OFFICIAL STATEMENT

New Issue
Book-Entry Only

Ratings: S&P "AA" (BAM Insured)
S&P "AA-" (Underlying)

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).

$14,815,000
UNICOI COUNTY, TENNESSEE
GENERAL OBLIGATION CAPITAL OUTLAY NOTES, SERIES 2025 (ULT)

Dated: Date of Issuance | Due: July 1, as shown below

Unicoi County, Tennessee (the "County") will issue its $14,815,000 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 (July 1)	Principal	Interest Rate	Yield	CUSIP Number	Maturity (July 1)	Principal	Interest Rate	Yield	CUSIP Number
2030	$1,595,000	5.000%	2.640%	904648 NK4	2034	$1,885,000	4.000%	3.050%C	904648 NP3
2031	1,675,000	4.000	2.800C	904648 NL2	2035	1,960,000	4.000	3.160C	904648 NQ1
2032	1,740,000	4.000	2.870C	904648 NM0	2036	2,040,000	3.500	3.600	904648 NR9
2033	1,810,000	4.000	2.950C	904648 NN8	2037	2,110,000	3.625	3.700	904648 NS7

C=yield to July 1, 2030 par call date

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 scheduled payment of principal and interest on the Notes when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Notes by BUILD AMERICA MUTUAL ASSURANCE COMPANY.

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 3, 2025

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).

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.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Notes or the advisability of investing in the Notes. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "Bond Insurance" and "Appendix F - Specimen Municipal Bond Insurance Policy".

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.

Table of Contents

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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	Jamie Harris II	Tim Lingerfelt
Brian Delp	Jason Harris	Cody Scott
Wayne Edwards	Stephen Hendrix	Loren Thomas

COUNTY OFFICIALS

County Clerk	Patty Treadway
Trustee	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
Robert W. Baird & Co., Inc.
Milwaukee, Wisconsin

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Summary Statement

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

ISSUER	Unicoi County, Tennessee (the "County").
ISSUE	$14,815,000 General Obligation Capital Outlay Notes, Series 2025 (the "Notes").
PURPOSE	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.
DATED DATE	Settlement Date.
INTEREST DUE	Each January 1 and July 1, commencing July 1, 2026.
PRINCIPAL DUE	July 1, 2030 through July 1, 2037.
SETTLEMENT DATE	December 18, 2025.
OPTIONAL REDEMPTION	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.
SECURITY	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" herein.
RATINGS	S&P Global Ratings ("S&P") is expected to assign their municipal bond rating of "AA" to the Notes based solely on the understanding that upon delivery of the Notes, a policy guaranteeing the payment when due of the principal of and interest on the Notes will be issued by Build America Mutual Assurance Company ("BAM"). The Notes have also been assigned an underlying rating of "AA-" by S&P based on documents and other information provided by the County. The ratings reflect 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 ratings. There is no assurance that such ratings will continue for any given period of time or that either rating 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 either rating may have an adverse effect on the secondary market price of the Notes. Any explanation of the significance of the ratings may be obtained from S&P. See "Rating" herein.

TAX MATTERS	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).
REGISTRATION AND PAYING AGENT	U.S. Bank Trust Company, National Association, Nashville, Tennessee.
MUNICIPAL ADVISOR.................	Stephens Inc.
UNDERWRITER.............................	Robert W. Baird & Co., Inc., Milwaukee, Wisconsin.

Official Statement

$14,815,000

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 $14,815,000 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 in 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 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 in 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.

Notice of Redemption

Notice of call for redemption shall be given by the Registration Agent not less than twenty (20) 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 and 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	$14,815,000.00
Net Reoffering Premium	519,856.35
Total Sources	$15,334,856.35
Uses of Funds	
Deposit to Project Fund	$15,002,657.05
Costs of Issuance (1)	332,199.30
Total Uses	$15,334,856.35

(1) Includes all fees and expenses, including underwriter's discount, insurance premium, and expenses

Ratings

S&P is expected to assign their municipal bond rating of "AA" to the Notes based solely on the understanding that upon delivery of the Notes, a policy guaranteeing the payment when due of the principal of and interest on the Notes will be issued by BAM. The Notes have also been assigned an underlying rating of "AA-" by S&P based on documents and other information provided by the County. The ratings reflect 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 ratings.

There is no assurance that such ratings will continue for any given period of time or that either rating 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 either rating may have an adverse effect on the secondary market price of the Notes. Any explanation of the significance of the ratings 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 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.

Bond Insurance

Bond Insurance Policy

Concurrently with the issuance of the Notes, Build America Mutual Assurance Company (“BAM”) will issue its Municipal Bond Insurance Policy for the Notes (the “Policy”). The Policy guarantees the scheduled payment of principal of and interest on the Notes when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https//www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Notes, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Notes. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Notes on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Notes, nor does it guarantee that the rating on the Notes will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of September 30, 2025 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $517.2 million, $273.6 million and $243.6 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Notes or the advisability of investing in the Notes. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at https://bambonds.com/insights/#video. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at http://bambonds.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Notes, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Notes. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Notes, whether at the initial offering or otherwise.

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

Robert W. Baird & Co., Inc., Milwaukee, Wisconsin, 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 $15,090,853.30 which is par, plus net original issue premium of $519,856.35, less $219,703.05 underwriter's discount and $24,300.00 paid by the underwriter as the premium for the Policy.

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.

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 December 3, 2025 issued in connection with the sale of the County's $14,815,000 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 3rd day of December, 2025.

