |       |
|----------------------------------------------|----|-------|-------|
| In Service/Staff Development                 | \$ | 1,000 |       |
| Total Career and Technical Education Program |    |       | 1,000 |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

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

## Support Services (Cont.)

**Office of the Principal**

|                               |    |        |           |
|-------------------------------|----|--------|-----------|
| Principals                    | \$ | 8,000  |           |
| Assistant Principals          |    | 12,849 |           |
| Social Security               |    | 1,293  |           |
| Pensions                      |    | 1,701  |           |
| Life Insurance                |    | 9      |           |
| Medical Insurance             |    | 2,141  |           |
| Dental Insurance              |    | 27     |           |
| Employer Medicare             |    | 302    |           |
| Total Office of the Principal |    |        | \$ 26,322 |

**Transportation**

|                          |    |       |       |
|--------------------------|----|-------|-------|
| Other Salaries and Wages | \$ | 6,054 |       |
| Social Security          |    | 375   |       |
| Pensions                 |    | 392   |       |
| Employer Medicare        |    | 88    |       |
| Total Transportation     |    |       | 6,909 |

## Capital Outlay

**Regular Capital Outlay**

|                              |    |           |           |
|------------------------------|----|-----------|-----------|
| Building Construction        | \$ | 2,355,205 |           |
| Building Improvements        |    | 15,000    |           |
| Total Regular Capital Outlay |    |           | 2,370,205 |

|                                    |    |           |
|------------------------------------|----|-----------|
| Total School Federal Projects Fund | \$ | 4,493,896 |
|------------------------------------|----|-----------|

**Central Cafeteria Fund**

## Operation of Non-Instructional Services

**Food Service**

|                                             |    |         |  |
|---------------------------------------------|----|---------|--|
| Supervisor/Director                         | \$ | 87,446  |  |
| Clerical Personnel                          |    | 37,640  |  |
| Cafeteria Personnel                         |    | 460,429 |  |
| Other Salaries and Wages                    |    | 36,442  |  |
| Social Security                             |    | 35,334  |  |
| Pensions                                    |    | 20,507  |  |
| Life Insurance                              |    | 324     |  |
| Medical Insurance                           |    | 35,490  |  |
| Dental Insurance                            |    | 360     |  |
| Employer Medicare                           |    | 8,264   |  |
| Licenses                                    |    | 480     |  |
| Maintenance Agreements                      |    | 11,310  |  |
| Maintenance and Repair Services - Equipment |    | 5,012   |  |
| Travel                                      |    | 373     |  |
| Other Contracted Services                   |    | 85,907  |  |
| Food Preparation Supplies                   |    | 51,013  |  |
| Food Supplies                               |    | 549,549 |  |
| Office Supplies                             |    | 1,320   |  |

(Continued)

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

Discretely Presented Unicoi County School Department (Cont.)

**Central Cafeteria Fund (Cont.)**

Operation of Non-Instructional Services (Cont.)

**Food Service (Cont.)**

|                              |    |               |                     |
|------------------------------|----|---------------|---------------------|
| Uniforms                     | \$ | 2,854         |                     |
| USDA - Commodities           |    | 105,065       |                     |
| Trustee's Commission         |    | 240           |                     |
| In Service/Staff Development |    | 12,140        |                     |
| Other Charges                |    | 636           |                     |
| Food Service Equipment       |    | <u>10,035</u> |                     |
| Total Food Service           |    |               | <u>\$ 1,558,170</u> |

|                              |  |    |           |
|------------------------------|--|----|-----------|
| Total Central Cafeteria Fund |  | \$ | 1,558,170 |
|------------------------------|--|----|-----------|

**Internal School Fund**

Operation of Non-Instructional Services

**Community Services**

|                          |    |         |                   |
|--------------------------|----|---------|-------------------|
| Other Charges            | \$ | 989,448 |                   |
| Total Community Services |    |         | <u>\$ 989,448</u> |

|                            |  |  |         |
|----------------------------|--|--|---------|
| Total Internal School Fund |  |  | 989,448 |
|----------------------------|--|--|---------|

