

**PRELIMINARY OFFICIAL STATEMENT DATED MARCH 5, 2026
BONDS TO BE SOLD MARCH 10, 2026, AT 9:30 A.M. C.D.S.T.**

New Issue
Book-Entry Only

Ratings: Moody's "Aaa"
S&P "AAA"
Fitch "AAA"

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds 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 Bonds 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 Bonds and the income therefrom will be exempt from state, county and municipal taxation in the State of Tennessee. (See "Tax Matters" herein).

\$59,000,000*

**RUTHERFORD COUNTY, TENNESSEE
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026**

Dated: Date of Issuance (projected to be April 2, 2026)

Due: April 1, as shown below

Rutherford County, Tennessee (the "County") will issue its \$59,000,000* General Obligation Refunding Bonds, Series 2026 (the "Bonds") in fully registered form, without coupons, and, when issued, the Bonds 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 Bonds. Individual purchases of beneficial ownership interest in the Bonds will be made in book-entry form only, in denominations of \$5,000 or multiples thereof through DTC Participants. Interest on the Bonds will be payable semiannually on April 1 and October 1 of each year, commencing on October 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 Bonds are to be made to purchasers by DTC through the Participants (as such term is herein defined). Purchasers will not receive physical delivery of Bonds purchased by them. See "The Bonds—Book-Entry-Only System." Principal of and interest on the Bonds 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 Bonds are not subject to optional redemption (See "The Bonds – Redemption" herein). The Bonds are payable on April 1 of each year as follows:

Maturity (April 1)*	Principal*	Interest Rate	Price or Yield	CUSIP Number**	Maturity (April 1)*	Principal*	Interest Rate	Price or Yield	CUSIP Number**
2027	\$4,800,000				2032	\$6,000,000			
2028	5,020,000				2033	6,250,000			
2029	5,270,000				2034	6,500,000			
2030	5,550,000				2035	6,770,000			
2031	5,800,000				2036	7,040,000			

The Bonds 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 Bonds, the full faith and credit of the County are irrevocably pledged (See "The Bonds – Security and Sources of Payment" and "Levy of Tax" herein).

The Bonds 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 Bonds. Certain legal matters will be passed upon for the County by Nicholas C. Christiansen, Esq., County Attorney. Stephens Inc. is serving as Municipal Advisor to the County. The Bonds, in book-entry form, are expected to be available for delivery through The Depository Trust Company in New York, New York, on or about April 2, 2026.*

_____, 2026

*Preliminary, subject to change as provided in the Detailed Notice of Sale.

**Copyright, American Bankers Association (the "ABA"). CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Market Intelligence, a division of S&P Global Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds, and the County makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity 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 Bonds.

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

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

No dealer, broker, salesman or other person has been authorized by the County or by Stephens Inc. (the "Municipal Advisor") to give any information or make any representations other than those contained in this Official Statement and, if given or made, such information or representations with respect to the County or the Bonds 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 Bonds has been filed with the Securities and Exchange Commission or with any state securities agency. The Bonds 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.

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 Rutherford County, Tennessee General Obligation Refunding Bonds, Series 2026.

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**RUTHERFORD COUNTY, TENNESSEE
Rutherford County Courthouse
Suite 101, Public Square
Murfreesboro, Tennessee 37130**

Officials

Joe Carr
County Mayor

Board of Commissioners

Jeff Phillips - Chairman

Hope Oliver	Anthony Johnson
Steve Percy	Carl Boyd
Rick Hall	Paul Johnson
Robert Peay, Jr.	Wayne Irvin
Laura Davidson	Craig Harris
Jonathan Beverly	Phil Dodd
Michael Kusch	Allen McAdoo
Pettus Read	Romel McMurry
Joshua James	Trey Gooch
Phil Wilson	Chantho Sourinho

County Officials

Assessor of Property	Rob Mitchell
County Clerk	Lisa Duke Crowell
Budget and Finance Director	Michael Smith
Director of Schools	James Sullivan
Register of Deeds	Heather Dawbarn
Sheriff	Mike Fitzhugh
Superintendent of Highways	Greg Brooks
Trustee	Thomas E. Batey

County Attorney

Nicholas C. Christiansen
Murfreesboro, Tennessee

Bond Counsel

Bass, Berry & Sims PLC
Nashville, Tennessee

Registration and Paying Agent

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

Municipal Advisor

Stephens Inc.
Nashville, Tennessee

Underwriter

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NOTICE OF SALE

\$59,000,000*

RUTHERFORD COUNTY, TENNESSEE

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026

Notice is hereby given that the County Mayor of Rutherford County, Tennessee (the “County”) will accept a written bid or electronic bid for the purchase of all, but not less than all, of the County's \$59,000,000* General Obligation Refunding Bonds, Series 2026 (the “Bonds”) until:

9:30 A.M. C.D.S.T. on March 10, 2026.

Written bids must be addressed and delivered to the County to the attention of the County Mayor, Suite 101, Public Square, Rutherford County Courthouse, Murfreesboro, Tennessee 37130. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. ***The sale of all the Bonds on March 10, 2026, may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours’ notice.***

The Bonds will be dated the date of delivery. The interest rate or rates on the Bonds shall not exceed 5.00% per annum and shall be payable semi-annually on April 1 and October 1, commencing October 1, 2026. No bid for the Bonds will be considered for less than 99.00% of par nor more than 120% of par, as described in the Detailed Notice of Sale. In addition, each maturity of Bonds must be reoffered at a price of not less than 98% of the par amount of such maturity. The Bonds will mature on April 1 in the years 2027 through 2036, inclusive, with term bonds optional and will be awarded on the sale date by the County Mayor to the bidder whose bid results in the lowest true interest cost on the Bonds. The Bonds shall not be subject to redemption prior to maturity at the option of the County.

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

In the event that the competitive sale requirements of applicable Treasury Regulations are not met, the County will require bidders to comply with the “hold-the-offering-price” rule for purposes of determining the issue price of the Bonds. Bids will not be subject to cancellation in the event that the competitive sale requirements of applicable Treasury Regulations are not satisfied.

The Bonds in book-entry only form (except as otherwise set forth in the Detailed Notice of Sale) and approving opinion of Bass, Berry & Sims PLC, Nashville, Tennessee, will be furnished at the expense of the County. Additional information, including the Official Statement and Detailed Notice of Sale, may be obtained from the undersigned at the office of the Budget and Finance Director, Rutherford County Courthouse, Public Square, Murfreesboro, Tennessee 37130, or from Stephens Inc. Attention: Sam Crewse, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4336 or (615) 279-4338; Fax: (615) 279-4351.

Joe Carr
County Mayor

* Preliminary, subject to change as provided in the Detailed Notice of Sale.

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DETAILED NOTICE OF SALE
\$59,000,000*
RUTHERFORD COUNTY, TENNESSEE
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026

Time and Place of Sale

Notice is hereby given that the County Mayor of Rutherford County, Tennessee (the “County”) will accept a written bid or electronic bid for the purchase of all, but not less than all, of the County's \$59,000,000* General Obligation Refunding Bonds, Series 2026 (the “Bonds”) until:

9:30 A.M. C.D.S.T. on March 10, 2026.

The written bids must be addressed and delivered to the County to the attention of the County Mayor, Suite 101, Public Square, Rutherford County Courthouse, Murfreesboro, Tennessee 37130. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. *The sale of all the Bonds on March 10, 2026, may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours’ notice.* The Bonds will be awarded on such date by the County Mayor of the County.

Description of Bonds

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

<u>Year* (April 1)</u>	<u>Principal*</u>
2027	\$4,800,000
2028	5,020,000
2029	5,270,000
2030	5,550,000
2031	5,800,000
2032	6,000,000
2033	6,250,000
2034	6,500,000
2035	6,770,000
2036	7,040,000

Registration and Depository Participation

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One Bond certificate for each maturity of each series of Bonds will be issued to The Depository Trust Company, New York, New York (“DTC”), and immobilized in its custody. The book-entry system will evidence beneficial ownership interests of the Bonds in the principal amount of \$5,000 and any integral multiple of \$5,000, with transfers of beneficial ownership interest effected on the records

* Preliminary, subject to change as provided herein.

of DTC participants and, if necessary, in turn by DTC pursuant to rules and procedures established by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, shall be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co., nominee of DTC. Interest on the Bonds will be payable semiannually on April 1 and October 1, beginning October 1, 2026, and principal of the Bonds will be payable, at maturity or upon redemption, to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by Participants of DTC, will be the responsibility of such participants and of the nominees of beneficial owners. The County will not be responsible or liable for such transfer of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that the book-entry only system for the Bonds is discontinued and a successor securities depository is not appointed by the County, Bond Certificates in fully registered form will be delivered to, and registered in the names of, the DTC Participants or such other persons as such DTC participants may specify (which may be the indirect participants or beneficial owners), in authorized denominations of \$5,000 or integral multiples thereof. In addition, if the successful bidder for the Bonds certifies that it has no present intent to reoffer the Bonds, the Bonds may be issued in fully registered form only. The ownership of Bonds so delivered shall be registered in registration books to be kept by U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the "Registration Agent"), at its principal corporate trust office, and the County and the Registration Agent shall be entitled to treat the registered owners of the Bonds, as their names appear in such registration books as of the appropriate dates, as the owners thereof for all purposes described herein and in the resolution authorizing the Bonds.

Optional Redemption

The Bonds shall not be subject to redemption prior to maturity at the option of the County.

Mandatory Redemption

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

- (i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds 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 Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds 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.

Purpose and Authority of Bonds

The Bonds are being issued to provide funds to (i) refund all or a portion of the County's outstanding General Obligation Public Improvement and School Bonds, Series 2016B, dated September 28, 2016, maturing on and after April 1, 2027, and (ii) pay the issuance costs of the Bonds.

The Bonds 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., Tennessee Code Annotated and a bond resolution duly adopted by the Board of County Commissioners on February 12, 2026 (the "Resolution").

Security and Sources of Payment

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

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 Bonds when due, and levy a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds 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 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 Bonds.

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

Submission of Bid

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

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

Office of the County Mayor
Suite 101, Public Square
Rutherford County Courthouse
Murfreesboro, Tennessee 37130

Written bids must be submitted on the applicable Bid Form included with the Preliminary Official Statement or on a reasonable facsimile thereof. Electronic bids for the Bonds must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. An electronic bid made through the facilities of BiDCOMP/PARITY® shall be deemed an offer to purchase in response to the Notice of Sale and shall be binding upon the bidder as if made by a signed sealed written bid made to the County. To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with the terms of the Detailed Notice

of Sale, the Detailed Notice of Sale shall prevail. The County shall not be responsible for any malfunction or mistake made by or as a result of the use of electronic bidding facilities. The use of such facilities is at the sole risk of the bidders. Subscription to I-Deal's BiDCOMP/PARITY® Competitive Bidding System by a bidder is required in order to submit an electronic bid. The County will not confirm any subscription or be responsible for the failure of any prospective bidder to subscribe. Both written bids and electronic bids must be unconditional and received by the office of the County Mayor and/or BiDCOMP/PARITY®, respectively, before the time stated above. Bidders shall be required to comply with the provisions regarding a Good Faith Deposit as described below in the section entitled "Good Faith Deposit". The County is not liable for any costs incurred in the preparation, delivery, acceptance or rejection of any bid, including, without limitation, the providing of a bid security deposit.

Form of Bids

All bids for the Bonds must be for not less than all of the Bonds. Bidders must bid not less than 99.00% of par nor greater than 120% of par (the "Purchase Price") for the Bonds. In addition, each maturity of the Bonds must be reoffered at a price not less than 98% of the par amount of such maturity. Bidders must name the reoffering prices and must name the interest rate or rates the Bonds are to bear in multiples of one-eighth (1/8th) or one-one hundredth (1/100th) of one percent (1%), but no rate specified for the Bonds shall be in excess of 5.00% per annum. There will be no limitation on the number of rates of interest which may be specified for the Bonds, but one rate of interest shall apply to all of the Bonds of a maturity. With respect to the Bonds, bidders may designate two or more consecutive serial maturities as one or more Term Bond maturities equal in aggregate principal amount to, and with mandatory redemption requirements corresponding to, such designated serial maturities.

Revised Maturity Schedule and/or Bid Parameters

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

Changes to Maturity Schedule

The County reserves the right to change the Revised Aggregate Principal Amount of the Bonds and the Revised Annual Principal Amounts of the Bonds after determination of the winning bidder, by increasing or decreasing the Revised Aggregate Principal Amount and the Revised Annual Principal Amount of each maturity of the Bonds by up to 30%; provided, however, that the Bonds shall not exceed the amount necessary to refund the obligations proposed herein. No changes beyond this amount will be made without the consent of the successful bidder. Such changes, if any, will determine the final annual principal amount of the Bonds (the "Final Annual Principal Amounts") and the final aggregate principal amount of the Bonds (the "Final Aggregate Principal Amount"). The dollar amount bid by the successful bidder will be adjusted

to reflect any adjustments in the Final Aggregate Principal Amount of the Bonds. The interest rates specified by the successful bidder for the various maturities at the initial reoffering prices will not change. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS. The County anticipates that the Final Annual Principal Amounts of the Bonds and the Final Aggregate Principal Amount of Bonds will be communicated to the successful bidder prior to the award of the Bonds. THE DOLLAR AMOUNT BID BY THE SUCCESSFUL BIDDER FOR THE PURCHASE OF THE BONDS WILL BE ADJUSTED TO REFLECT ANY CHANGE IN THE ANNUAL PRINCIPAL AMOUNTS BASED UPON THE ASSUMPTION THAT THE COUPON RATES, REOFFERING PRICES, AND THE UNDERWRITER'S DISCOUNT (EXCLUDING ORIGINAL ISSUE DISCOUNT/PREMIUM) STATED AS A PERCENTAGE OF THE AGGREGATE PRINCIPAL AMOUNT, AS SPECIFIED BY THE SUCCESSFUL BIDDER, WILL NOT CHANGE.

Basis of Award

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

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

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

Good Faith Deposit

The successful bidder is required to submit, in the manner described below, a good faith deposit (the "Deposit") in the amount of \$590,000 for the Bonds to secure the faithful performance of the terms of the bid to purchase the Bonds. The Deposit will be delivered to the County by wire transfer or certified check for the prescribed amount. The Deposit may be provided in the form of:

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

In the event the successful bidder fails to timely submit the Deposit, the award may be terminated by the County Mayor, and the County Mayor in his discretion may award the Bonds to the bidder whose bid results in the next lowest true interest cost to the County as the lowest complying bidder or hold a subsequent sale of the Bonds. The County shall have no liability to any bidder who fails to properly submit a Deposit.

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

Establishment of Issue Price

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

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

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

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

Intention to Apply the Hold-the-Offering-Price Rule if Competitive Sale Requirements are Not Met. In the event that the competitive sale requirements are not satisfied with respect to the Bonds, the County intends to treat the initial offering prices of the Bonds to the public as the issue price of such Bonds (the "hold-the-offering-price" rule), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

Application of the Hold-the-Offering-Price Rule. If the competitive sale requirements are not satisfied, then the successful bidder shall, on behalf of the underwriters participating in the purchase of the Bonds, (i) confirm that the underwriters have offered or will offer each maturity of the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of

any maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

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

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

By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to:

(A) (1) report the prices at which it sells to the public any unsold Bonds of each maturity allocated to it to which the hold-the-offering-price rule applies until the close of the fifth (5th) business day after the sale date; and (2) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the successful bidder and as set forth in the related pricing wires;

(B) promptly notify the successful bidder of any sales of the Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public; and

(C) acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the successful bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it to which the hold-the-offering-price rule applies until the close of the fifth (5th) business day after the sale date and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the successful bidder or the underwriter and as set forth in the related pricing wires.

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

is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

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

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

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

Provision of Information for the Official Statement

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

1. The initial offering prices or yields for the Bonds (expressed as a price or yield per maturity, exclusive of any accrued interest, if applicable);
2. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all the Bonds are sold at the prices or yields as provided above).
3. The identity of the underwriters if the successful bidders are part of a group or syndicate; and
4. Any other material information necessary to complete the Official Statement in final form but not known to the County.

CUSIP

The Municipal Advisor will request the assignment of CUSIP numbers prior to the sale of the Bonds. The CUSIP Service Bureau charges for the assignment of said numbers will be the responsibility of and will be

paid for by the successful bidder. Although CUSIP numbers will be printed on the Bonds (except where the Bonds will not be reoffered, in which case, CUSIP numbers are not required), the County will assume no obligation for assignment or insertion of such numbers on the Bonds or the correctness of such numbers, and neither failure to print or type any such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser(s) thereof to accept delivery of and make payment for the Bonds.

Official Statement

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

Continuing Disclosure

The County will, at the time the Bonds are delivered, execute a Continuing Disclosure Agreement in which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the County not later than twelve months after each of the County's fiscal years (the "Annual Report"), and to provide notice of the occurrence of certain enumerated events and 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 established in the State (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events will be summarized in the County's official statement to be prepared and distributed in connection with the sale of the Bonds.

Legal Opinion and Transcript

The book-entry Bonds and the approving opinion of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel (which will be delivered with the Bonds), together with the Bond transcript, including a certificate as to no litigation from the County dated as of the date of the delivery of the Bonds, will be furnished to the purchaser at the expense of the County. As set forth in the Official Statement and subject to the limitations set forth therein, bond counsel's opinion will include an opinion that, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds 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 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Owners of the Bonds, however, may be subject to certain additional taxes or tax consequences arising with respect to ownership of the Bonds. For a discussion thereof, reference is hereby made to the Official Statement and the form of opinion contained therein.

Delivery and Payment

The Bonds are expected to be ready for delivery on April 2, 2026, in book-entry form. Delivery will be made through The Depository Trust Company, New York, New York, at the expense of the purchaser. Payment for the Bonds must be made in federal funds or other immediately available funds.

Bidder Certification Regarding Non-Engagement in a Boycott of Israel

To the extent an accepted bid constitutes a contract to acquire or dispose of services, supplies, information technology, or construction for purpose of Tennessee Code Annotated Section 12-4-119, by submitting a bid each bidder certifies that it (including its wholly-owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates, if any) is not currently engaged in, and will not, through the issue date of the Bonds, engage in, a boycott of Israel. For this purpose, (1) “Israel” means the State of Israel and Israeli-controlled territories, and (2) a “boycott of Israel” means engaging in refusals to deal, terminating business activities, or other commercial actions that are intended to limit commercial relations with Israel, or companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or persons or entities doing business in Israel, when such actions are taken (i) in compliance with, or adherence to, calls for a boycott of Israel, or (ii) in a manner that discriminates on the basis of nationality, national origin, religion, or other unreasonable basis, and is not based on a valid business reason. The provisions of this paragraph shall not apply, and a bidder shall not be required to provide the certification provided above, if the bidder’s compensation as a result of the purchase of the Bonds is less than \$250,000.

Bidder Certification Regarding Compliance with Iran Divestment Act

Pursuant to Tennessee Code Annotated Section 12-12-111 and to the extent applicable to the activities contemplated herein, by submission of a bid for the Bonds, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to Tennessee Code Annotated Section 12-12-106 (the “Iran Divestment Act List”). Such Iran Divestment Act List (i) provides a listing of persons determined to be engaging in investment activities in Iran, as described in Tennessee Code Section 12-12-105, and (ii) can be found online on the State’s website: https://www.tn.gov/content/dam/tn/generalservices/documents/cpo/library/2025/List_of_persons_pursuant_to_Tenn._Code_Ann._12-12-106_Iran_Divestment_Act_updated_with_NY04_15.2025.pdf.

Tennessee Code Annotated Section 12-12-105 provides that “a person engages in investment activities in Iran if: (1) [t]he person provides goods or services of twenty million dollars (\$20,000,000) or more in the energy sector of Iran, including a person that provides oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; or (2) [t]he person is a financial institution that extends twenty million dollars (\$20,000,000) or more in credit to another person, for forty-five (45) days or more, if that person will use the credit to provide goods or services in the energy sector in Iran and is identified on a list, created pursuant to Tennessee Code Annotated Section 12-12-106, as a person engaging in investment activities in Iran as described in this section.”

If in any case the bidder cannot make the foregoing certification, in accordance with Tennessee Code Annotated Section 12-12-111 and to the extent applicable to the activities herein, the bidder shall so state and shall furnish with the bid a signed statement which sets forth in detail the reasons therefor. The County may award the bid to a bidder who cannot make the certification above, on a case-by-case basis, if: (1) the investment activities in Iran were made before July 1, 2016, the investment activities in Iran have not been expanded or renewed on or after July 1, 2016, and the person has adopted, publicized, and is implementing a formal plan to cease the investment activities in Iran and to refrain from engaging in any new investments in Iran; or (2) the County makes a determination that the goods or services are necessary for the County to perform its functions and that, absent such an exemption, the County would be unable to obtain the goods or services for which the contract is offered. Such determination shall be made in writing and shall be a public document.

Further Information

Copies of the Preliminary Official Statement may be obtained from the undersigned at the office of the Budget and Finance Director, Public Square, Rutherford County Courthouse, Murfreesboro, Tennessee 37130, or from Stephens Inc., Attn: Sam Crewse, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4336 or (615) 279-4338; Fax: (615) 279-4351.

Joe Carr,
County Mayor

Exhibit A to Detailed Notice of Sale

RUTHERFORD COUNTY, TENNESSEE

\$59,000,000*

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (the “Purchaser”), hereby certifies as set forth below with respect to the sale of the above-captioned obligation (the “Bonds”).

[Assuming the Qualified Competitive Sale Requirements Are Satisfied]

1. Reasonably Expected Initial Offering Price.

(a) I am familiar with the facts herein certified, and I am duly authorized to execute and deliver this certificate on behalf of the Purchaser and any underwriting syndicate.

(b) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed below (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as Exhibit A is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(c) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(d) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

**[Assuming the Qualified Competitive Sale Requirements Are Not Satisfied
and the Hold-the-Offering-Price Rule Applies]**

2. Initial Offering Price.

(a) The Purchaser offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed in its bid attached hereto as Exhibit A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Exhibit B.

(b) As set forth in the Detailed Notice of Sale for the Bonds, the Purchaser has agreed in writing that, for each maturity of the Bonds, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such maturity during the Holding Period (as defined below) for such Maturity, nor would it permit a related party to do so. Pursuant to such agreement, the Purchaser has neither offered nor sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. As used in this paragraph, the term “Holding Period” means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which at least 10% of such Maturity has been sold to the Public at a price that is no higher than the Initial Offering Price for such Maturity.

* Preliminary, subject to change as provided in the Detailed Notice of Sale.

2. Defined Terms.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *County* means Rutherford County, Tennessee.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale or exchange of the Bonds. The Sale Date of the Bonds is _____, 2026.

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the County with respect to certain of the representations set forth in the Federal Tax Certificate and Agreement and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bass, Berry & Sims PLC in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the County from time to time relating to the Bonds.

Dated: [_____, 2026]

[NAME OF PURCHASER, as Underwriter]

By: _____

Name: _____

Title: _____

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RUTHERFORD COUNTY, TENNESSEE

\$59,000,000*

**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026
OFFICIAL BID FORM**

The Honorable Joe Carr, County Mayor
Suite 101, Public Square
Rutherford County Courthouse
Murfreesboro, Tennessee 37130

March 10, 2026

For your legally issued, properly executed Rutherford County, Tennessee (the "County") \$59,000,000* General Obligation Refunding Bonds, Series 2026 (the "Bonds") and in all respects to be as more fully outlined in your Detailed Notice of Sale, which by reference is made a part hereof, we will pay you a sum of \$_____.

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

<u>Maturity (April 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Yield</u>	<u>Maturity (April 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Yield</u>
2027	\$4,800,000	_____%	_____%	2032	\$6,000,000	_____%	_____%
2028	5,020,000	_____	_____	2033	6,250,000	_____	_____
2029	5,270,000	_____	_____	2034	6,500,000	_____	_____
2030	5,550,000	_____	_____	2035	6,770,000	_____	_____
2031	5,800,000	_____	_____	2036	7,040,000	_____	_____

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

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

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

<p align="center">Term Bond 1, due April 1, _____ includes the following maturities: From April 1, _____ to April 1, _____.</p> <p align="center">Term Bond 2, due April 1, _____ includes the following maturities: From April 1, _____ to April 1, _____.</p>

Firm Name	
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In accordance with the terms of the Detailed Notice of Sale, we have or will make a good faith deposit for \$590,000 as set forth in the Detailed Notice of Sale, which is to be applied in accordance with the Detailed Notice of Sale. The good faith deposit may be provided in the form of:

- Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the County or the County's Municipal Advisor by the successful bidder by 3:00 p.m. C.D.S.T. on the day of the sale provided the County awards the bid by 1:00 p.m. C.D.S.T.; otherwise the wire shall be received not later than 12:00 noon C.D.S.T. on the next business day following the

* Preliminary, subject to change as provided in the Detailed Notice of Sale.

award. The County Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.

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

If a successful bidder fails to timely make the Deposit for a series of Bonds, the award may be terminated in the discretion of the County Mayor and the County shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of such Bonds. The County Mayor in his discretion may award the Bonds to the bidder whose bid results in the next lowest true interest cost to the County as the lowest complying bidder or hold a subsequent sale of the Bonds. The County shall have no liability to any bidder who fails to properly submit a Deposit.

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

Accepted this 10th day of March, 2026

Respectfully submitted,

County Mayor

Firm Name

Signature

Title

Telephone Number of Person to Submit Bid

The following is for information purposes only.

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

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

Summary Statement

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

ISSUER	Rutherford County, Tennessee (the “County”).
ISSUE	\$59,000,000* General Obligation Refunding Bonds, Series 2026 (the “Bonds”).
PURPOSE	The Bonds are being issued to provide funds to (i) refund all or a portion of the County’s outstanding General Obligation Public Improvement and School Bonds, Series 2016B, dated September 28, 2016, maturing on and after April 1, 2027, and (ii) pay costs incident to the issuance and sale of the Bonds. See “The Bonds – Description” herein.
DATED DATE	Date of Delivery of Bonds (projected to be April 2, 2026).
INTEREST DUE	Each April 1 and October 1, commencing October 1, 2026.
PRINCIPAL DUE	April 1, 2027, through April 1, 2036.*
OPTIONAL REDEMPTION	The Bonds shall not be subject to redemption prior to maturity at the option of the County. See “The Bonds – Redemption” herein.
SECURITY	The Bonds shall be payable from unlimited <u>ad valorem</u> taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged. See “The Bonds – Security and Sources of Payment” herein.
RATINGS	“Aaa” by Moody’s Ratings (“Moody’s”), “AAA” by S&P Global Ratings, a Division of Standard & Poor’s Financial Services LLC (“S&P”) and “AAA” by Fitch Ratings (“Fitch”) based on documents and other information provided by the County. The ratings reflect only the view of Moody’s, S&P and Fitch, and neither the County, the Municipal Advisor nor the Underwriter make 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 they will not be lowered or withdrawn. Any such downward change in or withdrawal of the ratings may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the ratings may be obtained from Moody’s, S&P and Fitch. See “Ratings” 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 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986,

* Preliminary, subject to change as provided in the Detailed Notice of Sale.

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 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "Tax Matters" herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See "Tax Matters" herein).

REGISTRATION AND PAYING

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

MUNICIPAL ADVISOR..... Stephens Inc.

UNDERWRITER..... _____

Official Statement

\$59,000,000*

Rutherford County, Tennessee

General Obligation Refunding Bonds, Series 2026

Introduction

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Rutherford County, Tennessee (the “County”) of \$59,000,000* General Obligation Refunding Bonds, Series 2026 (the “Bonds”).

The Bonds are being issued under and in full compliance with the constitution and statutes of the State of Tennessee (the “State”), including Sections 9-21-101 et seq., Tennessee Code Annotated and a bond resolution duly adopted by the Board of County Commissioners on February 12, 2026 (the “Resolution”).

This Official Statement includes descriptions of, among other matters, the Bonds, 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 Bonds included in the Resolution. During the period of the offering of the Bonds, copies of the Resolution and any other documents described herein or in the Resolution may be obtained from the County. After delivery of the Bonds, 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 Bonds

Description

The Bonds are being issued to provide funds to (i) refund all or a portion of the County’s outstanding General Obligation Public Improvement and School Bonds, Series 2016B, dated September 28, 2016, maturing on and after April 1, 2027 (the “Outstanding Bonds”); and (ii) pay costs incident to the issuance and sale of the Bonds.

The Bonds will be issued as fully registered book-entry Bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated their date of issuance. Interest on the Bonds, 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 April 1 and October 1 of each year (herein an “Interest Payment Date”), commencing October 1, 2026.

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

The Bonds 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 Bonds.

U.S. Bank Trust Company, National Association, Nashville, Tennessee (the “Registration Agent”) will make all interest payments with respect to the Bonds on each Interest Payment Date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of

* Preliminary, subject to change as provided in the Detailed Notice of Sale.

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 Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to the extent of the payments so made. Payment of principal of the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. In the event the Bonds 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 Bonds, payment of interest on such Bonds 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 Bond 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 Bonds 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 Bond 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 Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in the Resolution or in the Bonds 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 Bonds when due.

Redemption

Optional Redemption

The Bonds are not subject to redemption prior to maturity at the option of the County.

Mandatory Redemption

Subject to the credit hereinafter provided, the County shall redeem Bonds maturing April 1, 20__ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its

discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final</u> <u>Maturity</u>	<u>Redemption</u> <u>Date</u>	<u>Principal Amount of</u> <u>Bonds</u> <u>Redeemed</u>
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*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds maturing April 1, 20__ to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond maturing April 1, 20__ so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced.

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 Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond 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 Bonds for which proper notice was given. As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, 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 Bonds 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.

Security and Sources of Payment

The Bonds 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 Bonds, the full faith and credit of the County are irrevocably pledged.

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 Bonds when due, and levy a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds 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 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 Bonds.

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 Bonds are issued, reference is made to the Resolution.

Discharge and Satisfaction of Bonds

The Bonds 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 Bonds 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 Bonds and to pay interest thereon when due until the maturity date;

(c) By delivering such Bonds 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 Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied.

If the County pays and discharges the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners of such Bonds 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 bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Remedies of Bondholders

Under Tennessee law, any Bondholder 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 Bondholder.

Book-Entry-Only System

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 S&P’s rating of AA+. 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 BONDS; (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 BONDHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.

Plan of Refunding

As provided herein, the proceeds of the Bonds (other than proceeds used to pay issuance costs) will be used to refund all or a portion of the Outstanding Bonds.

Proceeds of the Bonds not used to pay issuance costs will be used to refund all or a portion of the Outstanding Bonds. Pursuant to a Refunding Escrow Agreement (the "Escrow Agreement") between the County and U.S. Bank Trust Company, National Association, Nashville, Tennessee (the "Escrow Agent"), a portion of the proceeds of the Bonds will either be held in cash or used to purchase United States Treasury Obligations or such other obligations permitted under Tennessee law (the "Escrow Investments"). Said cash or Escrow Investments, as applicable, will be held in a separate fund established by the Escrow Agent with said cash or, if applicable the principal amount of the Escrow Investments, being sufficient to pay principal of and interest on the Outstanding Bonds so refunded. None of any cash held in escrow pursuant to the Escrow Agreement or the principal of or the interest on the Escrow Investments will be available for payment of the Bonds. The Escrow Agent, as paying agent for the Outstanding Bonds, will give irrevocable directions to redeem the Outstanding Bonds so refunded within 90 days of the delivery date of the Bonds.

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

Sources of Funds

Par Amount	\$ _____
Reoffering Premium (Discount)	_____
Issuer Contribution	_____
Total Sources	\$ _____

Uses of Funds

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

Ratings

The Bonds have been assigned ratings of "Aaa" by Moody's Ratings ("Moody's"), "AAA" by S&P Global Ratings, a Division of Standard & Poor's Financial Services LLC ("S&P") and "AAA" by Fitch Ratings ("Fitch"), based on documents and other information provided by the County. The ratings reflect only the views of Moody's, S&P and Fitch, and the County, the Municipal Advisor and the Underwriter make no 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 they will not be lowered or withdrawn entirely. Any such downward change in or withdrawal of the ratings may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the ratings may be obtained from Moody's, S&P and Fitch.

Continuing Disclosure

General

The County will at the time the Bonds are delivered execute a Continuing Disclosure Agreement ("Disclosure Agreement") under which it will covenant for the benefit of holders and beneficial owners of

the Bonds 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, 2026 (the “Annual Report”), and to provide notice of the occurrence of certain enumerated events and 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 (“EMMA”) 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 Underwriters in complying with SEC Rule 15c2-12(b), as it may be amended from time to time (the “Rule”). The County has not failed to comply in any material respect with previous continuing disclosure undertakings in the past five years.

Annual Report

The County’s Annual Report shall contain or incorporate by reference the General Purpose Financial Statements of the Issuer for the fiscal year, prepared in accordance with generally accepted accounting principles; provided, however, if the County’s audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained herein, and the audited financial statements shall be filed when available. The Annual Report shall also include the following information included in Appendix B to this Official Statement (which data may be presented in a format other than as set forth in the Official Statement) as follows.

1. "Summary of Outstanding Debt ";
2. "Debt Statement ";
3. "Per Capita Debt Ratios";
4. "Debt Ratios";
5. "Debt Trend";
6. "Debt Service Requirements";
7. "Property Valuation and Property Tax";
8. "Top Taxpayers";
9. "Fund Balances";
10. "Local Sales Tax Collections"; and
11. "Wheel Tax.”

Any required disclosure may be incorporated by reference to other documents filed with the MSRB on EMMA or by such other method as may be subsequently determined by the MSRB. The County shall clearly identify each such other document so incorporated by reference. The County will provide, in a timely manner, notice of failure to provide the required annual financial information described above on or before the date specified above.

Reporting of Significant Events

The County will file notice of Listed Events (as defined in (3) below) with the MSRB and SID, if any, as follows:

1. Upon the occurrence of a Listed Event, the County shall in a timely manner, but in no event more than ten (10) business days after the occurrence of such event, file a notice of such occurrence with the MSRB and SID, if any.
2. For Listed Events where notice is only required upon a determination that such event would be material under applicable Federal securities laws, the County shall determine the materiality of such event as soon as possible after learning of its occurrence.
3. The following are the Listed Events:
 - a. Principal and interest payment delinquencies;
 - b. Non-payment related defaults, if material;
 - c. Unscheduled draws on debt service reserves reflecting financial difficulties;
 - d. Unscheduled draws on credit enhancements reflecting financial difficulties;
 - e. Substitution of credit or liquidity providers, or their failure to perform;
 - f. 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 Bonds or other material events affecting the tax status of the Bonds;
 - g. Modifications to rights of Bondholders, if material;
 - h. Bond calls, if material, and tender offers;
 - i. Defeasances;
 - j. Release, substitution, or sale of property securing repayment of the securities, if material;
 - k. Rating changes;
 - l. Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - m. 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;
 - n. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

- o. Incurrence of a financial obligation (as defined by the Rule) of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect security holders, if material; and
- p. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation (as defined by the Rule) of the County, any of which reflect financial difficulties.

Termination of Reporting Obligation

The County's obligations under the Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Amendment

Notwithstanding any other provision of the Disclosure Agreement, the County may amend the Disclosure Agreement, provided that the following conditions are satisfied:

- (a) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body;
- (b) the amendment is 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;
- (c) the Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (d) the amendment does not materially impair the interests of beneficial owners or registered owners, as determined either by parties unaffiliated with the County (such as bond 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.

In the event of any amendment to the Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment 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 County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given, and (ii) the Annual Report for the year in which the change is made should 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.

Default

In the event of a failure of the County to comply with any provision of the Disclosure Agreement, any Bondholder or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under the Disclosure Agreement. A default under the Disclosure Agreement shall not be deemed an event of default, if any, under the Resolution, and the sole remedy under the Disclosure Agreement in the event

of any failure of the County to comply with the Disclosure Agreement shall be an action to compel performance.

Investment Considerations

General

The purchase of the Bonds 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 Bonds and which could also affect the marketability of, or the market price for, the Bonds. 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 Bond 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 Bonds.

Enforceability of Remedies

The remedies available to the holders or beneficial owners of the Bonds 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 Bonds 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 Bonds 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 Bonds will be available and no assurance can be given that the initial offering prices for the Bonds will continue for any period of time.

The Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Bonds in the event a holder or beneficial owner thereof determines to solicit purchasers of the Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Bonds may be sold. Such price may be lower than that paid by the current holder or beneficial owner of the Bonds, 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. In November 2024, the County experienced a cyber security incident that affected County school servers and interrupted certain school services. Network services were restored within a week. There has not been any material impact and there is not expected to be any future material impact to the County's operations or finances as a result such incident. To mitigate against such risks, the County has continued to institute 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.

Public Health Emergencies

The emergence of an epidemic, pandemic or other widespread public health emergency would have an unknown impact on the County's economy and operations. The outbreak in 2020 of the COVID-19 pandemic led, from time to time, to quarantine and other "social distancing" measures across the world, including in the County. These measures included: (i) the closure, from time to time, of nonessential businesses, (ii) recommendations and warnings to limit nonessential travel and promote telecommuting, (iii) the postponement or cancellation of or reduced capacity at large-scale gatherings such as conventions, concerts and sporting events, (iv) limits on operations and customer capacity at commercial and retail establishments and (v) the closure, from time to time, of school buildings and community centers. Though such quarantining and "social distancing" measures related to COVID-19 have since terminated, the County is unable to predict whether and to what extent any increases in COVID-19 cases or the emergence of any other epidemic, pandemic or other widespread public health emergency may disrupt the local or global economy, or how any such disruption may affect the operations or financial condition of the County.