/s/ *Garland Eveley*
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/ *Patty Treadway*
County Clerk

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APPENDIX A

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

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(Form of Opinion of Bond Counsel)

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

December 18, 2025

We have acted as bond counsel to Unicoi County, Tennessee (the "Issuer") in connection with the issuance of $14,815,000 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,

Bass, Berry & Sims PLC

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 Huntdale, 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

	County	Tennessee
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

	Unicoi County	Tennessee	% of State
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

	Unicoi County	Tennessee	% of State
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

				Unemployment Percent		
Year	Employment	Unemployment	Total Labor Force	Unicoi County	State	U.S.
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

Employer	Number of Employees	Products/Services
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.

School Year	Unicoi County Schools
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

Amount Issued	Issue	Date Issued	Maturity Date	Interest Rate	Principal Outstanding 6/30/2025[1]	
	Bonds					
14,500,000	General Obligation Refunding Bonds, Series 2015	04/15/15	05/01/35	2% - 5%	190,000	(2)
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	
7,665,000	GO Refunding Bonds, Series 2025	12/18/25	05/01/30	5.00%	7,665,000	
	Total Bonds				$14,530,000	
	Notes					
715,000	E911 Office / Jail Roofing	10/02/13	04/01/26	2.94%	65,000	
14,815,000	GO Capital Outlay Notes, Series 2025	10/18/25	07/01/37	3.50% - 5.00%	14,815,000	
	Total Notes				$14,880,000	
	Other Loans					
$19,558,000	Helene Emergency Assistance Loan Program	12/04/24	12/04/34	0.00%	$19,558,000	(3)
12,000,000	Helene Emergency Assistance Loan Program	03/28/25	03/28/35	0.00%	12,000,000	(3)
	Total Capitalized Leases				$31,558,000	
	Total Current Outstanding Debt				$60,968,000	

DEBT STATEMENT
(as of June 30, 2025)

Total Current Outstanding Debt	$60,968,000
Gross Direct Debt	$60,968,000
Less: Debt Service Fund Balance (as of June 30, 2025)	(2,909,248)
Net Direct Debt	$58,058,752
Net Overlapping Debt (as of June 30, 2024)	
Town of Erwin	$4,312,000
Town of Unicoi	1,160,915
Total Net Overlapping Debt	$5,472,915
Overall Net Debt	$63,531,667

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 Series 2025 Bonds and Notes.

(2) Excludes Bonds being refunded.

(3) The table above includes reference to a $19,558,000 loan and a $12,000,000 loan from the State of Tennessee related to Hurricane Helene. The loan was made from the State of Tennessee pursuant to the State's Helene Emergency Assistance Loan ("HEAL") Program. The HEAL program provides interest-free loans to Tennessee counties, municipality and governmental utility providers to assist with capital repairs and replacements necessitated by Hurricane Helene. Rather than loans being made directly to each affected local government, the HEAL program routes to an individual county all loan amounts intended for local governments located within that County. In the case of Unicoi County's $19,558,000 HEAL loan, $5,460,000 of the loan is for the benefit of the Town of Erwin, $10,248,000 is for the benefit of the Erwin Utilities Authority, and only $3,850,000 is available for Unicoi County. In the case of Unicoi County's $12,000,000 HEAL loan, all $12,000,000 is for the benefit of the Erwin Utilities Authority. While the County is nominally responsible for the repayment of the entire loan, the Town and the Authority have both executed promissory notes payable to the County to evidence their respective payment obligations.

Source: County Officials.

POPULATION

	County	Tennessee
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	$3,411.37
Gross Direct Debt	3,411.37
Net Direct Debt	3,248.59
Total Net Overlapping Debt	306.23
Overall Net Debt	3,554.82

DEBT RATIOS

	Assessed Value	Estimated Actual Value
Property Values	$ 401,528,207	$ 1,978,375,194
Outstanding Debt to	15.18%	3.08%
Gross Direct Debt to	15.18%	3.08%
Net Direct Debt to	14.46%	2.93%
Total Net Overlapping Debt to	1.36%	0.28%
Overall Net Debt to	15.82%	3.21%

DEBT TREND

	(Unaudited) 06/30/25	06/30/24	06/30/23	06/30/22	06/30/21
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	-	-	-	-
Total Debt	$46,564,000	$16,842,950	$15,320,050	$16,906,400	$18,480,950
Less: Debt Service Fund Bal.	(2,909,248)	(2,959,599)	(2,861,455)	(2,627,495)	(2,423,549)
Total Net Debt	$43,654,752	$13,883,351	$12,458,595	$14,278,905	$16,057,401

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

DEBT SERVICE REQUIREMENTS

(as of June 30, 2025)[1]