**Education Capital Projects Fund**

Capital Outlay

**Regular Capital Outlay**

|                              |    |                |                     |
|------------------------------|----|----------------|---------------------|
| Trustee's Commission         | \$ | 169            |                     |
| Building Construction        |    | 1,948,870      |                     |
| Building Improvements        |    | <u>226,953</u> |                     |
| Total Regular Capital Outlay |    |                | <u>\$ 2,175,992</u> |

|                                       |  |  |                  |
|---------------------------------------|--|--|------------------|
| Total Education Capital Projects Fund |  |  | <u>2,175,992</u> |
|---------------------------------------|--|--|------------------|

|                                                            |  |    |                          |
|------------------------------------------------------------|--|----|--------------------------|
| Total Governmental Funds - Unicoi County School Department |  | \$ | <u><u>33,712,436</u></u> |
|------------------------------------------------------------|--|----|--------------------------|

## SINGLE AUDIT SECTION



JASON E. MUMPOWER  
*Comptroller*

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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Unicoi County, Tennessee as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Unicoi County's basic financial statements as listed in the table of contents, and have issued our report thereon dated September 6, 2024. Our report includes a reference to other auditors who audited the financial statements of Internal School Fund of the discretely presented Unicoi County School Department, as described in our report on Unicoi County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

September 6, 2024

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**

Unicoi County Mayor and  
Board of County Commissioners  
Unicoi 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 Unicoi 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 Unicoi County's major federal programs for the year ended June 30, 2024. Unicoi 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, Unicoi 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, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Unicoi 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 Unicoi 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 Unicoi 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 Unicoi 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 Unicoi 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 Unicoi 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 Unicoi 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 Unicoi County's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

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

control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

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

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Unicoi County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Unicoi County's basic financial statements. We issued our report thereon dated September 6, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

September 6, 2024

JEM/gc

**UNICOI COUNTY, TENNESSEE, AND THE UNICOI COUNTY SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9)**  
**For the Year-Ended June 30, 2024**