Various types of information regarding employment, income trends, and business activity in the County are detailed in Appendix B, including historical data collected both before and during the COVID-19 pandemic. Certain data and other information collected prior to and during the COVID-19 outbreak may not reflect current conditions. For example, some of the largest employers and taxpayers in the County may have been forced to reduce their employment during the COVID-19 outbreak and may be similarly affected as a result of any future epidemic, pandemic or other public health emergency. For additional information, see Appendix B to the Official Statement.

Future Legislation

From time to time, the Tennessee General Assembly considers bills purporting to limit the amount by which Tennessee local governments may increase ad valorem tax levies for purposes other than the payment of general obligation debt service without first obtaining voter approval by referendum. If enacted into law, such bills would have no impact on the security for the payment of the Bonds. However, such laws could impact the County's ability to raise revenue for other governmental operating and capital requirements. See also "Tax Matters – Changes in Federal and State Tax Law" for the potential impact of changes in tax law on the Bonds.

Future Issues

The County is not planning to issue bonds for any new projects in 2026. Nevertheless, the County does continue to experience significant population growth. This growth has created, and will likely continue to create, a need for capital improvement financings in the future. Rutherford County Schools projects the need for approximately \$600 million over the next five years to build, renovate or expand elementary, middle and high school facilities. The County is also in the early stages of planning for a new jail within the next five years. The funding for these new projects and any other new projects of the County has not been approved by the County Commission, and the projects, amounts, and timing are all subject to change.

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 and/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 Bonds. 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 Bonds.

Approval of Legal Proceedings

Legal matters incident to the authorization and issuance of the Bonds 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 Bonds. (See Appendix A). Certain legal matters will be passed upon for the County by Nicholas C. Christiansen, Esq., County Attorney.

Tax Matters

Federal

General. Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Bonds. 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 Bonds:

- 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 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

The Code imposes requirements on the Bonds that the County must continue to meet after the Bonds are issued. These requirements generally involve the way that the Bond proceeds must be invested and ultimately used. If the County does not meet these requirements, it is possible that a bondholder may have to include interest on the Bonds 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 bondholder who is a particular kind of taxpayer may also have additional tax consequences from owning the Bonds. This is possible if a bondholder 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 Bonds.

If a bondholder 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 Bonds or affect the market price of the Bonds. 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 Bonds, or under State, local or foreign tax law.

Bond Premium. If a bondholder purchases a Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder’s tax basis in that Bond will be reduced. The holder of a Bond 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 Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Bond with bond premium, even though the Bond is sold for an amount less than or equal to the owner’s original cost. If a bondholder owns any Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Original Issue Discount. A Bond will have “original issue discount” if the price paid by the original purchaser of such Bond is less than the principal amount of such Bond. Bond Counsel’s opinion is that any original issue discount on these Bonds as it accrues is excluded from a bondholder’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 bondholder’s tax basis in these Bonds will be increased. If a bondholder owns one of these Bonds, 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 Bonds. 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 Bond 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 Bonds 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 Bonds 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 Bonds during the period the Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State.

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 Bonds or otherwise prevent holders of the Bonds from realizing, where applicable, the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued 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 Bonds. 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 Bonds would be impacted thereby. Purchasers of the Bonds 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 Bonds, 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 Bonds 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 Bonds. 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 Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The information set forth herein has been obtained from the County and other sources believed to be reliable but has not been independently verified by the Municipal Advisor.

The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds.

The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

Underwriting

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

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

Forward-Looking Statements

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

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

Miscellaneous

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

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

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APPENDIX A

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

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(Proposed Form of Opinion of Bond Counsel)

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

(Dated Closing Date)

We have acted as bond counsel to Rutherford County, Tennessee (the "Issuer") in connection with the issuance of \$_____ General Obligation Refunding Bonds, Series 2026, dated _____, 2026 (the "Bonds"). 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 Bonds 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 Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer.

3. The Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the County.

4. Interest on the Bonds 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 Bonds 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 Bonds 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 Bonds to be so includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

5. Under existing law, the Bonds 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 Bonds during the period such Bonds 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 Bonds 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 Bonds and the enforceability of the Bonds and the resolution authorizing the Bonds 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 Bonds. Further, we express no opinion herein regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

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

Yours truly,

APPENDIX B

Demographic and General Financial Information
Related to the County

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PROFILE OF THE GOVERNMENT

Located in the middle of Tennessee with 615 square miles of land area, Rutherford County is the approximate geographic center of the state and the 5th largest county in the state. The County is adjacent to the southern border of the Metropolitan Government of Nashville and Davidson County. Rutherford County was incorporated in 1834 and is governed by an elected County Mayor and a 21-member County Commission. Elections are held every four years. The most recent election was held in August 2022. The new officials took office in September 2022. Virtually all of the County Commission's business is conducted through the committee system before moving to the full County Commission for a final vote.

The City of Murfreesboro is the County Seat of Rutherford County. Murfreesboro has an estimated population of 165,430. Murfreesboro is home to Middle Tennessee State University, the Saint Thomas Rutherford Hospital, and a large commercial and retail base. The Town of Smyrna is located in the northwestern part of the County. The Town of Smyrna is located near the Nashville – Davidson County border and has an estimated population of approximately 57,418. Smyrna is also notably the home to the TriStar Stonecrest Medical Center, a Motlow State Community College Campus and the large Nissan Assembly Plant. The City of La Vergne is adjacent to the Nashville-Davidson County border and has an estimated population of 39,597. La Vergne is known for its significant manufacturing, warehouse and distribution facilities. The County also includes the small City of Eagleville and numerous unincorporated areas.

The County provides a full range of services, including elementary and secondary education, law enforcement and corrections, judicial, solid waste collection, public health and welfare, and the construction and maintenance of highways and related infrastructure. Counties in Tennessee are political subdivisions of the State of Tennessee (the "State"). As a political subdivision of the State, a county only has authority delegated to it by the State. The State delegates authority and powers to counties through legislative action of the State's General Assembly, either through its Public or Private Acts. Public Acts apply to all counties in the State and are codified in the Tennessee Code Annotated which is revised and published on an annual basis and is widely available. Private Acts apply only to the counties named in the particular Private Act. Private Acts are available from the Secretary of State. Rutherford County operates under both Public and Private Acts. The majority of the Public Acts applicable to Rutherford County are found in Title 5 of the Tennessee Code Annotated, except to the extent such provisions have been modified by Private Acts specific to Rutherford County.

The Rutherford County Finance Department operates under Chapter 49, Private Acts of 1979, as amended. This legislation is specific only to Rutherford County and governs the authorities, responsibilities, and day-to-day operations of the Finance Department. The finance director reports directly to the County Commission and is responsible for establishing and maintaining an accounting system for all funds of the County in accordance with generally accepted accounting principles. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). A formal budget is adopted annually by the County Commission and is reviewed daily by the Finance Department for compliance. No appropriation made by the County Commission may be legally exceeded, except by resolution of the full commission.

DEMOGRAPHIC DATA

Population

According to the 2024 U. S. Census estimate, the County is the fifth largest county in the state with a population of 376,996 reflecting a 43% increase since the 2010 census and a 10% increase since the 2020 Census.

	County	Tennessee
1980 U.S. Census	84,058	4,600,252
1990 U.S. Census	119,847	4,890,626
2000 U.S. Census	183,596	5,703,719
2010 U.S. Census	263,721	6,355,518
2020 U.S. Census	343,302	6,927,904
2021 U.S. Census Estimate	351,241	6,965,740
2022 U.S. Census Estimate	362,044	7,062,217
2023 U.S. Census Estimate	369,649	7,148,304
2024 U.S. Census Estimate	376,996	7,227,750

Source: U.S. Bureau of Census

Income and Housing

In 2024, the County had a per capita personal income of \$58,345, which was 89.9% of the State average of \$64,908.

	County	Tennessee	% of State
2015 Per Capita Personal Income	\$37,661	\$41,937	89.8%
2016 Per Capita Personal Income	\$38,588	\$42,938	89.9%
2017 Per Capita Personal Income	\$39,347	\$44,407	88.6%
2018 Per Capita Personal Income	\$40,874	\$46,449	88.0%
2019 Per Capita Personal Income	\$43,020	\$48,903	88.0%
2020 Per Capita Personal Income	\$45,714	\$51,945	88.0%
2021 Per Capita Personal Income	\$50,204	\$57,491	87.3%
2022 Per Capita Personal Income	\$52,042	\$59,099	88.1%
2023 Per Capita Personal Income	\$55,514	\$62,039	89.5%
2024 Per Capita Personal Income	\$58,345	\$64,908	89.9%

Source: Bureau of Economic Analysis

In 2024, the County’s median housing value of \$425,000 compared favorably to the State’s median of \$353,000.

	<u>County</u>	<u>Tennessee</u>	<u>% of State</u>
2015 Median Housing Value	182,250	175,000	104.1%
2016 Median Housing Value	199,000	185,000	107.6%
2017 Median Housing Value	230,000	196,800	116.9%
2018 Median Housing Value	247,000	210,000	117.6%
2019 Median Housing Value	264,990	226,000	117.3%
2020 Median Housing Value	279,900	244,900	114.3%
2021 Median Housing Value	335,720	283,410	118.5%
2022 Median Housing Value	405,000	325,000	124.6%
2023 Median Housing Value	404,000	339,900	118.9%
2024 Median Housing Value	425,000	353,000	120.4%

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.

LOCAL ECONOMY

The strength of Rutherford County's economy can be attributed to its diversity of manufacturing, retail establishments, warehouse facilities, higher education institutions, medical services and corporate call centers. The County's strong economy in turn attracts a growing population. Rutherford County has been recognized as one of the fastest growing counties in America. The citizenry has grown to 376,996 per the 2024 Census estimates, which is 10% above the 2020 Census and 43% above the 2010 Census. The County also benefits from being within a day's drive of 75 percent of the nation's markets and only minutes from three major interstates.

The County’s largest manufacturing employers include Nissan USA, Ingram Content Group, Asurion, Adient, Schneider Electric, and General Mills. While manufacturing is one of the County’s strongest economic segments, distribution, transportation, and other service-related industries are also large contributors to the strength of the economy. Tennessee's second largest state university with an enrollment over 20,000, a regional veteran's facility with 347 hospital beds and 245 long-term care beds, a call center for the Veteran's Administration, and numerous other companies are all located in Rutherford County. In March 2025, Barrett Firearms announced plans to expand their headquarters and build a new manufacturing and operations center in the County. This should result in an approximately \$76 million investment and create approximately 183 new jobs. Additionally, in May 2025, TriStar announced plans to build a new freestanding 24/7 Emergency Room Center in Murfreesboro.

Nissan, with thousands of employees from throughout the region, is a major employer in the County. The Nissan Vehicle Assembly Plant in Smyrna was opened in 1983. Nissan has reportedly invested over \$8.8 billion in manufacturing facilities. The Smyrna plant is located on over 884 acres and the facility covers over 6 million square feet. The plant capacity is over 640,000 vehicles per year. Currently, the Nissan plant produces the Murano, Pathfinder, Infiniti QX60 and the Rogue. On November 7, 2024, Nissan announced plans to reduce global production capacity by 20% and the global workforce by 9,000. Nissan’s current global workforce is over 132,000 employees. Nissan also announced plans to close several automobile

plants. Nissan did not disclose any specific plans or cuts, yet, related to the manufacturing facility in Smyrna, Tennessee. In April 2025, however, the Chairman of Nissan Americas announced new plans to increase production and employment at the Nissan Smyrna plant. No timeline for this planned increase in production was provided.

MAJOR RUTHERFORD COUNTY EMPLOYERS

Employer	Employees	Product/Service
Rutherford County Government and Board of Education	7,936	Government / Education
Nissan North America	5,700	Automobile Manufacturing
Middle Tennessee State University	3,015	Higher Education
City of Murfreesboro (Includes Schools)	2,769	Government / Education
Amazon Fulfillment Center	2,700	Distribution Center
Taylor Farms	2,326	Food Manufacturing
Ascension St. Thomas Rutherford	1,741	Healthcare
Ingram Book Company	1,700	Media Publishing and Distribution
Alvin C. York Veterans Administration Medical Center	1,300	Healthcare
Asurion	1,250	Wireless Devices - Refurbishing

Sources : Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2025.

LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT DATA

The labor force within the County has increased from 156,173 in 2015 to 213,937 in December 2025, reflecting a 37% increase. The Covid-19 outbreak, and the impact on economic conditions, resulted in a sharp increase in the unemployment rate in 2020. However, as of December 2025, the County's estimated unemployment rate is 2.7% which compares favorably to the State average of 3.6% and the U. S. average of 4.4%.

Year	Employment	Unemployment	Total Labor Force	Unemployment Percent		
				County	State	U.S.
2015	149,301	6,872	156,173	4.4%	5.5%	5.3%
2016	156,605	6,017	162,622	3.7%	4.7%	4.9%
2017	165,633	4,947	170,580	2.9%	3.7%	4.4%
2018	173,317	4,809	178,126	2.7%	3.5%	3.9%
2019	181,314	4,840	186,154	2.6%	3.3%	3.7%
2020	172,327	13,170	185,497	7.1%	7.5%	8.1%
2021	185,040	6,910	191,950	3.6%	4.5%	5.4%
2022	194,874	5,408	200,282	2.7%	3.4%	3.7%
2023	198,538	5,300	203,838	2.6%	3.2%	3.6%
2024	201,185	5,795	206,980	2.8%	3.4%	4.0%
Dec-25	208,161	5,776	213,937	2.7%	3.6%	4.4%

Source: Bureau of Labor Statistics and Tennessee Department of Labor and Workforce Development

EDUCATION

Two accredited public school systems—the Rutherford County Schools and the Murfreesboro City Schools—educate the majority of children in the County. In the 2024-2025 school year, the Rutherford County School System had an average daily membership of 51,201, an increase of 24% from the 2014-2015 school year. The Murfreesboro City School System had an average daily membership of 8,888 in the 2024-2025 school year, an increase of 18% from the 2013-2014 school year.

Average Daily Membership

Rutherford			Rutherford		
School Year	County Schools	Murfreesboro City Schools	School Year	County Schools	Murfreesboro City Schools
2005-2006	32,704	6,358	2015-2016	42,650	7,981
2006-2007	34,384	6,661	2016-2017	43,789	8,015
2007-2008	35,706	6,849	2017-2018	44,843	8,353
2008-2009	36,497	6,859	2018-2019	45,888	8,423
2009-2010	37,238	6,903	2019-2020	46,879	8,690
2010-2011	38,122	6,837	2020-2021	46,716	8,523
2011-2012	38,645	7,069	2021-2022	48,921	8,922
2012-2013	39,969	7,151	2022-2023	49,954	8,923
2013-2014	40,932	7,072	2023-2024	50,751	8,992
2014-2015	41,425	7,528	2024-2025	51,201	8,888

Source: Tennessee Department of Education

Rutherford County is also the home to several institutions of higher education. Middle Tennessee State University, located in Murfreesboro, is the second largest university in Tennessee. MTSU has enrollment over 20,000 students and faculty of approximately 900. Motlow Community College has four campuses including one in Rutherford County. The Rutherford County campus in Smyrna serves over 2,000 students.

ACCOUNTING AND FINANCIAL REPORTING FOR RETIREMENT COMMITMENTS

Employees of Rutherford County and non-certified employees of the Rutherford County School Department and employees of Community Care of Rutherford County are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). Teachers of the Rutherford 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 now closed to new membership. Teachers with membership in TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement 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 administrations 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 www.treasury.tn.gov/tcrs.

For detailed information on retirement commitments, see page 90, Note F, of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2025.

ACCOUNTING AND FINANCIAL REPORTING FOR OTHER POSTEMPLOYMENT BENEFITS

All full-time employees and eligible retirees of the primary government, the Smyrna-Rutherford County Airport Authority, Community Care of Rutherford County, Rutherford County Emergency Communications District and the Rutherford County School Department are eligible to participate in the health insurance cost-sharing plan accounted for in the Employee Insurance – Health Fund (internal service fund). For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits and premium requirements are established and amended by an insurance committee established by the County Commission. The plan is self-insured and financed on a pay-as-you-go basis. For detailed information on other post-employment benefits, see Appendix C, page 106, Note G of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2025.

PROPERTY TAX FREEZE PROGRAM

In its 2007 session, the 105th General Assembly enacted the *Property Tax Freeze Act* which authorizes the legislative body of any county and/or municipality to adopt the property tax freeze program for lower income senior citizens. The Act became effective on July 1, 2007.

Homeowners qualifying for an authorized program will have the property taxes on their principal residence frozen at a base tax amount, which is the amount of taxes owed in the year they first qualify for the program. Thereafter, as long as the owner continues to qualify for the program, the amount of property taxes owed for that property will not change, even if there is a property tax rate increase.

In order to qualify, the homeowner must file an application annually and must:

- Own their principal place of residence in a participating county and/or city
- Be 65 years of age or older by the end of the year in which the application is filed
- Have an income from all sources that does not exceed the county income limit established for that tax year

The Rutherford County Board of Commissioners created a property tax freeze program for qualifying citizens.

LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES

Significant financial demands continue as a result of the population growth rate being experienced by Rutherford County. A significant impact of this growth is the demand for additional capital investment. Tennessee statutes mandate to counties the primary responsibility for elementary and secondary education. Education is the largest single major expenditure function of the county. The Board of Education continues to forecast a need for additional schools and significant additions to existing schools within the next five years if growth continues.

In addition to the initial construction costs for new facilities, Rutherford County will incur significant additional recurring costs to staff, operate, and maintain the new facilities. The commissioners are aware of the significance of the additional costs and are expected to prepare the operating budgets accordingly.

Rutherford County is required to conduct a reappraisal of all taxable property every four years. The County completed a reappraisal process in 2022. The reappraisal resulted in a significant increase in recorded property valuations. Upon completion of a reappraisal a county is required to calculate a certified tax rate which is revenue neutral. For Rutherford County, the increase in property values resulted in a reduction of the prior tax rate of \$2.2194 per \$100 of assessed values down to a new certified tax rate of \$1.6162 per \$100 of assessed values.

For fiscal year 2023-2024, the County Commission increased the property tax rate from \$1.6162 to \$1.8762. This 16% increase in the property tax rate was approved to support the operations of the County and support the County's capital improvement plan. After the tax increase, the County's projected unassigned general fund balance is expected to exceed the minimum set by policy (15 percent). According to the Commission's policy, the excess is available to cover revenue shortfalls, unanticipated expenditures, and to ensure stable tax rates. The County Commission maintained the \$1.8762 tax rate for the 2024-2025 fiscal year and the 2025-2026 fiscal year.

To better serve the needs of the commission and the public, the commission reviewed the county's policy concerning the fund balance in the General Debt Service Fund. The last revision to this policy was approved April 17, 2014. The policy requires the finance director to determine or estimate the principal and interest requirements of the county and recommend sources of revenues to meet those actual or projected requirements. Additionally, the policy of the county requires that at the beginning of each fiscal year, the county will maintain an adequate amount in cash or investments in the General Debt Service Fund that is conservatively calculated to meet (1) cash flow needs, (2) budgeting contingencies, (3) emergency contingencies, (4) variable rate volatility contingencies, and (5) future forecasted needs. The ending fund balance of the General Debt Service Fund meets the debt service fund balance policy.

**RUTHERFORD COUNTY, TENNESSEE
GENERAL FINANCIAL INFORMATION
SUMMARY OF OUTSTANDING DEBT**

Amount Issued	Issue	Date Issued	Maturity Date	Interest Rate	Principal Outstanding 3/1/2026 ⁽¹⁾
88,800,000	GO Refunding Bonds, Series 2010	09/28/10	04/01/26	4.00% - 5.00%	4,840,000
2,570,000	GO Bonds, Series 2014B (Taxable)	06/12/14	04/01/34	1.20% - 4.10%	1,460,000
25,640,000	GO Refunding Bonds, Series 2016A	09/15/16	04/01/29	2.50% - 5.00%	11,550,000
101,000,000	GO Public Improvement & School Bonds, Series 2016B	09/28/16	04/01/26	5.00%	5,215,000 ⁽¹⁾
81,530,000	GO School Bonds, Series 2017	11/28/17	04/01/38	2.25% - 5.00%	59,955,000
40,680,000	GO School Bonds, Series 2018	08/30/18	04/01/38	2.80% - 5.00%	30,475,000
14,610,000	GO Bonds, Series 2019	09/20/19	04/01/29	5.00%	6,560,000
90,370,000	GO Bonds, Series 2020	10/15/20	04/01/40	1.50% - 5.00%	75,900,000
64,100,000	GO Refunding Bonds, Series 2020	11/12/20	04/01/32	0.27% - 1.73%	45,690,000
21,000,000	GO School Bonds, Series 2021A	09/01/21	04/01/41	2.00% - 5.00%	18,060,000
6,140,000	GO Bonds, Series 2021B (Taxable)	09/01/21	04/01/36	0.30% - 2.00%	4,995,000
171,240,000	GO Bonds, Series 2023	10/06/23	04/01/43	4.375% - 5.00%	160,770,000
43,510,000	GO Refunding and School Bonds, Series 2024	04/24/24	04/01/34	5.00%	39,975,000
20,130,000	GO Refunding Bonds, Series 2025	01/08/25	04/01/32	5.00%	20,130,000
104,715,000	GO School Bonds, Series 2025B	07/30/25	04/01/45	4.125% - 5.00%	104,715,000
59,000,000	Proposed GO Refunding Bonds, Series 2026	TBD	04/01/36	TBD	59,000,000 ⁽²⁾
Total					649,290,000
Total Current Outstanding Debt					\$649,290,000

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

Current Debt	\$649,290,000
Net Direct Debt	\$649,290,000
Net Overlapping Debt (As of 6/30/2025)⁽³⁾	268,506,328
Overall Net Debt	\$917,796,328

DEBT RECORD

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

(1) As of 3/1/2026 and adjusted for Proposed Refunding Bonds. Excludes Bonds being refunded.

(2) Preliminary, Subject to change.

(3) Consists of tax supported debt of Murfreesboro, Smyrna, Eagleville, and LaVergne.

Source: Annual Financial Reports prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2025.

POPULATION

	County	Tennessee
1980 U.S. Census	84,058	4,600,252
1990 U.S. Census	119,847	4,890,626
2000 U.S. Census	183,596	5,703,719
2010 U.S. Census	263,721	6,355,518
2020 U.S. Census	343,302	6,927,904
2021 U.S. Census Estimate	351,241	6,965,740
2022 U.S. Census Estimate	362,044	7,062,217
2023 U.S. Census Estimate	369,649	7,148,304
2024 U.S. Census Estimate	376,996	7,227,750

Source: U.S. Bureau of Census

PER CAPITA DEBT RATIOS

Net Direct Debt	\$1,722
Total Net Overlapping Debt	\$712
Overall Net Debt	\$2,434

DEBT RATIOS

	Assessed Value ⁽¹⁾	Estimated Actual Value ⁽¹⁾
Property Values	\$16,537,931,188	\$67,272,499,713
Net Direct Debt to	3.93%	0.97%
Total Net Overlapping Debt to	1.62%	0.40%
Overall Net Debt to	5.55%	1.36%

⁽¹⁾ Includes estimated value of property subject to in lieu of tax payments.

DEBT TREND For Fiscal Years Ending June 30

	2025	2024	2023	2022	2021
Bonded Debt	\$549,160,000	\$602,030,000	\$446,435,000	\$485,150,000	\$496,400,000
Notes & Cap. Leases & Loans	0	235,857	602,800	1,241,008	1,872,868
Total Net Debt	\$549,160,000	\$602,265,857	\$447,037,800	\$486,391,008	\$498,272,868

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2021-2025.

DEBT SERVICE REQUIREMENTS

Year Ended June 30	Existing Bonds (as of March 1, 2026) ⁽¹⁾		Plus: Proposed GO Refunding Bonds, Series 2026 ⁽²⁾		New Debt Service			
	Principal	Interest	Principal	Interest	Principal	Percent of Principal Retired	Interest	Total
1 2026	\$49,690,000	\$23,968,258			\$49,690,000		\$23,968,258	\$73,658,258
2 2027	40,350,000	21,477,479	4,800,000	2,528,831	45,150,000		24,006,310	69,156,310
3 2028	41,860,000	19,835,401	5,020,000	2,295,875	46,880,000		22,131,276	69,011,276
4 2029	40,770,000	18,221,038	5,270,000	2,044,875	46,040,000		20,265,913	66,305,913
5 2030	37,465,000	16,668,105	5,550,000	1,781,375	43,015,000	35.5%	18,449,480	61,464,480
6 2031	35,380,000	15,162,741	5,800,000	1,534,400	41,180,000		16,697,141	57,877,141
7 2032	36,905,000	13,662,799	6,000,000	1,302,400	42,905,000		14,965,199	57,870,199
8 2033	31,900,000	12,151,758	6,250,000	1,062,400	38,150,000		13,214,158	51,364,158
9 2034	33,180,000	10,895,323	6,500,000	812,400	39,680,000		11,707,723	51,387,723
10 2035	28,585,000	9,609,189	6,770,000	552,400	35,355,000	65.9%	10,161,589	45,516,589
11 2036	29,655,000	8,542,544	7,040,000	281,600	36,695,000		8,824,144	45,519,144
12 2037	30,290,000	7,422,944			30,290,000		7,422,944	37,712,944
13 2038	31,440,000	6,257,904			31,440,000		6,257,904	37,697,904
14 2039	24,000,000	5,043,762			24,000,000		5,043,762	29,043,762
15 2040	24,905,000	4,134,788			24,905,000	88.6%	4,134,788	29,039,788
16 2041	19,700,000	3,235,075			19,700,000		3,235,075	22,935,075
17 2042	19,110,000	2,422,300			19,110,000		2,422,300	21,532,300
18 2043	19,965,000	1,570,850			19,965,000		1,570,850	21,535,850
19 2044	7,400,000	681,300			7,400,000		681,300	8,081,300
20 2045	7,740,000	348,300			7,740,000	100.0%	348,300	8,088,300
	<u>\$590,290,000</u>	<u>\$201,311,858</u>	<u>\$59,000,000</u>	<u>\$14,196,556</u>	<u>\$649,290,000</u>		<u>\$215,508,413</u>	<u>\$864,798,413</u>

(1) Excludes Bonds being refunded.

(2) Preliminary, Subject to change.

Source: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2025 and 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 sub classifications 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 sub classifications 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 sub classifications 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.

Payment In Lieu of Tax Agreements

Rutherford County had payment in lieu of tax (PILOT) agreements with 22 companies in 2023-2024. Section 7-53-305, Tennessee Code Annotated, is the statutory basis for these agreements. This statute allows the County’s Industrial Development Board to finance new development with revenue bonds and establish the payment agreements for the term of the bonds.

The value of the property covered by these agreements declined in FY 2024 because a large portion of the PILOT agreement for Nissan expired in FY 2023. A new PILOT agreement with Nissan was entered into for the 2024 Tax Year. This agreement resulted in approximately \$2.8 million in new revenue per year beginning with FY 2025.

PILOT revenues go directly to the General Fund of the County. The revenues shown in the County’s financial statements include a portion which is allocable to the Town of Smyrna. Smyrna’s portion of the revenues is excluded from the table below.

ASSESSED AND ESTIMATED ACTUAL VALUES OF IN-LIEU-OF TAX AGREEMENTS AND TAX PAYMENTS

Fiscal Year Ending June 30	Tax Year	Estimated	Assessed	Tax Payments
2021	2020	\$2,123,583,821	\$727,122,146	\$5,676,655
2022	2021	\$2,147,759,351	\$724,194,857	\$5,647,756
2023	2022	\$2,213,575,621	\$786,195,518	\$4,269,576
2024	2023	\$747,191,513	\$272,388,051	\$1,969,367
2025	2024	\$1,310,857,926	\$375,280,800	\$4,790,812

Source: Annual Financial Reports and Auditor’s Report Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2025 and County Officials.

TOP TAXPAYERS

Business	Type of Business	Tax Year 2024 Assessed Value	Assessed Value as a % of Total Assessment	Tax Year 2024 Tax Levy	Tax Levy as a % of Total Levy
Nissan North America	Automobile Manufacturing	\$455,097,705 ⁽¹⁾	2.75%	\$5,844,992 ⁽²⁾⁽³⁾	1.93%
Middle Tennessee Electric	Public Utility	203,470,179	1.23%	3,817,507	1.26%
Prologis	Real Estate Development	179,095,980	1.08%	3,360,235	1.11%
Progress Residential	Rental Housing	144,468,904	0.87%	2,713,406	0.90%
American Homes 4 Rent LLC	Rental Housing	103,952,931	0.63%	1,950,447	0.64%
General Mills / Pillsbury	Food Products	73,416,885	0.44%	1,252,495	0.41%
BVA Avenue	The Avenues (Retail Mall)	64,800,000	0.39%	1,215,777	0.40%
Wal-mart	Retail	54,309,429	0.33%	1,018,954	0.34%
Bridgestone/Firestone USA	Tire Manufacturing	45,130,206	0.27%	846,732	0.28%
Swanson Development	Commercial Real Estate	44,111,887	0.27%	827,627	0.27%
		\$1,367,854,106	8.27%	\$22,848,172	7.55%

(1) The Assessed value figures shown are disproportionate to the taxes levied based on an in lieu of tax payment agreement.

(2) Nissan North America's Tax Year 2024 Tax Levy represents \$2,871,422 tax on real and personal property not covered by the PILOT agreement and \$2,973,570 net in lieu of tax payments.

(3) Tax revenues are limited by the terms of the in lieu of tax payment agreements.

Source: County Officials.

PROPERTY VALUATION AND PROPERTY TAX

Fiscal Year Tax Year	2024-2025 <u>2024</u>	2023-2024 <u>2023</u>	Reappraisal 2022-2023 <u>2022</u>	2021-2022 <u>2021</u>	2020-2021 <u>2020</u>
ESTIMATED ACTUAL VALUES					
Residential & Farm	\$46,923,083,423	\$38,377,871,148	\$37,023,068,204	\$27,858,085,586	\$26,662,018,623
Commercial & Industrial	14,705,357,108	12,369,994,008	12,015,770,998	9,904,595,340	9,563,203,130
Personal Property	3,464,955,826	3,302,166,420	2,628,077,672	2,380,877,077	2,235,978,061
Public Utilities	868,245,430	971,454,646	882,211,132	767,059,601	537,173,837
In Lieu of Property Tax Payments ⁽¹⁾⁽²⁾	1,310,857,926	747,191,513	2,213,575,621	2,147,759,351	2,123,583,821
Total Estimated Actual Values	<u>\$67,272,499,713</u>	<u>\$55,768,677,735</u>	<u>\$54,762,703,627</u>	<u>\$43,058,376,955</u>	<u>\$41,121,957,472</u>
Annual Percentage Change	20.63%	1.84%	27.18%	4.71%	15.09%
Estimated Per Capita Amount	\$178,444	\$150,869	\$151,260	\$122,589	\$119,784
ASSESSED VALUES					
Residential & Farm (at 25%)	\$9,926,578,298	\$9,594,467,787	\$9,255,767,051	\$6,169,173,053	\$5,904,304,024
Commercial & Industrial (at 40%)	4,977,469,274	4,947,997,603	4,806,308,399	3,509,396,221	3,388,434,133
Personal Property (at 30% - 40%)	879,613,686	990,649,926	789,138,344	633,344,313	594,758,913
Public Utilities (at 30%-55%)	378,989,130	424,039,953	385,085,159	324,821,516	234,476,380
In Lieu of Property Tax Payments ⁽¹⁾⁽²⁾	375,280,800	272,388,051	786,195,518	724,194,857	727,122,146
Total Assessed Values	<u>\$16,537,931,188</u>	<u>\$16,229,543,320</u>	<u>\$16,022,494,471</u>	<u>\$11,370,929,960</u>	<u>\$10,849,095,596</u>
Annual Percentage Change	1.90%	1.29%	40.91%	4.81%	2.44%
Estimated Per Capita Amount	\$43,868	\$43,905	\$44,256	\$32,374	\$31,602
Appraisal Ratio	84.62%	100.00%	100.00%	88.58%	88.58%
Assessed Values to Actual Values	24.58%	29.10%	29.26%	26.41%	26.38%
Property Tax Rate					
General/Operating	\$0.7862	\$0.7862	\$0.5262	\$0.6470	\$0.6170
Schools	0.6927	0.6927	0.8027	1.1024	1.1224
General Debt Service	0.3973	0.3973	0.2873	0.4700	0.4800
Total Property Tax Rate	<u>\$1.8762</u>	<u>\$1.8762</u>	<u>\$1.6162</u>	<u>\$2.2194</u>	<u>\$2.2194</u>
Taxes Levied					
Property Taxes	302,516,909	\$298,726,697	\$246,067,008	\$236,550,895	\$224,488,310
In-lieu of Property Taxes ⁽³⁾	4,790,812	1,969,367	4,269,576	5,647,756	5,676,655
Total Taxes	<u>\$307,307,721</u>	<u>\$300,696,064</u>	<u>\$250,336,584</u>	<u>\$242,198,651</u>	<u>\$230,164,965</u>
Current Collections					
Current Fiscal Year ⁽⁴⁾	\$296,265,802	\$290,991,810	\$241,530,070	\$233,710,645	\$221,580,862
Percent Collected Current FY	97.93%	97.41%	98.16%	98.80%	98.70%

(1) The value estimates for producing In-Lieu of Tax Payments were provided by the Rutherford County Trustee and Director of Finance. These values include Nissan which is the largest component.

(2) Tax revenues from this line item are limited by the terms of the in lieu of tax payment agreements. Tax revenues from the other categories of assessed values are not limited as to rate or amount.

(3) These values are net of the amount paid to the Town of Smyrna.

(4) Does not include In-Lieu of Property Taxes levied and collected.

Source: State Board of Equalization, 2020 - 2024 Tax Aggregate Reports of Tennessee, the Rutherford County Director of Finance, Clerk and Master, and Property Assessor.

FUND BALANCES

The General Fund is the chief operating fund of Rutherford County Government. At the end of the 2024-2025 fiscal year, the total fund balance and unassigned fund balance of the General Fund were approximately \$164 million and \$144 million, respectively. The increase in the General Fund balance was attributable to an increase in the property tax rate, conservative budgeting, and higher than expected investment income. The increase in the Debt Service Fund balance was attributable to an increase in property tax revenues, conservative budgeting and higher than expected investment income.

GOVERNMENTAL FUNDS	<u>06/30/25</u>	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>
General Government Fund	\$164,237,716	\$135,434,114	\$88,494,329	\$87,719,976	\$58,270,952
Ambulance Service	18,169,304	16,273,154	13,078,452	12,353,218	9,375,847
Special Revenue Funds	59,917,113	55,143,082	48,299,154	43,360,536	37,148,306
Education Funds	201,001,828	166,202,772	167,899,316	141,559,151	104,200,305
Debt Service Funds	72,762,393	68,754,452	14,521,861 ⁽¹⁾	52,075,652	52,222,607
Capital Project - Gen. Government	35,415,777	36,407,800	13,376,009	14,275,045	9,826,118
Capital Project - Education	19,219,010	171,491,423	59,944,199	37,030,401	42,367,978
TOTAL ALL FUNDS	<u>\$570,723,141</u>	<u>\$649,706,797</u>	<u>\$405,613,320</u>	<u>\$388,373,979</u>	<u>\$313,412,113</u>

(1) - The General Debt Service Fund loaned \$35,000,000 to the school department for construction costs during the year ended June 30, 2023. These funds were replenished when bonds were issued in October 2023.

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2021 - 2025.

WHEEL TAX

	<u>FY2024-25</u>	<u>FY2023-24</u>	<u>FY2022-23</u>	<u>FY2021-22</u>	<u>FY2020-21</u>
Rate	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
General Fund	\$4,909,208	\$4,653,961	\$4,574,320	\$4,319,099	\$3,945,563
Highways	4,909,207	4,653,961	4,574,320	4,319,099	3,945,563
General Purpose School	5,565,264	5,303,506	5,218,523	4,908,773	4,495,203
Total Amount Collected	<u>\$15,383,679</u>	<u>\$14,611,428</u>	<u>\$14,367,163</u>	<u>\$13,546,971</u>	<u>\$12,386,329</u>
% of Increase	5.29%	1.70%	6.05%	9.37%	3.56%

Note - Beginning in FY2023, this table excludes wheel taxes collected on behalf of, and distributed to, the City School System.

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2021-2025.

LOCAL SALES TAX

Tennessee counties may, by a resolution approved by the governing body, levy a sales tax on the same privileges subject to the State sales tax. The local option sales tax rate cannot exceed 2.75%. Additionally, the local option sales tax is only applicable to the first \$1,600 of any single article of personal property. The County's local sales tax collections for FY 2024-25 were over \$118 million, which excludes sales tax collected on behalf of, and distributed to, Cities within the County and the City School System. The County receives the portion of sales taxes originated in unincorporated areas. Sales tax revenues are an important part of the Rutherford County School budget but not a large part of the Rutherford County budget. Sales tax collections for the current fiscal year through February 2026 are 6.84% higher than during the same period in FY2025.