	Year Ended June 30	Principal Requirements: Outstanding Principal (6/30/25)[2]	Plus: GO Refunding Bonds, Series 2025	Plus: GO Capital Outlay Notes, Series 2025	Total Principal Requirements	Percent Principal Retired	Interest Requirements: Outstanding Interest (6/30/25)[2]	Plus: GO Refunding Bonds, Series 2025	Plus: GO Capital Outlay Notes, Series 2025	Total Interest Requirements	Total Debt Service Requirements
1	2026	385,000			385,000		534,602	141,590		676,192	1,061,192
2	2027	335,000	1,780,000		2,115,000		213,491	383,250	611,759	1,208,500	3,323,500
3	2028	350,000	1,865,000		2,215,000		196,741	294,250	590,438	1,081,429	3,296,429
4	2029	360,000	1,960,000		2,320,000		186,591	201,000	590,438	978,029	3,298,029
5	2030	400,000	2,060,000		2,460,000	32.28%	176,091	103,000	590,438	869,529	3,329,529
6	2031	420,000		1,595,000	2,015,000		164,341		550,563	714,904	2,729,904
7	2032	430,000		1,675,000	2,105,000		151,854		477,188	629,042	2,734,042
8	2033	440,000		1,740,000	2,180,000		139,016		408,888	547,904	2,727,904
9	2034	460,000		1,810,000	2,270,000		125,463		337,888	463,351	2,733,351
10	2035	470,000		1,885,000	2,355,000	69.43%	111,125		263,988	375,113	2,730,113
11	2036	445,000		1,960,000	2,405,000		96,431		187,088	283,519	2,688,519
12	2037	465,000		2,040,000	2,505,000		82,156		112,188	194,344	2,699,344
13	2038	475,000		2,110,000	2,585,000		68,806		38,244	107,050	2,692,050
14	2039	490,000			490,000		54,763			54,763	544,763
15	2040	185,000			185,000	97.21%	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	100.00%	86,000			86,000	301,000
		$6,930,000	$7,665,000	$14,815,000	$29,410,000		$2,502,471	$1,123,090	$4,759,103	$8,384,663	$37,794,663

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

(2) Excludeds Bonds being refunded.

Source: County Officials.

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

Fiscal Year / Tax Year	2024-2025 / 2024	2023-2024 / 2023	2022-2023 / 2022	2021-2022 / 2021	2020-2021 / 2020
ESTIMATED ACTUAL VALUES					
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
Total Estimated Actual Values	$1,978,375,194	$1,536,841,764	$1,464,754,500	$1,460,057,083	$1,394,046,499
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
ASSESSED VALUES					
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
Total Assessed Values	$401,528,207	$410,051,738	$408,833,934	$332,949,657	$334,534,256
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
Appraisal Ratio	72.48%	100.00%	100.00%	79.68%	83.63%
Assessed Values to Actual Values	20.30%	26.68%	27.91%	22.80%	24.00%
Property Tax Rate					
Total Property Tax Rate	$2.6105	$2.6105	$2.3505	$2.8538	$2.8538
Taxes Levied	$10,481,894	$10,704,401	$9,609,642	$9,501,717	$9,546,939
Collections					
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

Business	Type of Business	Tax Year 2024 Assessed Value	Percent of Assessed Value
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

GOVERNMENTAL FUNDS	(Unaudited) 2025	2024	2023	2022	2021
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
Total Governmental Funds	$47,785,610	$19,699,738	$15,859,037	$15,883,990	$13,506,481

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

LOCAL SALES TAX
FISCAL YEAR ENDING JUNE 30

	(Unaudited) 2025	2024	2023	2022	2021
Rate (Percent of retail sales)	2.75%	2.75%	2.75%	2.75%	2.75%
Distribution					
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
Total Amount Collected	$3,905,117	$3,518,241	$3,339,062	$3,153,566	$3,054,716
% of Increase	11.00%	5.37%	5.88%	3.24%	23.45%

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 County Officials.

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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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Tennessee Comptroller of the Treasury

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.

UNICOI COUNTY, TENNESSEE
TABLE OF CONTENTS

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

Officials

Garland Evely, 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
Gina Clark
Brian Delp
Wayne Edwards
Jamie Harris
Jason Harris
Stephen Hendrix
Tim Lingerfelt
Cody Scott

Board of Education

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

Audit Committee

John Harris, Chairman
Fain Bennett
Phyllis Bennett
Stephen Hendrix
Kenneth Kisiel

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.

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

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

Exhibit A

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

	Primary Government		Component Unit	
	Governmental Activities		Unicoi County School Department	
ASSETS				
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	$	38,441,505	$	45,757,979
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	$	1,567,539	$	5,387,121
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.)

	Primary Government	Component Unit
	Governmental Activities	Unicoi County School Department
LIABILITIES (CONT.)		
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	$ 21,517,184	$ 4,579,603
DEFERRED INFLOWS OF RESOURCES		
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	$ 8,340,136	$ 3,751,617
NET POSITION		
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	(5,298,071)	5,824,304
Total Net Position	$ 10,151,724	$ 42,813,880

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
					Primary Government	Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Unicoi County School 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: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit: Unicoi County School 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					$ 10,633,594	$ 23,311,323
Change in Net Position					$ 1,545,643	$ 5,565,757
Net Position, July 1, 2023					8,606,081	37,248,123
Net Position, June 30, 2024					$ 10,151,724	$ 42,813,880

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

UNICOI COUNTY, TENNESSEE
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds				Nonmajor Funds	
	General	Other General Government	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
ASSETS						
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	$ 11,624,580	$ 1,103,805	$ 6,110,287	$ 4,160,899	$ 1,259,250	$ 24,258,821
LIABILITIES						
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	$ 415,317	$ 1,563,534	$ 1,622,869	$ 0	$ 70,275	$ 3,671,995

(Continued)

UNICOI COUNTY, TENNESSEE
Balance Sheet
Governmental Funds (Cont.)