| <b>Federal/Pass-Through Agency/State<br/>Grantor Program Title</b>      | <b>Assistance<br/>Listing<br/>Number</b> | <b>Pass-through<br/>Entity Identifying<br/>Number</b> | <b>Amount<br/>Passed-through<br/>to Subrecipients</b> | <b>Expenditures</b> |
|-------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------|
| U.S. Department of Agriculture:                                         |                                          |                                                       |                                                       |                     |
| Direct Award:                                                           |                                          |                                                       |                                                       |                     |
| Forest Service Schools and Roads Cluster: (4)                           |                                          |                                                       |                                                       |                     |
| Schools and Roads - Grants to States                                    | 10.665                                   | N/A                                                   | \$ 0                                                  | \$ 86,595           |
| Passed-through State Department of Education:                           |                                          |                                                       |                                                       |                     |
| Local Food for Schools Cooperative Agreement Program                    | 10.185                                   | N/A                                                   | 0                                                     | 64,991              |
| Child Nutrition Cluster: (4)                                            |                                          |                                                       |                                                       |                     |
| School Breakfast Program                                                | 10.553                                   | N/A                                                   | 0                                                     | 496,122             |
| National School Lunch Program                                           | 10.555                                   | N/A                                                   | 0                                                     | 835,301 (5)         |
| National School Lunch Program (Supply Chain Assistance Fund)            | 10.555                                   | N/A                                                   | 0                                                     | 53,435 (5)          |
| COVID-19 - Pandemic EBT Administrative Costs                            | 10.649                                   | N/A                                                   | 0                                                     | 3,256               |
| Passed-through State Department of Agriculture:                         |                                          |                                                       |                                                       |                     |
| Child Nutrition Cluster: (4)                                            |                                          |                                                       |                                                       |                     |
| National School Lunch Program (Commodities - Noncash Assistance)        | 10.555                                   | N/A                                                   | 0                                                     | 105,065 (5)         |
| Passed-through State Department of Health:                              |                                          |                                                       |                                                       |                     |
| Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557                                   | GG-24-80389-00                                        | 0                                                     | 21,275 (7)          |
| Total U.S. Department of Agriculture                                    |                                          |                                                       |                                                       | <u>\$ 1,666,040</u> |
| U.S. Department of Housing and Urban Development:                       |                                          |                                                       |                                                       |                     |
| Passed-through State Department of Economic and Community Development:  |                                          |                                                       |                                                       |                     |
| Community Development Block Grant/State's Program                       | 14.228                                   | (6)                                                   | 0                                                     | \$ 191,580          |
| Total U.S. Department of Housing and Urban Development                  |                                          |                                                       |                                                       | <u>\$ 191,580</u>   |
| U.S. Department of Interior:                                            |                                          |                                                       |                                                       |                     |
| Direct Award:                                                           |                                          |                                                       |                                                       |                     |
| Payments in Lieu of Taxes                                               | 15.226                                   | N/A                                                   | 0                                                     | \$ 122,016          |
| Total U.S. Department of Interior                                       |                                          |                                                       |                                                       | <u>\$ 122,016</u>   |
| U.S. Department of Treasury:                                            |                                          |                                                       |                                                       |                     |
| Direct Awards:                                                          |                                          |                                                       |                                                       |                     |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds            | 21.027                                   | N/A                                                   | 0                                                     | \$ 586,524 (5)      |
| COVID 19 - Local Assistance and Tribal Consistency Fund                 | 21.032                                   | N/A                                                   | 0                                                     | 300,000             |
| Passed-through State Department of Education:                           |                                          |                                                       |                                                       |                     |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds            | 21.027                                   | (3)                                                   | 0                                                     | 40,268 (5)          |
| Passed-through State Department of Health:                              |                                          |                                                       |                                                       |                     |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds            | 21.027                                   | (3)                                                   | 0                                                     | 6,750 (5)           |
| Passed-through State Department of Environment and Conservation:        |                                          |                                                       |                                                       |                     |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds            | 21.027                                   | (3)                                                   | (8) 957,183                                           | 1,008,003 (5)       |
| Total U.S. Department of Treasury                                       |                                          |                                                       |                                                       | <u>\$ 1,941,545</u> |
| U.S. Department of Education:                                           |                                          |                                                       |                                                       |                     |
| Passed-through State Department of Human Services:                      |                                          |                                                       |                                                       |                     |
| Rehabilitation Services Vocational Rehabilitation Grants to States      | 84.126                                   | (3)                                                   | 0                                                     | \$ 112,579          |
| Passed-through State Department of Education:                           |                                          |                                                       |                                                       |                     |
| Title I Grants to Local Educational Agencies                            | 84.010                                   | N/A                                                   | 0                                                     | 617,207             |
| Special Education Cluster: (4)                                          |                                          |                                                       |                                                       |                     |
| Special Education - Grants to States                                    | 84.027                                   | N/A                                                   | 0                                                     | 663,622 (5)         |
| COVID 19 - Special Education - Grants to State (ARP)                    | 84.027                                   | 84.027X                                               | 0                                                     | 5,427 (5)           |
| Special Education - Preschool Grants                                    | 84.173                                   | N/A                                                   | 0                                                     | 62,795              |
| Impact Aid                                                              | 84.041                                   | N/A                                                   | 0                                                     | 251,293             |
| Career and Technical Education - Basic Grants to States                 | 84.048                                   | N/A                                                   | 0                                                     | 43,570              |
| Twenty-First Century Community Learning Centers                         | 84.287                                   | N/A                                                   | 0                                                     | 108,936             |
| Supporting Effective Instruction - State Grants                         | 84.367                                   | N/A                                                   | 0                                                     | 69,386              |
| Comprehensive Literacy Development                                      | 84.371C                                  | N/A                                                   | 0                                                     | 125,300             |
| Student Support and Academic Enrichment Program                         | 84.424                                   | N/A                                                   | 0                                                     | 41,500              |

(Continued)