	<u>FY2024-25</u>	<u>FY2023-24</u>	<u>FY2022-23</u>	<u>FY2021-22</u>	<u>FY2020-21⁽¹⁾</u>
Rate (Percent of retail sales)	2.75%	2.75%	2.75%	2.75%	2.75%
Distribution					
General Fund	\$2,348,648	\$2,174,458	\$2,164,191	\$2,056,369	\$1,581,277
Solid Waste/Sanitation	7,045,943	6,523,375	6,492,573	6,169,108	4,743,832
Highway/Public Works	2,348,648	2,174,458	2,164,191	2,056,369	1,581,277
General Purpose School	107,217,571	104,703,656	101,893,712	95,662,753	81,355,898
Total Amount Collected	<u>\$118,960,810</u>	<u>\$115,575,947</u>	<u>\$112,714,667</u>	<u>\$105,944,599</u>	<u>\$89,262,284</u>
% of Increase	2.93%	2.54%	6.39%	18.69%	21.49%

(1) - County Officials attribute a portion of the increase in 2020-2021 to changes in Tennessee law that impacted the collection and distribution of sale tax revenue related to remote and online sales.

Note - Beginning in FY2023, this table excludes sales taxes collected on behalf of, and distributed to, Cities within the County and the City School System.

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2021-2025.

Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Fiscal Year ended June 30

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
REVENUES					
Local Taxes	\$140,588,330	\$134,033,692	\$97,168,120	\$86,388,305	\$79,877,340
Licenses & Permits	4,798,339	4,197,911	3,050,368	3,029,865	3,152,246
Fines, Forfeitures, and Penalties	1,794,692	1,574,030	1,623,060	1,465,722	1,432,103
Charges for Current Services	4,770,023	4,610,414	2,601,806	2,338,096	2,400,828
Other Local Revenues	19,540,510	17,514,720	10,409,271	2,272,792	2,461,696
Fees Received from County Officials	16,311,796	15,829,286	14,158,961	14,826,786	13,592,675
State of Tennessee	16,218,189	14,555,977	13,225,295	5,693,986	7,142,891
Federal Government	3,650,968	4,880,208	5,230,680	26,905,720	10,462,249
Other Governments	1,624,814	1,173,318	2,622,921	397,757	484,865
Total Taxes and Revenues	<u>209,297,661</u>	<u>198,369,556</u>	<u>150,090,482</u>	<u>143,319,029</u>	<u>121,006,893</u>
Other Sources:					
Debt Proceeds					
Insurance Recovery	5,409	214,242	94,454	447,741	228,845
Operating Transfers In				23,790,423	692,550
Total Other Sources	<u>5,409</u>	<u>214,242</u>	<u>94,454</u>	<u>24,238,164</u>	<u>921,395</u>
Total Revenues & Other Sources	<u>209,303,070</u>	<u>198,583,798</u>	<u>150,184,936</u>	<u>167,557,193</u>	<u>121,928,288</u>
EXPENDITURES					
General Government	16,738,495	13,913,452	14,019,261	10,034,003	10,416,326
Finance	14,600,267	13,800,983	12,014,068	10,419,957	10,510,037
Administration of Justice	14,383,733	13,114,880	12,108,548	10,469,346	10,218,872
Public Safety	99,332,694	88,144,829	76,694,402	63,701,145	54,393,374
Public Health and Welfare	8,868,087	7,874,535	7,031,262	5,986,963	7,090,820
Social, Cultural, and Recreational Services	3,398,474	3,439,625	3,318,200	3,127,101	2,897,390
Agriculture and Natural Resources	1,494,142	1,335,719	1,307,472	1,179,199	1,129,070
Other Operations	6,683,576	9,119,990	13,304,675	31,985,031	20,827,466
Total Expenditures	<u>165,499,468</u>	<u>150,744,013</u>	<u>139,797,888</u>	<u>136,902,745</u>	<u>117,483,355</u>
Payments to Refunded Bond Escrow Agent	-	-	-	-	-
Operating Transfers Out	15,000,000	900,000	9,612,695	1,205,424	805,909
Total Other Sources	<u>15,000,000</u>	<u>900,000</u>	<u>9,612,695</u>	<u>1,205,424</u>	<u>805,909</u>
Total Expenditures & Other Uses	<u>180,499,468</u>	<u>151,644,013</u>	<u>149,410,583</u>	<u>138,108,169</u>	<u>118,289,264</u>
Excess of Revenues & Other Sources					
Sources Over (Under) Expenditures	28,803,602	46,939,785	774,353	29,449,024	3,639,024
Fund Balance July 1	135,434,114	88,494,329	87,719,976	58,270,952	54,631,928
Prior Period Adjustment	-	-	-	-	-
Fund Balance, June 30	<u>164,237,716</u>	<u>135,434,114</u>	<u>88,494,329</u>	<u>87,719,976</u>	<u>58,270,952</u>

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2021-2025.

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 Debt 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 received from ad valorem taxes levied on all taxable property within the boundaries of the County securing the payment of principal of and interest on the Obligations are deposited in the Debt Service Funds 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, 2025. 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 revenues 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, 2025, in Appendix C hereto.

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APPENDIX C

Comprehensive Annual Financial Report of the County for the
Fiscal Year Ended June 30, 2025

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**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
RUTHERFORD COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2025**



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

Report Prepared by:

MICHAEL SMITH, CPA
Director of Finance
Rutherford County, Tennessee

Independent Audit Performed by:

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

JEFF BAILEY, CPA, CGFM, CFE
Audit Manager

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

RUTHERFORD COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following is a summary of the audit findings:

OFFICE OF DIRECTOR OF FINANCE

- ◆ Material audit adjustments were required for proper financial statement presentation.

OFFICES OF DIRECTOR OF FINANCE AND ASSESSOR OF PROPERTY

- ◆ Expenditures were misclassified in the accounting records of the General Fund.

OFFICE OF ASSESSOR OF PROPERTY

- ◆ The assessor did not properly prorate improvements and new construction.
- ◆ The assessor did not properly correct all square footage errors found during assessments.

OFFICE OF SHERIFF

- ◆ The annual financial report did not properly reflect the operations of the office.



INTRODUCTORY SECTION



RUTHERFORD COUNTY
FINANCE DEPARTMENT
Rutherford County Courthouse, Suite 201
Murfreesboro, Tennessee 37130
(615) 898-7795
FAX 904-7526

LETTER OF TRANSMITTAL

October 27, 2025

To the County Mayor, Board of County Commissioners, and Citizens
of Rutherford County, Tennessee

The Annual Comprehensive Financial Report (ACFR) of Rutherford County, Tennessee, for the year ended June 30, 2025, is hereby submitted as required by state statutes. These statutes require that all local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by the State of Tennessee's Comptroller of the Treasury, Division of Local Government Audit, or by independent public accountants within six months of the close of each fiscal year. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of Rutherford County. This report was prepared by the County's Finance Department in conjunction with the above state agency.

This report consists of management's representations concerning the finances of Rutherford County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Rutherford County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of financial statements in conformity with GAAP. The cost of internal controls should not outweigh their benefits in Rutherford County. The comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The goal of the independent audit was to provide reasonable assurance that the financial statements of Rutherford County, for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The financial statements of Rutherford County have been audited by the State of Tennessee's Comptroller of the Treasury, Division of Local Government Audit. The independent

auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the financial statements of Rutherford County, for the fiscal year ended June 30, 2025, that are fairly presented in accordance with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Rutherford County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and compliance with legal requirements involving the administration of federal awards. These reports are available in a separate section of this annual comprehensive financial report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Rutherford County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Located in the "Heart of Tennessee" with 615 square miles of land area, Rutherford County is the geographic center of the state and is the fifth largest county in the state. Rutherford County was incorporated in 1834 and is governed by an elected County Mayor and a 21-member County Commission. Virtually all the County Commission's business is conducted through the committee system before moving to the full County Commission for a final vote. The County provides a full range of services, including elementary and secondary education, law enforcement and corrections, judicial, solid waste collection, public health and welfare, and the construction and maintenance of highways and related infrastructure.

Rutherford County operates under Chapter 49, Private Acts of 1979, as amended. This legislation is specific only to Rutherford County and governs the authorities, responsibilities, and day-to-day operations of the Finance Department. The finance director reports directly to the County Commission and is responsible for establishing and maintaining an accounting system for all funds of the County in accordance with generally accepted accounting principles. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). A formal budget is adopted annually by the County Commission for the General Fund, Solid Waste/Sanitation Fund, Ambulance Service Fund, Industrial/Economic Development Fund, Special Purpose (DEA) Fund, Drug Control Fund, Highway/Public Works Fund, and General Debt Service Fund. In addition, the County Commission also approves the school department funds and is their funding body. These funds are reviewed daily by the Finance Department for compliance. No appropriation made by the County Commission may be legally exceeded, except by resolution of the full commission. The County Commission's budgetary control is at the major category level as defined by the County Uniform Chart of Accounts, prescribed by the Tennessee State Comptroller's Office. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on Exhibit C-5. For governmental funds with appropriated annual budgets, other than the General Fund, the information is presented on Exhibits G-3 through H.

The financial statements include separate reporting for three legally separate entities: (1) Rutherford County Board of Education, which operates the public school system in the County; (2) Community Care of Rutherford County, Inc., which provides nursing home care to the citizens of Rutherford County; and (3) Rutherford County Emergency Communications District, which provides a simplified means of securing emergency services through a uniform emergency number for the residents of Rutherford County. Rutherford County is financially accountable only for the Rutherford County Board of Education.

ECONOMIC CONDITION

Local Economy

The strength of Rutherford County's economy can be attributed to its diversity of manufacturing, retail establishments, warehouse facilities, higher education institutions, medical services and corporate call centers. The County's strong economy in turn attracts a growing population. Rutherford County has been recognized as one of the fastest growing counties in America. The citizenry has grown to 379,939 per the 2025 Census estimates, which is 27.2% above the 2016 Census.

The County's largest manufacturing employers include Nissan USA, Asurion, Bridgestone, Adient, Schneider Electric, and General Mills. While manufacturing is one of the County's strongest economic segments, distribution, transportation, and other service related industries are also large contributors to the strength of the economy. Tennessee's second largest state university with an enrollment of approximately 22,000, a regional veteran's facility with 347 hospital beds and 245 long-term care beds, a call center for the Veteran's Administration, and numerous other companies are all located in Rutherford County. The employees of the south-central regional office for State Farm Insurance continue to work remotely. The County also benefits from being within a day's drive of 75 percent of the nation's markets and only minutes from three major interstates.

Nissan, with approximately 5,700 employees from throughout the region, is a major employer in the County. The Nissan Vehicle Assembly Plant in Smyrna was opened in 1983. Nissan has reportedly invested over \$6.4 billion in manufacturing facilities. The Smyrna plant is located on over 884 acres, and the facility covers over 5.9 million square feet. The plant capacity is over 640,000 vehicles per year. Currently, the Nissan plant produces the Maxima, Murano, Pathfinder, Leaf, Infiniti QX60 and Rogue.

The economic base in the County continues to grow. In March 2025, Barrett Firearms Manufacturing, Inc, announced their expansion of a new facility with an investment of \$76.4 million. The estimated 250,000-square-foot Barrett Manufacturing & Technology Campus will serve as the company's primary global firearms manufacturing site and will offer employees a cutting-edge campus environment, housing state-of-the-art manufacturing, a corporate office and other major operations. Additionally, the NIOA Group, Barrett's Australian-owned parent company, intends to locate its U.S. headquarters at the facility upon completion.

In August 2022, Minnesota-based McNeilus Truck and Manufacturing, Inc., an Oshkosh Corporation company, announced that they were investing more than \$50 million to expand its manufacturing presence in Murfreesboro. McNeilus expected to occupy a new facility which will bring 230 new jobs to the area over the next five years. In July of 2023, McNeilus announced the investment of an additional \$25.2 million to expand its manufacturing presence. The new

investment is expected to bring an additional 100 jobs for the fabrication and weldment of custom vehicle components.

Retail and mixed-use developments in Rutherford County include the following:

- **Buc-ee's:** the highly anticipated 74,000-square-foot travel center, a major corporate and retail development, broke ground in October 2025 in Murfreesboro along Joe B. Jackson Parkway at Interstate 24.
- **Trader Joe's:** A new Trader Joe's grocery store opened in Murfreesboro at 2305 Medical Center Parkway in April 2025.
- **Wawa;** the convenience store chain broke ground on its first Murfreesboro location on Veterans Parkway in a major expansion into Middle Tennessee in August 2025. This is the company's first location in Murfreesboro.
- **The Twinning Project (La Vergne):** This 77-acre development is set to bring a mix of retail, dining, and residential space to the area.
- **The Keystone Project (Murfreesboro):** This large-scale project aims to revitalize downtown Murfreesboro by blending modern living, dining, and retail experiences.
- **Other businesses:** Other businesses opening or planning locations include Kroger (Smyrna), Aldi (La Vergne), In-N-Out Burger, P.F. Chang's, Raising Cane's, and Smackdab Brewing, a new downtown brewery in Murfreesboro.

The labor force within the County has increased from 203,026 in June 2024 to 213,019 in June 2025, reflecting a 4.9% increase. However, as of June 2025, the County's estimated unemployment rate is 3.4% which compares favorably to the State average of 3.5% and the U. S. average of 4.1%.

Using the local option sales tax revenue received by the General Purpose School Fund as another economic indicator for the County, since all local sales tax includes an education component, it's interesting to note during FY 2025 this revenue component increased 2.4 percent over the prior year to \$107.2 million. Rutherford County Board of Education depends on the education component of the local option sales tax to provide 18.38 percent of its income for the fiscal year.

Rutherford County had a major impact on tourism numbers in the Volunteer State last year. According to Rutherford County, the annual amount of money spent by visitors to Rutherford County increased by 1.92% between 2023 and 2024. A total of \$787.6 million was spent by guests in Rutherford County in 2024. Of the money spent locally, 30.4% went to the food and beverage industry, 29.7% was spent on transportation, 21.8% was used for lodging, 10.1% was spent in local retail stores and the remaining 8% was used for recreation.

Major Initiatives

Schools: Major financial pressures continue because of the very high population growth rate being experienced by Rutherford County. The most significant impact of this growth is the demand for additional capital investment. The school system's enrollment increased by 768 students in the last five years.

In FY25, the Commission approved funding of \$67 million for the construction of a new middle school and \$39.4 million for an addition at LaVergne High School. We issued this bond in July 2025. With this issuance the county was also able to obtain a "AAA" credit rating from all three major rating agencies (Fitch, S&P, and Moody's).

Solid Waste: Besides the remarkable population growth, the County is experiencing, another pressing challenge facing the County and Municipal Governments is our locally available disposal

capacity for both solid waste and debris. In August 2016, the County and city of Murfreesboro contracted with Gershman, Brickner & Bratton, Inc. (GBB) to prepare a solid waste strategic plan that would identify and evaluate available technologies to expand, create, supplement, or replace the existing infrastructure to manage the community's solid waste management needs into the next 20 to 40 years. To evaluate the situation, representatives from the County and cities of Murfreesboro, Eagleville, LaVergne and town of Smyrna participated in a Solid Waste Advisory/Steering Council (SWAC) organized by the County and City of Murfreesboro. The GBB Project Team conducted a planning and public decision-making process that reviewed key factors such as: technology and management options for the future solid waste management system; who the solid waste management system should serve; how the system should be implemented; and, how the system will be administered. In February 2018, at its final meeting, the SWAC endorsed the organizational option of creating a solid waste management authority under the Tennessee Solid Waste Authority Act of 1991. At the same meeting the SWAC recommended the solid waste authority pursue two management options. The first being a plan to extend the available time for disposing of waste at the Middle Point landfill, delaying closure and the loss of economic benefits (referred to as Middle Point 2.0). The second was the idea to develop two transfer stations in the County allowing waste and recyclables to be consolidated and better marketed for disposal or processing (referred to as Max-Flex system). In April 2018, the Rutherford County Commission dismissed the recommendation for Middle Point 2.0 and tabled a decision regarding the recommendation for the creation of an Authority but requested additional information regarding the Max-Flex system. During the 2018-2019 fiscal year, key decision makers visited many solid waste and recycle facilities across the country and within Tennessee. During 2019-2020 many companies proposed various ideas for waste disposal and recycling efforts in response to a request for information issued by the County in June 2020. Based on the gathered information, the County engaged Caldwell Environmental Solutions, LLC in November 2020 to assist with a request for proposal process. As a result, nine companies responded and have presented their proposals to the Public Works Committee. In October 2022, the commission authorized \$200 thousand for the design and engineering of a transfer station. In October 2023, the commission borrowed \$20 million through a General Obligation Bond Debt issuance to fund the construction of a waste transfer station. The facility was open for operations on June 17, 2025, with a ribbon cutting ceremony.

Long-term Financial Planning and Relevant Financial Policies

On June 23, 2025, the County Commission agreed to use \$2,773 of the unassigned fund balance to fund the General Fund operations for the 2025-2026 fiscal year. For fiscal year 2025-2026, the County Commission approved no change to the property tax rate of \$1.8762. The County's projected unassigned general fund balance is expected to exceed the minimum set by policy (15 percent). According to the Commission's policy, the excess is available to cover revenue shortfalls, unanticipated expenditures, and to ensure stable tax rates.

To better serve the needs of the commission and the public, the commission has reviewed the County's policy concerning the fund balance in the General Debt Service Fund. The policy requires the finance director to determine or estimate the principal and interest requirements of the County and recommend sources of revenues to meet those actual or projected requirements. Additionally, the policy of the County requires that at the beginning of each fiscal year, the County will maintain an adequate amount in cash or investments in the General Debt Service Fund that is conservatively calculated to meet (1) cash flow needs, (2) budgeting contingencies, (3) emergency contingencies, (4) variable rate volatility contingencies, and (5) future forecasted needs. The ending fund balance of the General Debt Service Fund meets the debt service fund balance policy.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Rutherford County has received the Certificate of Achievement for 29 consecutive fiscal years. We believe that our current ACFR continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department during the past fiscal year. They are Mark Tucker, Teresa Jolly, Chrissi Caruthers, Reba Carleton, Sharon Richards, Jennifer Henson, Scott Magner, Lisa Boulanger, Kierstie Jensen, Patricia Newcomb, Denise Terranova, Megan Mckee and Alissa Phillips. I would also like to thank the staff of the County's Office of Information Technology for keeping our accounting system operational. Credit should also be given to the County Mayor and the governing body for their interest and support in planning and conducting the operations of Rutherford County government in a responsible and progressive manner.

Sincerely,

Michael Smith, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Rutherford County
Tennessee**

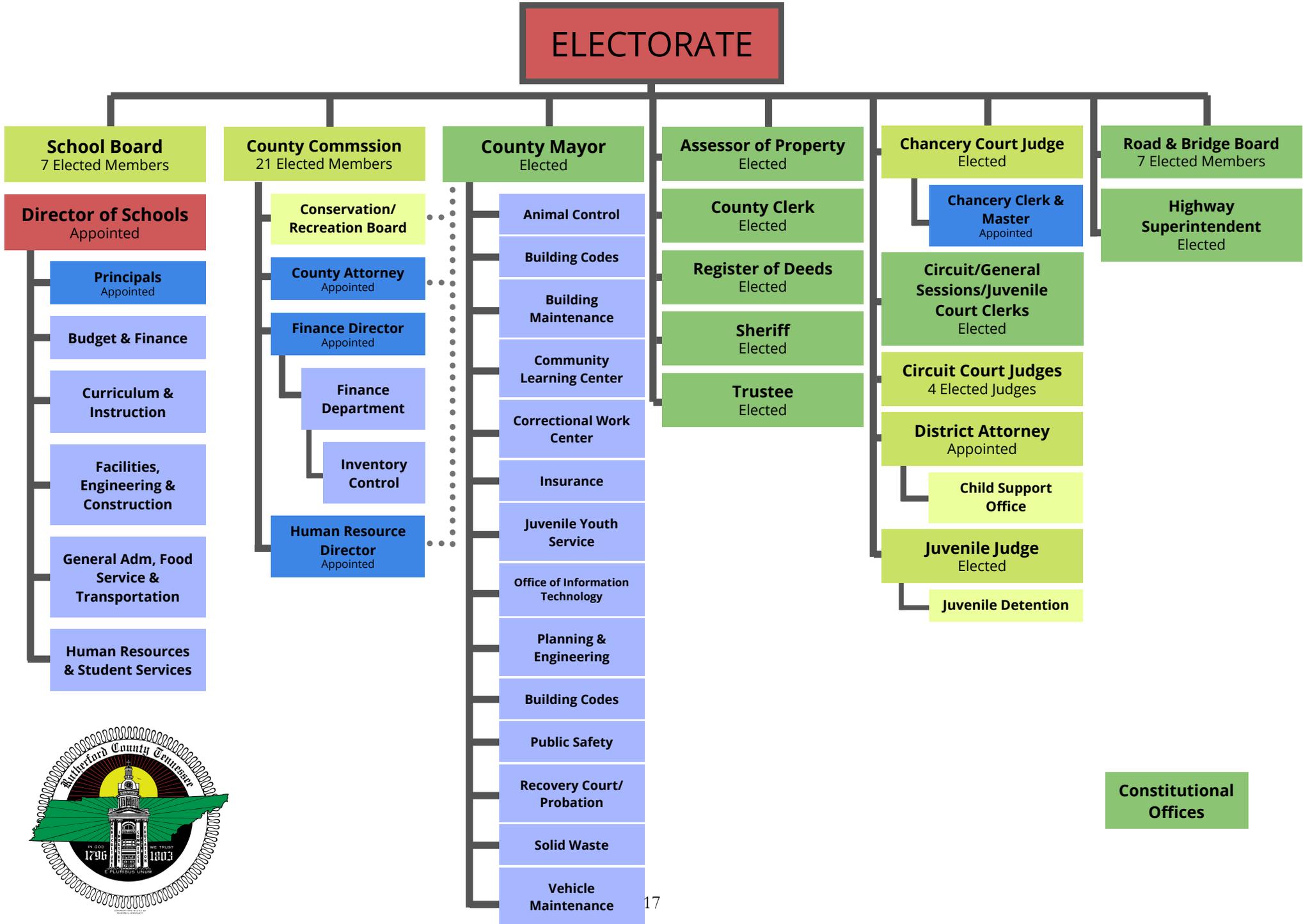
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Rutherford County Government Organizational Chart



RUTHERFORD COUNTY OFFICIALS

June 30, 2025

Officials

Joe Carr, County Mayor
Greg Brooks, Highway Superintendent
James Sullivan, Director of Schools
Thomas Batey, Trustee
Rob Mitchell, Assessor of Property
Lisa Duke Crowell, County Clerk
Melissa Harrell, Circuit, General Sessions, and Juvenile Courts Clerk
Adam Dodd, Clerk and Master
Heather Dawbarn, Register of Deeds
Michael Fitzhugh, Sheriff
Michael Smith, Director of Finance

Board of County Commissioners

Jeff Phillips, Chairman	Phil Wilson
Hope Oliver	Anthony Johnson
Steve Percy	Carl Boyd
Michael Wrather	Paul Johnson
Robert Peay Jr.	Wayne Irvin
Laura Davidson	Craig Harris
Jonathan Beverly	Phil Dodd
Michael Kusch	Allen McAdoo
Pettus Reed	Romel McMurry
Joshua James	Trey Gooch
Chantho Sourinho	

Highway Commissioners

Michael Shirley, Chairman	Mark Lee
Keith Elrod	David Victory
Michael Anderson	Elaine Williams
Keith Bratcher	

Board of Education

Clair Maxwell, Chairman	Caleb Tidwell
Francis Rosales	Butch Vaughn
Katie Darby	Stan Vaught
Tammy Sharp	

Audit Committee

Barbara Sutton, Chairman	Suzanne Vandiver
Mark Lee	Hope Oliver
Caleb Tidwell	Craig Harris
Blair Haskins	

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Rutherford County Mayor and
Board of County Commissioners
Rutherford 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 Rutherford County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rutherford County, Tennessee, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund 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 discretely presented Community Care of Rutherford County, Inc., which represent 0.49 percent, 0.54 percent, and 1.86 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We did not audit the financial statements of the discretely presented Rutherford County Emergency Communications District, which represent 0.99 percent, 1.09 percent, and 0.46 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We did not audit the financial statements of the Internal School Fund of the Rutherford County School Department (a discretely presented component unit), which represent 1.03 percent, 1.18 percent, and 3.59 percent respectively, of the assets, net position, and revenues of the discretely presented school department component unit. Those amounts were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for the discretely presented Community Care of Rutherford County, Inc., the discretely presented Rutherford County Emergency Communications District, and the Internal School Fund of the discretely presented Rutherford County School Department is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Rutherford County, Tennessee, and to meet our other ethical responsibilities,

in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

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

Emphasis of Matter

We draw attention to Note I.D.11. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling (\$2,250,191) for the primary government and (\$4,216,879) for the discretely presented Rutherford County School Department. These restatements were necessary because of the transitional requirements of GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rutherford 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 Rutherford 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 Rutherford 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of changes in the county's, school department's, and community care's net pension liability (asset) and related ratios, schedules of county, school, and community care contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county (county plan includes primary government, discretely presented school department nonprofessional staff, discretely presented community care, discretely presented emergency communications district, and airport joint venture) and school department (professional staff) changes in the total OPEB 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 Rutherford 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 Rutherford 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 Rutherford 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 and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Requirements by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2025, on our consideration of Rutherford 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 Rutherford 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 Rutherford County's internal control over financial reporting and compliance.

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee



October 27, 2025

JEM/gc

Rutherford County, Tennessee
Management's Discussion and Analysis
For the Year Ended June 30, 2025

As management for Rutherford County, Tennessee, we offer readers of the financial statements for Rutherford County, Tennessee, this narrative overview and analysis of the financial activities of the Rutherford County, Tennessee, government for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report. **All amounts, unless otherwise indicated, are expressed in thousands of dollars.**

Financial Highlights

- The assets and deferred outflows of resources of Rutherford County Government exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$214,446 (net position). Part of the liabilities (\$449,603) is long-term debt that is attributable to the Rutherford County Board of Education (RCBOE), a component unit. The related capital assets are reported in the financial statements of the RCBOE.
- The total change in net position from the prior year was an increase of \$109,331. From yearly activity, the government's total net position increased by \$111,581 resulting mostly from the primary government NOT borrowing funds on behalf of RCBOE in the fiscal year. Net position was decreased by \$2,250 because of a restatement due to the implementation of GASB Statement 101 *Compensated Absences*.
- As of the close of the current fiscal year, the governmental funds of Rutherford County, Tennessee, reported combined ending fund balances of \$350,502, an increase of \$38,490 in comparison with the prior year. Most of the increase occurred in the General and General Debt Service funds, due to larger than expected investment income because of higher interest rates. Of the combined fund balances, \$281,098 is available for spending at the government's discretion. However, assigned and unassigned fund balances in the General Fund total \$147,058 are the most available.
- At the end of the current fiscal year, an assigned fund balance of \$2,773 in the General Fund will be used to fund operations in the 2025-2026 fiscal year. Unassigned fund balance for the General Fund was \$144,285 or 87.2 percent of total General Fund expenditures.
- The total debt of Rutherford County, Tennessee decreased by \$53,106 (8.8 percent) during the current fiscal year. During the fiscal year, the county retired \$51,555 of bonded debt, and retired principal balances of \$236 for other loans. The county also issued \$20,130 in bonds to refund \$21,445 of previously issued bonded debt.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements of Rutherford County, Tennessee. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the finances of Rutherford County, Tennessee, in a manner similar to a private-sector business. The government-wide financial statements consist of two statements: the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on all of the assets, deferred outflows, liabilities, and deferred inflows for Rutherford County, Tennessee, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Rutherford County, Tennessee, is improving or deteriorating.

The Statement of Activities presents information showing how Rutherford County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Rutherford County, Tennessee, that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Rutherford County, Tennessee, include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; and highways/public works. The Rutherford County Government has no business-type activities to report.

The government-wide financial statements include not only Rutherford County Government itself (known as the primary government), but also a legally separate school system for which the Rutherford County Government is financially accountable. These statements also include a legally separate E-911 district and a legally separate nursing home facility. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on Exhibits A and B of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Rutherford County, Tennessee, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Rutherford County, Tennessee, can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is short-term in comparison to the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Rutherford County, Tennessee, maintains 11 individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and General Debt Service Fund, both of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Rutherford County, Tennessee, adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-5 of this report.

Proprietary funds. Rutherford County maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among Rutherford County's various functions. Rutherford County, Tennessee, uses internal service funds to account for the county's self-insured insurance funds (workers'

compensation, employee health insurance, and liability). Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Rutherford County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on Exhibits E-1 through E-2 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found after the Basic Financial Statements; see the table of contents for location.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension information and other postemployment benefits information. This required information has been presented in the required supplementary information section of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the required supplementary information. Combining and individual fund statements and schedules can be found on Exhibits G-1 through J-2 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Rutherford County, Tennessee, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$214,446 at the close of the fiscal year. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, whenever the Rutherford County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the Rutherford County Government. As of June 30, 2025, Rutherford County had outstanding debt totaling \$449,603 for capital purposes of the Rutherford County Board of Education, but the capital assets are reported in the financial statements of the Rutherford County Board of Education. Rutherford County has incurred the related liability significantly decreasing its unrestricted net position without a corresponding increase in the county's capital assets.

Rutherford County, Tennessee, Net Position

	Governmental Activities	
	2024	2025
Assets:		
Current and other assets	\$ 571,309	\$ 614,899
Capital assets	409,989	426,128
Total assets	\$ 981,298	\$ 1,041,027
Deferred outflows of resources:		
Deferred charge on refunding	\$ 2,717	\$ 2,106
Pension related	41,528	39,109
OPEB related	0	0
Total deferred outflows of resources	\$ 44,245	\$ 41,215
Liabilities:		
Long-term liabilities outstanding	\$ 641,567	\$ 638,192
Unearned Revenue	7,169	482
Other liabilities	71,941	14,453
Total liabilities	\$ 720,677	\$ 653,127
Deferred inflows of resources:		
Deferred current property taxes	\$ 188,477	\$ 197,938
Pension related	2,948	4,775
OPEB related	8,325	11,956
Total deferred inflows of resources	\$ 199,750	\$ 214,669
Net position:		
Net investment in capital assets	\$ 318,772	\$ 332,788
Restricted	20,840	26,306
Unrestricted	(234,497)	(144,648)
Total net position	\$ 105,115	\$ 214,446

By far the largest portion of Rutherford County’s net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) of \$332,788; less any related debt used to acquire those assets that is still outstanding. Rutherford County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Rutherford County’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Rutherford County’s Changes in Net Position

Governmental activities. Governmental activities increased Rutherford County Government’s net position by \$111,581. Key elements of this increase are displayed on the Changes in Net Position Table. While revenues only increased \$1,632 from the prior year, expenses decreased \$102,301. The largest component of the decrease is Education, which had a reduction of \$159,927, was due to the county not borrowing funds on behalf of the county’s schools. The following table also presents 2024-2025 revenues and expenses as a percentage of total revenues and expenses.

CHANGES IN NET POSITION

	Governmental Activities		
	2024	2025	
Revenues:			
Program revenues:			
Charges for services	\$ 74,181	\$ 66,446	18%
Operating grants and contributions	18,400	20,061	5%
Capital grants and contributions	19,505	13,839	4%
General revenues:			
Property taxes	184,787	192,684	51%
Payment in-lieu-of taxes	2,775	7,492	2%
Local option sales taxes	10,898	11,858	3%
Hotel/Motel tax	6,059	5,957	2%
Wheel tax	9,308	9,818	3%
Business tax	6,087	6,352	2%
Mixed drink tax	28	33	0%
Litigation tax	3,492	3,642	1%
Development/School facilities tax	3,479	2,596	1%
Mineral severance tax	1,128	727	0%
Bank excise tax	1,806	1,576	0%
Wholesale beer tax	922	616	0%
Grants and contributions not restricted to specific programs	3,343	3,751	1%
Unrestricted investment income	27,221	28,596	8%
Other	1,049	56	0%
Total revenues	<u>\$ 374,468</u>	<u>\$ 376,100</u>	100%
Expenses:			
General government	\$ 31,723	\$ 29,326	11%
Finance	17,492	21,678	8%
Administration of justice	17,758	21,703	8%
Public safety	67,651	105,165	40%
Public health and welfare	28,106	41,841	16%
Social, cultural, and recreation services	4,426	4,462	2%
Agriculture and natural resources	1,481	1,697	1%
Highways	15,282	17,017	6%
Education	167,352	7,425	3%
Interest on long-term debt	15,549	14,205	5%
Total expenses	<u>\$ 366,820</u>	<u>\$ 264,519</u>	100%
Change in net position	\$ 7,648	\$ 111,581	
Net position, July 1	97,467	105,115	
Restatement-See Note 1.D.11	0	(2,250)	
Net position, June 30	<u>\$ 105,115</u>	<u>\$ 214,446</u>	

Changes in general revenue occurred primarily due to an approximate 3% growth in the tax base, mainly resulting from continued new development and an increase in population. Also, a decrease in program revenues is due to the school system seeing a reduction from Covid era grants. In addition, the County Trustee's offices collected 97.93 percent of the current year tax levy by year end compared to 97.41 percent in the prior year. The overall property tax rate remained the same from the prior year.

Governmental Program Expenses

The cost of all governmental activities was \$264,519. However, as shown on the previous page, 37.9 percent of these costs (\$100,346) were paid either by those who directly benefited from the programs (\$66,446), by other governments and organizations that subsidized certain programs with operating grants and contributions (\$20,061), or by capital grants and contributions (\$13,839). The county paid for the remaining “public benefit” portion of governmental activities with taxes, general grants and contributions, and other miscellaneous revenue (62.1 percent of the cost of all governmental activities).

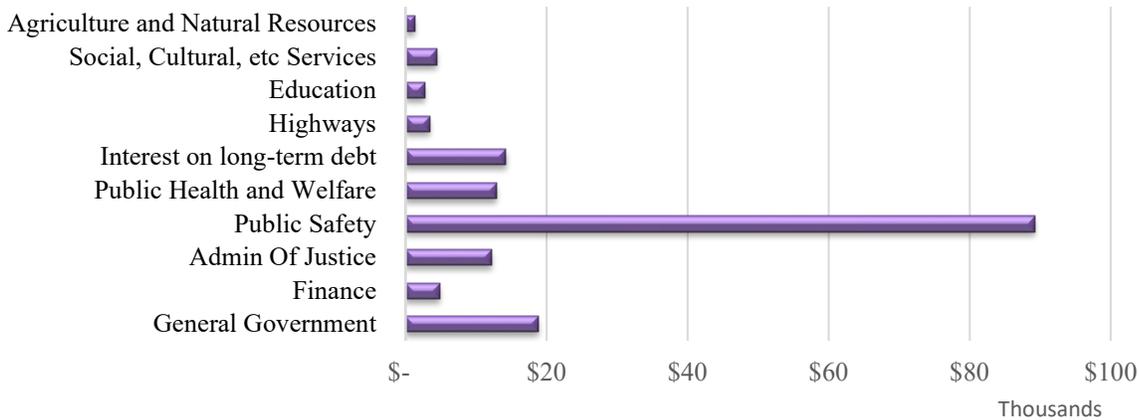
Public Safety expenses of \$105,165, General Government expenses of \$29,326, and Public Health and Welfare expenses of \$41,841 comprise the largest categories of expenses for Rutherford County, which when combined (\$176,332) comprise 66.7 percent of total expenses.

Expenses by Governmental Activities. The following table shows the “net (expense) revenue” as a percentage of the total expense. Net expense is all program expenses less all program revenue. Citizens must then pay for these governmental activities through taxes, unrestricted grants, contributions, and investment income. The next table shows the percentage of total expenses, along with the impact of the program on the local citizens’ tax base, as a percentage. For example, during the 2024-2025 fiscal year, 33.7 percent of Public Safety expenses was covered by the local citizen tax base while 7.1 percent for General Government expenses was covered by the local citizen tax base.