	Major Funds				Nonmajor Funds	
	General	Other General Government	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES						
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	$ 6,109,757	$ 0	$ 418,269	$ 1,201,300	$ 848,414	$ 8,577,740
FUND BALANCES						
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	$ 5,099,506	$ (459,729)	$ 4,069,149	$ 2,959,599	$ 340,561	$ 12,009,086
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 11,624,580	$ 1,103,805	$ 6,110,287	$ 4,160,899	$ 1,259,250	$ 24,258,821

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	25,914	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	(82,206)	(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	(50,890)	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.		462,745
Net position of governmental activities (Exhibit A)		$ 10,151,724

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 General Government	Highway / Public Works	General Debt Service	General Capital Projects
Revenues					
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
Expenditures					
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 General Government	Highway / Public Works	General Debt Service	General Capital Projects
Expenditures (Cont.)					
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 Over Expenditures	$ 1,342,109	$ 372,876	$ (293,596)	$ 64,336	$ (3,193,533)
Other Financing Sources (Uses)					
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.)

	Nonmajor Funds: Other Govern-mental Funds	Total Governmental Funds
Revenues		
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	$ 1,048,937	$ 20,273,183
Expenditures		
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.)

	Nonmajor Funds Other Govern-mental Funds	Total Governmental Funds
Expenditures (Cont.)		
Capital Projects	$ 0	$ 39,676
Capital Projects - Donated	0	3,102,498
Total Expenditures	$ 1,105,529	$ 22,037,583
Excess (Deficiency) of Revenues Over Expenditures	$ (56,592)	$ (1,764,400)
Other Financing Sources (Uses)		
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)	$ 150,000	$ 3,218,160
Net Change in Fund Balances	$ 93,408	$ 1,453,760
Fund Balance, July 1, 2023	247,153	10,555,326
Fund Balance, June 30, 2024	$ 340,561	$ 12,009,086

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)			$ 1,545,643

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
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
Expenditures				
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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)				
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 Over Expenditures	$ 1,342,109	$ 185,230	$ (165,135)	$ 1,507,244
Other Financing Sources (Uses)				
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

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

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
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	$ 3,996,503	$ 5,436,106	$ 5,436,106	$ (1,439,603)
Expenditures				
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	$ 4,290,099	$ 5,715,700	$ 6,021,286	$ 1,731,187
Excess (Deficiency) of Revenues Over Expenditures	$ (293,596)	$ (279,594)	$ (585,180)	$ 291,584
Other Financing Sources (Uses)				
Transfers Out	$ (33,808)	$ 0	$ (33,808)	$ 0
Total Other Financing Sources	$ (33,808)	$ 0	$ (33,808)	$ 0
Net Change in Fund Balance	$ (327,404)	$ (279,594)	$ (618,988)	$ 291,584
Fund Balance, July 1, 2023	4,396,553	4,140,833	4,140,833	255,720
Fund Balance, June 30, 2024	$ 4,069,149	$ 3,861,239	$ 3,521,845	$ 547,304

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

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

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

		Custodial Funds
ADDITIONS		
Sales Tax Collections for Other Governments	$	2,616,617
Collections for Industrial Development Board		52,364
Fines/Fees and Other Collections		3,311,776
Total Additions	$	5,980,757
DEDUCTIONS		
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		52,364
Total Deductions	$	5,792,675
Net Increase (Decrease) in Fiduciary Net Position	$	188,082
Net Position, July 1, 2023		953,094
Net Position, June 30, 2024	$	1,141,176

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

UNICOI COUNTY, TENNESSEE
INDEX OF NOTES TO THE FINANCIAL STATEMENTS

(Continued)

UNICOI COUNTY, TENNESSEE
INDEX OF NOTES TO THE FINANCIAL STATEMENTS

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.

Assets	Years
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:

Funds		Amount
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.

Fund/Major Appropriation Category		Amount Overspent
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 Average Maturity		Amortized 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 Average Maturity (days)	Maturities		Fair 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		55,746
Total			$	278,729

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 7-1-23	Increases	Decreases	Balance 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 Depreciatied, 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		589,638
Total Depreciation and Amortization Expense - Governmental Activities	$	978,077

Net Investment in Capital Assets

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

Discretely Presented Unicoi County School Department

Governmental Activitites:

	Balance 7-1-23	Increases	Decreases (1)	Balance 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	$ 2,512,050	$ 4,678,262	$ (1,197,072)	$ 5,993,240
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	$ 50,114,637	$ 1,759,283	$ (76,000)	$ 51,797,920
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	$ 25,721,938	$ 1,550,350	$ (38,000)	$ 27,234,288
Total Capital Assets Depreciated, Net	$ 24,392,699	$ 208,933	$ (38,000)	$ 24,563,632
Governmental Activities Capital Assets, Net	$ 26,904,749	$ 4,887,195	$ (1,235,072)	$ 30,556,872

(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	15,055
Total Depreciation Expense - Governmental Activities	$ 1,550,350

Net Investment in Capital Assets

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

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 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 In		
Transfers Out	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	$ 154,220	$ 33,808	$ 150,000

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 In
Transfer Out	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	Building Lease		
June 30	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 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 Rate		Final Maturity		Original Amount of Issue		Balance 6-30-24
General Obligation Bonds	1.4 to 5%	%	5-1-44	$	7,925,000	$	6,970,000
General Obligation Bonds - Refunding	2 to 5		5-1-35		14,500,000		9,710,000
Direct Borrowing and Direct Placement:							
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	Bonds		
June 30	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	Notes - Direct Placement		
June 30	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 - Direct 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	$ 16,680,000	$ 162,950
Balance Due Within One Year	$ 1,740,000	$ 97,950