**UNICOI COUNTY, TENNESSEE, AND THE UNICOI SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (Cont.)**

| <b>Federal/Pass-Through Agency/State<br/>Grantor Program Title</b>                                                                                | <b>Assistance<br/>Listing<br/>Number</b> | <b>Pass-through<br/>Entity Identifying<br/>Number</b> | <b>Amount<br/>Passed-through<br/>to Subrecipients</b> | <b>Expenditures</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------|
| U.S. Department of Education (Cont.):                                                                                                             |                                          |                                                       |                                                       |                     |
| Passed-through State Department of Education (Cont.):                                                                                             |                                          |                                                       |                                                       |                     |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary<br>School Emergency Relief Fund (Tennessee ALL Corps)                  | 84.425D                                  | N/A                                                   | 0                                                     | \$ 71,118 (5)       |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary<br>School Emergency Relief Fund (Math Implementation)                  | 84.425D                                  | N/A                                                   | 0                                                     | 71,250 (5)          |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary<br>School Emergency Relief Fund (ESSER II)                             | 84.425D                                  | N/A                                                   | 0                                                     | 144,171 (5)         |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary<br>School Emergency Relief Fund - Innovative School Models (ESSER ARP) | 84.425U                                  | N/A                                                   | 0                                                     | 190,040 (5)         |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary<br>School Emergency Relief Fund (ESSER ARP)                            | 84.425U                                  | N/A                                                   | 0                                                     | 2,572,350 (5)       |
| Passed-through Niswonger Foundation:                                                                                                              |                                          |                                                       |                                                       |                     |
| COVID 19 - Education Stabilization Fund Program - Elementary and Secondary<br>School Emergency Relief Fund (Tennessee ALL Corps)                  | 84.425D                                  | (3)                                                   | 0                                                     | 222,538 (5)         |
| Passed-through Greeneville City School Department:<br>English Language Acquisition State Grants                                                   | 84.365                                   | (3)                                                   | 0                                                     | 6,200               |
| Total U.S. Department of Education                                                                                                                |                                          |                                                       |                                                       | <u>\$ 5,379,282</u> |
| U.S. Department of Health and Human Services:                                                                                                     |                                          |                                                       |                                                       |                     |
| Passed-through State Department of Health:                                                                                                        |                                          |                                                       |                                                       |                     |
| Medicaid Cluster: (4)                                                                                                                             |                                          |                                                       |                                                       |                     |
| Medical Assistance Program                                                                                                                        | 93.778                                   | GG-24-80389-00                                        | 0                                                     | \$ 40,098 (7)       |
| Sexually Transmitted Diseases (STD) Prevention and Control Grants                                                                                 | 93.977                                   | GG-24-80389-00                                        | 0                                                     | 5,130 (7)           |
| Maternal and Child Health Services Block Grant to the States                                                                                      | 93.994                                   | GG-24-80389-00                                        | 0                                                     | 15,440 (7)          |
| Total U.S. Department of Health and Human Services                                                                                                |                                          |                                                       |                                                       | <u>\$ 60,668</u>    |
| U.S. Department of Homeland Security:                                                                                                             |                                          |                                                       |                                                       |                     |
| Passed-through State Department of Military:                                                                                                      |                                          |                                                       |                                                       |                     |
| Emergency Management Performance Grants                                                                                                           | 97.042                                   | (3)                                                   | 0                                                     | \$ 26,011 (5)       |
| COVID-19 - Emergency Management Performance Grants (ARP)                                                                                          | 97.042                                   | (3)                                                   | 0                                                     | 90,000 (5)          |
| Total U.S. Department of Homeland Security                                                                                                        |                                          |                                                       |                                                       | <u>\$ 116,011</u>   |
| Total Expenditures of Federal Grants                                                                                                              |                                          |                                                       |                                                       | <u>\$ 9,477,142</u> |

(Continued)

**UNICOI COUNTY, TENNESSEE, AND THE UNICOI SCHOOL DEPARTMENT**  
**Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (Cont.)**

| State Grants                                                                                          | Assistance<br>Listing<br>Number | Contract<br>Number | Expenditures        |
|-------------------------------------------------------------------------------------------------------|---------------------------------|--------------------|---------------------|
| Juvenile Service Program - State Commission on Children and Youth                                     | N/A                             | (3)                | \$ 9,000            |
| Jail Training Equipment Grant - Tennessee Correction Institute                                        | N/A                             | (3)                | 5,698               |
| Violent Crime Intervention Fund Grant - State Department of Finance<br>and Administration             | N/A                             | (3)                | 50,780              |
| Law Enforcement Hiring, Training, and Equipment Grant - State<br>Department of Commerce and Insurance | N/A                             | (3)                | 1,000               |
| Court Security - Administrative Office of the Courts                                                  | N/A                             | (3)                | 13,886              |
| Mental Health Transport Grant - State Department of Finance and Administration                        | N/A                             | (3)                | 40,652              |
| State Aid Program - State Department of Transportation                                                | N/A                             | (3)                | 1,573,089           |
| Local Health Center - State Department of Health                                                      | N/A                             | GG-24-80389-00     | 85,831 (7)          |
| Litter Program - State Department of Transportation                                                   | N/A                             | (3)                | 59,923              |
| Special Education Preschool - State Department of Education                                           | N/A                             | (3)                | 7,186               |
| School Resource Officer - State Department of Safety                                                  | N/A                             | (3)                | 242,155             |
| Safe Schools Act - State Department of Education                                                      | N/A                             | (3)                | 55,084              |
| Summer Learning Camps - State Department of Education                                                 | N/A                             | (3)                | 187,908             |
| Innovative School Models Grant - State Department of Education                                        | N/A                             | (3)                | 486,647             |
| Early Childhood Development - State Department of Education                                           | N/A                             | (3)                | 487,574             |
| Total State Grants                                                                                    |                                 |                    | <u>\$ 3,306,413</u> |

ALN = Assistance Listing Number

N/A = Not Applicable

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

(2) Unicoi County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) Information not available.