Net Program Cost to Taxpayers Allocation of the Citizen Tax Base to Governmental Activities

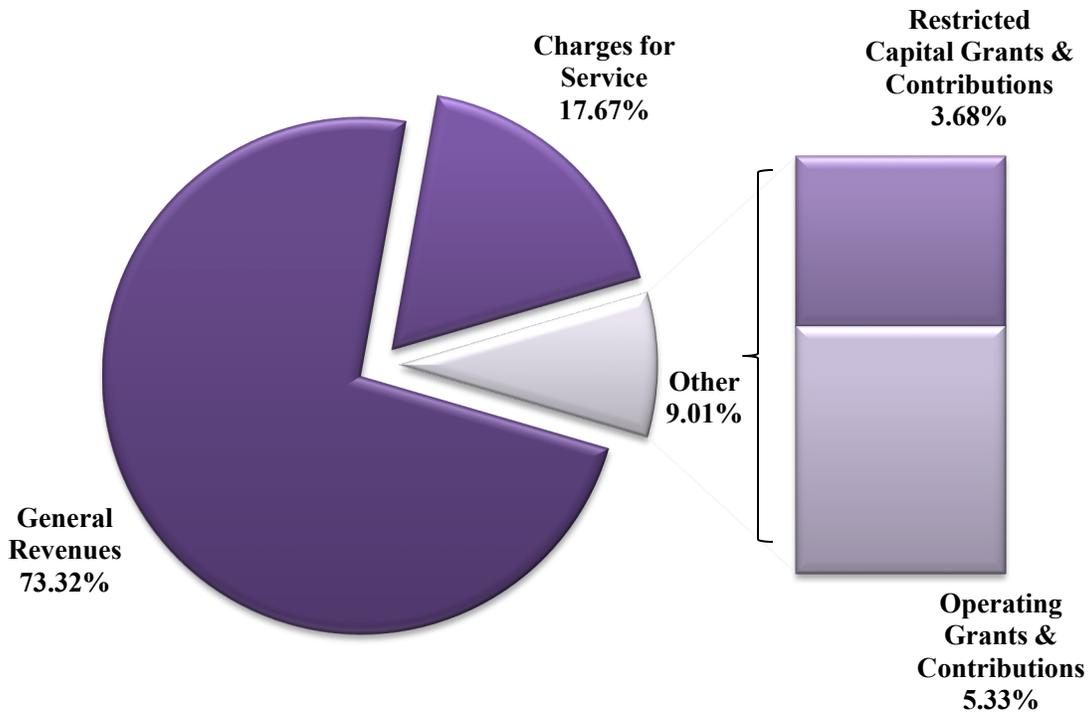
Function - % of Total Expense	Program Revenue	Expense	Net (Expense) Revenue	Net Expense as % to Total Expense
General Gov't - 11.09%	\$ 10,479	\$ 29,326	\$ (18,847)	7.1%
Finance - 8.2%	16,892	21,678	(4,787)	1.8%
Admin. of Justice - 8.2%	9,502	21,703	(12,201)	4.6%
Public Safety - 39.76%	15,950	105,165	(89,215)	33.7%
Health & Welfare - 15.82%	28,944	41,841	(12,897)	4.9%
Social, Cultural, Rec. Services - 1.69%	-	4,462	(4,462)	1.7%
Agri. & Natural Resources - .64%	349	1,697	(1,348)	0.5%
Highways - 6.43%	13,548	17,017	(3,470)	1.3%
Education - 2.81%	4,683	7,425	(2,742)	1.0%
Interest on debt - 5.37%	-	14,205	(14,205)	5.4%
Total Governmental Activities	\$100,346	\$ 264,519	\$ (164,173)	62.1%

Net Expense



Revenues

Revenues on the government-wide statement of activities are broken into two major categories: program revenues and general revenues. Of the total revenues, 26.68 percent is received from program revenues and 73.32 percent from general revenues.



Program revenues are of three types: charges for services/exchange type transactions (arise from charges to customers), operating grants and contributions that are restricted for a specific purpose, and capital grants and contributions that are restricted for a specific purpose. As depicted in the previous chart, the largest source of program revenue is from charges for services.

General revenues are all revenues that do not qualify as program revenues and by far are the largest revenue source. Within this major category, as in prior years, the largest single revenue source is property tax and payments in-lieu-of tax (PILOT) as illustrated in the following chart.

General Revenue	Revenue	% of total General Revenue
Property Taxes Levied	\$ 192,684	69.88%
Payments in-Lieu-of Tax	7,492	2.72%
Local Option Sales Tax	11,858	4.30%
Hotel/Motel Tax	5,957	2.16%
Wheel Tax	9,818	3.56%
Business Tax	6,352	2.30%
Mixed Drink Tax	33	0.01%
Litigation Tax	3,642	1.32%
Adequate Facilities/Development Tax	2,596	0.94%
Mineral Severance Tax	727	0.26%
Bank Excise Tax	1,576	0.57%
Wholesale Beer Tax	616	0.22%
Grants and Contributions Not Restricted to Specif	3,751	1.36%
Unrestricted Investment Income	28,596	10.37%
Miscellaneous	56	0.02%
Total	\$ 275,754	100%

Financial Analysis of the Government's Funds

As noted earlier, Rutherford County Government uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Rutherford County Government's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Rutherford County Government's financing requirements.

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: non-spendable, restricted, committed, assigned, or unassigned.

- Non-spendable Fund Balance, \$99– 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, \$38,232– 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, \$31,073– 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.
- Assigned Fund Balance, \$136,813– includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The County Commission has authorized the Budget/Finance Committee by resolution to make assignments.
- Unassigned Fund Balance, \$144,285– the residual classification of the General Fund. This classification generally represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

As of the end of the current fiscal year, Rutherford County Government's governmental funds reported combined ending fund balances of \$350,502, which was an increase of \$38,490 in comparison with the prior year. The county's General Fund and General Debt Service Fund experienced most of the increase due to conservative budgeting of property tax and investment income. Also, there was an unexpected increase in PILOT revenue, due to a large PILOT agreement with Nissan.

The General Fund is the chief operating fund of Rutherford County Government. On a budgetary basis, the actual net change to fund balance was an increase of \$17,536. Revenues were less than final estimates by \$1,019. All of the negative performance was due to grant revenue budgeted but not received until next fiscal year. Estimates for local taxes and fees from county officials performed better than anticipated. The current property tax levy was estimated at 95.5 percent collected as of fiscal year end; however, the County Trustee's Office collected 97.93 percent of this tax. Unspent appropriations totaled \$16,861 which mostly resulted from unspent grant funds, salary, wages, and related benefits. Net other financing sources/uses was \$343 less than expected. Additionally, general fund revenues mainly increased due to an increase in local taxes. This was due to the shifting of property tax revenue to the general fund from the school department and an approximate 3% increase in the tax base. This was offset in the school department by growth in sales tax.

On a GAAP basis, the unassigned fund balance was \$144,285 while total General Fund balance was \$164,238, which is an increase of \$28,804 over the prior fiscal year. Assigned fund balance was \$2,773, which has been assigned for the purpose of funding operations in the next fiscal year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 87.2 percent of total General Fund expenditures, while total fund balance represents 99.2 percent of that same amount. It should be noted that when the original budget for 2024-2025 was adopted, the assigned and unassigned fund balance was estimated at \$115,395 by June 30, 2025. The improvement to the estimate of unassigned fund balance was primarily due to the conservative budgeting of property tax collection, an increase in interest rates, which caused an increase in investment income, and receiving monies from the national opioid settlement. Additionally, all departments did not spend all their appropriations. Wages and related benefits are budgeted as if all positions would be filled for the entire year, which is rarely the case.

The General Debt Service Fund is the fund Rutherford County sets aside resources to meet current and future debt service requirements on general long-term debt. At the end of the current fiscal year, assigned fund balance in this fund was \$70,937 while total fund balance was \$72,762. The restricted fund balance offsets the Note Receivable due from the City of Murfreesboro Water and Sewer Department. The funding from the city will come from monies collected from sewer taps sold in the Rockvale area. The county and city both contributed to the cost of a sewer line constructed to service Rockvale Middle School. As a measure of the debt service liquidity, it will be most useful to compare assigned fund balance to the total of debt service expenditures. The assigned fund balance represents 92.5 percent of total FY25 expenditure for debt service. The increase in fund balance is directly related to only budgeting property collection at a 95.5% collection rate and receiving a 97.93% collection rate.

General Fund Budgetary Highlights

During the fiscal year, there was an increase in the revenue estimates of \$36,723 increase and an increase of \$11,608 in appropriations from the original budget. These differences in appropriations are summarized in the following table. Significant changes are displayed in the following table and discussed further by function below.

**Net Change in the Appropriation Budget
Amended over (under) Original**

	2024	2025
General Government	\$ 479	\$ 633
Finance	149	1,029
Administration of Justice	939	455
Public Safety	5,951	7,193
Public Health and Welfare	439	1,462
Social, Cultural, & Recreation	60	101
Agriculture & Natural Resou:	35	20
Other Operations	7,879	715
	\$ 15,931	\$ 11,608

In fiscal year 2025, the county gave a mid-year 4.25% across the board raise in January 2025. This resulted in all functions needing additional appropriations.

The General Government had a net increase of \$633 in appropriations. Appropriations for Geographical Information Systems increased \$240 to purchase additional digital server storage. Additional appropriations totaling \$141 were needed in the county mayor’s office to provide additional legal services and contracted security for various county buildings.

The increase in Finance was primarily attributed to the county’s Office of Information Technology which needed additional appropriations of \$710 for security upgrades at the county judicial center and for audio upgrades in the county courthouse.

The increase of \$455 in appropriations for Administration of Justice was spread among several departments and offices. A large portion of the increased (\$204) was needed for Drug Court which was related to awarded grants they received to run their various programs.

The increase in appropriations for Public Safety totaled \$7,193. Most related to the Jail and Sheriff’s office. The \$2,031 increase in the jail was necessary to provide additional appropriations for medical services and overtime, since the jail is understaffed. The sheriff’s office increased \$3,197 due to grants related to purchasing additional equipment.

Within Public Health and Welfare, an additional appropriation of \$1,462 was authorized for the expenditure of opioid grant funds.

For Social, Cultural, and Recreation - the Parks and Recreation department needed an additional \$101 for a contribution to the City of Murfreesboro for the county’s obligation for maintenance of the greenway. The County contributes 5% of the collected hotel/ motel tax for this purpose. As discussed before, the hotel/motel tax collected during the year was more than anticipated, which caused the need for an increase in appropriations.

The increase in Agriculture and Natural Resources totaled \$20 and was mostly related to a small mid-year raise given in January 2025.

The increase of \$715 for Other Operations which mostly resulted from the county’s contribution of 15% of the collected hotel motel tax to the Convention & Visitor’s Bureau. As noted above, the hotel/motel tax collected during the year was more than anticipated, which required the additional appropriation of \$325 for Tourism. Because of improving estimated revenue, additional appropriation of \$250 was needed for the trustee’s commission reflected in the Miscellaneous function.

The actual results compared to the final budget are displayed on the next table. On a budgetary basis, at the close of the fiscal year, actual expenditures were \$16,861 less than budgetary estimates. Also, across all functions personnel and benefit line items left unspent total \$9,246. The county typically budgets all positions as being filled for the entire year. Because of turnover, there are normally appropriations left unspent in those cost categories. Unspent appropriations for services and supplies are estimated at approximately \$4,779 while unspent appropriations for other expenditures total approximately \$2,836.

**Variance of Actual Results with Final Budget
Positive (Negative)**

	2024	2025
General Government	\$ 2,042	\$ 1,198
Finance	1,396	1,429
Administration of Justice	1,590	1,480
Public Safety	12,443	9,401
Public Health and Welfare	1,568	2,019
Social, Cultural, & Recreation	35	120
Agriculture & Natural Resources	211	167
Other Operations	4,497	1,047
	<u>\$23,782</u>	<u>\$16,861</u>

Capital Assets and Debt Administration

Capital Assets. Rutherford County Government’s investment in capital assets for its governmental funds as of June 30, 2025, totaled \$426,128 (net of accumulated depreciation). The investment in capital assets includes land, intangibles – right of ways, buildings and improvements, other capital assets (includes equipment), other intangibles, and infrastructure (roads, highways, and bridges). The increase in Rutherford County Government’s investment in capital assets for the current fiscal year totaled \$16,139, which represented a 3.9 percent increase over the prior year.

	Governmental Activities	
	2024	2025
Land	\$ 45,815	\$ 45,815
Intangibles (Right of Way)	48,980	50,436
Buildings and improvements	130,057	162,704
Infrastructure	105,124	108,729
Intangibles (other)	1,783	1,875
Other capital assets	21,089	20,188
Construction in Progress	57,141	36,381
Total	<u>\$ 409,989</u>	<u>\$ 426,128</u>

Additional information on Rutherford County’s capital assets can be found in Note IV.C. of the notes to the financial statements.

Long-term debt. At the end of the current fiscal year, Rutherford County Government had total bonded debt and loans outstanding of \$549,160. All debt is backed by the full faith and credit of the government.

Rutherford County, Tennessee, Outstanding Debt

Issued for:	Rutherford County Board of Education		General Government		Total Governmental Activities	
	2024	2025	2024	2025	2024	2025
Notes	\$ 236	\$ -	\$ -	\$ -	\$ 236	\$ -
Bonds	493,226	449,603	108,804	99,557	602,030	549,160
Total	\$ 493,462	\$ 449,603	\$ 108,804	\$ 99,557	\$ 602,266	\$ 549,160

Rutherford County Board of Education is currently servicing some of the debt on behalf of the primary government. In previous years, this debt was reflected as debt of the Board of Education; however, this debt has been reclassified as debt of the primary government because the primary government is legally obligated to repay the debt.

Rutherford County decreased its long-term debt by \$53,106 (8.8 percent) during the 2024-2025 fiscal year. Rutherford County Government maintains a rating of “Aaa” from Moody’s and a rating of “AA+” from Standard and Poor’s for the general obligation bonds. Currently, state statutes do not limit the amount of general obligation debt a government entity may issue. Additional information on the Rutherford County Government’s long-term debt can be found in Exhibits L-1, L-2, and Notes IV.F. of this report.

Economic Factors and Next Year’s Budget and Rates

Rutherford County adopted a budget for the fiscal year ending June 30, 2026, on June 23, 2025. As in prior years, many factors were considered when adopting this budget. Rutherford County continues to be one of the fastest growing areas in the State of Tennessee. Based on continued increases in the local sales tax and revenues related to residential construction, it appears that the county’s economy continues to be stable and strengthened in some areas. However, as in prior years, estimates for revenues from property tax, sales tax, development tax, hotel/motel tax and building related revenues were conservatively developed for the next fiscal year. Rutherford County’s Board of Commissioners has strived to limit the tax burden on property owners but has always been cognizant of the financial policies they have set in place.

For calendar (tax) year 2025, the County Commission moved pennies to the General and Ambulance funds from the Education Capital Projects, Education and Debt Service funds. The county was able to do this due to other local revenues (i.e. Sales tax) increasing in the General Purpose School Fund. The chart below shows how the property tax rate was allocated to the various funds.

Distribution of the Property Tax Rate

Fund	2024 Adopted		Change	2025 Adopted	
	Rate	Ratio		Rate	Ratio
County General	\$ 0.7160	38.16%	\$ 0.0176	\$ 0.7336	39.10%
Ambulance	0.0690	3.68%	0.0104	0.0794	4.23%
Highway/Roads	0.0072	0.38%	-	0.0072	0.38%
Education	0.5727	30.52%	(0.0100)	0.5627	29.99%
Ed. Capital Projects	0.1140	6.08%	(0.0050)	0.1090	5.81%
General Debt Service	0.3973	21.18%	(0.0130)	0.3843	20.48%
All Funds	\$ 1.8762	100.00%	\$ 0.0000	\$ 1.8762	100.00%

Projected amounts were sufficient and available in the unassigned fund balance in the General Fund to allow a portion to be used to fund operations in the next fiscal year. Rutherford County Government has appropriated \$2,773 for spending in the 2025-2026 fiscal year. This is reflected as the Assigned for Other Purposes in the Balance Sheet of the

Governmental Funds as of June 30, 2025. Unassigned fund balance in the General Fund was projected at \$144,285 as of June 30, 2026, which is 76.3 percent of the original 2025-2026 General Fund appropriations.

The Board of Education requested funding for a new middle school and a high school addition in FY25. The County Commission approved funding and issued a Bond, for \$104.7 million in July 2025. Additionally, with this bond issuance, in July 2025 Moody's maintained their rating of "Aaa" for the general obligation bonds of Rutherford County. Standard and Poor's raised their "AA+" rating for the County to a rating of "AAA" and Fitch rated Rutherford County "AAA". This was our first time being rated by Fitch. Due to the strong financial position of the county, we are proud to now have the highest rating from all three rating agencies.

Request for Information

This financial report is designed to provide a general overview of the Rutherford County Government's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Rutherford County Government, Historic Courthouse Suite 201, 1 Public Square, Murfreesboro, TN 37130.

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government Governmental Activities	Component Units		
		Rutherford County School Department	Community Care of Rutherford County, Inc.	Emergency Communications District
ASSETS				
Cash	\$ 3,013,409	\$ 13,250,011	\$ 3,855,637	\$ 8,832,579
Equity in Pooled Cash and Investments	385,406,525	235,371,340	0	0
Inventories	0	646,823	31,018	0
Accounts Receivable	16,175,492	980,508	1,169,987	0
Allowance for Uncollectibles	(4,776,046)	0	(25,000)	0
Accrued Interest Receivable	0	0	0	808
Lease Receivable	0	0	0	1,466
Property Taxes Receivable	202,889,504	99,051,907	0	0
Allowance for Uncollectible Property Taxes	(1,940,771)	(963,503)	0	0
Due from Other Governments	5,897,326	44,419,362	0	0
Other Current Assets	0	9,954	0	0
Prepaid Items	99,113	334	1,013	412,259
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	11,295,841	0	0
Cash-Patient's Funds	0	0	10,562	0
Notes Receivable - Long-term	8,134,535	0	0	0
Lease Receivable - Long-term	0	0	0	208,087
Net Pension Asset - Teacher Retirement Plan	0	3,652,018	0	0
Net Pension Asset - Teacher Legacy Pension Plan	0	85,856,046	0	0
Capital Assets:				
Assets Not Depreciated:				
Land	45,814,862	33,042,075	113,184	17,500
Intangible Assets (Right-of-Ways)	50,435,921	0	0	0
Construction in Progress	36,380,717	227,100,101	0	0
Other Capital Assets-not depreciated	0	0	0	92,158
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	162,704,041	532,792,126	49,281	709,547
Intangible Lease Assets (Right-to use)	0	0	0	990,584
Intangible SBITA Assets (Right-to use)	0	0	0	187,173
Capital Improvements	0	0	697,705	0
Infrastructure	108,729,326	0	0	0
Intangible Assets	1,875,545	6,432	0	0
Other Capital Assets	20,187,709	9,318,183	515,137	1,560,748
Total Assets	\$ 1,041,027,208	\$ 1,295,829,558	\$ 6,418,524	\$ 13,012,909

DEFERRED OUTFLOWS OF RESOURCES

Deferred Amount on Refunding	\$ 2,106,071	\$ 0	\$ 0	\$ 0
Pension Changes in Experience	20,305,052	36,267,198	1,110,433	225,248
Pension Changes in Assumptions	6,675,066	5,747,861	365,043	0
Pension Changes in Proportion	0	6,280	0	0
Pension Contribution after Measurement Date	12,128,846	21,793,904	485,232	72,720
OPEB Changes in Experience	0	1,936,888	0	0
OPEB Changes in Proportion	0	221,481	0	0
OPEB Changes in Assumptions	0	1,058,942	0	0
OPEB Benefits Paid After Measurement Date	0	682,654	0	0
Total Deferred Outflows of Resources	\$ 41,215,035	\$ 67,715,208	\$ 1,960,708	\$ 297,968

(Continued)

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

	Primary Governmental Activities	Component Units		
		Rutherford County School Department	Community Care of Rutherford County, Inc.	Emergency Communications District
LIABILITIES				
Accounts Payable	\$ 2,977,240	\$ 328,379	\$ 274,541	\$ 6,918
Accrued Payroll	4,000,745	45,676,237	165,678	0
Contracts Payable	0	16,188,390	0	0
Retainage Payable	16,730	852,021	0	0
Payroll Deductions Payable	91,558	13,597,298	0	0
Accrued Leave	0	0	231,925	0
Accrued Other Benefits	0	0	10,962	0
Accrued Interest Payable	4,910,133	0	0	0
Due to State of Tennessee	610	0	0	0
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	2,456,333	0	0	0
Unearned/Unavailable Revenue	481,852	0	0	0
Noncurrent Liabilities:				
Due Within One Year - Debt	50,057,584	0	0	0
Due Within One Year - SBITA	0	0	0	72,277
Due Within One Year - Other	8,441,142	5,064,622	0	77,806
Due in More Than One Year - Debt	540,540,802	0	0	0
Due in More Than One Year - SBITA	0	0	0	74,334
Due in More Than One Year - Other	39,152,286	32,833,033	1,083,657	389,111
Total Liabilities	\$ 653,127,015	\$ 114,539,980	\$ 1,766,763	\$ 620,446
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 197,938,215	\$ 96,567,001	\$ 0	\$ 0
Deferred Lease Receivable	0	0	0	200,089
Pension Changes in Experience	1,823,449	2,295,724	99,720	0
Pension Changes in Investment Earnings	2,952,037	19,237,480	161,440	14,604
Pension Changes in Proportion	0	4,111,077	0	0
OPEB Changes in Experience	10,237,926	0	176,098	39,626
OPEB Changes in Assumptions	1,717,749	0	14,048	2,402
Total Deferred Inflows of Resources	\$ 214,669,376	\$ 122,211,282	\$ 451,306	\$ 256,721
NET POSITION				
Net Investment in Capital Assets	\$ 332,787,715	\$ 802,258,917	\$ 1,375,307	\$ 3,411,099
Restricted for:				
General Government	923,274	0	0	0
Finance	192,450	0	0	0
Administrative of Justice	466,435	0	0	0
Public Safety	5,766,834	0	0	0
Public Health and Welfare	5,204,321	0	0	0
Debt Service	8,308,661	0	0	0
Capital Projects	5,444,050	27,439,889	0	0
Education	0	34,602,816	0	0
Pensions	0	100,803,905	0	0
Unrestricted	(144,647,888)	161,687,977	4,785,856	9,022,611
Total Net Position	\$ 214,445,852	\$ 1,126,793,504	\$ 6,161,163	\$ 12,433,710

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units		
					Total Governmental Activities	Rutherford County School Department	Community Care of Rutherford County, Inc.	Emergency Communications District
Primary Government:								
General Government	\$ 29,326,191	\$ 9,568,170	\$ 910,535	\$ 0	\$ (18,847,486)	\$ 0	\$ 0	\$ 0
Finance	21,678,367	16,891,549	0	0	(4,786,818)	0	0	0
Administration of Justice	21,702,619	8,483,555	1,018,236	0	(12,200,828)	0	0	0
Public Safety	105,165,104	9,798,050	6,015,636	136,077	(89,215,341)	0	0	0
Public Health and Welfare	41,841,140	16,572,621	5,684,920	6,686,737	(12,896,862)	0	0	0
Social, Cultural, and Recreational Services	4,461,975	0	0	0	(4,461,975)	0	0	0
Agriculture and Natural Resources	1,696,662	348,695	0	0	(1,347,967)	0	0	0
Highways	17,017,472	99,534	6,432,224	7,016,199	(3,469,515)	0	0	0
Education	7,424,889	4,683,253	0	0	(2,741,636)	0	0	0
Interest on Long-term Debt	14,205,246	0	0	0	(14,205,246)	0	0	0
Total Primary Government	\$ 264,519,665	\$ 66,445,427	\$ 20,061,551	\$ 13,839,013	\$ (164,173,674)	\$ 0	\$ 0	\$ 0
Component Units:								
Rutherford County School Department	\$ 671,033,433	\$ 8,943,917	\$ 78,997,126	\$ 2,169,084	\$ 0	\$ (580,923,306)	\$ 0	\$ 0
Community Care of Rutherford County, Inc.	12,909,886	12,194,333	616,439	0	0	0	(99,114)	0
Emergency Communications District	2,107,766	3,152,854	0	0	0	0	0	1,045,088
Total Component Units	\$ 686,051,085	\$ 24,291,104	\$ 79,613,565	\$ 2,169,084	\$ 0	\$ (580,923,306)	\$ (99,114)	\$ 1,045,088

(Continued)

RUTHERFORD COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Units		
					Government Total Governmental Activities	Rutherford County School Department	Community Care of Rutherford County, Inc.	Emergency Communications District
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes				\$ 128,317,053	\$ 97,362,228	\$ 0	\$ 0	0
Property Taxes Levied for Debt Service				64,367,564	0	0	0	0
Payments in-Lieu-of Tax				7,491,963	121,962	0	0	0
Local Option Sales Tax				11,858,403	107,623,727	0	0	0
Hotel/Motel Tax				5,956,676	0	0	0	0
Wheel Tax				9,818,415	5,565,264	0	0	0
Business Tax				6,351,889	3,209,749	0	0	0
Mixed Drink Tax				32,960	802,662	0	0	0
Litigation Tax				3,641,887	0	0	0	0
Adequate Facilities/Development Tax				2,595,764	2,595,764	0	0	0
Mineral Severance Tax				726,702	0	0	0	0
Bank Excise Tax				1,575,936	0	0	0	0
Wholesale Beer Tax				615,725	0	0	0	0
Grants and Contributions Not Restricted to Specific Programs				3,751,273	364,162,979	0	0	0
Unrestricted Investment Income				28,596,565	6,615,071	82,249	49,511	
Miscellaneous				55,562	303,861	0	0	
Total General Revenues				\$ 275,754,337	\$ 588,363,267	\$ 82,249	\$ 49,511	
Change in Net Position				\$ 111,580,663	\$ 7,439,961	\$ (16,865)	\$ 1,094,599	
Net Position, July 1, 2024				105,115,380	1,123,570,422	6,178,028	11,349,331	
Restatement - See Note 1.D.11				(2,250,191)	(4,216,879)	0	(10,220)	
Net Position, June 30, 2025				\$ 214,445,852	\$ 1,126,793,504	\$ 6,161,163	\$ 12,433,710	

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

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Governmental Funds	
ASSETS				
Cash	\$ 2,872	\$ 0	\$ 2,275,713	\$ 2,278,585
Equity in Pooled Cash and Investments	166,000,572	70,374,378	105,068,045	341,442,995
Accounts Receivable	6,861,739	171,901	9,058,482	16,092,122
Allowance for Uncollectibles	0	0	(4,776,046)	(4,776,046)
Due from Other Governments	3,023,142	277,870	2,595,355	5,896,367
Property Taxes Receivable	123,541,492	64,791,877	14,556,135	202,889,504
Allowance for Uncollectible Property Taxes	(1,175,237)	(633,455)	(132,079)	(1,940,771)
Prepaid Items	99,113	0	0	99,113
Notes Receivable - Long-term	0	1,820,785	6,313,750	8,134,535
Total Assets	\$ 298,353,693	\$ 136,803,356	\$ 134,959,355	\$ 570,116,404
LIABILITIES				
Accounts Payable	\$ 1,034,202	\$ 15,950	\$ 1,927,088	\$ 2,977,240
Accrued Payroll	3,078,658	0	922,087	4,000,745
Payroll Deductions Payable	75,837	0	15,721	91,558
Retainage Payable	0	0	16,730	16,730
Due to State of Tennessee	610	0	0	610
Current Liabilities Payable From Restricted Assets	2,456,333	0	0	2,456,333
Unearned/Unavailable Revenue	409,024	0	72,828	481,852
Total Liabilities	\$ 7,054,664	\$ 15,950	\$ 2,954,454	\$ 10,025,068

(Continued)

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Governmental Funds	
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 120,554,151	\$ 63,152,890	\$ 14,231,174	\$ 197,938,215
Deferred Delinquent Property Taxes	1,571,683	872,123	167,292	2,611,098
Other Deferred/Unavailable Revenue	4,935,479	0	4,104,241	9,039,720
Total Deferred Inflows of Resources	\$ 127,061,313	\$ 64,025,013	\$ 18,502,707	\$ 209,589,033
FUND BALANCES				
Nonspendable:				
Prepaid Items	\$ 99,113	\$ 0	\$ 0	\$ 99,113
Restricted:				
Restricted for General Government	822,012	0	0	822,012
Restricted for General Government - American Rescue Plan Act	0	0	2,149	2,149
Restricted for Finance	192,450	0	0	192,450
Restricted for Administration of Justice	466,435	0	0	466,435
Restricted for Public Safety	675,451	0	5,091,383	5,766,834
Restricted for Public Health and Welfare	5,203,802	0	519	5,204,321
Restricted for Debt Service	0	1,820,785	6,487,876	8,308,661
Restricted for Capital Projects	0	0	17,469,233	17,469,233
Committed:				
Committed for General Government	385,187	0	0	385,187
Committed for Finance	814,540	0	0	814,540

(Continued)

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Governmental Funds	
FUND BALANCES (Cont.)				
Committed (Cont.):				
Committed for Administration of Justice	\$ 53,983	\$ 0	\$ 0	\$ 53,983
Committed for Public Safety	4,630,556	0	0	4,630,556
Committed for Public Health and Welfare	1,868,439	0	0	1,868,439
Committed for Social, Cultural, and Recreational Services	1,000,000	0	0	1,000,000
Committed for Agriculture and Natural Resources	964,793	0	0	964,793
Committed for Other Operations	2,555	0	0	2,555
Committed for Highways/Public Works	0	0	3,401,466	3,401,466
Committed for Debt Service	0	5,000	0	5,000
Committed for Capital Projects	0	0	17,946,544	17,946,544
Assigned:				
Assigned for General Government	0	0	175,254	175,254
Assigned for Finance	0	0	871,275	871,275
Assigned for Administration of Justice	0	0	1,231,460	1,231,460
Assigned for Public Health and Welfare	0	0	35,277,435	35,277,435
Assigned for Other Operations	0	0	368,891	368,891
Assigned for Highways/Public Works	0	0	25,178,709	25,178,709
Assigned for Debt Service	0	70,936,608	0	70,936,608
Assigned for Other Purposes	2,773,264	0	0	2,773,264
Unassigned	144,285,136	0	0	144,285,136
Total Fund Balances	\$ 164,237,716	\$ 72,762,393	\$ 113,502,194	\$ 350,502,303
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 298,353,693	\$ 136,803,356	\$ 134,959,355	\$ 570,116,404

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

RUTHERFORD COUNTY, TENNESSEE
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
June 30, 2025

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 350,502,303
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 45,814,862	
Add: intangible assets – right-of-ways	50,435,921	
Add: construction in progress	36,380,717	
Add: buildings and improvements net of accumulated depreciation	162,704,041	
Add: infrastructure net of accumulated depreciation	108,729,326	
Add: intangible assets net of accumulated depreciation	1,875,545	
Add: other capital assets net of accumulated depreciation	<u>20,187,709</u>	426,128,121
(2) Internal service funds are used by management to charge the cost of liability insurance, workers' compensation insurance, and employee health benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.		36,841,279
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (549,160,000)	
Add: deferred amount on refunding	2,106,071	
Less: unamortized premium on debt	(41,438,386)	
Less: accrued interest on bonds and other loans	(4,910,133)	
Less: compensated absences payable	(14,397,587)	
Less: landfill closure/postclosure care costs	(1,197,350)	
Less: OPEB liability	(9,822,587)	
Less: net pension liability	<u>(14,234,500)</u>	(633,054,472)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 39,108,964	
Less: deferred inflows of resources related to pensions	(4,775,486)	
Less: deferred inflows of resources related to OPEB	<u>(11,955,675)</u>	22,377,803
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>11,650,818</u>
Net position of governmental activities (Exhibit A)		<u>\$ 214,445,852</u>

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

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

	<u>Major Funds</u>		<u>Nonmajor</u>	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
Revenues				
Local Taxes	\$ 140,588,330	\$ 70,883,122	\$ 27,692,407	\$ 239,163,859
Licenses and Permits	4,798,339	0	0	4,798,339
Fines, Forfeitures, and Penalties	1,794,692	0	1,680,414	3,475,106
Charges for Current Services	4,770,023	0	21,919,876	26,689,899
Other Local Revenues	19,540,510	8,958,777	2,203,594	30,702,881
Fees Received From County Officials	16,311,796	0	0	16,311,796
State of Tennessee	16,218,189	0	8,017,725	24,235,914
Federal Government	3,650,968	0	7,050,426	10,701,394
Other Governments and Citizens Groups	1,624,814	236,832	0	1,861,646
Total Revenues	<u>\$ 209,297,661</u>	<u>\$ 80,078,731</u>	<u>\$ 68,564,442</u>	<u>\$ 357,940,834</u>
Expenditures				
Current:				
General Government	\$ 16,738,495	\$ 1,447,221	\$ 963,695	\$ 19,149,411
Finance	14,600,267	0	3,402,715	18,002,982
Administration of Justice	14,383,733	0	3,519,053	17,902,786
Public Safety	99,332,694	0	541,154	99,873,848
Public Health and Welfare	8,868,087	0	29,395,719	38,263,806
Social, Cultural, and Recreational Services	3,398,474	0	0	3,398,474
Agriculture and Natural Resources	1,494,142	0	0	1,494,142
Other Operations	6,683,576	0	151,704	6,835,280
Highways	0	0	16,405,490	16,405,490

(Continued)

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

	<u>Major Funds</u>		<u>Nonmajor</u>	
		General	Other	Total
	General	Debt	Govern-	Governmental
		Service	mental	Funds
			Funds	Funds
Expenditures (Cont.)				
Debt Service:				
Principal on Debt	\$ 0	\$ 51,790,857	\$ 0	\$ 51,790,857
Interest on Debt	0	22,107,136	0	22,107,136
Other Debt Service	0	1,359,131	0	1,359,131
Capital Projects	0	0	23,000,146	23,000,146
Total Expenditures	<u>\$ 165,499,468</u>	<u>\$ 76,704,345</u>	<u>\$ 77,379,676</u>	<u>\$ 319,583,489</u>
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 43,798,193	\$ 3,374,386	\$ (8,815,234)	\$ 38,357,345
Other Financing Sources (Uses)				
Refunding Debt Issued	\$ 0	\$ 20,130,000	\$ 0	\$ 20,130,000
Premiums on Debt Sold	0	1,515,853	0	1,515,853
Insurance Recovery	5,409	0	192,257	197,666
Transfers In	0	698,865	15,000,000	15,698,865
Transfers Out	(15,000,000)	0	(698,865)	(15,698,865)
Payments to Refunded Debt Escrow Agent	0	(21,711,163)	0	(21,711,163)
Total Other Financing Sources (Uses)	<u>\$ (14,994,591)</u>	<u>\$ 633,555</u>	<u>\$ 14,493,392</u>	<u>\$ 132,356</u>
Net Change in Fund Balances	\$ 28,803,602	\$ 4,007,941	\$ 5,678,158	\$ 38,489,701
Fund Balance, July 1, 2024	135,434,114	68,754,452	107,824,036	312,012,602
Fund Balance, June 30, 2025	<u>\$ 164,237,716</u>	<u>\$ 72,762,393</u>	<u>\$ 113,502,194</u>	<u>\$ 350,502,303</u>

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

RUTHERFORD COUNTY, TENNESSEE
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 38,489,701
(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	\$ 25,220,057	
Less: current-year depreciation expense	<u>(12,838,507)</u>	12,381,550
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	\$ 5,963,205	
Less: book value of capital assets disposed	<u>(2,205,203)</u>	3,758,002
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2024	\$ (7,092,830)	
Add: deferred delinquent property taxes and other deferred June 30, 2025	<u>11,650,818</u>	4,557,988
(4) The issuance of long-term debt (e.g. bond and other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 51,555,000	
Add: principal payments on other loans	235,857	
Add: payment to refunding agent	21,445,000	
Less: refunding bond proceeds	(20,130,000)	
Less: change in deferred amount on refunding debt	(611,253)	
Less: contributions from school department for other loans	(235,857)	
Add: change in premium on debt issuances	<u>6,583,758</u>	58,842,505
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 679,695	
Change in compensated absences payable	(1,882,015)	
Change in net OPEB liability	4,884,569	
Change in net pension liability	2,154,480	
Change in deferred outflows of resources related to pensions	(2,419,034)	
Change in deferred inflows of resources related to pensions	(1,827,903)	
Change in deferred inflows of resources related to OPEB	<u>(3,630,109)</u>	(2,040,317)
(6) Internal service funds are used by management to charge the cost of liability insurance, workers' compensation insurance, and employee health benefits to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities in the statement of activities.		<u>(4,408,766)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 111,580,663</u>

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 140,588,330	\$ 0	\$ 0	\$ 140,588,330	\$ 129,982,882	\$ 139,858,005	\$ 730,325
Licenses and Permits	4,798,339	0	0	4,798,339	2,940,250	4,555,348	242,991
Fines, Forfeitures, and Penalties	1,794,692	0	0	1,794,692	1,391,050	1,725,630	69,062
Charges for Current Services	4,770,023	0	0	4,770,023	2,784,682	4,666,522	103,501
Other Local Revenues	19,540,510	0	0	19,540,510	5,243,460	18,018,143	1,522,367
Fees Received From County Officials	16,311,796	0	0	16,311,796	13,540,000	15,874,200	437,596
State of Tennessee	16,218,189	0	0	16,218,189	12,470,993	16,521,619	(303,430)
Federal Government	3,650,968	0	0	3,650,968	2,298,660	5,396,846	(1,745,878)
Other Governments and Citizens Groups	1,624,814	0	0	1,624,814	904,199	1,662,767	(37,953)
Total Revenues	\$ 209,297,661	\$ 0	\$ 0	\$ 209,297,661	\$ 171,556,176	\$ 208,279,080	\$ 1,018,581
Expenditures							
General Government							
County Commission	\$ 383,965	\$ 0	\$ 0	\$ 383,965	\$ 434,878	\$ 439,878	\$ 55,913
Board of Equalization	17,638	0	0	17,638	62,340	62,340	44,702
County Mayor/Executive	1,392,897	(1,386)	0	1,391,511	1,368,748	1,510,097	118,586
Personnel Office	912,080	0	0	912,080	975,816	990,138	78,058
County Attorney	322,493	0	0	322,493	323,176	324,773	2,280
Election Commission	1,460,669	(750)	750	1,460,669	1,494,758	1,615,103	154,434
Register of Deeds	487,411	0	530	487,941	505,546	512,056	24,115