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	711,696
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	$ 15,716,696

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

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	(101,538)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 177,615

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

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	(22,800)
	0
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	$ 3,142,330

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	775

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% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions, used in the June 30, 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 Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market International Equity	5.37		14	
Emerging Market International Equity	6.09		4	
Private Equity and Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
Total			100	%

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from 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 Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (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 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 Refunds of Employee 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 Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (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		$ 27,782,746	$ 28,666,125	$ (883,379)

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:

Unicoi County	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 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 Outflows of Resources		Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$	789,590	$	301,734
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		224,643		0
Changes in Assumptions		640,676		0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)		528,254		N/A
Total	$	2,183,163	$	301,734

(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 Outflows of Resources		Deferred Inflows of Resources
Primary Government	$	1,264,566	$	174,251
School Department		918,597		127,483
Total	$	2,183,163	$	301,734

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

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

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 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% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions, used in the June 30, 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 Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market International Equity	5.37		14	
Emerging Market International Equity	6.09		4	
Private Equity and Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
Total			100	%

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the school department's proportionate share of the net pension liability (asset) 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 Proportionate Share of the Net Pension Liability (Asset)		1% Decrease 5.75%		Current Discount Rate 6.75%		1% Increase 7.75%
Net Pension Liability (Asset)	$	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 Outflows of Resources		Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$	703,501	$	137,028
Changes in Assumptions		962,094		0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		512,321		0
Changes in Proportion of Net Pension Liability (Asset)		372,629		49,449
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023		570,096		N/A
Total	$	3,120,641	$	186,477

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 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% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	6.75%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.125%

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

The actuarial assumptions, used in the June 30, 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 Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	4.88	%	31	%
Developed Market International Equity	5.37		14	
Emerging Market International Equity	6.09		4	
Private Equity and Strategic Lending	6.57		20	
U.S. Fixed Income	1.20		20	
Real Estate	4.38		10	
Short-term Securities	0.00		1	
Total			100	%

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

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the 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 Proportionate Share of the Net Pension Liability (Asset)		1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	$	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 Department	Total
Inactive Employees Currently Receiving Benefit Payments	0	0	0
Inactive Employees Entitled To But Not Yet 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 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 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 Department	Total
Deferred Outflows of Resources:			
Changes in Assumptions	$ 20,575	$ 9,938	$ 30,513
Benefits Paid after the Measurement Date of June 30, 2023	850	33	883
Total Deferred Outflows of Resources	$ 21,425	$ 9,971	$ 31,396

	County	Highway Department	Total
Deferred Inflows of Resources:			
Difference Between Expected and Actual Experience	$ 10,750	$ 10,416	$ 21,166
Changes in Assumptions	17,499	12,225	29,724
Total Deferred Inflows 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 June 30		General County	Highway Department	Total 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:

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

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

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

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 my 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:

	Total
Inactive Employees Currently Receiving Benefit Payments	14
Inactive Employees Entitled To But Not Yet Receiving Benefit Payments	0
Active Employees Eligible For Benefits	205
Total	219

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		
	Unicoi County School Department 62.3413%	State of TN 37.6587%	Total OPEB Liability
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 Expected and Actual 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 Outflows of Resources		Deferred Inflows of Resources
Difference Between Expected and 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 of June 30, 2023		98,141		0
Total	$	1,148,759	$	1,000,867

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 June 30		School 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.

Discount Rate	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Proportionate Share of the Collective Total OPEB 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.

Healthcare Cost Trend Rate	1% Decrease 9.31 to 3.5%	Current Rate 10.31 to 4.5%	1% Increase 11.31 to 5.5%
Proportionate Share of the Collective Total OPEB 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
Total Pension Liability										
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
Plan Fiduciary Net Position										
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 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%

Exhibit E-4

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 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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
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
Total OPEB Liability			
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
Total OPEB Liability			
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
Total OPEB Liability							
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	$ 3,529,934	$ 2,862,888	$ 3,203,179	$ 3,658,139	$ 4,648,396	$ 4,621,562	$ 4,853,168
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.

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

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

	Special Revenue Funds			
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total Nonmajor Governmental Funds
ASSETS				
Cash	$ 0	$ 0	$ 7,109	$ 7,109
Equity in Pooled Cash and Investments	360,460	41,924	0	402,384
Accounts Receivable	204	0	0	204
Property Taxes Receivable	867,829	0	0	867,829
Allowance for Uncollectible Property Taxes	(18,276)	0	0	(18,276)
Total Assets	$ 1,210,217	$ 41,924	$ 7,109	$ 1,259,250
LIABILITIES				
Accounts Payable	$ 58,925	$ 0	$ 0	$ 58,925
Payroll Deductions Payable	0	16	0	16
Due to Other Funds	0	0	7,109	7,109
Due to State of Tennessee	0	8	0	8
Other Current Liabilities	0	4,217	0	4,217
Total Liabilities	$ 58,925	$ 4,241	$ 7,109	$ 70,275
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 824,163	$ 0	$ 0	$ 824,163
Deferred Delinquent Property Taxes	24,251	0	0	24,251
Total Deferred Inflows of Resources	$ 848,414	$ 0	$ 0	$ 848,414

(Continued)