(4) Forest Service Schools and Roads Cluster total \$86,595; Child Nutrition Cluster total \$1,489,923;

Special Education Cluster total \$731,844; and Medicaid Cluster total \$40,098.

(5) Total for ALN 10.555, \$993,801; Total ALN 21.027 \$1,641,545; Total ALN 84.027 \$669,049; Total ALN 84.425 \$3,271,467;  
Total ALN 97.042 \$116,011.

(6) Grants with multiple pass-through identifying numbers: ALN No. 14.228: 14678 \$162,581; 15009 \$28,999.

(7) Total for federal GG-24-80839-00 is \$81,943. Total state and federal is \$167,774.

(8) SUBRECIPIENTS

| Program Title                                                | ALN    | Amount<br>Provided to<br>Subrecipient | Subrecipient                     |
|--------------------------------------------------------------|--------|---------------------------------------|----------------------------------|
| COVID 19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | \$ 937,851                            | Erwin Utilities                  |
| COVID 19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 19,332                                | Unicoi Water<br>Utility District |
| Total amounts provided to subrecipients                      |        | <u>\$ 957,183</u>                     |                                  |

(9) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

| Program Title                                          | ALN    | Amount<br>Provided to<br>Consolidated<br>Administration |
|--------------------------------------------------------|--------|---------------------------------------------------------|
| Title I Grants to Local Educational Agencies           | 84.010 | \$ 81,438                                               |
| Supporting Effective Instruction - State Grants        | 84.367 | 16,784                                                  |
| Student Support and Academic Enrichment Program        | 84.424 | 847                                                     |
| Total amounts consolidated for administration purposes |        | <u>\$ 99,069</u>                                        |

**UNICOI COUNTY, TENNESSEE**  
**Summary Schedule of Prior-year Findings**  
**For the Year Ended June 30, 2024**

*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 Unicoi County, Tennessee, for the year ended June 30, 2024.

**Prior-year Financial Statement Findings**

| Fiscal<br>Year | Page<br>Number | Finding<br>Number | Title of Finding | ALN | Current Status |
|----------------|----------------|-------------------|------------------|-----|----------------|
|----------------|----------------|-------------------|------------------|-----|----------------|

**OFFICE OF COUNTY MAYOR**

|      |     |          |                                                                                                                                                          |     |           |
|------|-----|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----------|
| 2023 | 195 | 2023-001 | A payroll tax deposit to the Internal Revenue Service was not properly remitted resulting in the assessment of interest and penalties totaling \$557.43. | N/A | Corrected |
|------|-----|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----------|

**OFFICE OF DIRECTOR OF SCHOOLS**

|      |     |          |                                                                                                                     |     |           |
|------|-----|----------|---------------------------------------------------------------------------------------------------------------------|-----|-----------|
| 2023 | 196 | 2023-002 | The Education Capital Projects Fund had a deficit in unassigned fund balances at June 30, 2023.                     | N/A | Corrected |
| 2023 | 196 | 2023-003 | An investigation of the Unicoi County School Department disclosed deficiencies in internal controls and compliance. | N/A | Corrected |

**Prior-year Federal Awards Findings**

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

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**UNICOI COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2024**

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

**Financial Statements:**

1. Our report on the financial statements of Unicoi County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs: **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of major federal programs:
  - \* Assistance Listing Numbers: 10.553 and 10.555      Child Nutrition Cluster: School Breakfast Program and National School Lunch Program
  - \* Assistance Listing Number: 21.027      COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
  - \* Assistance Listing Number: 84.425      COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between type A and Type B Programs: **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

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

There were no findings relating to the financial statements of Unicoi County, Tennessee, as a result of our examination for the year ended June 30, 2024.

### **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, 2024.

**UNICOI COUNTY, TENNESSEE**  
**MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**For the Year Ended June 30, 2024**

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

## **BEST PRACTICE**

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Unicoi County.

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

Unicoi County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Unicoi County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

**APPENDIX D**

Form of Continuing Disclosure Agreement

UNICOI COUNTY, TENNESSEE

\$15,000,000\* GENERAL OBLIGATION CAPITAL OUTLAY NOTES, SERIES 2025

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this \_\_\_\_ day of \_\_\_\_\_, 2025 by Unicoi County, Tennessee (the “Issuer”) in connection with the issuance of its \$15,000,000\* General Obligation Capital Outlay Notes, Series 2025 (the “Notes”). The Issuer hereby covenants and agrees as follows:

SECTION 1. Purpose of and Authority for the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Registered Owners and the Beneficial Owners of the Notes and in order to assist the Participating Underwriters in complying with Rule 15c2-12(b)(5) (the “Rule”) of the Securities and Exchange Commission (the “SEC”). This Disclosure Agreement is being executed and delivered by the Issuer under the authority of the Resolution.