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
General Government (Cont.)							
Planning	\$ 1,697,105	\$ (6,400)	\$ 17,100	\$ 1,707,805	\$ 1,815,153	\$ 1,845,441	\$ 137,636
Geographical Information Systems	1,921,852	(259,079)	42	1,662,815	1,455,274	1,695,238	32,423
County Buildings	5,003,082	(198,543)	365,989	5,170,528	5,461,796	5,494,456	323,928
Preservation of Records	397,096	0	0	397,096	417,368	441,777	44,681
Risk Management	2,742,207	0	775	2,742,982	2,906,973	2,923,647	180,665
Finance							
Accounting and Budgeting	2,041,797	0	4,535	2,046,332	2,169,276	2,215,223	168,891
Reappraisal Program	3,348,010	0	0	3,348,010	3,632,713	3,844,921	496,911
County Trustee's Office	1,260,722	(3,200)	3,353	1,260,875	1,374,542	1,382,542	121,667
County Clerk's Office	1,426,078	(9,459)	23,945	1,440,564	1,654,400	1,707,170	266,606
Data Processing	6,523,660	(146,014)	782,706	7,160,352	6,825,577	7,535,132	374,780
Administration of Justice							
Circuit Court	1,704,944	0	4,000	1,708,944	1,806,012	1,851,742	142,798
Circuit Court Judge	446,522	0	800	447,322	491,941	502,176	54,854
General Sessions Court	2,828,819	0	1,447	2,830,266	2,933,232	2,987,646	157,380
Drug Court	2,965,019	0	46,698	3,011,717	3,389,636	3,594,472	582,755
Chancery Court	1,388,290	0	0	1,388,290	1,443,217	1,495,211	106,921
Juvenile Court	1,237,509	(33,077)	17,472	1,221,904	1,252,232	1,272,991	51,087
District Attorney General	193,642	0	0	193,642	290,503	296,281	102,639

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Administration of Justice (Cont.)							
Office of Public Defender	\$ 328,499	\$ 0	\$ 0	\$ 328,499	\$ 361,517	\$ 368,406	\$ 39,907
Other Administration of Justice	1,737,422	(655)	0	1,736,767	1,898,370	1,928,035	191,268
Probation Services	1,181,268	0	0	1,181,268	1,197,913	1,213,216	31,948
Victim Assistance Programs	371,799	0	0	371,799	380,876	390,010	18,211
Public Safety							
Sheriff's Department	45,126,522	(800,287)	805,994	45,132,229	46,304,455	49,501,680	4,369,451
Special Patrols	56,337	0	0	56,337	57,960	59,180	2,843
Traffic Control	10,018	0	0	10,018	25,000	25,000	14,982
Administration of the Sexual Offender Registry	108,283	0	550	108,833	107,935	109,999	1,166
Jail	28,264,765	(715,117)	611,042	28,160,690	28,420,517	30,451,378	2,290,688
Workhouse	5,301,357	(9,859)	649	5,292,147	5,902,676	6,073,304	781,157
Juvenile Services	3,432,060	(3,383)	736	3,429,413	3,603,232	3,733,893	304,480
Rural Fire Protection	9,611,383	(1,426,729)	3,239,827	11,424,481	11,388,390	12,041,612	617,131
Disaster Relief	5,927,378	(652,143)	128,467	5,403,702	5,305,441	6,285,245	881,543
Inspection and Regulation	1,494,591	(1,053)	4,106	1,497,644	1,607,434	1,634,823	137,179
Public Health and Welfare							
Local Health Center	887,492	(25,658)	31,955	893,789	1,360,633	1,526,080	632,291
Rabies and Animal Control	2,649,227	(8,435)	9,218	2,650,010	3,193,244	3,240,046	590,036
Dental Health Program	9,732	(2,296)	2,833	10,269	11,850	11,850	1,581

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Public Health and Welfare (Cont.)							
Alcohol and Drug Programs	\$ 1,150,578	\$ (4,000)	\$ 0	\$ 1,146,578	\$ 511,106	\$ 1,399,158	\$ 252,580
Other Local Health Services	3,137,254	0	0	3,137,254	3,498,442	3,560,411	423,157
General Welfare Assistance	55,750	0	0	55,750	55,750	55,750	0
Sanitation Management	42,937	0	0	42,937	42,937	42,937	0
Other Public Health and Welfare	935,117	0	0	935,117	755,000	1,055,000	119,883
Social, Cultural, and Recreational Services							
Adult Activities	37,800	0	0	37,800	37,800	37,800	0
Libraries	2,076,801	0	0	2,076,801	2,076,801	2,076,801	0
Parks and Fair Boards	690,065	0	0	690,065	709,578	810,428	120,363
Other Social, Cultural, and Recreational	593,808	0	0	593,808	593,808	593,808	0
Agriculture and Natural Resources							
Agricultural Extension Service	877,445	0	100	877,545	974,675	984,439	106,894
Soil Conservation	139,119	0	0	139,119	147,465	149,890	10,771
Storm Water Management	477,578	(244)	0	477,334	518,776	526,895	49,561
Other Operations							
Tourism	986,850	0	0	986,850	843,350	1,168,350	181,500
Industrial Development	231,500	0	0	231,500	231,500	231,500	0
Other Economic and Community Development	8,549	0	0	8,549	0	95,001	86,452
Other Charges	354,740	(350)	2,555	356,945	418,394	425,394	68,449

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Other Operations (Cont.)							
Employee Benefits	\$ 787,711	\$ 0	\$ 0	\$ 787,711	\$ 1,125,000	\$ 1,067,965	\$ 280,254
American Rescue Plan Act Grant B	27,207	0	0	27,207	0	100,000	72,793
Miscellaneous	4,287,019	0	0	4,287,019	4,400,000	4,645,000	357,981
Total Expenditures	<u>\$ 165,499,468</u>	<u>\$ (4,308,117)</u>	<u>\$ 6,108,174</u>	<u>\$ 167,299,525</u>	<u>\$ 172,552,932</u>	<u>\$ 184,160,735</u>	<u>\$ 16,861,210</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 43,798,193	\$ 4,308,117	\$ (6,108,174)	\$ 41,998,136	\$ (996,756)	\$ 24,118,345	\$ 17,879,791
Other Financing Sources (Uses)							
Insurance Recovery	\$ 5,409	\$ 0	\$ 0	\$ 5,409	\$ 0	\$ 4,439	\$ 970
Transfers In	0	0	0	0	684,423	684,423	(684,423)
Transfers Out	(15,000,000)	0	0	(15,000,000)	0	(15,340,000)	340,000
Total Other Financing Sources	<u>\$ (14,994,591)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (14,994,591)</u>	<u>\$ 684,423</u>	<u>\$ (14,651,138)</u>	<u>\$ (343,453)</u>
Net Change in Fund Balance	\$ 28,803,602	\$ 4,308,117	\$ (6,108,174)	\$ 27,003,545	\$ (312,333)	\$ 9,467,207	\$ 17,536,338
Fund Balance, July 1, 2024	<u>135,434,114</u>	<u>(4,308,117)</u>	<u>0</u>	<u>131,125,997</u>	<u>115,707,324</u>	<u>115,707,324</u>	<u>15,418,673</u>
Fund Balance, June 30, 2025	<u>\$ 164,237,716</u>	<u>\$ 0</u>	<u>\$ (6,108,174)</u>	<u>\$ 158,129,542</u>	<u>\$ 115,394,991</u>	<u>\$ 125,174,531</u>	<u>\$ 32,955,011</u>

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

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

	Governmental Activities
	<u>Internal Service Funds</u>
ASSETS	
Current Assets:	
Cash	\$ 734,824
Equity in Pooled Cash and Investments	43,963,530
Accounts Receivable	83,370
Due from Other Governments	959
Total Assets	<u>\$ 44,782,683</u>
LIABILITIES	
Current Liabilities:	
Claims and Judgments Payable	<u>\$ 6,468,003</u>
Total Current Liabilities	<u>\$ 6,468,003</u>
Noncurrent Liabilities:	
Claims and Judgments Payable	<u>\$ 1,473,401</u>
Total Noncurrent Liabilities	<u>\$ 1,473,401</u>
NET POSITION	
Unrestricted	<u>\$ 36,841,279</u>
Total Net Position	<u>\$ 36,841,279</u>

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

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

	Governmental Activities
	<u>Internal Service Funds</u>
Operating Revenues	
Charges for Current Services:	
Self-Insurance Premiums/Contributions	\$ 22,243,134
Other Employee Benefits Charges/Contributions	683,175
Other Local Revenues:	
Retirees' Insurance Payments	2,370,016
Cobra Insurance Payments	45,473
Total Operating Revenues	<u>\$ 25,341,798</u>
Operating Expenses	
Employee Benefits:	
Handling Charges and Administrative Costs	\$ 3,203,998
Disability Insurance	10,563
Bank Charges	2,500
Consultants	75,244
Contracts with Private Agencies	38,264
Other Contracted Services	6,950
Medical Claims	21,770,089
Liability Claims	7,293,665
Data Processing Equipment	7,708
Other Charges	5,902
Other Self-Insured Claims	955,807
Total Operating Expenses	<u>\$ 33,370,690</u>
Operating Income (Loss)	<u>\$ (8,028,892)</u>
Nonoperating Revenues (Expenses)	
Insurance Recovery	\$ 3,620,126
Total Nonoperating Revenues (Expenses)	<u>\$ 3,620,126</u>
Income (Loss)	<u>\$ (4,408,766)</u>
Change in Net Position	\$ (4,408,766)
Net Position, July 1, 2024	<u>41,250,045</u>
Net Position, June 30, 2025	<u>\$ 36,841,279</u>

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

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

	Governmental Activities
	<u>Internal Service Funds</u>
Cash Flows from Operating Activities	
Receipts for Self-Insurance Premiums	\$ 25,337,719
Payments to Suppliers	(3,377,939)
Claims Paid	(28,752,203)
Insurance Recovery	3,620,126
Net Cash Provided By (Used In) Operating Activities	<u>\$ (3,172,297)</u>
Net Increase (Decrease) in Cash	\$ (3,172,297)
Cash, July 1, 2024	<u>47,870,651</u>
Cash, June 30, 2025	<u><u>\$ 44,698,354</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities	
Operating Income (Loss)	\$ (8,028,892)
Insurance Recovery	3,620,126
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Change in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(3,120)
(Increase) Decrease in Due from other Governments	(959)
Increase (Decrease) in Accounts Payable	(26,810)
Increase (Decrease) in Claims and Judgments Payable	1,267,358
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (3,172,297)</u></u>
Reconciliation of Cash With Statement of Net Position	
Cash Per Net Position	\$ 734,824
Equity in Pooled Cash and Investments Per Net Position	<u>43,963,530</u>
Cash, June 30, 2025	<u><u>\$ 44,698,354</u></u>

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

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

	Other Employee Benefit Trust Fund	
	<u>Flexible Benefits Fund</u>	<u>Custodial Funds</u>
ASSETS		
Cash	\$ 499,907	\$ 19,103,103
Equity in Pooled Cash and Investments	118,245	676,181
Accounts Receivable	725	3,832
Due from Other Governments	0	23,195,425
Property Taxes Receivable	0	14,209,367
Allowance for Uncollectible Property Taxes	0	(135,631)
Total Assets	<u>\$ 618,877</u>	<u>\$ 57,052,277</u>
LIABILITIES		
Accounts Payable	\$ 0	\$ 65
Accrued Payroll	0	851
Due to Other Taxing Units	0	23,473,484
Total Liabilities	<u>\$ 0</u>	<u>\$ 23,474,400</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 0	\$ 14,034,383
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 14,034,383</u>
NET POSITION		
Restricted For:		
Amounts Held for Other Employee Benefits	\$ 618,877	\$ 0
Individuals, Organizations, and Other Governments	0	19,543,494
Total Net Position	<u>\$ 618,877</u>	<u>\$ 19,543,494</u>

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

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

	Other Employee Benefit Trust Fund		Custodial Funds
	<u>Flexible Benefits Fund</u>		
Additions			
Other Employee Benefit Charges/Contributions	\$ 883,791	\$	0
Sales Tax Collections for Other Governments	0		114,774,020
Property Tax Collections for Other Governments	0		15,067,343
ADA - Educational Funds Collected for Cities	0		34,251,412
Fines/Fees and Other Collections	0		77,403,549
District Attorney General Collections	0		48,076
	<hr/>		<hr/>
Total Additions	\$ 883,791	\$	241,544,400
Deductions			
Other Fringe Benefits	\$ 861,228	\$	0
Payment of Sales Tax Collections to Other Governments	0		114,774,020
Payment of Property Tax Collections to Other Governments	0		15,067,343
Payments to City School Systems	0		34,251,412
Payments to State	0		53,883,165
Payments to Cities	0		551,301
Payments to Individuals and Others	0		25,038,442
Payment of District Attorney General Expenses	0		30,772
	<hr/>		<hr/>
Total Deductions	\$ 861,228	\$	243,596,455
Change in Net Position	\$ 22,563	\$	(2,052,055)
Net Position July 1, 2024	596,314		21,595,549
	<hr/>		<hr/>
Net Position June 30, 2025	\$ 618,877	\$	19,543,494
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The notes to the financial statements are an integral part of this statement.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Rutherford 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 Rutherford County:

A. Reporting Entity

Rutherford County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Rutherford County (the primary government) and its component units. 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 Rutherford County School Department operates the public school system in the county, and the voters of Rutherford 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.

Community Care of Rutherford County, Inc., provides nursing care to the citizens of Rutherford County, and the Rutherford County Commission appoints its governing body. Patient charges provide the majority of the revenues for the entity. Before the issuance of debt instruments, the entity must obtain the county commission's approval.

The Rutherford County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Rutherford County, and the Rutherford 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 Rutherford 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 Community Care of Rutherford County, Inc., and the Rutherford County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Community Care of
Rutherford County, Inc.
901 East County Farm Road
Murfreesboro, TN 37127

Rutherford County Emergency
Communications District
591 Fortress Boulevard
Murfreesboro, TN 37128

Related Organizations – The Public Building Authority of Rutherford County and Rutherford County Industrial Development Board are related organizations of Rutherford County. The county’s officials are responsible for appointing the members of the boards, but the county’s accountability for these organizations does not extend beyond making the appointments.

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 Rutherford 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 Rutherford 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.

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

Separate financial statements are provided for governmental funds, proprietary funds (internal service), and fiduciary funds. The internal service funds are reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Fund financial statements of Rutherford County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow

of resources, fund balance/fund net position, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Rutherford County reports three proprietary funds (internal service funds). It has no enterprise funds to report.

Separate financial statements are provided for governmental funds, proprietary 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 internal service funds and the fiduciary funds in total are reported in single columns by fund type.

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

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

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

Rutherford 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.

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

Additionally, Rutherford County reports the following fund types:

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

Internal Service Funds – The Self-Insurance, Employee Insurance - Health, and Workers' Compensation funds are used to account for the county's self-insured general liability, health, and workers' compensation programs. Premiums charged to the various county funds/component units/joint venture and employee payroll deductions are placed in these funds for the payment of claims.

Other Employee Benefit Trust Fund – The Flexible Benefits Fund is used to account for operations of the flexible benefits program for Rutherford County employees.

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Rutherford County, property taxes for the city of Smyrna and the city of Eagleville, the city school system's share of educational revenues, restricted revenues held for the benefit of the Office of District Attorney General, and assets in a regional planning agency.

General Capital Projects Fund – This fund accounts for and reports 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.

The discretely presented Rutherford 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.

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

Additionally, the Rutherford County School Department reports the following fund types:

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

Private-Purpose Trust Fund – The Endowment Fund is used to account for resources legally held in trust to fund a scholarship at a local high school. Earnings on invested resources may be used to fund the scholarship, but the principal is required to be maintained intact.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has three proprietary funds, internal service funds used to account for self-insured liability, employees'

health insurance, and workers' compensation programs. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the county's internal service funds are charges for services. Operating expenses for the internal service funds include administrative expenses, liability insurance claims, and employee benefits.

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

1. Deposits and Investments

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Rutherford County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General, General Debt Service, and General Purpose School funds. In addition, an investment is held separately by the Constitutional Officers - Custodial Fund. Rutherford 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. Rutherford County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year. All other investments are reported at fair value.

2. Receivables and Payables

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

Accounts receivable in the General Fund includes \$4,600,000 of payments in lieu of property taxes for certain local businesses. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable is reported as a deferred inflow of resources as of June 30.

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is less than one percent of total taxes levied.

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

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

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

Rutherford County has financed projects on behalf of other governmental entities and has reflected Notes Receivable totaling \$8,134,535 for the outstanding balances due from these entities in the fund(s) financing these projects. The outstanding balances of these receivables are also included in restricted fund balance.

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets reflected in the primary government funds represent deposits placed with Rutherford County for building codes certificates of occupancy \$18,700, deposits in-lieu-of bonds for developments \$2,406,589, agricultural facilities rentals \$21,950, and agricultural token sales program \$9,094.

Retainage payable in the primary government's nonmajor governmental funds represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the nonmajor governmental funds. Retainage payable in the discretely presented Rutherford County School Department's Other Capital Projects Fund represents

amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the Other Capital Projects Fund.

3. Inventories and Prepaid Items

Inventories of the discretely presented Rutherford County School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

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

4. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Rutherford 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 Rutherford County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Rutherford 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.

5. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), and intangible right to use assets (e.g., easements, computer software, and similar items), 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 (infrastructure \$50,000 and intangible \$25,000) or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	50
Other Capital Assets	6 - 20
Infrastructure:	
Roads	75
Bridges	50
Intangibles	2 - 15

6. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for a deferred charge on refunding, pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension and OPEB changes in proportionate share, and employer contributions made to the pension and OPEB plans after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

7. Compensated Absences

Rutherford County recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences – vacation leave, sick leave and compensatory time. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Primary Government

Vacation

It is the policy of the primary government to permit employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

General policy of the county for employees allows the unlimited accumulation of unused sick leave days. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. The primary government's policy is to not pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued.

Compensatory Time

The primary government's policy permits employees to accumulate compensatory time not to exceed the amount allowable under FLSA, with department head approval, which is eligible for pay at the employee's current pay rate at any time, or as a result of employee resignations and retirements.

Discretely Presented Rutherford County School Department

Vacation

It is the policy of the school department to permit employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

General policy of the school department for all professional personnel (teachers) permits the unlimited accumulation of unused sick leave days. The granting of sick leave for professional personnel has no guaranteed payment attached and therefore requires no accrual or recording. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. The school department's policy is to not pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued.

Compensatory Time

The school department's policy permits non-exempt employees to accumulate compensatory time not to exceed the amount allowable under FLSA, with superintendent approval, which is eligible for pay at the employee's current pay rate upon separation of employment.

8. Long-term Debt and Long-term Obligations

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

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

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

9. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

The Government-wide Statement of Net Position reports \$100,803,905 of Restricted Net Position for Pensions for the discretely presented school department which is set aside for net pensions assets (\$89,508,064) and pension benefits (\$11,295,841) which are being held by external trust funds and can only be used for future pension obligations.

As of June 30, 2025, Rutherford County had \$449,603,145 in outstanding debt for capital purposes for the discretely presented Rutherford County School Department. In accordance with state statutes, certain county school debt proceeds must be shared with other public-school systems in the county (Murfreesboro City School District) based on an average daily attendance proration. This debt is a liability of Rutherford County, but the capital assets acquired are reported in the financial statements of the Rutherford County School Department and Murfreesboro City School District. Therefore, Rutherford 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 has by resolution authorized the county’s Budget/Finance Committee to make assignments by for the general government. The Board of Education makes assignments for the school department.

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

10. Minimum Fund Balance Policy

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance of certain governmental funds, the following minimum fund balance policy exists and consists of the sum of committed, assigned, and unassigned fund balances:

General Fund – 15 percent of subsequent year appropriations.

General Debt Service Fund – fund balance adequate to meet (1) cash flow needs, (2) budgeting contingencies, (3) emergency contingencies, (4) variable rate volatility contingencies, and (5) future forecasted needs.

11. Restatements

With the implementation of GASB Statement 101, *Compensated Absences*, Rutherford County must recognize a restatement to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented Rutherford County School Department to record compensated absences liabilities. A restatement of (\$2,250,191) has been presented to reflect the beginning balance of the primary government and (\$4,216,879) for the discretely presented Rutherford County School Department.

	Government Wide - Governmental Activities	
	Primary Government	Discretely Presented Rutherford County School Department
	Government	School Department
Net Position, as previously reported	\$ 105,115,380	\$ 1,123,570,422
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(2,250,191)	(4,216,879)
Net Change in Beginning Net Position	<u>\$ (2,250,191)</u>	<u>\$ (4,216,879)</u>
Net Position, June 30, 2024, Restated	<u>\$ 102,865,189</u>	<u>\$ 1,119,353,543</u>

12. Changes To or Within the Financial Reporting Entity

Changes in Major Fund Classification (Column A)

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

The primary government's Education Capital Projects Fund was reported as a major governmental fund in the prior year but ended with a zero fund balance; therefore, this fund is not presented in the current year's governmental fund financial statements or the table below.

In the discretely presented Rutherford County School Department, the Education Capital Projects Fund no longer met the quantitative threshold and is presented as a nonmajor governmental fund. The prior-year amount has been restated to reflect the fund within the Nonmajor Governmental Funds column.

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

	7-1-24 As Previously Reported	Change To or Within the Financial Reporting Entity (A)	7-1-24 As Restated
Discretely Presented			
Rutherford County School Department			
Major Fund:			
Education Capital Projects	\$ 19,962,489	\$ (19,962,489)	\$ 0
Nonmajor Funds	40,146,231	19,962,489	60,108,720
Total Governmental Funds Discretely Presented Rutherford County School Department	<u>\$ 60,108,720</u>	<u>\$ 0</u>	<u>\$ 60,108,720</u>

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Rutherford County's participation in the Public Employee Pension Plan of the Tennessee

Consolidated Retirement System (TCRS), and additions to/deductions from Rutherford 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 Rutherford 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

Rutherford County, the Smyrna-Rutherford County Airport (a joint venture), and the discretely presented Rutherford County School Department, Community Care of Rutherford County, Inc., and the Rutherford County Emergency Communications District (component units) provide OPEB benefits to their retirees through a single commercial insurance plan administered by Cigna Insurance Company. Subsequent to December 31, 2022, the discretely presented Rutherford County School Department provided OPEB benefits to their retirees through state administered public entity risk pools and commercial health insurance plans. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). 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 Rutherford County. For this purpose, Rutherford County recognizes benefit payments when due and payable in accordance with benefit terms. Rutherford County'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 Rutherford County School Department

Exhibit K-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 Rutherford County School Department

Exhibit K-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 (special revenue fund) and school department’s Internal School Fund (special revenue fund) which are not budgeted, the primary government’s General Capital Projects Fund and the school department’s Other Capital Projects Fund, 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, Personnel Office, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

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

Funds	Amount
Primary Government:	
Major Fund:	
General	\$ 6,108,174
Nonmajor Funds:	
Solid/Waste Sanitation	123,459
Ambulance Service	1,124,927
Drug Control	183,655
Other General Government	55,645
School Department:	
Major Fund:	
General Purpose School	16,232,981
Nonmajor Funds:	
Central Cafeteria	1,415,617
Education Capital Projects	10,806,907

B. *Budgetary Basis Fund Deficit*

The Other General Government Fund reported a budgetary basis deficit of \$53,496 on June 30, 2025. This resulted from the recognition of budgeted expenditures for outstanding encumbrances in the amount of \$55,645. These encumbrances were recorded to reflect outstanding commitments which will be funded by federal grants in the subsequent fiscal year.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

Rutherford County and the Rutherford 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, 2025, Rutherford County had the following investments carried at amortized cost using a Stable Net Asset Value or fair value within the fair value hierarchy established by generally accepted accounting principles. Except for the investment in U.S. Treasury Bills, investments are in the trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Rutherford County and the discretely presented Rutherford County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturities	Fair Value or Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 45 days	N/A	\$ 261,384,828
Investments at Fair Value:			
U.S. Treasury Bills	N/A	Various	44,436,976
Federal Home Loan Bank System	N/A	Various	<u>3,596,771</u>
Total			<u><u>\$ 309,418,575</u></u>

Investment by Fair Value Level	Fair Value 6-30-25	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Bills	\$ 44,436,976	\$ 44,436,976	\$ 0	\$ 0
Federal Home Loan Bank System	3,596,771	3,596,771	0	0
Total	\$ 48,033,747	\$ 48,033,747	\$ 0	\$ 0

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Rutherford 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. Rutherford County has an investment policy that further limits its investment choices. The policy limits the trustee's investments to collateralized certificates of deposit, U.S. Treasury Bills and Notes, the State Treasurer's Investment Pool, collateralized cash management accounts, shared certificates of deposit, and insured cash sweeps. As of June 30, 2025, Rutherford County's investment in the State Treasurer's Investment Pool was unrated. Rutherford County's investments in Federal Home Loan Bank System were rated Aaa by Moody's Investor's Service and AA+ by Standard & Poor's and Fitch Ratings.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Rutherford County places a limit on the amount the county may invest in one issuer. The policy allows the trustee to invest up to 70 percent of the portfolio in collateralized certificates of deposit, up to 100 percent of the portfolio in either U.S. Treasury Bills and Notes or the State Treasurer's Investment Pool, up to 70 percent of the portfolio in collateralized cash

management accounts, up to 50 percent of the portfolio in shared certificates of deposit, and up to 70 percent of the portfolio in insured cash sweeps.

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

TCRS Stabilization Trust

Legal Provisions. The Rutherford 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 Rutherford County School Department may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

On June 30, 2025, the Rutherford 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	\$ 3,501,711
Developed Market International Equity	N/A	N/A	1,581,418
Emerging Market International Equity	N/A	N/A	451,834
U.S. Fixed Income	N/A	N/A	2,259,168
Real Estate	N/A	N/A	1,129,584
Short-term Securities	N/A	N/A	112,958
NAV - Private Equity and Strategic Lending	N/A	N/A	2,259,168
Total			\$ 11,295,841

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

B. Notes Receivable

The Industrial/Economic Development Fund had two long-term notes receivable of \$1,425,000 and \$4,888,750 on June 30, 2025, from financing projects for the Smyrna-Rutherford County Airport (joint venture) and is included in restricted fund balance.

The General Debt Service Fund had a long-term note receivable of \$1,820,785 on June 30, 2025, from financing projects for the city of Murfreesboro's Rockvale Utility District and is included in restricted fund balance.

C. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 45,814,862	\$ 0	\$ 0	\$ 45,814,862
Intangible Assets (Right-of-Ways)	48,979,767	1,456,154	0	50,435,921
Construction in Progress	57,141,437	15,846,785	(36,607,505)	36,380,717
Total Capital Assets Not Depreciated	\$ 151,936,066	\$ 17,302,939	\$ (36,607,505)	\$ 132,631,500
Capital Assets Depreciated:				
Buildings and Improvements	\$ 194,680,191	\$ 39,821,754	\$ (2,739,480)	\$ 231,762,465
Infrastructure	165,498,603	5,963,205	(218,733)	171,243,075
Intangible Assets	5,389,043	115,500	0	5,504,543
Other Capital Assets	63,845,868	4,587,369	(1,481,277)	66,951,960
Total Capital Assets Depreciated	\$ 429,413,705	\$ 50,487,828	\$ (4,439,490)	\$ 475,462,043
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 64,623,493	\$ 5,497,022	\$ (1,062,091)	\$ 69,058,424
Infrastructure	60,374,989	2,247,167	(108,407)	62,513,749
Intangible Assets	3,605,635	23,363	0	3,628,998
Other Capital Assets	42,757,085	5,070,955	(1,063,789)	46,764,251
Total Accumulated Depreciation	\$ 171,361,202	\$ 12,838,507	\$ (2,234,287)	\$ 181,965,422
Total Capital Assets Depreciated, Net	\$ 258,052,503	\$ 37,649,321	\$ (2,205,203)	\$ 293,496,621
Governmental Activities Capital Assets, Net	\$ 409,988,569	\$ 54,952,260	\$ (38,812,708)	\$ 426,128,121

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

Governmental Activities:

General Government	\$ 1,629,995
Finance	315,518
Administration of Justice	2,028,614
Public Safety	4,172,850
Public Health and Welfare	1,560,234
Agriculture and Natural Resources	177,423
Highways	<u>2,953,873</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 12,838,507</u>

Net Investment in Capital Assets

Capital Assets (both tangible and intangible)	\$ 426,128,121
Add:	
Unspent proceeds of capital debt and other capital borrowings	12,041,913
Unamortized balance of capital-related deferred outflows of resources	2,106,071
Less:	
Outstanding principal of capital debt and other capital borrowings	(87,104,280)
Outstanding principal balance of debt and other borrowing used to refund capital-related debt	(12,452,575)
Outstanding principal balance of any other capital related liabilities (e.g. contract and retainage payable)	(16,730)
Unamortized balance of original issue premiums on outstanding capital-related debt	<u>(7,914,805)</u>
Net Investment in Capital Assets	<u>\$ 332,787,715</u>

Discretely Presented Rutherford County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 30,058,798	\$ 2,983,277	\$ 0	\$ 33,042,075
Construction in Progress	87,619,130	139,480,971	0	227,100,101
Total Capital Assets Not Depreciated	\$ 117,677,928	\$ 142,464,248	\$ 0	\$ 260,142,176
Capital Assets Depreciated:				
Buildings and Improvements	\$ 835,477,577	\$ 10,613,409	\$ (2,770,802)	\$ 843,320,184
Intangible Assets	416,167	0	0	416,167
Other Capital Assets	26,921,916	3,636,606	(476,315)	30,082,207
Total Capital Assets Depreciated	\$ 862,815,660	\$ 14,250,015	\$ (3,247,117)	\$ 873,818,558
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 289,544,525	\$ 21,039,178	\$ (55,645)	\$ 310,528,058
Intangible Assets	402,725	7,010	0	409,735
Other Capital Assets	19,546,798	1,623,662	(406,436)	20,764,024
Total Accumulated Depreciation	\$ 309,494,048	\$ 22,669,850	\$ (462,081)	\$ 331,701,817
Total Capital Assets Depreciated, Net	\$ 553,321,612	\$ (8,419,835)	\$ (2,785,036)	\$ 542,116,741
Governmental Activities Capital Assets, Net	\$ 670,999,540	\$ 134,044,413	\$ (2,785,036)	\$ 802,258,917

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

Governmental Activities:

Instruction	\$ 7,010
Support Services	21,039,178
Operation of Non-instructional Services	1,623,662
Total Depreciation Expense - Governmental Activities	\$ 22,669,850

D. Construction Commitments

On June 30, 2025, the primary government had uncompleted construction contracts of approximately \$72,828 and \$19,510,697 in the Other General Government and General Capital Projects funds,

respectively. On June 30, 2025, the discretely presented Rutherford County School Department had uncompleted construction contracts of approximately \$103,179,346 and \$5,974,961 in the Other Capital Projects and Education Capital Projects funds, respectively, for the school building program. Funding has been received for these future expenditures by the date of our report.

E. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	\$ 2,028,790

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

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		Purpose
	General Debt Service Fund	Nonmajor governmental funds	
General Fund	\$ 0	\$ 15,000,000	Building projects
Nonmajor governmental funds	698,865	0	Debt retirement
Total	\$ 698,865	\$ 15,000,000	

Discretely Presented Rutherford County School Department

Transfers Out	Transfers In		Purpose
	General Purpose School Fund	Other Capital Projects Fund	
General Purpose School Fund	\$ 0	\$ 3,700,000	Building projects
Nonmajor governmental funds	2,028,789	0	Indirect costs
Total	\$ 2,028,789	\$ 3,700,000	

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in

the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

F. Long-term Debt

Primary Government

General Obligation Bonds and Other Loans

General Obligation Bonds - Rutherford 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, 2025, will be retired from the General Debt Service Fund.

General obligation bonds outstanding on June 30, 2025, for governmental activities are as follows:

Type	Original Amount of Issue	Interest Rate	Final Maturity	Balance 6-30-25
Governmental Activities				
General Obligation Bonds:				
Refunding Bonds, Series 2010	\$ 13,764,000	2.4838 %	4-1-26	\$ 749,932
School Refunding Bonds, Series 2010	75,036,000	2.4838	4-1-26	4,090,068
Public Improvements, Series 2014B	2,570,000	3.6776	4-1-34	1,460,000
Refunding Bonds, Series 2016A	1,217,900	1.5655	4-1-29	548,625
School Refunding Bonds, Series 2016A	24,422,100	1.5655	4-1-29	11,001,375
Public Improvements, Series 2016B	61,408,000	2.3686	4-1-36	41,830,400
School Facilities, Series 2016B	39,592,000	2.3686	4-1-36	26,969,600
School Facilities, Series 2017	81,530,000	2.6657	4-1-38	59,955,000
School Facilities, Series 2018	40,680,000	3.9826	4-1-38	30,475,000
Public Improvement, Series 2019	14,610,000	5.0000	4-1-29	6,560,000
Public Improvements, Series 2020A	10,826,326	2.7077	4-1-40	9,108,000
School Facilities, Series 2020A	79,543,674	2.7077	4-1-40	66,792,000
Refunding Bonds, Series 2020B	7,820,200	1.3137	4-1-32	5,574,180
Refunding Bonds, School, Series 2020B	56,279,800	1.3137	4-1-32	40,115,820
School Facilities, Series 2021A	21,000,000	1.6127	4-1-41	18,060,000
Public Improvements, Series 2021B	6,140,000	1.6094	6-30-36	4,995,000
Public Improvements, Series 2023	24,658,560	4.0975	4-1-43	23,150,880
School Facilities, Series 2023	146,581,440	4.0975	4-1-43	137,619,120
Refunding Bonds, Series 2024	3,849,615	2.8183	4-1-34	3,544,695
Refunding Bonds, School, Series 2024	12,815,385	2.8183	4-1-34	11,800,305
School Facilities, Series 2024	26,845,000	2.8183	4-1-34	24,630,000
Refunding Bonds, Series 2025	2,035,143	2.8183	4-1-32	2,035,143
Refunding Bonds, School, Series 2025	18,094,857	2.8183	4-1-32	18,094,857
Total Governmental Activities				<u>\$ 549,160,000</u>

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 45,690,000	\$ 20,647,027	\$ 66,337,027
2027	42,505,000	18,704,729	61,209,729
2028	44,115,000	16,954,901	61,069,901
2029	42,995,000	15,371,413	58,366,413
2030	39,680,000	13,825,030	53,505,030
2031-2035	176,785,000	47,512,035	224,297,035
2036-2040	119,045,000	19,687,017	138,732,017
2041-2043	38,345,000	3,388,087	41,733,087
Total	<u>\$ 549,160,000</u>	<u>\$ 156,090,239</u>	<u>\$ 705,250,239</u>

There is \$72,762,393 available in the General Debt Service Fund to service long-term debt. Bonded and total debt per capita totaled \$1,608, based on the 2020 federal census. Total debt per capita, including bonds and unamortized debt premiums, totaled \$1,729, based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Unamortized Premium on Debt	Other Loans - Direct Placement
Balance, July 1, 2024	\$ 602,030,000	\$ 48,022,144	\$ 235,857
Additions	20,130,000	1,515,853	0
Reductions	(73,000,000)	(8,099,611)	(235,857)
Balance, June 30, 2025	<u>\$ 549,160,000</u>	<u>\$ 41,438,386</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 45,690,000</u>	<u>\$ 4,367,584</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 590,598,386
Less: Balance Due Within One Year - Debt	<u>(50,057,584)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 540,540,802</u>

Current Refunding

On January 8, 2025, Rutherford County currently refunded a general obligation bond issue with a separate general obligation bond issue. The county issued \$20,130,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. Because of the current refunding, total debt service payments over the next six years will be reduced by \$1,056,062, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$939,098 was obtained.

G. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences *	Landfill Closure/ Postclosure Care Costs	Net Pension Liability - Agent Plan
Balance, July 1, 2024	\$ 12,515,572	\$ 1,197,350	\$ 16,388,980
Additions	1,882,015	0	32,956,344
Reductions	0	0	(35,110,824)
Balance, June 30, 2025	<u>\$ 14,397,587</u>	<u>\$ 1,197,350</u>	<u>\$ 14,234,500</u>
Balance Due Within One Year	<u>\$ 1,730,898</u>	<u>\$ 242,241</u>	<u>\$ 0</u>

*Restated beginning balance – see Note I.D.11. The change in compensated absences is presented as a net change.