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

	Special Revenue Funds			
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total Nonmajor Governmental Funds
FUND BALANCES				
Restricted:				
Restricted for Public Safety	$ 0	$ 37,683	$ 0	$ 37,683
Committed:				
Committed for Public Health and Welfare	302,878	0	0	302,878
Total Fund Balances	$ 302,878	$ 37,683	$ 0	$ 340,561
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,210,217	$ 41,924	$ 7,109	$ 1,259,250

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

	Special Revenue Funds				Capital Projects Fund	
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	Community Development/ Industrial Park	Total Nonmajor Governmental Funds
Revenues						
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	$ 870,368	$ 13,598	$ 2,390	$ 886,356	$ 162,581	$ 1,048,937
Expenditures						
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	$ 916,234	$ 24,324	$ 2,390	$ 942,948	$ 162,581	$ 1,105,529
Excess (Deficiency) of Revenues Over Expenditures	$ (45,866)	$ (10,726)	$ 0	$ (56,592)	$ 0	$ (56,592)
Other Financing Sources (Uses)						
Transfers In	$ 150,000	$ 0	$ 0	$ 150,000	$ 0	$ 150,000
Total Other Financing Sources (Uses)	$ 150,000	$ 0	$ 0	$ 150,000	$ 0	$ 150,000
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	$ 302,878	$ 37,683	$ 0	$ 340,561	$ 0	$ 340,561

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

		Actual		Budgeted Amounts Original		Budgeted Amounts Final		Variance with Final Budget - Positive (Negative)
Revenues								
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	$	870,368	$	832,071	$	832,071	$	38,297
Expenditures								
Public Health and Welfare								
Sanitation Management	$	916,234	$	832,071	$	876,418	$	(39,816)
Total Expenditures	$	916,234	$	832,071	$	876,418	$	(39,816)
Excess (Deficiency) of Revenues Over Expenditures	$	(45,866)	$	0	$	(44,347)	$	(1,519)
Other Financing Sources (Uses)								
Transfers In	$	150,000	$	0	$	0	$	150,000
Total Other Financing Sources	$	150,000	$	0	$	0	$	150,000
Net Change in Fund Balance	$	104,134	$	0	$	(44,347)	$	148,481
Fund Balance, July 1, 2023		198,744		193,479		193,479		5,265
Fund Balance, June 30, 2024	$	302,878	$	193,479	$	149,132	$	153,746

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

MAJOR GOVERNMENTAL FUNDS

GENERAL DEBT SERVICE FUND

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

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

		Actual		Budgeted Amounts Original		Budgeted Amounts Final		Variance with Final Budget - Positive (Negative)
Revenues								
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	$	2,099,619	$	2,131,027	$	2,097,219	$	2,400
Expenditures								
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	$	2,035,283	$	2,003,449	$	2,035,941	$	658
Excess (Deficiency) of Revenues Over Expenditures	$	64,336	$	127,578	$	61,278	$	3,058
Other Financing Sources (Uses)								
Transfers In	$	33,808	$	0	$	33,808	$	0
Total Other Financing Sources	$	33,808	$	0	$	33,808	$	0
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	$	2,959,599	$	2,785,845	$	2,753,353	$	206,246

CUSTODIAL FUNDS

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

	Custodial Funds		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
ASSETS			
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	$ 656,259	$ 1,141,176	$ 1,797,435
LIABILITIES			
Due to Other Taxing Units	$ 656,259	$ 0	$ 656,259
Total Liabilities	$ 656,259	$ 0	$ 656,259
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	$ 0	$ 1,141,176	$ 1,141,176
Total Net Position	$ 0	$ 1,141,176	$ 1,141,176

Exhibit H-2

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

	Custodial Funds			
	Cities - Sales Tax	Community Development - Custodial	Constitu - tional Officers - Custodial	Total
Additions				
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
Deductions				
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

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.

Exhibit I-1

UNICOI COUNTY, TENNESSEE
Statement of Activities
Discretely Presented Unicoi County School Department
For the Year Ended June 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental 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	$ 30,425,216	$ 244,561	$ 6,494,227	$ 5,940,862	$ (17,745,566)
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					$ 23,311,323
Change in Net Position					$ 5,565,757
Net Position, July 1, 2023					37,248,123
Net Position, June 30, 2024					$ 42,813,880

UNICOI COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
Discretely Presented Unicoi County School Department
June 30, 2024

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS					
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	$ 7,631,933	$ 208,145	$ 2,483,608	$ 1,631,631	$ 11,955,317
LIABILITIES					
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	$ 690,757	$ 156,934	$ 715,571	$ 0	$ 1,563,262
DEFERRED INFLOWS OF RESOURCES					
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	$ 2,701,403	$ 0	$ 0	$ 0	$ 2,701,403

(Continued)

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern-mental Funds	Total Governmental Funds
FUND BALANCES					
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	$ 4,239,773	$ 51,211	$ 1,768,037	$ 1,631,631	$ 7,690,652
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 7,631,933	$ 208,145	$ 2,483,608	$ 1,631,631	$ 11,955,317

Exhibit I-3

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	1,414,625	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	(139,600)	(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	(1,000,867)	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	2,952,773	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.		321,380
Net position of governmental activities (Exhibit A)		$ 42,813,880

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues					
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	$ 25,035,202	$ 4,304,935	$ 3,944,029	$ 2,606,987	$ 35,891,153
Expenditures					
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	$ 24,494,930	$ 4,493,896	$ 2,175,992	$ 2,547,618	$ 33,712,436
Excess (Deficiency) of Revenues Over Expenditures	$ 540,272	$ (188,961)	$ 1,768,037	$ 59,369	$ 2,178,717