SECTION 2. Definitions. In addition to the terms otherwise defined herein, the following capitalized terms shall have the following meanings:

“Beneficial Owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Notes for federal income tax purposes.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the Issuer as its fiscal year for financial reporting purposes, and shall initially mean the period beginning on July 1 of each calendar year and ending June 30 of the following calendar year.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Official Statement” shall mean the Official Statement of the Issuer, dated \_\_\_\_\_, 2025, relating to the Notes.

“Participating Underwriters” shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

“Registered Owner” means any person who is identified as a holder of Notes on the registration records maintained by or on behalf of the Issuer with respect to the Notes.

“Resolution” shall mean the Note Resolution adopted by the Board of Commissioners of the Issuer on October 27, 2025.

“State” shall mean the State of Tennessee.

“State Repository” shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule.

SECTION 3. Continuing Disclosure. The Issuer hereby agrees to provide or cause to be provided the information set forth below:

(a) *Annual Financial Information*. For Fiscal Years ending on or after June 30, 2025, the Issuer shall provide annual financial information and operating data within 12 months after the end of the Fiscal Year. The annual financial information and operating data shall include:

(i) The Issuer's audited financial statements, prepared in accordance with generally accepted accounting principles, or, if the Issuer's audited financial statements are not available, then the Issuer's unaudited financial statements; and

(ii) To the extent not included in the audited financial statements, operating data of the type included under the following headings of the Official Statement, which data may be presented in a manner other than as set in the Official Statement:

1. "Summary of Outstanding Debt";
2. "Debt Statement";
3. "Debt Record";
4. "Per Capita Debt Ratios";
5. "Debt Ratios";
6. "Debt Trend";
7. "Debt Service Requirements";
8. "Property Valuation and Property Tax";
9. "Top Property Taxpayers";
10. "Fund Balances"; and
11. "Local Sales Tax"

(b) *Audited Financial Statements*. For Fiscal Years ending on or after June 30, 2025, the Issuer shall provide audited financial statements, prepared in accordance with generally accepted accounting principles, if and when available, if such audited financial statements are not included with the annual financial information described in subsection (a) above.

(c) *Event Notices*. The Issuer will provide notice of the following events relating to the Notes in a timely manner, not in excess of ten business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes or other material events affecting the tax status of the Notes;
- (vii) Modifications to rights of Noteholders, if material;
- (viii) calls, if material, and tender offers;

- (ix) Defeasances (including disclosure as to whether the Notes have been defeased to their maturity or to a preceding call date);
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation\* of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

\* As used in subsections (xv) and (xvi), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(d) *Notice of Failure to File Annual Financial Information.* The Issuer will provide timely notice of its failure to provide the annual financial information described in subsection (a) above within the time frame prescribed by subsection (a).

(e) *Notice of Amendment of Disclosure Agreement.* The Issuer will provide timely notice of an amendment to this Disclosure Agreement pursuant to the terms of Section 5(a) below.

#### SECTION 4. Methods of Providing Information.

(a) All disclosures required by Section 3 shall be transmitted to the MSRB using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated dissemination agent.

(c) All transmissions to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(d) Any required disclosure may be incorporated by reference to other documents filed with the MSRB in the manner required by subsection (a) above. The Issuer shall clearly identify each such other document so incorporated by reference.

(e) All disclosures transmitted to the MSRB hereunder shall be simultaneously transmitted to any State Repository.

#### SECTION 5. Amendment.

This Disclosure Agreement may be amended or modified so long as: (i) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body; (ii) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (iii) this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iv) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the Issuer (such as Note counsel), or by approving vote of the Beneficial Owners and Registered Owners pursuant to the terms of the Resolution at the time of the amendment.

(b) In the event of any amendment or modification to the financial information or operating data required to be filed pursuant to Section 3(a) above, the Issuer shall describe such amendment in the next filing pursuant to Section 3(a), and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, the next filing pursuant to Section 3(a) or 3(b), as applicable, shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Notes.

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any disclosure required hereunder, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure.

SECTION 8. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Registered Owners and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Registered Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 11. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

UNICOI COUNTY, TENNESSEE

By: \_\_\_\_\_  
County Mayor