	Claims and Judgments	Other Postemployment Benefits
Balance, July 1, 2024	\$ 6,674,046	\$ 14,707,156
Additions	30,019,561	1,244,825
Reductions	(28,752,203)	(6,129,394)
Balance, June 30, 2025	<u>\$ 7,941,404</u>	<u>\$ 9,822,587</u>
Balance Due Within One Year	<u>\$ 6,468,003</u>	<u>\$ 0</u>

Due to the June 30, 2025, measurement date of the Other Postemployment Benefits Plan, there is no deferred outflow for contributions after the measurement date and no liability estimated to be due within one year.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 47,593,428
Less: Balance Due Within One Year - Other	<u>(8,441,142)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 39,152,286</u>

The internal service funds primarily serve the governmental funds. Accordingly, long-term obligations for the internal service funds are included as part of the above totals for governmental activities. At year end, \$7,941,404 of claims and judgments is included in the above amounts. Compensated absences, pension liabilities, and other postemployment benefits will be paid from the employing funds, primarily the General, Solid Waste/Sanitation, and Highway/Public Works funds. Landfill

closure/postclosure care costs did not change due to groundwater contamination issues and will be paid from the Solid Waste/Sanitation Fund.

Discretely Presented Rutherford County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences*	Other Postemployment Benefits	Net Pension Liability - Agent Plan
Balance, July 1, 2024	\$ 7,105,017	\$ 14,824,082	\$ 10,154,161
Additions	484,111	7,816,199	21,608,540
Reductions	0	(1,494,247)	(22,600,208)
Balance, June 30, 2025	<u>\$ 7,589,128</u>	<u>\$ 21,146,034</u>	<u>\$ 9,162,493</u>
Balance Due Within One Year	<u>\$ 4,381,968</u>	<u>\$ 682,654</u>	<u>\$ 0</u>

*Restated beginning balance – see Note I.D.11. The change in compensated absences is presented as a net change.

Due to the June 30, 2025, measurement date of the private Other Postemployment Benefits Plan, there is only deferred outflow for contributions after the measurement date and a liability estimated to be due within one year for the state plan portion of the school OPEB benefits.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 37,897,655
Less: Balance Due Within One Year - Other	<u>(5,064,622)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 32,833,033</u>

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

H. Donor Restricted Endowments

The discretely presented Rutherford County School Department accounts for an endowment in a private-purpose trust fund, the Endowment Fund. The principal amount must remain intact, while interest earned on the principal will fund a scholarship for the valedictorian of the senior class at Eagleville High School. During the year ended June 30, 2025, interest earned and expended totaled \$1,394 with no resulting effect on net position.

I. On-Behalf Payments

Discretely Presented Rutherford County School Department

The State of Tennessee pays health insurance premiums for retired teachers on behalf of the Rutherford County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2025, were \$318,742. 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

Rutherford County and the discretely presented school department have chosen to establish the Self-Insurance Fund for liability risks. The Self-Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county and the school department are self-insured to a limit of \$500,000 per claim for general liability claims and \$5,000,000 for automobile claims. The county and school department obtained commercial insurance for claims beyond the above-noted amounts. The maximum liability the county can incur is \$5,000,000 for general liability and \$5,000,000 for automobile claims.

Rutherford County and the discretely presented school department have chosen to establish the Employee Insurance - Health Fund for risks associated with the employees' health insurance plan. The Employee Insurance - Health Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county is self-insured to a limit of \$500,000 per person per agreement year. The county carries no aggregate reinsurance coverage. Group life and accident insurance premiums paid to a private insurance company are also recorded in this fund. As of January 1, 2023, the discretely presented school department chose to participate 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.

Rutherford County and the discretely presented school department have chosen to establish the Workers' Compensation Fund for risks associated with workers' compensation claims. The Workers' Compensation Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county carries no reinsurance coverage.

Rutherford County and the discretely presented school department have chosen to establish an on-the-job injury program for risks associated with workplace injury. The on-the-job injury program is accounted for in the Workers' Compensation Fund (internal service fund) where assets are set aside for claims settlements. Qualified individuals shall receive two-thirds of their salary averaged over the past 52 weeks provided there is medical documentation from a county-designated physician stating that it is medically necessary for the qualified individual to remain off work, or to undergo therapy in relation to an on-the-job injury. Benefits (not including long-term disability benefits) shall not extend beyond one calendar year from the date of injury or illness.

All full-time employees of the primary government, the Smyrna-Rutherford County Airport (joint venture), and the discretely presented component units (school department, emergency communications district, and Community Care of Rutherford County, Inc.) are eligible to participate

in the Employee Insurance – Health Fund. All full-time employees of the primary government and the discretely presented school department component unit are eligible to participate in the Workers’ Compensation Fund. Premium charges are allocated to each fund that accounts for full-time employees. These charges are based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Liabilities of the funds are reported when losses are probable, and the amounts of the losses can be reasonably estimated. The Employee Insurance - Health Fund and the Workers’ Compensation Fund establish claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years for the Self-Insurance, Employee Insurance – Health, and Workers’ Compensation funds are as follows:

Self-Insurance Fund

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2023-24	\$ 3,377,838	\$ 2,184,244	\$ (3,928,951)	1,633,131
2024-25	1,633,131	7,293,665	(5,775,481)	3,151,315

Employee Insurance - Health Fund

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2023-24	\$ 4,922,035	\$ 16,407,348	\$ (17,217,468)	4,111,915
2024-25	4,111,915	21,770,089	(21,921,315)	3,960,689

Workers' Compensation Fund

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
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Workers' Compensation Program

2023-24	\$ 190,000	\$ 2,855	\$ (91,855)	101,000
2024-25	101,000	21,127	(20,127)	102,000

On-the-Job Injury Program

2023-24	\$ 1,166,100	\$ 282,613	\$ (620,713)	828,000
2024-25	828,000	934,680	(1,035,280)	727,400

B. Accounting Changes

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

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

C. *Contingent Liabilities*

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

The county is involved in several pending lawsuits. The county attorney estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

D. *Landfill Closure/Postclosure Care Costs*

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Rutherford County closed its sanitary landfill in 2000. The \$1,197,350 reported as postclosure care liability on June 30, 2025, represents amounts based on what it would cost to perform all postclosure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Landfill closure/postclosure care costs did not change due to groundwater contamination issues.

E. *Joint Ventures*

The Linebaugh Public Library System is jointly owned by Rutherford County and the cities of Murfreesboro and Smyrna and is operated by an appointed board. The board comprises 14 members, seven of whom are appointed by the Rutherford County Commission, with two being residents of Smyrna. The remaining seven members are appointed by the city of Murfreesboro. Rutherford County has control over budgeting and financing the joint venture only to the extent of representation by the seven board members appointed. Rutherford County contributed \$2,076,801 to the operations of the libraries during the year ended June 30, 2025.

Rutherford County is a participant with Cannon, Coffee, and Warren counties in a multi-county Municipal Solid Waste Planning Region. This entity was created to promote the preparation of municipal solid waste regional plans to manage solid waste effectively and efficiently. This entity is governed by a 13-member board comprising appointees from Cannon County (2), Coffee County (2), Rutherford County (3), Warren County (2), the city of Manchester (1), the city of McMinnville (1), the city of Murfreesboro (1), and the city of Woodbury (1). Funding is provided from member contributions and grants. There are no separately issued financial statements for the Municipal Solid Waste Planning Region. Rutherford County has been designated as the fiscal agent for the Planning Region and accounts for its activities through the Joint Venture Fund (agency fund), which is included in the financial statements of this report.

The Smyrna-Rutherford County Airport is operated through a joint operations agreement between Rutherford County and the town of Smyrna, Tennessee. The agreement created a joint board of directors to manage the airport. The board comprises five members, two of whom are appointed by the Rutherford County Commission, two by the town of Smyrna, and one jointly appointed by Rutherford County and the town of Smyrna. Rutherford County has control over budgeting and financing the joint venture only to the extent of its representation by its board members.

The Joint Parking Authority of Rutherford County was created by Rutherford County and the city of Murfreesboro to operate and maintain a jointly owned parking garage. The Joint Parking Authority comprises seven members, three of whom are appointed by Rutherford County, three by the city of Murfreesboro, and one jointly by the county mayor and the city mayor. Rutherford County has control over budgeting and financing the joint venture only to the extent of representation by the three board members appointed. This agency had no financial activity to report.

The Rutherford County Chamber of Commerce Economic Development Council has been designated as the Joint Economic and Community Development Board for Rutherford County, the city of Murfreesboro, the town of Smyrna, the city of LaVergne, and the town of Eagleville. This designation was authorized by an interlocal agreement between the governments, as provided by Section 6-58-115(j), *Tennessee Code Annotated (TCA)*. The purpose of this board is to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens. If funding through the Rutherford County Chamber of Commerce is inadequate, the funding formula established by the Comprehensive Growth Plan, Section 6-58-101, et seq., *TCA*, shall be followed. Rutherford County has control over budgeting and financing the board through the county mayor or designee to the board. Separate financial statements are not prepared for the board; however, financial information may be obtained through the Rutherford County Chamber of Commerce. Rutherford County contributed \$96,500 to the operations of the board during the year ended June 30, 2025.

Rutherford County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Rutherford County Library System and the Smyrna-Rutherford County Airport can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Linebaugh Public Library System
105 West Vine Street
Murfreesboro, TN 37130

Smyrna-Rutherford County Airport
278 Doug Warpoole Road
Smyrna, TN 37167

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Rutherford County, non-certified employees of the discretely presented Rutherford County School Department, and employees of the discretely presented Community Care of Rutherford County, Inc., 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 58.88 percent, the non-certified employees of the discretely presented school department comprise 37.9 percent,

and the employees of the discretely presented Community Care of Rutherford County, Inc., comprise 3.22 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the [Tennessee Department of Treasury website](#).

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member’s highest five consecutive year average compensation and the member’s years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	1,564
Inactive Employees Entitled to But Not Yet Receiving Benefits	2,839
Active Employees	3,230
Total	7,633

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. Rutherford County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for Rutherford County were \$12,128,846, \$7,327,198, and \$485,232, for the primary government, the non-certified employees of the discretely presented school department, and the discretely presented Community Care of Rutherford County, Inc., respectively, based on a rate of 11.88 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Rutherford 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. Employer contributions to separately finance specific liabilities totaled \$171,750 at a contribution rate of 70 percent for the year ended June 30, 2025. The contributions to separately finance specific liabilities were related to school

department employees who have returned to work under a TCRS Return to Work program which requires employer contributions.

Net Pension Liability (Asset)

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

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

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Rutherford 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)

Primary Government

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2023	\$ 268,737,006	\$ 252,348,026	\$ 16,388,980
Changes for the Year:			
Service Cost	\$ 7,359,376	\$ 0	\$ 7,359,376
Interest	18,620,020	0	18,620,020
Differences Between Expected and Actual Experience	7,048,708	0	7,048,708
Contributions-Employer		9,959,463	(9,959,463)
Contributions-Employee	0	35,366	(35,366)
Net Investment Income	0	25,115,995	(25,115,995)
Benefit Payments, Including Refunds of Employee Contributions	(8,335,543)	(8,335,543)	0
Administrative Expense	0	71,760	(71,760)
Net Changes	<u>\$ 24,692,561</u>	<u>\$ 26,847,041</u>	<u>\$ (2,154,480)</u>
Balance, June 30, 2024	<u>\$ 293,429,567</u>	<u>\$ 279,195,067</u>	<u>\$ 14,234,500</u>

School Department

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2023	\$ 178,685,429	\$ 168,531,268	\$ 10,154,161
Changes for the Year:			
Service Cost	\$ 4,737,098	\$ 0	\$ 4,737,098
Interest	11,985,373	0	11,985,373
Differences Between Expected and Actual Experience	4,537,127	0	4,537,127
Contributions-Employer	0	6,410,728	(6,410,728)
Contributions-Employee	0	22,765	(22,765)
Net Investment Income	0	16,166,715	(16,166,715)
Benefit Payments, Including Refunds of Employee Contributions	(5,365,439)	(5,365,439)	0
Administrative Expense	0	(348,942)	348,942
Net Changes	<u>\$ 15,894,159</u>	<u>\$ 16,885,827</u>	<u>\$ (991,668)</u>
Balance, June 30, 2024	<u>\$ 194,579,588</u>	<u>\$ 185,417,095</u>	<u>\$ 9,162,493</u>

Community Care

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2023	\$ 15,655,925	\$ 14,829,360	\$ 826,565
Changes for the Year:			
Service Cost	\$ 402,466	\$ 0	\$ 402,466
Interest	1,018,282	0	1,018,282
Differences Between Expected and Actual Experience	385,476	0	385,476
Contributions-Employer	0	544,658	(544,658)
Contributions-Employee	0	1,934	(1,934)
Net Investment Income	0	1,373,531	(1,373,531)
Benefit Payments, Including Refunds of Employee Contributions	(455,850)	(455,850)	0
Administrative Expense	0	(65,783)	65,783
Net Changes	<u>\$ 1,350,374</u>	<u>\$ 1,398,490</u>	<u>\$ (48,116)</u>
Balance, June 30, 2024	<u>\$ 17,006,299</u>	<u>\$ 16,227,850</u>	<u>\$ 778,449</u>

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

	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability (Asset)	5.75%	6.75%	7.75%
Primary Government	\$ 60,018,774	\$ 14,234,500	\$ (23,057,974)
School Department	38,633,008	9,162,493	(14,842,005)
Community Care	3,282,277	778,449	(1,260,983)
Total	<u>\$ 101,934,059</u>	<u>\$ 24,175,442</u>	<u>\$ (39,160,962)</u>

Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, Rutherford County recognized pension expense (negative pension expense) of \$23,760,536.

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

Primary Government

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 20,305,052	\$ 1,823,449
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	2,952,037
Changes in Assumptions	6,675,066	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	<u>12,128,846</u>	N/A
Total	<u>\$ 39,108,964</u>	<u>\$ 4,775,486</u>

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

School Department

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 13,069,998	\$ 1,173,722
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,900,174
Changes in Assumptions	4,296,621	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	<u>7,327,198</u>	N/A
Total	<u>\$ 24,693,817</u>	<u>\$ 3,073,896</u>

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

Community Care

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,110,433	\$ 99,720
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	161,440
Changes in Assumptions	365,043	0
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	485,232	N/A
Total	<u>\$ 1,960,708</u>	<u>\$ 261,160</u>

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

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

Year Ending June 30	Primary Government	School Department	Community Care	Total
2026	\$ 4,504,548	\$ 2,899,497	\$ 246,342	\$ 7,650,387
2027	11,435,889	7,361,076	625,400	19,422,365
2028	3,733,257	2,403,031	204,163	6,340,451
2029	1,356,158	872,935	74,165	2,303,258
2030	1,174,779	756,185	64,246	1,995,210
Thereafter	0	0	0	0

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

Discretely Presented Rutherford County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Rutherford County, non-certified employees of the discretely presented Rutherford County School Department, and employees of the discretely presented Community Care of Rutherford County, Inc. 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 58.88 percent, the non-certified employees of the discretely presented school department comprise 37.9 percent, and the employees of the discretely presented Community Care of Rutherford County, Inc. comprise 3.22 percent of the plan based on contribution data.

Discretely Presented Rutherford County School Department – Certified Employees – Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Rutherford 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 of the [Tennessee Department of Treasury website](#).

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2025, to the Teacher Retirement Plan were \$3,939,831, which is three percent of covered payroll. In addition, employer contributions of \$1,313,277, which is one percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions, is expected to

finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). On June 30, 2025, the school department reported a liability (asset) of (\$3,652,018) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department’s proportion of the net pension liability (asset) was based on the school department’s share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department’s proportion was 5.124866 percent. The proportion as of June 30, 2023, was 4.973071 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the Rutherford County School Department recognized pension expense (negative pension expense) of \$2,998,113.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 301,670	\$ 1,122,002
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	616,039
Changes in Assumptions	1,451,240	0
Changes in Proportion of Net Pension Liability (Asset)	6,280	424,784
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	3,939,831	N/A
Total	<u>\$ 5,699,021</u>	<u>\$ 2,162,825</u>

The school department’s employer contributions of \$3,939,831, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) of net pension liability (asset) in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ (410,267)
2027	442,048
2028	(280,564)
2029	(277,193)
2030	22,449
Thereafter	99,892

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

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

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from 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 Rutherford 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	Current Discount Rate	1% Increase
Net Pension Liability (Asset)	\$ 9,631,544	\$ (3,652,018)	\$ (13,537,767)

Pension Plan 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 Rutherford County School Department - Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Rutherford County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained on the [Tennessee Department of Treasury website](#).

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Rutherford County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$10,526,875, which is 6.36 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). On June 30, 2025, the school department reported a liability (asset) of (\$85,856,046) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 4.983340 percent. The proportion measured on June 30, 2023, was 4.788379 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$16,448,368.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 22,895,530	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	16,721,267
Changes in Proportion of Net Pension Liability (Asset)	0	3,686,293
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	10,526,875	N/A
Total	<u>\$ 33,422,405</u>	<u>\$ 20,407,560</u>

The school department's employer contributions of \$10,526,875 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the pension liability (asset) in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ (11,692,613)
2027	31,708,429
2028	(8,723,997)
2029	(8,803,849)
2030	0
Thereafter	0

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

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

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from 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 Rutherford 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	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 109,066,930	\$ (85,856,046)	\$ (247,518,057)

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

Rutherford County and the discretely presented Rutherford County School Department offer their employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 457 and Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute 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 \$6,709,759 and teachers contributed \$4,325,646 to this deferred compensation pension plan.

G. *Other Postemployment Benefits (OPEB)*

Rutherford County, the Smyrna-Rutherford County Airport (a joint venture), the discretely presented Rutherford County School Department, Community Care of Rutherford County, Inc., and the Rutherford County Emergency Communications District (component units) provide OPEB benefits to their retirees through a single commercial insurance plan administered by Cigna Insurance Company. Subsequent to December 31, 2022, the discretely presented Rutherford County School Department provided OPEB benefits to their retirees through state administered public entity risk pools and commercial health insurance plans. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Plan Description. All full-time employees and eligible retirees of Rutherford County, the Smyrna-Rutherford County Airport (a joint venture), the discretely presented Rutherford County School Department, Community Care of Rutherford County, Inc., and the Rutherford County Emergency Communications District (component units) are eligible to participate in the health insurance plan accounted for in the Employee Insurance – Health Fund (internal service fund).

The premium requirements of plan members are established and may be amended by the insurance committee comprised of 15 members, which include the county mayor, three county commissioners, four members at large, one highway representative, three employee representatives, two board of education representatives, and one Rutherford Education Association representative. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. While the County Risk Management Committee recommends the contribution policy, the county commission approves and authorizes the policy in terms of subsidizing active employees or retired employees' premiums.

Benefits Provided

Employees Hired after December 31, 2010

All full-time employees and eligible retirees of Rutherford County, the Smyrna-Rutherford County Airport (a joint venture), and Community Care of Rutherford County, Inc., and the Rutherford County Emergency Communications District (component units) are eligible to retire with medical insurance at age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. The county will provide \$1,000 per month or the adequate rate, whichever is less, into a Health Reimbursement Account. As well as eligible retirees of the discretely presented Rutherford County School Department (component unit). All medical plan benefits will end with Medicare eligibility.

Employees Hired on or Before December 31, 2010

On December 31, 2010, if employees had worked full-time at Rutherford County, the Smyrna-Rutherford County Airport (a joint venture), and the discretely presented Rutherford County School Department, Community Care of Rutherford County, Inc., and the Rutherford County Emergency Communications District (component units) for a total of:

1. Less than six months of service, the eligibility requirements to retire with medical insurance at age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. The county will provide \$1,000 per month into a Health Reimbursement Account. All medical plan benefits will end with Medicare eligibility.

2. Six months up to seven years of service, the eligibility requirements to retire with medical insurance are age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. Pre-Medicare, the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree pharmacy plan; the county will provide 50 percent for retirees and 25 percent for dependents of the applicable premium.
3. Seven up to ten years of service, the eligibility requirements to retire with medical insurance are age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent for retirees and 75 percent for dependents of the applicable premium or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent for retirees and 25 percent for dependents of the applicable premium.
4. Ten up to 20 years of service, the eligibility requirements to retire with medical insurance are were age 55 with 15 years of service and five years on the plan, age 62 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan as of December 31, 2010, the eligibility requirements to retire have been met. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.
5. Ten up to 20 years of service, the eligibility requirements to retire with medical insurance are were age 60 with 20 years of service and ten years on the plan or any age with 30 years of service and ten years on the plan, the eligibility requirements to retire have been met. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.
6. Twenty or more years of service, the eligibility requirements to retire with medical insurance are age 55 with 15 years of service and five years on the plan, age 62 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan as of December 31, 2009. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 75 percent for retirees and 50 percent for dependents of the applicable premium.
7. Twenty or more years of service, the eligibility requirements to retire with medical insurance are age 60 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.

An employee who becomes disabled becomes eligible for retiree health coverage if they are under age 65 and have completed at least ten years of service prior to total disability termination plus the employee must have had active coverage for a continuous five-year period and have filed and qualified for Medicare disability coverage. If the retiree is eligible for health insurance coverage, the coverage is also provided for the retiree’s spouse and/or dependent children. As of January 1, 2023, the discretely presented school department opted out of this plan; however, participating retirees as of December 31, 2022, remain part of this plan. This resulted in a change in the benefit plan.

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

Active Employees	1,360
Inactive Employees or Beneficiaries	496
Total	<u>1,856</u>

Total OPEB Liability

The plan’s total OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Methods. The total OPEB liability on June 30, 2025, measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Individual Entry Age Normal Cost Method - Level Percentage of Projected Salary
Inflation Rate	2.5%
Salary Increases	4%
Discount Rate	4.81% (2.31% real rate of return plus 2.5% inflation)
Healthcare Cost Trend Rate	4.5%
Retirees share of Benefit Related Cost	25% to 75% depending upon years of service and employment classification.

The discount rate was based on the S&P 20-year municipal bond index.

Mortality rates were based on Mortality Table RPH-2014 total table with projection MP-2021.

The actuarial assumptions used for the June 30, 2025, fiscal year end were based on plan data and costs presented by Rutherford County with concurrence by the actuary.

Changes in Assumptions. The discount rate changed from 4.21 percent as of the beginning of the measurement period to 4.81 percent as of the measurement date of June 30, 2025.

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

	Share of Collective Liability		
	Primary Government	School Department	Community Care
Balance July 1, 2024	\$ 14,707,156	\$ 3,815,106	\$ 351,797
Changes for the Year:			
Service Cost	\$ 610,289	\$ 0	\$ 15,810
Interest	634,536	141,357	14,969
Experience	(3,819,245)	1,577,621	(36,074)
Change in Assumptions	(1,819,490)	751,579	(17,186)
Benefit Payments	(490,659)	(914,894)	(24,108)
Net Changes	\$ (4,884,569)	\$ 1,555,663	\$ (46,589)
Balance June 30, 2025	\$ 9,822,587	\$ 5,370,769	\$ 305,208

	Share of Collective Liability		
	Airport	E-911	Total
Balance July 1, 2024	\$ 22,054	\$ 94,541	\$ 18,990,654
Changes for the Year:			
Service Cost	\$ 3,970	\$ 8,602	\$ 638,671
Interest	927	4,313	796,102
Experience	7,150	(5,920)	(2,276,468)
Change in Assumptions	3,407	(2,820)	(1,084,510)
Benefit Payments	(8,019)	(1,397)	(1,439,077)
Net Changes	\$ 7,435	\$ 2,778	\$ (3,365,282)
Balance June 30, 2025	\$ 29,489	\$ 97,319	\$ 15,625,372

During the year, the plan member's proportionate share of the collective OPEB liability was as follows: primary government 62.87 percent, school department 34.37 percent, community care 1.95 percent, airport .19 percent, and E-911 .62 percent.

Negative OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the plan recognized negative OPEB expense of (\$1,749,115) which was allocated as follows: primary government (\$763,799); school department (\$952,946); Community Care (\$31,307), Airport (\$1,153); E-911 \$90. On June 30, 2025, the plan reported deferred outflows of resources and deferred inflows of resources related to their proportionate share of OPEB from the following sources:

Primary Government	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 10,237,926
Changes of Assumptions/Inputs	0	1,717,749
Benefits Paid After the Measurement Date	0	0
Total	\$ 0	\$ 11,955,675

School Department

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 458,838	\$ 0
Changes of Assumptions/Inputs	806,883	0
Benefits Paid After the Measurement Date	0	0
Total	<u>\$ 1,265,721</u>	<u>\$ 0</u>

Community Care

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 176,098
Changes of Assumptions/Inputs	0	14,048
Benefits Paid After the Measurement Date	0	0
Total	<u>\$ 0</u>	<u>\$ 190,146</u>

Airport

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 421	\$ 0
Changes of Assumptions/Inputs	3,713	0
Benefits Paid After the Measurement Date	0	0
Total	<u>\$ 4,134</u>	<u>\$ 0</u>

Emergency Communications District

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 39,626
Changes of Assumptions/Inputs	0	2,402
Benefits Paid After the Measurement Date	0	0
Total	<u>\$ 0</u>	<u>\$ 42,028</u>

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	Primary Government	School Department	Community Care
2026	\$ (2,008,625)	\$ (1,094,303)	\$ (62,086)
2027	(2,008,625)	(1,094,303)	(62,086)
2028	(2,008,625)	(1,094,303)	(62,086)
2029	(315,305)	(171,390)	(9,724)
2030	(315,305)	(171,390)	(9,724)
Thereafter	(5,299,190)	4,891,410	15,560

Year Ending June 30	Airport	E-911	Total
2026	\$ (6,050)	\$ (12,824)	\$ (3,183,888)
2027	(6,050)	(12,824)	(3,183,888)
2028	(6,050)	(12,824)	(3,183,888)
2029	(947)	(1,296)	(498,662)
2030	(947)	(1,296)	(498,662)
Thereafter	24,178	(964)	(369,006)

In the tables 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 proportionate share of the total OPEB liability of the plan members calculated using the discount rate of 4.81 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Discount Rate	Current		
	1% Decrease	Discount Rate	1% Increase
OPEB Liability	3.81%	4.81%	5.81%
Primary Government	\$ 11,002,981	\$ 9,822,587	\$ 8,834,940
School Department	6,015,150	5,370,769	4,829,917
Community Care	341,273	305,208	274,028
Airport	33,252	29,489	26,700
E-911	108,507	97,319	87,127
Total	<u>\$ 17,501,163</u>	<u>\$ 15,625,372</u>	<u>\$ 14,052,712</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the proportionate share of total OPEB liability of the plan members calculated using the healthcare cost trend rate of 4.5 percent, 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%		Current	1%		
	Decrease		Trend	Increase		
OPEB Liability	3.5%		Rates	4.5%		
Primary Government	\$	8,663,311	\$	9,822,587	\$	11,236,827
School Department		4,736,090		5,370,769		6,142,990
Community Care		268,705		305,208		348,526
Airport		26,181		29,489		33,959
E-911		85,434		97,319		110,813
Total	\$	13,779,721	\$	15,625,372	\$	17,873,115

OPEB Provided through State Administered Public Entity Risk Pools

Discretely Presented Rutherford County School Department

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

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

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

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

The discount rate was 3.93 percent, based on the daily rate of Bond Buyer's 20-year Municipal GO AA index closest to but not later than the measurement date.

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020, Pension Actuarial Valuation of the 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 19 percent load for males and an 18 percent load for females, projected generationally with MP-2021 from 2010. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load, projected generationally from 2018 with MP-2021.

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

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

Plan Description. Employees of the Rutherford 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 Rutherford 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 the retiree premiums. The school department 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, 2024, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefits	73
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>2,946</u>
Total	<u><u>3,019</u></u>

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies.

During the current reporting period, the school department paid \$682,654 to the LEP for OPEB benefits as they came due.

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

	Share of Collective Liability		Total OPEB Liability
	Rutherford County School Department 68.0138%	State of TN 31.9862%	
Balance July 1, 2023	\$ 11,008,976	\$ 5,531,026	\$ 16,540,002
Changes for the Year:			
Service Cost	\$ 2,666,335	\$ 1,253,950	\$ 3,920,285
Interest	497,577	234,006	731,583
Difference between Expected and Actual Experience	1,652,348	777,082	2,429,430
Changes in Proportion	240,508	(240,508)	0
Changes in Assumption	288,874	125,429	414,303
Benefit Payments	(579,353)	(262,038)	(841,391)
Net Changes	\$ 4,766,289	\$ 1,887,921	\$ 6,654,210
Balance June 30, 2024	\$ 15,775,265	\$ 7,418,947	\$ 23,194,212

The Rutherford 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 Rutherford 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 \$1,557,788 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Rutherford County School Department's proportionate share of the collective OPEB liability was 68.0138 percent and the State of Tennessee's share was 31.9862 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the school department recognized OPEB expense of \$4,951,840, including the state's share of the expense. On June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience	\$ 1,478,050	\$ 0
Changes in Proportion	221,481	0
Changes of Assumptions	252,059	0
Benefits Paid After the Measurement Date of June 30, 2024	682,654	0
Total	\$ 2,634,244	\$ 0

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

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

Year Ending June 30	School Department
2026	\$ 230,140
2027	230,140
2028	230,140
2029	230,140
2030	230,140
Thereafter	800,890

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

Proportionate Share of the Collective Total OPEB Liability	\$ 17,092,152	\$ 15,775,265	\$ 14,546,260
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department’s proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 13,983,703	\$ 15,775,265	\$ 17,878,105
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H. Office of Central Accounting and Budgeting

Office of Director of Finance

Rutherford County operates under Chapter 49, Private Acts of 1979, as amended. This act provides for a central system of accounting and budgeting covering all funds of the county. Accounting records of all funds are maintained under the supervision of the director of finance.

I. Purchasing Laws

Office of County Mayor

Rutherford County Purchasing Act of 2017, as amended, governs purchasing procedures for the general county government. This act provides for purchases to be made by the county mayor and for all purchases exceeding \$50,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

Office of Highway Superintendent

Chapter 55, Private Acts of 1951, as amended, and Section 54-7-113, *Tennessee Code Annotated (TCA)* (Uniform Road Law), govern purchasing procedures for the highway department. These statutes require all purchases exceeding \$50,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Rutherford 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 \$50,000.

J. Subsequent Event

On July 30 2025, Rutherford County issued \$104,715,000 in general obligation school bonds.

VI. OTHER NOTES – DISCRETELY PRESENTED COMMUNITY CARE OF RUTHERFORD COUNTY, INC

A. Summary of Significant Accounting Policies

The summary of significant accounting policies of Community Care of Rutherford County, Inc., (the nursing home) is presented to assist in understanding the nursing home's financial statements. The financial statements and notes are representations of the nursing home's management who is responsible for their integrity and objectivity. These accounting policies conform to Generally Accepted Accounting Principles.

Financial Reporting Entity – The nursing home is a component unit of the primary government of Rutherford County, Tennessee. The nursing home reports its financial information separately from Rutherford County; however, the county, in its financial report, also discretely presents the nursing home's financial information.

Legally, the nursing home is a separate nonprofit entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected, but is instead entirely appointed by the Rutherford County Commission, and the county is contingently liable for all the

nursing home's debt obligations, the nursing home cannot be a primary government. Instead, it qualifies as a component unit according to the directives of GASB.

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

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

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

The accounting and financial reporting treatment applied to the nursing home is determined by its measurement focus. The transactions of the nursing home are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Position. Net position (i.e., total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net investment in capital assets, restricted for pensions, and unrestricted components.

When both restricted and unrestricted resources are available for use, it is the nursing home's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash and Cash Equivalents – The nursing home presents its cash flow statement using the direct method. For purposes of cash flow presentation, the nursing home considers cash in operating bank accounts, demand deposits, cash on hand, and certificates of deposit, which have original maturities of three months or less as cash and cash equivalents. On June 30, 2025, there were no certificates of deposit that qualified as cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts – Patient accounts receivable are stated at the amount the nursing home expects to collect from outstanding balances. Patient accounts receivable are due within ten days after the issuance of the request for payment. Third-party payer receivables are usually collected within 60 days. Receivables past due more than 120 days are considered delinquent. The nursing home provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Delinquent accounts are written off based on individual evaluation and specific circumstances. Some delinquent accounts deemed to be collectible are placed with an attorney for collection.

Patient Service Revenue – Gross patient revenue is recorded on an accrual basis based on services rendered at amounts equal to established rates. Allowances for contractual adjustments are recorded for the differences between established rates and amounts estimated to be paid by the Medicare and Medicaid programs and other third-party payors. Contractual adjustments are deducted from gross patient revenue to determine net patient revenue. Contractual adjustments and bad debt expense for the fiscal year ended June 30, 2025, amounted to \$571,495 and \$185,391, respectively. Amounts paid under Medicare and Medicaid programs are generally based on fixed rates per patient day, adjusted prospectively. All amounts earned under Medicare, Medicaid, and other governmental programs are subject to review by the third-party payors. Any differences between estimated settlements and final determinations are reflected in operations in the year finalized.

Inventories – Inventories consist of expendable supplies held for consumption and are reported at cost based on the first-in, first-out method.

Property and Equipment – Property and equipment are stated at cost. Donated capital assets are recorded at estimated fair value on the date donated. Depreciation of property and equipment is provided using the straight-line method. Maintenance and repairs are charged to operations when incurred. The nursing home eliminates the costs and related allowances from the accounts for properties sold or retired, and any resulting gains or losses are included in income. The center estimates the useful lives of the respective classes of plant and equipment as follows:

<u>Assets</u>	<u>Years</u>
Leasehold improvements	5 - 25
Transportation equipment	4 - 5
Furniture and equipment	3 - 20

Deferred Outflows/Inflows of Resources – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The nursing home has items that qualify for reporting in this category. Accordingly, the items are reported in the Statement of Net Position. These items are for pension changes in experience, pension changes in assumptions, and contributions for the pension plan paid after the measurement dates of the actuarial reports.

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 Statement of Net Position. The deferred inflows relate to certain amounts related to pensions and OPEB, such as difference between projected and actual earnings on pension plan investments and changes in pension plan experience as well as changes in OPEB assumptions and experience.

Compensated Absences – Nursing home employees accrue personal leave or compensated absences by a prescribed formula based on length of service. Compensated absences related to the nursing home employees are recorded within the period earned.

Operating Revenues and Expenses – The nursing home’s operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its principal ongoing operations. All other revenues and expenses are reported as nonoperating revenues and expenses and consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities.

Pensions – 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 Rutherford County’s participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Rutherford County’s fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of the TCRS. Investments are reported at fair value.

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

Income Taxes – The nursing home is exempt from income taxes as a nonprofit corporation described in Section 501(c)(3) of the Internal Revenue Code, and accordingly, the financial statements do not reflect a provision for income taxes.

Newly Adopted Accounting Pronouncements –The nursing home implemented the following Governmental Accounting Standards Board (GASB) statements during fiscal year 2024:

GASB Statement No. 100, *Accounting for Change and Error Corrections*, was issued in June 2022. This statement enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The implementation did not have an effect on the nursing home’s financial statements for fiscal year 2024.

Recent Accounting Pronouncements - GASB Statement No. 101, *Compensated Absences*, was issued in June 2022. This statement updates the recognition and measurement guidance for compensated absences. This statement requires liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. This statement will be effective for the nursing home in fiscal year 2025. The nursing home is in the process of evaluating the impact of GASB Statement No. 101.

B. *Cash and Certificates of Deposit*

State statutes authorize the nursing home to make investments in bonds, notes or treasury bills of the United States, certificates of deposit at Tennessee state chartered or federally chartered banks and savings and loan associations, Federal Loan Bank bonds, Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes and debentures, banks or cooperative debentures, or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year, or in the pooled investment fund established under Tennessee law. Cash reserves for operations were held in bank checking and savings accounts.

State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of uninsured deposits. This must be done by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. The Tennessee Bank Collateral Pool is a multiple financial institution collateral pool in which member financial institutions holding public funds pledge collateral securities equal to at least 105 percent of the average daily balance of public deposits held. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro-rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

The second method is for deposits with financial institutions that do not participate in the bank collateral pool. In this case, state statutes require that all deposits be collateralized with collateral whose market 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 organization who has the deposits.

During fiscal year 2025, the nursing home's deposit balances were fully collateralized by the State of Tennessee Bank Collateral Pool. Additionally, cash and the cash-patients' funds presented on the statement of net position includes \$450 of cash on hand and not included in cash deposits above.

On June 30, 2025, the carrying amount of cash deposits was \$3,855,637, and the bank balance was \$3,746,351. In addition, the nursing home held patient funds in trust with a carrying amount of \$10,562 on June 30, 2025.