(Continued)

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

	Major Funds			Nonmajor Funds	
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Other Financing Sources (Uses)					
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	(1,550,350)	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	(337,716)	(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	435,691	(456,971)
Change in net position of governmental activities (Exhibit B)		$ 5,565,757

UNICOI COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Unicoi County School Department
June 30, 2024

	Special Revenue Funds		
	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
ASSETS			
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	$ 1,182,873	$ 448,758	$ 1,631,631
FUND BALANCES			
Restricted:			
Restricted for Education	$ 1,182,873	$ 448,758	$ 1,631,631
Total Fund Balances	$ 1,182,873	$ 448,758	$ 1,631,631

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

	Special Revenue Funds		
	Central Cafeteria	Internal School	Total Nonmajor Governmental Funds
Revenues			
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	$ 1,648,028	$ 958,959	$ 2,606,987
Expenditures			
Current:			
Operation of Non-Instructional Services	$ 1,558,170	$ 989,448	$ 2,547,618
Total Expenditures	$ 1,558,170	$ 989,448	$ 2,547,618
Excess (Deficiency) of Revenues Over Expenditures	$ 89,858	$ (30,489)	$ 59,369
Net Change in Fund Balances	$ 89,858	$ (30,489)	$ 59,369
Fund Balance, July 1, 2023	1,093,015	479,247	1,572,262
Fund Balance, June 30, 2024	$ 1,182,873	$ 448,758	$ 1,631,631

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 (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
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)
Expenditures							
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 (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
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 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 (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
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)
Expenditures							
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 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 (GAAP Basis)	Less: Encumbrances 7/1/2023	Add: Encumbrances 6/30/2024	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
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	$ 1,648,028	$ 0	$ 0	$ 1,648,028	$ 1,558,895	$ 1,680,586	$ (32,558)
Expenditures							
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	$ 1,558,170	$ (41,248)	$ 50,951	$ 1,567,873	$ 1,558,895	$ 1,680,585	$ 112,712
Excess (Deficiency) of Revenues Over Expenditures	$ 89,858	$ 41,248	$ (50,951)	$ 80,155	$ 0	$ 1	$ 80,154
Net Change in Fund Balance	$ 89,858	$ 41,248	$ (50,951)	$ 80,155	$ 0	$ 1	$ 80,154
Fund Balance, July 1, 2023	1,093,015	(41,248)	0	1,051,767	1,072,091	1,072,091	(20,324)
Fund Balance, June 30, 2024	$ 1,182,873	$ 0	$ (50,951)	$ 1,131,922	$ 1,072,091	$ 1,072,092	$ 59,830

Miscellaneous Schedules

UNICOI COUNTY, TENNESSEE
Schedule of Changes in Long-term Notes and Bonds
For the Year Ended June 30, 2024

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-23	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-24
NOTES PAYABLE								
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					$ 260,050	$ 0	$ 97,100	$ 162,950
BONDS PAYABLE								
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					$ 15,060,000	$ 2,965,000	$ 1,345,000	$ 16,680,000

Exhibit J-2

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

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

Year Ending June 30	Bonds Principal	Bonds Interest	Bonds 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 Amount of Issue	Interest Rate	Date of Issue	Maturity Date	Outstanding 7-1-23	Paid and/or Matured During Period	Outstanding 6-30-24
LEASE PAYABLE							
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 Ending June 30	Lease Principal	Lease Interest	Lease 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

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
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	33,808
Total Transfers Primary Government			$ 338,028
DISCRETELY PRESENTED UNICOI COUNTY SCHOOL DEPARTMENT			
General Purpose School	Education Capital Projects	Capital expenditures	$ 119,263
Total Transfers Discretely Presented Unicoi County School Department			$ 119,263

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

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, *TCA*	$ (1)	Local Government Property and Casualty Fund
Base salary/Total compensation	$ 105,165			
Road Superintendent		Section 8-24-102, *TCA*	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	$ 95,388			
Director of Schools		State Board of Education and	(1)	Tennessee Risk Management Trust
Base salary	$ 141,225	County Board of Education		
Travel allowance	6,000			
Unused vacation payout	5,884			
Salary equity	685			
Chief executive officer supplement	1,000			
Total compensation	$ 154,794			
Trustee		Section 8-24-102, *TCA*	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	$ 86,716			
Assessor of Property		Section 8-24-102, *TCA*	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	$ 86,716			
County Clerk		Section 8-24-102, *TCA*	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	$ 86,716			
Circuit and General Sessions Courts Clerk		Section 8-24-102, *TCA*	(1)	Local Government Property and Casualty Fund
Base salary	$ 86,716			
Special commissioner fees	1,890			
Total compensation	$ 88,606			
Clerk and Master		Section 8-24-102, *TCA*	(1)	Local Government Property and Casualty Fund
Base salary	$ 86,716			
Special commissioner fees	500			
Total compensation	$ 87,216			
Register of Deeds		Section 8-24-102, *TCA*	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	$ 86,716			
Sheriff		Section 8-24-102, *TCA*	(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	$ 100,957			
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 Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
Local Taxes					
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
Licenses and Permits					
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	Constitu - tional 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 Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
Fines, Forfeitures, and Penalties (Cont.)					
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	$ 95,348	$ 0	$ 13,598	$ 0	$ 0
Charges for Current Services					
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	$ 105,141	$ 0	$ 0	$ 0	$ 2,390