C. *Capital Assets*

Capital asset activity for the year ended June 30, 2025, is summarized as follows:

Description	Balance 7-1-24	Additions	Retirements	Balance 6-30-25
Capital assets not being depreciated:				
Land	\$ 113,184	\$ 0	\$ 0	\$ 113,184
Construction in Progress	110,040	0	(110,040)	0
Subtotal	<u>\$ 223,224</u>	<u>\$ 0</u>	<u>\$ (110,040)</u>	<u>\$ 113,184</u>
Capital assets being depreciated:				
Land improvements	\$ 88,496	\$ 0	\$ 0	\$ 88,496
Leasehold improvements	1,196,232	159,763	(13,737)	1,342,258
Transportation equipment	207,533	0	(48,460)	159,073
Furniture, fixtures, and equipment	1,317,451	99,363	(311,005)	1,105,809
Total	<u>\$ 2,809,712</u>	<u>\$ 259,126</u>	<u>\$ (373,202)</u>	<u>\$ 2,695,636</u>
Accumulated depreciation:				
Land improvements	\$ 31,970	\$ 7,245	\$ 0	\$ 39,215
Leasehold improvements	594,310	63,805	(13,562)	644,553
Transportation equipment	119,311	29,408	(48,460)	100,259
Furniture, fixtures, and equipment	881,567	72,922	(305,003)	649,486
Total	<u>\$ 1,627,158</u>	<u>\$ 173,380</u>	<u>\$ (367,025)</u>	<u>\$ 1,433,513</u>
Capital assets being depreciated, net	<u>\$ 1,182,554</u>	<u>\$ 85,746</u>	<u>\$ (6,177)</u>	<u>\$ 1,262,123</u>
Capital Assets, net	<u>\$ 1,405,778</u>	<u>\$ 85,746</u>	<u>\$ (116,217)</u>	<u>\$ 1,375,307</u>

Depreciation expense for the fiscal year ended June 30, 2025, totaled \$172,364.

D. *Long-Term Obligations*

A summary of changes in the nursing home's governmental activities long-term obligations transactions for the year ended June 30, 2025, are as follows:

	Balance			Balance	
	7-1-24	Additions	Reductions	6-30-25	Due Within One Year
Compensated absences	\$ 222,570	\$ 9,355	\$ 0	\$ 231,925	\$ 231,925
Pension liability	826,565	0	(48,116)	778,449	0
OPEB liability	351,797	0	(46,589)	305,208	0
	<u>\$ 1,400,932</u>	<u>\$ 9,355</u>	<u>\$ (94,705)</u>	<u>\$ 1,315,582</u>	<u>\$ 231,925</u>

E. Patient Funds Held in Trust

On June 30, 2025, the nursing home had a fiduciary responsibility for funds totaling \$10,562 on behalf of patients. This amount was held in a separate interest-bearing cash account.

The nursing home is required to maintain a cash account as a depository for patient funds. The fund is restricted in use and can be used only for providing spending money for patients, purchasing supplies for patients with cash in the fund, or paying amounts due to the nursing home for patient care, provided the amount does not include monies stipulated for patients' use only. All funds are required to be placed in an insured interest-bearing account.

F. Lease Commitment

The nursing home has a lease agreement with Rutherford County for the rental of the building, which it occupies. Under the lease terms, the nursing home will incur no lease expense as long as the nursing home meets its responsibility to pay timely its cost of the medical, hospital and life insurance premiums incurred. The lease agreement was renewed June 17, 2021, for an additional five-year period commencing July 1, 2021, and ending June 30, 2026, and may be terminated by either party upon a 90-day written notice. For the year ended June 30, 2025, medical, hospital and life insurance premiums in the amount of \$1,171,615 were paid timely.

G. Concentration of Credit Risk

The nursing home grants credits without collateral to its patients, most of whom are insured under third-party payer agreements. The mix of receivables from patients and third-party payers are as follows:

Medicaid	52 %
Medicare	40
Private	3
Insurance	5
	<u>100 %</u>

Approximately 97 percent of net patient revenue is derived from third-party payers.

H. Risk Management

The nursing home is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The nursing home maintains commercial insurance coverage on each area of risk. Exposure is limited to claims in excess of standard policy limitations. The nursing home annually reviews its insurance needs based on claims and/or potential claims to minimize exposure. There were no claims in excess of insurance coverage during the past three years.

All full-time employees of the nursing home are eligible to participate in Rutherford County's Employee Insurance – Health Fund, which is an internal service fund of Rutherford County. Premium

charges are allocated to the nursing home and are based on actuarial estimates of the amounts needed to pay prior- and current-year claims.

I. Pension Plan

Plan Description. Employees of Community Care of Rutherford County, Inc., are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent 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 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>.

Since Community Care of Rutherford County, Inc., is a component unit of Rutherford County and does not have its own distinct agent multiple-employer pension plan, the plan is treated as a cost-sharing plan for purposes of Community Care of Rutherford County, Inc.'s stand-alone financial statements. On the measurement date of June 30, 2024, Community Care of Rutherford County, Inc., comprised 3.22 percent of the plan based on contributions, and the proportion measured as of June 30, 2023, was 3.02 percent.

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 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 are available under various eligibility criteria.

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

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. Community Care of Rutherford County, Inc., makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for Community Care of Rutherford County, Inc., were \$485,232 based on a rate of 11.88 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept state shared taxes of Rutherford County, the primary government, if required employer contributions are not remitted. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Pension Liability. On June 30, 2025, Community Care of Rutherford County, Inc., reported a liability of \$778,449 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The nursing home's proportion of the net pension liability was based on a projection of the nursing home's long-term share of contributions to the pension plan relative to the actuarially determined projected contributions of all participating entities. On June 30, 2025, Community Care of Rutherford County, Inc.'s proportion was 3.22 percent.

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

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

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historical 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 investment 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Rutherford 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.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Community Care of Rutherford County, Inc., calculated using the discount rate of 6.75 percent, as well as 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:

Community Care of Rutherford County	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability (Asset)	\$ 3,282,277	\$ 778,449	\$ (1,260,983)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, Community Care of Rutherford County, Inc., recognized a pension expense (negative pension expense) of \$765,089.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Community Care of Rutherford County, Inc., 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
Differences Between Expected and Actual; Experience	\$ 1,110,433	\$ 99,720
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	0	161,440
Changes in Assumptions	365,043	0
Contributions Subsequent to the Measurement Date of June 30, 2024	485,232	0
Total	<u>\$ 1,960,708</u>	<u>\$ 261,160</u>

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

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

Year Ending June 30	Amount
2026	\$ 246,342
2027	625,400
2028	204,163
2029	74,165
2030	88,803
Thereafter	0

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

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

Payable to the Pension Plan. On June 30, 2025, the nursing home reported a payable of \$38,440 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2025.

J. Other Postemployment Benefits (OPEB)

Community Care of Rutherford County, Inc., provides OPEB benefits to their retirees through a single commercial insurance plan of Rutherford County (the County), the primary government, administered by Cigna Insurance Company. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plan is treated as a cost-sharing plan for purposes of the nursing home’s stand-alone financial statements. The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Plan Description. All full-time employees and eligible retirees of the nursing home are eligible to participate in the health insurance plan accounted for in the Employee Insurance – Health Fund (internal service fund) of the County.

The premium requirements of plan members are established and may be amended by the insurance committee comprised of 15 members, which include the County Mayor, three county commissioners, four members at large, one highway representative, three employee representatives, two Board of Education representatives, and one Rutherford Education Association representative.

The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. While the County Risk Management committee recommends the contribution policy, the County Commission approves and authorizes the policy in terms of subsidizing active employees or retired employees' premiums. During the year, the nursing home paid \$24,108 to the plan for OPEB benefits as they became due.

Benefits Provided

Employees Hired after December 31, 2010

All full-time employees and eligible retirees of Community Care of Rutherford County, Inc., are eligible to retire with medical insurance at age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. The county will provide \$1,000 per month or the adequate rate, whichever is less, into a Health Reimbursement Account. All medical plan benefits will end with Medicare eligibility.

Employees Hired on or Before December 31, 2010

On December 31, 2010, if employees had worked full-time at Community Care of Rutherford County, Inc., for a total of:

1. Less than six months of service, the eligibility requirements to retire with medical insurance at age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. The county will provide \$1,000 per month into a Health Reimbursement Account. All medical plan benefits will end with Medicare eligibility.
2. Six months up to seven years of service, the eligibility requirements to retire with medical insurance are age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. Pre-Medicare, the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree pharmacy plan; the county will provide 50 percent for retirees and 25 percent for dependents of the applicable premium.
3. Seven up to ten years of service, the eligibility requirements to retire with medical insurance are age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent for retirees and 75 percent for dependents of the applicable premium or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent for retirees and 25 percent for dependents of the applicable premium.
4. Ten up to 20 years of service, the eligibility requirements to retire with medical insurance are were age 55 with 15 years of service and five years on the plan, age 62 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan as of December 31,

2010, the eligibility requirements to retire have been met. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.

5. Ten up to 20 years of service, the eligibility requirements to retire with medical insurance are were age 60 with 20 years of service and ten years on the plan or any age with 30 years of service and ten years on the plan, the eligibility requirements to retire have been met. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.
6. Twenty or more years of service, the eligibility requirements to retire with medical insurance are age 55 with 15 years of service and five years on the plan, age 62 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan as of December 31, 2009. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 75 percent for retirees and 50 percent for dependents of the applicable premium.
7. Twenty or more years of service, the eligibility requirements to retire with medical insurance are age 60 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.

An employee who becomes disabled becomes eligible for retiree health coverage if they are under age 65 and have completed at least ten years of service prior to total disability termination plus the employee must have had active coverage for a continuous five-year period and have filed and qualified for Medicare disability coverage. If the retiree is eligible for health insurance coverage, the coverage is also provided for the retiree's spouse and/or dependent children.

Total OPEB Liability

The plan's total OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Methods. The total OPEB liability on the June 30, 2025, measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Individual Entry Age Normal Cost Method - Level Percentage of Projected Salary
Inflation Rate	2.5%
Salary Increases	4%
Discount Rate	4.81% (1.71% real rate of return plus 2.50% inflation)
Healthcare Cost Trend Rate	4.5% trending downward to an ultimate rate
Retirees share of Benefit Related Cost	25% to 75% depending upon years of service and employment classification.

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

Mortality rates were based on Mortality Table RPH-2014 total table with projection MP-2021.

The actuarial assumptions used for the June 30, 2025, fiscal year end were based on plan data and costs presented by Rutherford County with concurrence by the actuary.

Changes in Assumptions. The discount rate changed from 4.21 percent as of the beginning of the measurement period to 4.81 percent as of the measurement date of June 30, 2025.

Changes in Total OPEB Liability:

Balance July 1, 2024	<u>\$ 351,797</u>
Changes for the Year:	
Service Cost	\$ 15,810
Interest	14,969
Experience	(36,074)
Change in Assumptions	(17,186)
Benefit Payments	<u>(24,108)</u>
Net Changes	<u>\$ (46,589)</u>
Balance June 30, 2025	<u><u>\$ 305,208</u></u>

Due to a change in actuary and a change in measurement date, two years of activity was reflected in the prior tables. During the year, the nursing home's proportionate share of the collective OPEB liability was 1.95 percent.

OPEB Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the nursing home's portion of OPEB expense (negative OPEB expense) recognized by the plan was (\$31,307). On June 30, 2025, the plan reported deferred outflows of resources and deferred inflows of resources related to the nursing home's proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 176,098
Changes of Assumptions/Inputs	0	14,048
Benefits Paid After the Measurement Date	0	0
Total	<u>\$ 0</u>	<u>\$ 190,146</u>

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

Year Ending June 30	Amount
2026	\$ (62,086)
2027	(62,086)
2028	(62,086)
2029	(9,724)
2030	(9,724)
Thereafter	15,560

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

Sensitivity of the Nursing Home's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate. The following presents the nursing home's proportionate share of the total OPEB liability of the plan members calculated using the discount rate of 4.81 percent, as well as what the nursing home's proportionate share of the total OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (3.81 percent) or one percentage point higher (5.81 percent) than the current rate:

Discount Rate	1% Decrease 3.81%	Current Discount Rate 4.81%	1% Increase 5.81%
Total OPEB Liability	\$ 341,273	\$ 305,208	\$ 274,028

Sensitivity of the Nursing Home's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the nursing home's proportionate share of the total OPEB liability of the plan members calculated using the healthcare cost trend rate of 4.50 percent, as well as what the nursing home's proportionate share of the total OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (3.50 percent) or one percentage point higher (5.50 percent) than the current rate:

Healthcare Cost Trend Rate	Current	
	1% Decrease	1% Increase
	3.5%	4.5%
Total OPEB Liability	\$ 268,705	\$ 305,208
		\$ 348,526

K. Health Care Regulations

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

VII. OTHER NOTES – DISCRETELY PRESENTED RUTHERFORD COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Summary of Significant Accounting Policies

General Information – On May 15, 1984, the Tennessee state legislature approved the Tennessee Emergency Communications District Law (Acts 1984, Ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on May 6, 1986, the voters of Rutherford County approved the establishment of a district for their county, the Rutherford County Emergency Communications District.

As provided by the act, the district operates as a governmental organization through the directives of a board of directors and provides enhanced emergency telephone service for its service area. The directors serve without compensation for terms of four years. By their authority, they have employed a full-time director to assist the board in discharging its management responsibilities.

Financial Reporting Entity - Component Unit – The district is a component unit of the primary government of Rutherford County, Tennessee. The district reports its financial information separately from Rutherford County; however, the county in its financial report also presents the district’s financial information.

Legally, the district is a separate governmental entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected, but instead is entirely appointed by the Rutherford County Mayor and confirmed by the Rutherford County Commission, the district cannot be a primary government. Instead, it qualifies as a component unit according to the directives of the Governmental Accounting Standards Board (GASB).

The GASB specifies that component units must be legally separate organizations, which have financial accountability to a primary government. Financial accountability exists prima facie if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all of three activities. Two of these are to issue bonded debt without approval by another government and to levy taxes or set rates or charges without approval by another government. As provided by Section 7-86-114, *Tennessee Code Annotated*, before issuing negotiable

bonds, the district must have approval of the legislative body of a county wherein a district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Rutherford County Commission has the ability to adjust the district's service charges. Because the district is both a legal entity and is financially accountable to the primary government of Rutherford County, as the county commission appoints all members of the governing board and by the nature of its fiscal dependence on Rutherford County as described above, it is a component unit of Rutherford County.

On June 30, 2025, there were no related receivables or payables between Rutherford County and the district. The district did not engage in any activities that were subject to the approval of Rutherford County.

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

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

The accounting and financial reporting treatment applied to the district is determined by its measurement focus. The transactions of the district are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Position. Net position (i.e., total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net investment in capital assets and unrestricted components.

When both restricted and unrestricted resources are available for use, it is the district's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash Flow - Cash and Cash Equivalents – The district presents its cash flow statement using the direct method. For purposes of cash flow presentation, the district considers cash in operating bank accounts, cash on hand, and certificates of deposit that have original maturities of three months or less as cash and cash equivalents. On June 30, 2025, there were no certificates of deposit that qualified as cash equivalents.

Budgetary Law and Practice – The director of the district files an annual budget with the clerk of Rutherford County in accordance with *Tennessee Code Annotated*, Title 7, Chapter 86, Part 1. In April of each year, the director presents a preliminary budget to the board of directors, which is then discussed and amended as necessary for approval by the board.

The budget for operations is prepared on the cash receipts and disbursements basis by line-item accounts. Revenues are budgeted in the year receipt is expected, and disbursements are budgeted in the year that the disbursement is expected to occur.

Prepaid Expenses – The costs of prepaid insurance and any other applicable costs that are prepaid are charged to operations over the period of coverage. As of June 30, 2025, prepaid insurance and service contract costs were \$412,259.

Property and Equipment – Property and equipment are stated at cost. The district defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. For financial statement purposes, depreciation of property and equipment is provided using the straight-line method. Maintenance and repairs are charged to operations when incurred. Major renewals and betterments are capitalized. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included as nonoperating revenue or loss.

The estimated useful lives are as follows:

Assets	Years
Buildings and Improvements	10 - 40
Furniture and Fixtures	6 - 10
Office Equipment	3 - 10
Communications Equipment	5 - 10
Vehicles	5
Other Capital Assets	5 - 15

Compensated Absences – The Board of Directors voted to adopt a policy for vacation, sick leave, and holidays effective January 1, 1995. Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the district. Excess days earned are transferred to sick leave days. Sick leave accrues to full-time, permanent employees at the rate of one day per month of service. An employee is entitled to accrue sick leave days without limitation on the number of days. If an employee should leave prior to the vesting benefits, no compensation will be paid for unused sick days. After an employee is eligible to receive vested benefits in the retirement plan, any sick leave that said employee has accrued will be credited to retirement service days. Non-exempt employees are entitled to overtime or compensatory time.

An estimated liability for vacation has been accrued under the vesting method. The estimated amount calculated for compensated absences recorded as a liability on June 30, 2025, is \$77,806.

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

Operating Revenues and Expenses – The district’s operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its principal ongoing operations. All other revenues and expenses are reported as nonoperating revenues and expenses and consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities.

Pensions – For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Rutherford County Emergency Communication District’s participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Rutherford County Emergency Communication District’s fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Other Postemployment Benefits (OPEB) –The district provides OPEB benefits to its retirees through a single commercial insurance plan of Rutherford County (the county), the primary

government, administered by Cigna Insurance Company. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in GASB Statement No. 75. The plan is treated as a cost-sharing plan for purposes of the district's stand-alone financial statements. The plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The district has items that qualify for reporting in this category. Accordingly, the items are reported in the statement of net position. These items are for pension changes in experience and pension contributions subsequent to the measurement date.

In addition to liabilities, the statement of financial 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 district has items that qualify for reporting in this category. These items include net pension changes in investment earnings, OPEB changes in experience, OPEB changes in assumptions, and lease asset.

Implementation of GASB Statement No. 101 – GASB Statement No. 101, *Compensated Absences*, became effective for the fiscal year ending June 30, 2025. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The accounting change resulted in a decrease in beginning net position of \$10,220 in the year ending June 30, 2025.

B. Cash and Certificates of Deposit Investments

The district follows state statutes requiring all deposits with financial institutions to be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. The Tennessee Bank Collateral Pool (the pool) is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. Public fund accounts covered by the pool are considered to be insured for purposes of custodial credit risk exposure.

The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

The district does not have a formal policy regarding types of investments authorized. State Statutes authorize the district to make investments in bonds, notes, or treasury bills of the United States, Federal Land Bank bonds, Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes and debentures, banks for cooperative debentures, or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year, or in the pooled investment fund established under Tennessee law. 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 market 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 government.

On June 30, 2025, the carrying amount of cash deposits was \$8,332,579 and the bank balance was \$8,527,679. All bank accounts earn a variable rate of interest. On June 30, 2025, the entire bank balance was covered by federal depository insurance or by collateral held in the Tennessee Bank Collateral Pool.

Certificates of Deposit – On June 30, 2025, the district held the following certificates of deposit:

Bank	Interest	Maturity	Carrying Amount
Wilson Bank & Trust	4.15 %	2-19-26	\$ 250,000
First National Bank of Middle Tennessee	4.05	7-28-25	250,000
Total			<u>\$ 500,000</u>

C. Capital Assets

Capital assets are summarized as follows:

	Balance 7-1-24	Additions	Reductions	Balance 6-30-25
Capital assets, not being depreciated/amortized				
Land	\$ 17,500	\$ 0	\$ 0	\$ 17,500
Other assets-not depreciated	79,924	65,517	(53,283)	92,158
Total	<u>\$ 97,424</u>	<u>\$ 65,517</u>	<u>\$ (53,283)</u>	<u>\$ 109,658</u>
Capital assets, being depreciated/amortized				
Buildings and Improvements	\$ 1,442,312	\$ 0	\$ 0	\$ 1,442,312
Furniture and Fixtures	87,667	0	(3,637)	84,030
Office Equipment	14,186	0	0	14,186
Communications Equipment	3,224,767	91,464	0	3,316,231
Vehicle	48,775	0	0	48,775
Other Capital Assets	538,129	0	0	538,129
Intangible(right-to-use)lease asset	1,238,230	0	0	1,238,230
Intangible(right-to-use)SBITA asset	165,739	224,607	(165,739)	224,607
Total	<u>\$ 6,759,805</u>	<u>\$ 316,071</u>	<u>\$ (169,376)</u>	<u>\$ 6,906,500</u>
Less: Accumulated Depreciation/Amortization				
Buildings and Improvements	\$ (694,664)	\$ (38,101)	\$ 0	\$ (732,765)
Furniture and Fixtures	(62,705)	(6,966)	3,637	(66,034)
Office Equipment	(14,186)	0	0	(14,186)
Communications Equipment	(1,613,191)	(182,767)	0	(1,795,958)
Vehicle	(48,775)	0	0	(48,775)
Other Capital Assets	(500,149)	(15,501)	0	(515,650)
Intangible(right-to-use)lease asset	(185,735)	(61,911)	0	(247,646)
Intangible(right-to-use)SBITA asset	(132,591)	(70,582)	165,739	(37,434)
Total	<u>\$ (3,251,996)</u>	<u>\$ (375,828)</u>	<u>\$ 169,376</u>	<u>\$ (3,458,448)</u>
Total	<u>\$ 3,507,809</u>	<u>\$ (59,757)</u>	<u>\$ 0</u>	<u>\$ 3,448,052</u>
Total Capital Assets	<u>\$ 3,605,233</u>	<u>\$ 5,760</u>	<u>\$ (53,283)</u>	<u>\$ 3,557,710</u>

D. Intangible (Right-to-Use) Lease Asset

During the fiscal year ended June 30, 2020, the district entered into a Master Dark Fiber IRU Agreement ("IRU Agreement") with United Communications. The IRU Agreement provides the district with an irrevocable right to use certain optical fibers in various portions of the United Communications network. As of June 30, 2025, the district has paid 100% of the contract in the amount of \$1,238,230. The construction was completed on June 18, 2021. The district has the right-to-use of the fibers for a period of 20 years. Amortization expense for the year ended June 30, 2025, was \$61,912. The net book value of the intangible (right-to-use) asset on June 30, 2025, was \$990,584. Amortization of the intangible right-to-use asset is \$61,911 for fiscal years ending June 30, 2026, through June 30, 2030, and \$681,024 thereafter.

E. Retirement Plan

General Information about the Pension Plan

Plan Description. Employees of Rutherford County Emergency Communications District are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent 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 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 [Tennessee Department of Treasury website](#).

Benefits Provided. TCA, Title 8, Chapters 34-37 establishes 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 service credit. Reduced benefits for early retirement are available at age 55 and vested. 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 10 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 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

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

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	3
Active employees	4
Total	<u>9</u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Rutherford County Emergency Communications District has adopted a noncontributory retirement plan for its employees. Rutherford County Emergency Communications District makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for Rutherford County Emergency Communications District were \$72,720 based on a rate of 18.43 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Rutherford County Emergency Communications District's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution (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)

Pension liabilities (assets). Rutherford County Emergency Communications District's net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

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

Inflation	2.25%
Salary increases	Graded salary ranges from 8.72 to 3.44% based on age, including inflation, averaging 4%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation
Cost-of-living adjustment	2.125%

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

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

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020, actuarial experience study. A blend of future capital market projections and historical 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 investment 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 weighting 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	Long-Term Expected Real Rate of Return	%	Target Allocation
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
			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 assumed that employee contributions will be made at the current rate and that contributions from Rutherford County Emergency Communications District 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 (a)-(b)
Balance, July 1, 2023	\$ 1,554,261	\$ 1,312,174	\$ 242,087
Changes for the year:			
Service Cost	\$ 24,671	\$ 0	\$ 24,671
Interest	105,094	0	105,094
Differences Between Expected and Actual Experience	112,091	0	112,091
Contributions-Employer	0	63,557	(63,557)
Net Investment Income	0	129,033	(129,033)
Benefit Payments, Including Refunds of Employee Contributions	(43,976)	(43,976)	0
Administrative Expense	0	(439)	439
Net Changes	\$ 197,880	\$ 148,175	\$ 49,705
Balance, June 30, 2024	\$ 1,752,141	\$ 1,460,349	\$ 291,792

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Rutherford County Emergency Communications District 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:

Rutherford County Emergency Communications District	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 558,613	\$ 291,792	\$ 72,129

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

Pension expense (negative pension expense). For the year ended June 30, 2025, Rutherford County Emergency Communications District recognized pension expense (negative pension expense) of \$91,062.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2025, Rutherford County Emergency Communications District 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
Differences Between Expected and Actual Experience	\$ 225,248	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	14,604
Contributions Subsequent to the Measurement Date of June 30, 2024	72,720	0
Total	\$ 297,968	\$ 14,604

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

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

Year Ending June 30	Amount
2026	\$ 46,977
2027	83,975
2028	56,879
2029	22,813
2030	0

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

F. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district purchases commercial insurance for claims and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

G. Other Postemployment Benefits (OPEB)

Plan Description. All full-time employees and eligible retirees of the district are eligible to participate in the health insurance plan accounted for in the Employee Insurance – Health Fund (internal service fund) of Rutherford County. The premium requirements of plan members are established and may be amended by the insurance committee comprised of 15 members, which include the county mayor, three county commissioners, four members at large, one highway representative, three employee representatives, two board of education representatives, and one Rutherford Education Association representative. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. While the county risk management committee recommends the contribution policy, the county commission approves and authorizes the policy in terms of subsidizing active employees or retired employees' premiums. During the year, the district paid \$1,397 to the plan for OPEB benefits as they became due.

Benefits Provided

Employees Hired after December 31, 2010

All full-time employees and eligible retirees of the district are eligible to retire with medical insurance at age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. The County will provide \$1,000 per month or the adequate rate, whichever is less, into a Health Reimbursement Account. All medical plan benefits will end with Medicare eligibility.

Employees Hired on or Before December 31, 2010

On December 31, 2010, if employees had worked full-time at the district for a total of:

1. Less than six months of service, the eligibility requirements to retire with medical insurance at age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. The county will provide \$1,000 per month into a Health Reimbursement Account. All medical plan benefits will end with Medicare eligibility.
2. Six months up to seven years of service, the eligibility requirements to retire with medical insurance are age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. Pre-Medicare, the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree pharmacy plan; the county will provide 50 percent for retirees and 25 percent for dependents of the applicable premium.
3. Seven up to ten years of service, the eligibility requirements to retire with medical insurance are age 60 with 20 years of service and 15 years on the plan, or any age with 30 years of service and 15 years on the plan. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent for retirees and 75 percent for dependents of the applicable premium or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent for retirees and 25 percent for dependents of the applicable premium.

4. Ten up to 20 years of service, the eligibility requirements to retire with medical insurance are were age 55 with 15 years of service and five years on the plan, age 62 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan as of December 31, 2010, the eligibility requirements to retire have been met. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.
5. Ten up to 20 years of service, the eligibility requirements to retire with medical insurance are were age 60 with 20 years of service and ten years on the plan or any age with 30 years of service and ten years on the plan, the eligibility requirements to retire have been met. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.
6. Twenty or more years of service, the eligibility requirements to retire with medical insurance are age 55 with 15 years of service and five years on the plan, age 62 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan as of December 31, 2009. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 75 percent for retirees and 50 percent for dependents of the applicable premium.
7. Twenty or more years of service, the eligibility requirements to retire with medical insurance are age 60 with ten years of service and five years on the plan or any age with 30 years of service and five years on the plan. Pre-Medicare retirees must choose one of two options: the county will provide 50 percent of the applicable premium for participants, or the county will provide \$1,000 per month into a Health Reimbursement Account until Medicare eligibility. Post-Medicare retirees can enroll in the county's retiree Medicare plan; the county will provide 50 percent of the applicable premium for participants.

An employee who becomes disabled becomes eligible for retiree health coverage if they are under age 65 and have completed at least ten years of service prior to total disability termination plus the employee must have had active coverage for a continuous five-year period and have filed and qualified for Medicare disability coverage. If the retiree is eligible for health insurance coverage, the coverage is also provided for the retiree's spouse and/or dependent children.

Total OPEB Liability. On June 30, 2025, the district reported a liability of \$97,319 for its proportionate share of the total OPEB liability. The plan's total OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as of June 30, 2025.

Actuarial Assumptions and Methods. The total OPEB liability on the June 30, 2025, measurement date 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
Discount Rate	4.81
Inflation Rate	2.5%
Salary Increases	4%
Healthcare Cost Trend Rate	Level 4.5%
Retirees share of Benefit Related Cost	25% to 50% depending upon years of service and employment classification.
Future Participation Rates	100% of all retiree who currently have healthcare coverage will continue with the same coverage. 100% of eligible actives who currently have healthcare coverage will continue upon retirement. 6% of retirees eligible for stipend will elect the contribution on an HRA.

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

Mortality rates for the plan were based on RPH-2014 Total Table with Projection MP-2021.

The actuarial assumptions used for the June 30, 2025, fiscal year end were based on plan data and costs presented by Rutherford County with concurrence by the actuary.

Changes in Assumptions. The discount rate changed from 4.21 percent as of the beginning of the measurement period to 4.81 percent as of the measurement date of June 30, 2025.

During the year, the district's proportionate share of the collective OPEB liability was .62%. The district's proportionate share was .5% in the prior year. The proportionate share of each plan member was allocated based on actual benefit payments paid by the group.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the district's portion of OPEB expense recognized by the plan was \$90. On June 30, 2025, the district reported its proportionate share of deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 39,626
Changes of Assumptions/Inputs	0	2,402
Total	<u>\$ 0</u>	<u>\$ 42,028</u>

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

Year Ending	Amount
June 30	
2026	\$ (12,824)
2027	(12,824)
2028	(12,824)
2029	(1,296)
2030	(1,296)
Thereafter	(964)

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

Sensitivity of the District's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate. The following presents the district's proportionate share of the total OPEB liability of the plan members calculated using the discount rate of 4.81 percent, as well as what the district's proportionate share of the total OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (3.81 percent) or one percentage point higher (5.81 percent) than the current rate:

Discount Rate	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	3.81%	4.81%	5.81%
Total OPEB Liability	\$ 108,507	\$ 97,319	\$ 87,127

Sensitivity of District's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the district's proportionate share of the total OPEB liability of the plan members calculated using the healthcare cost trend rate of 4.50 percent, as well as what the district's proportionate share of the total OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (3.50 percent) or one percentage point higher (5.50 percent) than the current rate:

Healthcare Cost Trend Rate	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	3.5%	4.5%	5.5%
Total OPEB Liability	\$ 85,558	\$ 97,319	\$ 110,813

H. Transactions with Primary Government

Amounts paid to Rutherford County for mapping services and maintenance agreements totaled \$50,000. Rutherford County also administers the payroll reporting for the district. The district reimbursed Rutherford County \$591,823 for salaries and benefits paid on the district's behalf.

I. Option and Lease Agreement

On February 26, 2021, the district entered into an Option and Lease Agreement with Vogue Tower Partners VII, LLC (the tenant) for lease of property for the erection of a communications tower. Upon signing of the Agreement, the tenant was granted the right to perform certain testing at the tenant's expense for a period of one year from the effective date the "option period" to determine the suitability of the property for the communications tower. The tenant was granted two options to renew and commenced construction during the fiscal year ended June 30, 2024.

The construction and the lease portion of the agreement commenced on December 1, 2023. The initial term is for a period of five years following the commencement date. The tenant has the option to extend the term of the agreement for five successive terms of five years. Each renewal term shall commence automatically unless the tenant delivers notice to the district of its intent not to renew. Upon commencement date, the tenant shall pay the district a monthly rental payment of \$800. Commencing on the first day of the second year of the term, the rent due under the agreement shall be increased by an amount equal to two percent per year over the rent applicable during the previous year. In addition to the rent escalator, tenant shall pay the district, an additional monthly rent of \$250 for the second and all subsequent broadband or other communications carrier installations. Additionally monthly rent shall be increased annually by an equal amount of two percent per year over the additional monthly rent applicable the previous year. On June 30, 2025, there was no additional monthly rent in effect.

The initial lease receivable and deferred inflow of resources associated was recorded in the amount of \$211,859. The district used a discount rate of 4.09 percent to calculate the lease receivable and the deferred inflow of resources. As of June 30, 2025, the lease receivable balance was \$209,553 and the deferred inflow of resources – lease asset was \$200,089. The deferred inflow of resources associated with the lease will be recognized in revenue using the straight-line method over the term of the lease, which is reasonably expected to include all renewal periods, i.e. 30 years.

The following is a schedule of the minimum payments to be received under the lease that is included in the measurement of the lease receivable on June 30, 2025:

Year Ending June 30	Lease Asset		
	Principal	Interest	Total
2026	\$ 1,466	\$ 9,256	\$ 10,722
2027	1,623	8,482	10,105
2028	1,896	8,410	10,306
2029	2,186	8,327	10,513
2030	2,490	8,232	10,722
2031-2053	199,892	123,511	323,403
Total	\$ 209,553	\$ 166,218	\$ 375,771

J. Subscription-Based Information Technology Arrangements (SBITA)

The district implemented GASB Statement No. 96 during the year ended June 30, 2023. Due to this implementation, the district’s arrangement for the use of communications software entered into a prior year met the criteria of a SBITA. As a result, an intangible right-to-use asset and a SBITA liability were recorded in the amount of \$165,739 as of July 1, 2022, the date of implementation.

The communications software arrangement ends on December 28, 2024, and is paid in advance in annual installments of \$67,783 in December of each fiscal year. The district used a 2.84% discount rate to determine the present value of the intangible right-to-use asset and SBITA liability. The asset is being amortized over the term of the arrangement. In December 2024, a new communications software arrangement was entered into for a three-year noncancelable period. The district used a 2.81% discount rate to determine the present value of the intangible right-to-use asset and SBITA liability. The present value of the intangible right-to-use SBITA asset and liability was \$224,607. Amortization expense for the two agreements in the amount of \$132,493 was reported in the Statement of Revenues, Expenses and Changes in Fund Net Position for the year ended June 30, 2025. In addition, no interest expense was reported during the year ended June 30, 2025. The intangible right-to-use asset in the amount of \$224,607, the related accumulated amortization in the

amount of \$37,434 and the SBITA liability in the amount of \$146,611 were reported in the Statement of Net Position as of June 30, 2025.

Year Ending June 30	SBITA Asset		
	Principal	Interest	Total
2026	\$ 72,277	\$ 4,173	\$ 76,450
2027	74,334	2,116	76,450
Total	\$ 146,611	\$ 6,289	\$ 152,900

K. Long-Term Obligations

Long-term obligation activity for the year ended June 30, 2025, was as follows.

	Balance			Balance 6-30-25	Due Within One Year
	7-1-24	Increases	Decreases		
Compensated absences*	\$ 54,289	\$ 23,517	\$ 0	\$ 77,806	\$ 77,806
SBITA payable	0	224,607	(77,996)	146,611	72,277
OPEB	94,541	12,915	(10,137)	97,319	0

*Compensated absences beginning balance on July 1, 2024, was restated. See note VIII.L.