(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	Constitu - tional Officers - Fees
Other Local Revenues					
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
Fees Received From County Officials					
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
State of Tennessee					
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	Constitu - tional Officers - Fees
State of Tennessee (Cont.)					
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 Waste / Sanitation	Drug Control	Other General Government Fund	Constitu - tional Officers - Fees
Federal Government					
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	$ 1,335,605	$ 0	$ 0	$ 586,524	$ 0
Other Governments and Citizens Groups					
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	$ 1,213,020	$ 0	$ 0	$ 0	$ 0
Total	$ 12,462,000	$ 870,368	$ 13,598	$ 666,124	$ 2,390

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	
	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Total
Local Taxes				
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
Licenses and Permits				
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 Revenue Fund	Debt Service Fund	Capital Projects Fund	
	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Total
Fines, Forfeitures, and Penalties				
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 Revenue Fund	Debt Service Fund	Capital Projects Fund	
	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Total
Fines, Forfeitures, and Penalties (Cont.)				
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	$ 0	$ 0	$ 0	$ 108,946
Charges for Current Services				
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	$ 0	$ 0	$ 0	$ 107,531

(Continued)

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	
	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Total
Other Local Revenues				
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
Fees Received From County Officials				
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
State of Tennessee				
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 Revenue Fund	Debt Service Fund	Capital Projects Fund	
	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Total
State of Tennessee (Cont.)				
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 Revenue Fund	Debt Service Fund	Capital Projects Fund	
	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Total
Federal Government				
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	$ 21,649	$ 0	$ 162,581	$ 2,106,359
Other Governments and Citizens Groups				
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	$ 66,291	$ 331,119	$ 0	$ 1,610,430
Total	$ 3,996,503	$ 2,099,619	$ 162,581	$ 20,273,183

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 Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	Total
Local Taxes						
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	$ 5,644,462	$ 0	$ 0	$ 0	$ 0	$ 5,644,462
Licenses and Permits						
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	$ 4,818	$ 0	$ 0	$ 0	$ 0	$ 4,818

(Continued)

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
Charges for Current Services						
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
Other Local Revenues						
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)

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
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	$ 58,799	$ 0	$ 0	$ 0	$ 0	$ 58,799
State Education Funds						
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
Other State Revenues						
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
Federal Government						
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)

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
Federal Government (Cont.)						
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
Other Governments and Citizens Groups						
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)

Exhibit J-9

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)

Exhibit J-9

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	50,000	
Total Senior Citizens Assistance		$ 60,600
Libraries		
Contributions	$ 61,200	
Total Libraries		61,200
Other Social, Cultural, and Recreational		
Contributions	$ 6,609	
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	750	
Total Agricultural Extension Service		43,808
Forest Service		
Contributions	$ 800	
Total Forest Service		800
Soil Conservation		
Contributions	$ 5,000	
Total Soil Conservation		5,000
Other Operations		
Tourism		
Contributions	$ 13,000	
Total Tourism		13,000
Industrial Development		
Contributions	$ 65,000	
Other Charges	8,840	
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	1,161	
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/SBITA 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	10,035		
Total Food Service		$ 1,558,170	
Total Central Cafeteria Fund			$ 1,558,170
Internal School Fund			
Operation of Non-Instructional Services			
Community Services			
Other Charges	$ 989,448		
Total Community Services		$ 989,448	
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	226,953		
Total Regular Capital Outlay		$ 2,175,992	
Total Education Capital Projects Fund			2,175,992
Total Governmental Funds - Unicoi County School Department			$ 33,712,436

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.

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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

Tennessee Comptroller of the Treasury

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.

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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

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
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				$ 1,666,040
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				$ 191,580
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				$ 122,016
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				$ 1,941,545
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.)

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Education (Cont.):				
Passed-through State Department of Education (Cont.):				
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (Tennessee ALL Corps)	84.425D	N/A	0	$ 71,118 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (Math Implementation)	84.425D	N/A	0	71,250 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	N/A	0	144,171 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary 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 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 School Emergency Relief Fund (Tennessee ALL Corps)	84.425D	(3)	0	222,538 (5)
Passed-through Greeneville City School Department:				
English Language Acquisition State Grants	84.365	(3)	0	6,200
Total U.S. Department of Education				$ 5,379,282
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				$ 60,668
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				$ 116,011
Total Expenditures of Federal Grants				$ 9,477,142

(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 Listing Number	Contract 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 and Administration	N/A	(3)	50,780	
Law Enforcement Hiring, Training, and Equipment Grant - State 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			$ 3,306,413	

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 Provided to 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 Utility District
Total amounts provided to subrecipients		$ 957,183	

(9) CONSOLIDATED ADMINISTRATION
The following amounts were consolidated for administration purposes:

Program Title	ALN	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	$ 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		$ 99,069

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 Year	Page Number	Finding 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.

UNICOI COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

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

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UNICOI COUNTY, TENNESSEE

$14,815,000 GENERAL OBLIGATION CAPITAL OUTLAY NOTES, SERIES 2025

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered as of this 18th day of December, 2025 by Unicoi County, Tennessee (the “Issuer”) in connection with the issuance of its $14,815,000 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 December 3, 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

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APPENDIX F

Specimen Municipal Bond Insurance Policy

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $ _________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ____

Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
200 Liberty Street, 27th floor
New York, New York 10281
Telecopy:
212-962-1524 (attention: Claims)