L. Change in Accounting Principle

As described in VII.A, the district implemented GASB Statement 101, *Compensated Absences*, for the year ended June 30, 2025. The accounting change resulted in a decrease in the beginning net position of \$10,220 in the year ending June 30, 2025, and an increase in the beginning balance of compensated absences for the same amount.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

RUTHERFORD COUNTY, TENNESSEE
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Pension Plan of TCRS
 Primary Government
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 3,618,341	\$ 3,686,202	\$ 4,017,655	\$ 4,387,268	\$ 4,541,169	\$ 4,843,016	\$ 5,076,560	\$ 5,675,732	\$ 6,633,321	\$ 7,359,376
Interest	8,816,901	9,357,749	10,414,555	10,845,557	11,615,285	12,608,260	13,833,450	14,802,907	17,325,532	18,620,020
Differences Between Actual and Expected Experience	(1,836,333)	693,814	148,760	(1,030,643)	(137,645)	2,436,324	(5,362,402)	13,941,174	10,564,673	7,048,708
Changes in Assumptions	0	0	3,256,002	0	0	0	19,851,748	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(3,075,600)	(3,357,210)	(3,811,933)	(4,066,583)	(4,522,728)	(5,314,921)	(5,913,281)	(6,452,621)	(7,533,957)	(8,335,543)
Other	28,910,338	(239,049)	3,606,102	(3,534,174)	555,509	2,294,387	0	0	0	0
Net Change in Total Pension Liability	\$ 36,433,646	\$ 10,141,507	\$ 17,631,142	\$ 6,601,425	\$ 12,051,590	\$ 16,867,066	\$ 27,486,075	\$ 27,967,192	\$ 26,989,569	\$ 24,692,561
Total Pension Liability, Beginning	86,567,794	123,001,440	133,142,947	150,774,089	157,375,514	169,427,104	186,294,170	213,780,245	241,747,437	268,737,006
Total Pension Liability, Ending (a)	\$ 123,001,440	\$ 133,142,947	\$ 150,774,089	\$ 157,375,514	\$ 169,427,104	\$ 186,294,170	\$ 213,780,245	\$ 241,747,437	\$ 268,737,006	\$ 293,429,567
Plan Fiduciary Net Position										
Contributions - Employer	\$ 5,590,866	\$ 5,826,912	\$ 5,701,929	\$ 5,849,461	\$ 6,142,236	\$ 6,343,408	\$ 6,559,118	\$ 7,220,366	\$ 8,295,889	\$ 9,959,463
Contributions - Employee	292	5,879	300	0	23,431	372	142	0	36,978	35,366
Net Investment Income	3,808,129	3,440,094	15,737,798	12,665,478	12,465,067	9,102,379	50,506,306	(9,364,298)	16,412,830	25,115,995
Benefit Payments, Including Refunds of Employee Contributions	(3,075,600)	(3,357,210)	(3,811,933)	(4,066,583)	(4,522,728)	(5,314,921)	(5,913,281)	(6,452,621)	(7,533,957)	(8,335,543)
Administrative Expense	(72,007)	(108,787)	(129,923)	(146,451)	(139,405)	(143,692)	(149,614)	(165,986)	(161,185)	71,760
Other	30,659,881	(250,160)	3,636,930	(3,642,840)	586,195	2,445,997	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 36,911,560	\$ 5,556,728	\$ 21,135,101	\$ 10,659,066	\$ 14,554,796	\$ 12,433,543	\$ 51,002,671	\$ (8,762,539)	\$ 17,050,555	\$ 26,847,041
Plan Fiduciary Net Position, Beginning	91,806,544	128,718,104	134,274,833	155,409,934	166,069,000	180,623,796	193,057,339	244,060,010	235,297,471	252,348,026
Plan Fiduciary Net Position, Ending (b)	\$ 128,718,104	\$ 134,274,833	\$ 155,409,934	\$ 166,069,000	\$ 180,623,796	\$ 193,057,339	\$ 244,060,010	\$ 235,297,471	\$ 252,348,026	\$ 279,195,067
Net Pension Liability (Asset), Ending (a - b)	\$ (5,716,664)	\$ (1,131,886)	\$ (4,635,845)	\$ (8,693,486)	\$ (11,196,692)	\$ (6,763,169)	\$ (30,279,765)	\$ 6,449,966	\$ 16,388,980	\$ 14,234,500
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.65%	100.85%	103.07%	105.52%	106.61%	103.63%	114.05%	97.34%	94.09%	95.21%
Covered Payroll	\$ 46,712,485	\$ 48,858,829	\$ 53,670,979	\$ 55,032,657	\$ 57,744,945	\$ 62,438,801	\$ 64,558,223	\$ 71,668,093	\$ 78,927,929	\$ 91,168,407
Net Pension Liability (Asset) as a Percentage of Covered Payroll	12.24%	2.33%	(8.67)%	(15.84)%	(19.43)%	(10.83)%	(47.04)%	9.07%	20.07%	15.88%

RUTHERFORD COUNTY, TENNESSEE
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Pension Plan of TCRS
Discretely Presented Rutherford County School Department
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 2,465,714	\$ 2,512,934	\$ 2,636,889	\$ 3,081,773	\$ 3,140,323	\$ 3,268,174	\$ 3,347,555	\$ 3,850,108	\$ 4,109,823	\$ 4,737,098
Interest	6,008,266	6,379,305	6,835,337	7,618,305	8,032,237	8,508,334	9,121,972	9,571,399	10,356,390	11,985,373
Differences Between Actual and Expected Experience	(1,251,367)	472,982	97,635	(723,960)	(95,185)	1,644,085	(3,536,043)	9,456,934	6,545,581	4,537,127
Changes in Assumptions	0	0	2,136,997	0	0	0	13,090,522	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(2,095,864)	(2,288,655)	(2,501,869)	(2,856,512)	(3,127,571)	(3,586,627)	(3,899,301)	(4,377,108)	(4,667,833)	(5,365,439)
Other	(28,359,471)	(130,390)	(1,013,480)	4,469,690	(1,333,220)	(1,281,281)	0	0	0	0
Net Change in Total Pension Liability	\$ (23,232,722)	\$ 6,946,176	\$ 8,191,510	\$ 11,589,296	\$ 6,616,584	\$ 8,552,685	\$ 18,124,705	\$ 18,501,333	\$ 16,343,961	\$ 15,894,159
Total Pension Liability, Beginning	107,051,901	83,819,179	90,765,355	98,956,865	110,546,161	117,162,745	125,715,430	143,840,135	162,341,468	178,685,429
Total Pension Liability, Ending (a)	\$ 83,819,179	\$ 90,765,355	\$ 98,956,865	\$ 110,546,161	\$ 117,162,745	\$ 125,715,430	\$ 143,840,135	\$ 162,341,468	\$ 178,685,429	\$ 194,579,588
Plan Fiduciary Net Position										
Contributions - Employer	\$ 3,809,889	\$ 3,972,285	\$ 3,742,321	\$ 4,108,870	\$ 4,247,498	\$ 4,280,672	\$ 4,325,175	\$ 4,897,904	\$ 5,139,905	\$ 6,410,728
Contributions - Employee	199	4,008	197	0	16,203	250	94	0	22,911	22,765
Net Investment Income	2,595,045	2,345,158	10,329,117	8,896,683	8,619,880	6,142,486	33,304,569	(6,352,232)	10,168,938	16,166,715
Benefit Payments, Including Refunds of Employee Contributions	(2,095,864)	(2,288,655)	(2,501,869)	(2,856,512)	(3,127,571)	(3,586,627)	(3,899,301)	(4,377,108)	(4,667,833)	(5,365,439)
Administrative Expense	(49,069)	(74,162)	(85,272)	(102,872)	(96,401)	(96,966)	(98,658)	(112,596)	(99,866)	(348,942)
Other	(30,075,677)	(136,450)	(1,021,984)	4,607,119	(1,406,869)	(1,365,964)	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ (25,815,478)	\$ 3,822,185	\$ 10,462,510	\$ 14,653,288	\$ 8,252,740	\$ 5,373,851	\$ 33,631,879	\$ (5,944,032)	\$ 10,564,055	\$ 16,885,827
Plan Fiduciary Net Position, Beginning	113,530,270	87,714,792	91,536,977	101,999,487	116,652,775	124,905,515	130,279,366	163,911,245	157,967,213	168,531,268
Plan Fiduciary Net Position, Ending (b)	\$ 87,714,792	\$ 91,536,977	\$ 101,999,487	\$ 116,652,775	\$ 124,905,515	\$ 130,279,366	\$ 163,911,245	\$ 157,967,213	\$ 168,531,268	\$ 185,417,095
Net Pension Liability (Asset), Ending (a - b)	\$ (3,895,613)	\$ (771,622)	\$ (3,042,622)	\$ (6,106,614)	\$ (7,742,770)	\$ (4,563,936)	\$ (20,071,110)	\$ 4,374,255	\$ 10,154,161	\$ 9,162,493
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.65%	100.85%	103.07%	105.52%	106.61%	103.63%	114.05%	97.34%	94.09%	95.21%
Covered Payroll	\$ 31,820,841	\$ 33,273,947	\$ 35,214,136	\$ 38,648,492	\$ 39,943,296	\$ 42,135,086	\$ 42,570,601	\$ 47,258,950	\$ 53,540,414	\$ 56,485,436
Net Pension Liability (Asset) as a Percentage of Covered Payroll	12.24%	2.33%	(8.67)%	(15.84)%	(19.43)%	(10.83)%	(47.04)%	9.07%	20.07%	15.88%

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

Discretely Presented Community Care of Rutherford County

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 308,774	\$ 326,270	\$ 270,060	\$ 274,107	\$ 305,087	\$ 292,447	\$ 273,092	\$ 279,855	\$ 334,546	\$ 402,466
Interest	752,396	828,266	700,048	677,608	780,345	761,353	744,167	909,854	881,559	1,018,282
Differences Between Actual and Expected Experience	(156,705)	61,410	9,999	(64,392)	(9,247)	147,118	(288,469)	687,400	532,821	385,476
Changes in Assumptions	0	0	218,863	0	0	0	1,067,920	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(262,458)	(297,151)	(256,231)	(254,072)	(303,848)	(320,943)	(318,104)	(318,161)	(379,969)	(455,850)
Other	(550,867)	369,438	(2,592,622)	(935,516)	777,711	(1,013,107)	0	0	0	0
Net Change in Total Pension Liability	\$ 91,140	\$ 1,288,234	\$ (1,649,884)	\$ (302,265)	\$ 1,550,048	\$ (133,132)	\$ 1,478,606	\$ 1,558,948	\$ 1,368,957	\$ 1,350,374
Total Pension Liability, Beginning	10,405,273	10,496,413	11,784,646	10,134,763	9,832,498	11,382,546	11,249,414	12,728,020	14,286,968	15,655,925
Total Pension Liability, Ending (a)	\$ 10,496,413	\$ 11,784,646	\$ 10,134,762	\$ 9,832,498	\$ 11,382,546	\$ 11,249,414	\$ 12,728,020	\$ 14,286,968	\$ 15,655,925	\$ 17,006,299
Plan Fiduciary Net Position										
Contributions - Employer	\$ 477,100	\$ 515,747	\$ 383,273	\$ 365,462	\$ 412,651	\$ 383,048	\$ 352,846	\$ 356,016	\$ 418,397	\$ 544,658
Contributions - Employee	25	520	20	0	1,575	22	8	0	1,865	1,934
Net Investment Income	324,969	304,487	1,057,866	791,313	837,433	549,649	2,716,974	(461,728)	827,768	1,373,531
Benefit Payments, Including Refunds of Employee Contributions	(262,458)	(297,151)	(256,231)	(254,072)	(303,848)	(320,943)	(318,104)	(318,161)	(379,969)	(455,850)
Administrative Expense	(6,145)	(9,629)	(8,733)	(9,150)	(9,366)	(8,677)	(8,048)	(8,184)	(8,129)	(65,783)
Other	(584,204)	386,609	(2,614,651)	(964,280)	820,674	(1,080,058)	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ (50,713)	\$ 900,584	\$ (1,438,455)	\$ (70,727)	\$ 1,759,119	\$ (476,959)	\$ 2,743,676	\$ (432,057)	\$ 859,932	\$ 1,398,490
Plan Fiduciary Net Position, Beginning	11,034,960	10,984,247	11,884,831	10,446,376	10,375,649	12,134,768	11,657,809	14,401,485	13,969,428	14,829,360
Plan Fiduciary Net Position, Ending (b)	\$ 10,984,247	\$ 11,884,831	\$ 10,446,376	\$ 10,375,649	\$ 12,134,768	\$ 11,657,809	\$ 14,401,485	\$ 13,969,428	\$ 14,829,360	\$ 16,227,850
Net Pension Liability (Asset), Ending (a - b)	\$ (487,835)	\$ (100,185)	\$ (311,613)	\$ (543,151)	\$ (752,222)	\$ (408,395)	\$ (1,673,465)	\$ 317,540	\$ 826,565	\$ 778,449
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.65%	100.85%	103.07%	105.52%	106.61%	103.63%	114.05%	97.34%	94.09%	95.21%
Covered Payroll	\$ 3,988,436	\$ 4,320,309	\$ 3,610,253	\$ 3,433,547	\$ 3,880,012	\$ 3,770,381	\$ 3,472,894	\$ 3,855,368	\$ 3,891,716	\$ 4,598,006
Net Pension Liability (Asset) as a Percentage of Covered Payroll	12.24%	2.33%	(8.67)%	(15.84)%	(19.43)%	(10.83)%	(47.04)%	9.07%	20.07%	15.88%

RUTHERFORD COUNTY, TENNESSEE**Schedule of Contributions Based on Participation in the Public****Employee Pension Plan of TCRS**

Primary Government

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 5,843,440	\$ 5,720,040	\$ 5,866,361	\$ 6,157,743	\$ 5,257,236	\$ 5,366,890	\$ 6,034,257	\$ 8,019,083	\$ 10,128,612	\$ 12,128,846
Less: Contributions in Relation to the Actuarially Determined Contribution	(5,843,440)	(5,720,040)	(5,866,361)	(6,157,743)	(6,343,408)	(6,475,962)	(7,281,242)	(8,019,083)	(10,128,612)	(12,128,846)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,086,172)	\$ (1,109,072)	\$ (1,246,985)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 48,858,829	\$ 53,670,979	\$ 55,032,657	\$ 57,744,945	\$ 62,438,801	\$ 63,739,770	\$ 71,668,093	\$ 78,927,929	\$ 91,168,407	\$ 102,094,663
Contributions as a Percentage of Covered Payroll	11.97%	10.66%	10.66%	10.66%	10.16%	10.16%	10.16%	10.16%	11.11%	11.88%

RUTHERFORD COUNTY, TENNESSEE

Schedule of Contributions Based on Participation in the Public

Employee Pension Plan of TCRS

Discretely Presented Rutherford County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 3,982,892	\$ 3,753,831	\$ 4,119,936	\$ 4,257,952	\$ 3,547,565	\$ 3,621,697	\$ 3,979,073	\$ 5,439,710	\$ 6,275,409	\$ 7,327,198
Less: Contributions in Relation to the Actuarially Determined Contribution	(3,982,892)	(3,753,831)	(4,119,936)	(4,257,952)	(4,280,672)	(4,370,124)	(4,801,352)	(5,439,710)	(6,275,409)	(7,327,198)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (733,107)	\$ (748,427)	\$ (822,279)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 33,273,947	\$ 35,214,136	\$ 38,648,492	\$ 39,943,296	\$ 42,135,086	\$ 43,013,008	\$ 47,258,950	\$ 53,540,414	\$ 56,485,436	\$ 61,676,751
Contributions as a Percentage of Covered Payroll	11.97%	10.66%	10.66%	10.66%	10.16%	10.16%	10.16%	10.16%	11.11%	11.88%

RUTHERFORD COUNTY, TENNESSEE
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
 Discretely Presented Community Care of Rutherford County
For the Fiscal Year Ended June 30

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Actuarially Determined Contribution	\$ 517,141	\$ 384,853	\$ 366,016	\$ 413,785	\$ 317,248	\$ 324,081	\$ 324,611	\$ 395,399	\$ 510,828	\$ 485,232
Less: Contributions in Relation to the Actuarially Determined Contribution	(517,141)	(384,853)	(366,016)	(413,785)	(383,048)	(391,053)	(391,692)	(395,399)	(510,828)	(485,232)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (65,800)	\$ (66,972)	\$ (67,081)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 4,320,309	\$ 3,610,253	\$ 3,433,547	\$ 3,880,012	\$ 3,770,381	\$ 3,848,940	\$ 3,855,368	\$ 3,891,716	\$ 4,598,006	\$ 4,084,444
Contributions as a Percentage of Covered Payroll	11.97%	10.66%	10.66%	10.66%	10.16%	10.16%	10.16%	10.16%	11.11%	11.88%

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 659,699	\$ 1,014,698	\$ 1,447,156	\$ 882,087	\$ 1,140,532	\$ 1,389,675	\$ 1,711,494	\$ 2,838,907	\$ 3,551,530	\$ 3,939,831
Less: Contributions in Relation to the Contractually Required Contribution	(659,699)	(1,014,698)	(1,447,156)	(882,087)	(1,140,532)	(1,389,675)	(1,711,494)	(2,838,907)	(3,551,530)	(3,939,831)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 16,492,393	\$ 25,827,905	\$ 36,178,724	\$ 45,468,436	\$ 56,192,539	\$ 68,807,340	\$ 85,149,193	\$ 98,918,653	\$ 120,390,409	\$ 131,327,700
Contributions as a Percentage of Covered Payroll	4.0%	3.93%	4.0%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

Note: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually 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%
 2022: Pension - 2.87 %, SRT - 1.13%
 2023: Pension - 2.95 %, SRT - 1.05%
 2024: Pension - 3.00 %, SRT - 1.00%

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 13,139,659	\$ 13,248,019	\$ 13,467,559	\$ 15,721,307	\$ 16,250,443	\$ 15,543,366	\$ 16,027,991	\$ 13,502,971	\$ 11,172,036	\$ 10,526,875
Less: Contributions in Relation to the Contractually Required Contribution	(13,139,659)	(13,248,019)	(13,467,559)	(15,721,307)	(16,250,443)	(15,543,366)	(16,027,991)	(13,502,971)	(11,172,036)	(10,526,875)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 145,350,015	\$ 146,087,228	\$ 148,321,247	\$ 150,299,326	\$ 152,873,395	\$ 151,347,256	\$ 155,611,738	\$ 155,390,967	\$ 164,122,550	\$ 165,516,779
Contributions as a Percentage of Covered Payroll	9.04%	9.07%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

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

Discretely Presented Rutherford County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	3.806811%	3.748250%	3.864995%	4.140032%	4.296752%	4.453875%	4.766823%	4.986174%	4.973071%	5.124866%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (153,146)	\$ (390,205)	\$ (1,019,719)	\$ (1,877,620)	\$ (2,425,458)	\$ (2,532,659)	\$ (5,163,480)	\$ (1,510,437)	\$ (2,108,750)	\$ (3,652,018)
Covered Payroll	\$ 7,909,475	\$ 16,492,393	\$ 25,830,753	\$ 36,178,724	\$ 45,468,436	\$ 56,204,673	\$ 68,807,340	\$ 85,149,193	\$ 98,918,653	\$ 120,390,409
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(3.95)%	(5.19)%	(5.33)%	(4.51)%	(7.50)%	(1.77)%	(2.13)%	(3.03)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%	106.49%

RUTHERFORD COUNTY, TENNESSEE
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Legacy Pension Plan of TCRS
 Discretely Presented Rutherford County School Department
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	3.920158%	4.026546%	4.145713%	4.235836%	4.482340%	4.593231%	4.611195%	4.728487%	4.788379%	4.983340%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,605,831	\$ 25,163,682	\$ (1,356,408)	\$ (14,905,548)	\$ (46,086,527)	\$ (35,026,769)	\$ (198,891,912)	\$ (57,990,416)	\$ (56,453,740)	\$ (85,856,046)
Covered Payroll	\$ 146,751,255	\$ 145,350,015	\$ 146,086,516	\$ 148,325,289	\$ 150,299,326	\$ 152,874,439	\$ 151,347,256	\$ 155,611,738	\$ 155,390,967	\$ 164,122,150
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.094253%	17.310000%	(.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.33)%	(52.31)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%	105.76%

RUTHERFORD COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Single-Employer Defined Benefit Plan

Primary Government, Discretely Presented Rutherford County School Department, Discretely Presented

Community Care of Rutherford County, Rutherford County Airport (joint venture), and

Discretely Presented Rutherford County Emergency Communications District

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability									
Service Cost	\$ 6,297,303	\$ 5,350,641	\$ 3,874,438	\$ 4,465,070	\$ 6,080,786	\$ 6,174,290	\$ 0	\$ 612,869	\$ 638,671
Interest	5,958,633	7,001,893	6,119,904	6,169,371	4,314,053	4,168,120	0	1,337,302	796,102
Differences Between Actual and Expected Experience	0	(23,773,341)	0	2,990,845	0	(21,649,345)	29,572,465	(13,426,130)	(2,276,468)
Changes in Assumptions or Other Inputs	(22,493,216)	(22,183,253)	9,251,748	5,928,601	(11,073,157)	(70,473,530)	83,215,823	0	(1,084,510)
Change in Benefit Terms	0	0	0	0	0	0	(183,637,978)	0	0
Benefit Payments	(2,483,641)	(2,118,819)	(2,620,026)	(1,786,982)	(1,664,901)	(1,640,218)	(1,502,139)	(1,370,816)	(1,439,077)
Net Change in Total OPEB Liability	\$ (12,720,921)	\$ (35,722,879)	\$ 16,626,064	\$ 17,766,905	\$ (2,343,219)	\$ (83,420,683)	\$ (72,351,829)	\$ (12,846,775)	\$ (3,365,282)
Total OPEB Liability, Beginning	204,003,991	191,283,070	155,560,191	172,186,255	189,953,160	187,609,941	104,189,258	31,837,429	18,990,654
Total OPEB Liability, Ending - As of the Measurement Date	\$ 191,283,070	\$ 155,560,191	\$ 172,186,255	\$ 189,953,160	\$ 187,609,941	\$ 104,189,258	\$ 31,837,429	\$ 18,990,654	\$ 15,625,372
Proportionate Share of Total OPEB Liability:									
Primary Government	\$ 32,782,293	\$ 28,983,874	\$ 32,081,681	\$ 37,513,293	\$ 36,944,295	\$ 20,227,377	\$ 23,483,281	\$ 14,707,156	\$ 9,822,587
School Department	155,772,597	124,372,444	137,665,254	149,056,443	147,335,929	82,483,474	7,599,861	3,815,106	5,370,769
Community Care	2,652,550	2,072,747	2,294,270	2,679,029	2,638,592	1,015,167	580,682	351,797	305,208
Airport	75,630	45,519	50,361	625,834	614,709	394,899	31,171	22,054	29,489
E-911	0	85,607	94,689	78,561	76,416	68,341	142,434	94,541	97,319
Covered Employee Payroll:									
Primary Government	\$ 50,967,314	\$ 51,985,924	\$ 54,538,342	\$ 62,624,119	\$ 64,960,125	\$ 70,880,756	\$ 78,927,929	\$ 89,889,685	\$ 102,094,663
School Department	207,129,268	223,174,798	235,708,059	251,346,116	266,346,089	289,608,938	0	0	0
Community Care	4,793,494	3,433,547	4,664,180	3,781,609	3,467,358	3,506,319	3,781,609	5,371,801	4,902,510
Airport	303,923	503,662	520,495	558,203	523,096	540,925	115,905	82,005	109,665
E-911	0	305,425	313,114	369,420	380,359	311,587	279,247	344,856	414,291
Net OPEB Liability as a Percentage of Covered Employee Payroll:									
Primary Government	64.32%	55.75%	58.82%	59.90%	56.87%	28.54%	29.75%	16.36%	9.62%
School Department	75.21%	55.73%	58.40%	59.30%	55.32%	28.48%	0.00%	0.00%	0.00%
Community Care	55.34%	60.37%	49.19%	70.84%	76.10%	28.95%	15.36%	6.55%	6.23%
Airport	24.88%	9.04%	9.68%	112.12%	117.51%	73.00%	26.89%	26.89%	26.89%
E-911	0.00%	28.03%	30.24%	21.27%	20.09%	21.93%	51.01%	27.41%	23.49%

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Changes in the Total OPEB Liability and Related Ratios - Single-Employer Defined Benefit Plan

Primary Government, Discretely Presented Rutherford County School Department, Discretely Presented Community Care of Rutherford County, Rutherford County Airport (joint venture), and Discretely Presented Rutherford County Emergency Communications District (Cont.)

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

Note 2: Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017	3.58%
2018	3.87%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	Not available.
2024	4.21%
2025	4.81%

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

Note 4: The school department removed its active employees from the plan in FY 2023.

Note 5: An actuarial valuation was not performed for FY 2023. The FY 2023 amounts were estimated based on the amounts provided by the actuary in the FY 2024 report.

RUTHERFORD COUNTY, TENNESSEE
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan
 Discretely Presented Rutherford County School Department
For the Fiscal Year Ended June 30

	<u>2023</u>	<u>2024</u>
Total OPEB Liability		
Service Cost	\$ 0	\$ 3,920,285
Interest	0	731,583
Change in Benefit Terms	16,540,002	0
Differences Between Actual and Expected Experience	0	2,429,430
Changes in Assumptions	0	414,303
Benefit Payments	0	(841,391)
Net Change in Total OPEB Liability	<u>\$ 16,540,002</u>	<u>\$ 6,654,210</u>
Total OPEB Liability, Beginning	<u>0</u>	<u>16,540,002</u>
 Total OPEB Liability, Ending	 <u>\$ 16,540,002</u>	 <u>\$ 23,194,212</u>
 Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	 \$ 5,531,026	 \$ 7,418,947
Employer Proportionate Share of the Total OPEB Liability	11,008,976	15,775,265
 Covered Employee Payroll	 \$ 280,181,635	 \$ 296,844,479
Net OPEB Liability as a Percentage of Covered Employee Payroll	3.93%	5.31%

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:

2023 3.65%
 2024 3.93%

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

For the 2024 plan year - from 8.37% to 10.31%
 For the 2025 plan year - from 10.31% to 10.68%

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

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

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Rutherford County’s demolition landfill operations, convenience center operations, and postclosure care costs of the county’s closed landfill.

Ambulance Service Fund – The Ambulance Service Fund is used to account for ambulance service-related operations.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for the operations of the Smyrna Airport properties.

Special Purpose Fund – The Special Purpose Fund is used to account for revenues received from federal drug-related forfeitures and seizures.

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

Other General Government Fund – The Other General Government Fund is used to account for funding related to the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, received by the county to be used to respond to acute pandemic response needs, fill revenue shortfalls, and support communities and populations hit by the COVID-19 crisis.

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.

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county’s highway department.

CAPITAL PROJECTS FUND

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.

General Capital Projects Fund – This fund accounts for and reports 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.

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Other General Government Fund
ASSETS						
Cash	\$ 2,300	\$ 0	\$ 0	\$ 0	\$ 0	0
Equity in Pooled Cash and Investments	16,639,496	17,940,669	542,567	193,501	4,741,229	74,977
Accounts Receivable	5,331	8,867,026	450	140,349	0	0
Allowance for Uncollectibles	0	(4,776,046)	0	0	0	0
Due from Other Governments	1,359,039	14,822	0	1,927	14,377	0
Property Taxes Receivable	0	13,343,032	0	0	0	0
Allowance for Uncollectible Property Taxes	0	(120,402)	0	0	0	0
Notes Receivable - Long-term	0	0	6,313,750	0	0	0
Total Assets	<u>\$ 18,006,166</u>	<u>\$ 35,269,101</u>	<u>\$ 6,856,767</u>	<u>\$ 335,777</u>	<u>\$ 4,755,606</u>	<u>\$ 74,977</u>
LIABILITIES						
Accounts Payable	\$ 24,919	\$ 113,662	\$ 0	\$ 0	\$ 0	0
Accrued Payroll	141,340	611,641	0	0	0	0
Payroll Deductions Payable	3,163	9,203	0	0	0	0
Retainage Payable	0	0	0	0	0	0
Unearned/Unavailable Revenue	0	0	0	0	0	72,828
Total Liabilities	<u>\$ 169,422</u>	<u>\$ 734,506</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 72,828</u>

(Continued)

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Other General Government Fund
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 0	\$ 13,047,982	\$ 0	\$ 0	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	151,477	0	0	0	0
Other Deferred/Unavailable Revenue	728,094	3,165,832	0	0	0	0
Total Deferred Inflows of Resources	<u>\$ 728,094</u>	<u>\$ 16,365,291</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
FUND BALANCES						
Restricted:						
Restricted for General Government - American Rescue Plan Act	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,149
Restricted for Public Safety	0	0	0	335,777	4,755,606	0
Restricted for Public Health and Welfare	0	519	0	0	0	0
Restricted for Debt Service	0	0	6,487,876	0	0	0
Restricted for Capital Projects	0	0	0	0	0	0
Committed:						
Committed for Highways/Public Works	0	0	0	0	0	0
Committed for Capital Projects	0	0	0	0	0	0
Assigned:						
Assigned for General Government	0	0	0	0	0	0
Assigned for Finance	0	0	0	0	0	0
Assigned for Administration of Justice	0	0	0	0	0	0
Assigned for Public Health and Welfare	17,108,650	18,168,785	0	0	0	0
Assigned for Other Operations	0	0	368,891	0	0	0
Assigned for Highways/Public Works	0	0	0	0	0	0
Total Fund Balances	<u>\$ 17,108,650</u>	<u>\$ 18,169,304</u>	<u>\$ 6,856,767</u>	<u>\$ 335,777</u>	<u>\$ 4,755,606</u>	<u>\$ 2,149</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,006,166</u>	<u>\$ 35,269,101</u>	<u>\$ 6,856,767</u>	<u>\$ 335,777</u>	<u>\$ 4,755,606</u>	<u>\$ 74,977</u>

(Continued)

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital</u>	Total Nonmajor Governmental Funds
	Constitu- tional - Officers - Fees	Highway / Public Works	Total	General Capital Projects	
ASSETS					
Cash	\$ 2,273,413	\$ 0	\$ 2,275,713	\$ 0	\$ 2,275,713
Equity in Pooled Cash and Investments	0	29,209,356	69,341,795	35,726,250	105,068,045
Accounts Receivable	4,576	40,750	9,058,482	0	9,058,482
Allowance for Uncollectibles	0	0	(4,776,046)	0	(4,776,046)
Due from Other Governments	0	1,181,068	2,571,233	24,122	2,595,355
Property Taxes Receivable	0	1,213,103	14,556,135	0	14,556,135
Allowance for Uncollectible Property Taxes	0	(11,677)	(132,079)	0	(132,079)
Notes Receivable - Long-term	0	0	6,313,750	0	6,313,750
Total Assets	<u>\$ 2,277,989</u>	<u>\$ 31,632,600</u>	<u>\$ 99,208,983</u>	<u>\$ 35,750,372</u>	<u>\$ 134,959,355</u>
LIABILITIES					
Accounts Payable	\$ 0	\$ 1,470,642	\$ 1,609,223	\$ 317,865	\$ 1,927,088
Accrued Payroll	0	169,106	922,087	0	922,087
Payroll Deductions Payable	0	3,355	15,721	0	15,721
Retainage Payable	0	0	0	16,730	16,730
Unearned/Unavailable Revenue	0	0	72,828	0	72,828
Total Liabilities	<u>\$ 0</u>	<u>\$ 1,643,103</u>	<u>\$ 2,619,859</u>	<u>\$ 334,595</u>	<u>\$ 2,954,454</u>

(Continued)

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital</u>	<u>Total</u>
	Constitu - tional - Officers - Fees	Highway / Public Works	Total	Projects Fund General Capital Projects	
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 0	\$ 1,183,192	\$ 14,231,174	\$ 0	\$ 14,231,174
Deferred Delinquent Property Taxes	0	15,815	167,292	0	167,292
Other Deferred/Unavailable Revenue	0	210,315	4,104,241	0	4,104,241
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 1,409,322</u>	<u>\$ 18,502,707</u>	<u>\$ 0</u>	<u>\$ 18,502,707</u>
FUND BALANCES					
Restricted:					
Restricted for General Government - American Rescue Plan Act	\$ 0	\$ 0	\$ 2,149	\$ 0	\$ 2,149
Restricted for Public Safety	0	0	5,091,383	0	5,091,383
Restricted for Public Health and Welfare	0	0	519	0	519
Restricted for Debt Service	0	0	6,487,876	0	6,487,876
Restricted for Capital Projects	0	0	0	17,469,233	17,469,233
Committed:					
Committed for Highways/Public Works	0	3,401,466	3,401,466	0	3,401,466
Committed for Capital Projects	0	0	0	17,946,544	17,946,544
Assigned:					
Assigned for General Government	175,254	0	175,254	0	175,254
Assigned for Finance	871,275	0	871,275	0	871,275
Assigned for Administration of Justice	1,231,460	0	1,231,460	0	1,231,460
Assigned for Public Health and Welfare	0	0	35,277,435	0	35,277,435
Assigned for Other Operations	0	0	368,891	0	368,891
Assigned for Highways/Public Works	0	25,178,709	25,178,709	0	25,178,709
Total Fund Balances	<u>\$ 2,277,989</u>	<u>\$ 28,580,175</u>	<u>\$ 78,086,417</u>	<u>\$ 35,415,777</u>	<u>\$ 113,502,194</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,277,989</u>	<u>\$ 31,632,600</u>	<u>\$ 99,208,983</u>	<u>\$ 35,750,372</u>	<u>\$ 134,959,355</u>

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Other General Government Fund
Revenues						
Local Taxes	\$ 7,045,943	\$ 11,476,786	\$ 0	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	1,680,414	0
Charges for Current Services	691,177	13,175,078	0	0	0	0
Other Local Revenues	256,543	41,696	137,025	13,777	167,717	0
State of Tennessee	388,593	211,656	0	0	0	0
Federal Government	0	122,607	0	241,082	0	6,686,737
Total Revenues	\$ 8,382,256	\$ 25,027,823	\$ 137,025	\$ 254,859	\$ 1,848,131	\$ 6,686,737
Expenditures						
Current:						
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	0	0	0	0	0	0
Administration of Justice	0	0	0	0	0	0
Public Safety	0	0	0	20,000	521,154	0
Public Health and Welfare	6,264,046	23,131,673	0	0	0	0
Other Operations	150,334	0	1,370	0	0	0
Highways	0	0	0	0	0	0
Capital Projects	0	0	0	0	0	6,686,737
Total Expenditures	\$ 6,414,380	\$ 23,131,673	\$ 1,370	\$ 20,000	\$ 521,154	\$ 6,686,737
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,967,876	\$ 1,896,150	\$ 135,655	\$ 234,859	\$ 1,326,977	\$ 0

(Continued)

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose	Drug Control	Other General Government Fund
Other Financing Sources (Uses)						
Insurance Recovery	\$ 103,215	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	(698,865)	0	0	0
Total Other Financing Sources (Uses)	<u>\$ 103,215</u>	<u>\$ 0</u>	<u>\$ (698,865)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 2,071,091	\$ 1,896,150	\$ (563,210)	\$ 234,859	\$ 1,326,977	\$ 0
Fund Balance, July 1, 2024	15,037,559	16,273,154	7,419,977	100,918	3,428,629	2,149
Fund Balance, June 30, 2025	<u>\$ 17,108,650</u>	<u>\$ 18,169,304</u>	<u>\$ 6,856,767</u>	<u>\$ 335,777</u>	<u>\$ 4,755,606</u>	<u>\$ 2,149</u>

(Continued)

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital Projects</u>	Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Highway / Public Works	Total	General Capital Projects	
Revenues					
Local Taxes	\$ 0	\$ 9,169,678	\$ 27,692,407	\$ 0	\$ 27,692,407
Fines, Forfeitures, and Penalties	0	0	1,680,414	0	1,680,414
Charges for Current Services	8,053,621	0	21,919,876	0	21,919,876
Other Local Revenues	0	1,265,450	1,882,208	321,386	2,203,594
State of Tennessee	0	7,417,476	8,017,725	0	8,017,725
Federal Government	0	0	7,050,426	0	7,050,426
Total Revenues	\$ 8,053,621	\$ 17,852,604	\$ 68,243,056	\$ 321,386	\$ 68,564,442
Expenditures					
Current:					
General Government	\$ 963,695	\$ 0	\$ 963,695	\$ 0	\$ 963,695
Finance	3,402,715	0	3,402,715	0	3,402,715
Administration of Justice	3,519,053	0	3,519,053	0	3,519,053
Public Safety	0	0	541,154	0	541,154
Public Health and Welfare	0	0	29,395,719	0	29,395,719
Other Operations	0	0	151,704	0	151,704
Highways	0	16,405,490	16,405,490	0	16,405,490
Capital Projects	0	0	6,686,737	16,313,409	23,000,146
Total Expenditures	\$ 7,885,463	\$ 16,405,490	\$ 61,066,267	\$ 16,313,409	\$ 77,379,676
Excess (Deficiency) of Revenues Over Expenditures	\$ 168,158	\$ 1,447,114	\$ 7,176,789	\$ (15,992,023)	\$ (8,815,234)

(Continued)

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

	<u>Special Revenue Funds (Cont.)</u>			<u>Capital Projects</u>	Total Nonmajor Governmental Funds
	Constitu - tional Officers - Fees	Highway / Public Works	Total	General Capital Projects	
Other Financing Sources (Uses)					
Insurance Recovery	\$ 0	\$ 89,042	\$ 192,257	\$ 0	\$ 192,257
Transfers In	0	0	0	15,000,000	15,000,000
Transfers Out	0	0	(698,865)	0	(698,865)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 89,042</u>	<u>\$ (506,608)</u>	<u>\$ 15,000,000</u>	<u>\$ 14,493,392</u>
Net Change in Fund Balances	\$ 168,158	\$ 1,536,156	\$ 6,670,181	\$ (992,023)	\$ 5,678,158
Fund Balance, July 1, 2024	2,109,831	27,044,019	71,416,236	36,407,800	107,824,036
Fund Balance, June 30, 2025	<u>\$ 2,277,989</u>	<u>\$ 28,580,175</u>	<u>\$ 78,086,417</u>	<u>\$ 35,415,777</u>	<u>\$ 113,502,194</u>

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 7,045,943	\$ 0	\$ 0	\$ 7,045,943	\$ 6,030,000	\$ 6,936,588	\$ 109,355
Charges for Current Services	691,177	0	0	691,177	970,000	751,800	(60,623)
Other Local Revenues	256,543	0	0	256,543	400,000	246,205	10,338
State of Tennessee	388,593	0	0	388,593	350,000	388,593	0
Total Revenues	\$ 8,382,256	\$ 0	\$ 0	\$ 8,382,256	\$ 7,750,000	\$ 8,323,186	\$ 59,070
Expenditures							
Public Health and Welfare							
Convenience Centers	\$ 5,168,964	\$ (23,261)	\$ 84,782	\$ 5,230,485	\$ 5,749,145	\$ 6,459,072	\$ 1,228,587
Other Waste Collection	310,753	0	25,920	336,673	471,119	472,179	135,506
Landfill Operation and Maintenance	685,960	0	10,402	696,362	746,574	874,228	177,866
Postclosure Care Costs	98,369	(20,000)	2,355	80,724	978,000	978,000	897,276
Other Operations							
Employee Benefits	30,000	0	0	30,000	30,000	30,000	0
Miscellaneous	120,334	0	0	120,334	160,000	175,000	54,666
Total Expenditures	\$ 6,414,380	\$ (43,261)	\$ 123,459	\$ 6,494,578	\$ 8,134,838	\$ 8,988,479	\$ 2,493,901
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,967,876	\$ 43,261	\$ (123,459)	\$ 1,887,678	\$ (384,838)	\$ (665,293)	\$ 2,552,971
Other Financing Sources (Uses)							
Insurance Recovery	\$ 103,215	\$ 0	\$ 0	\$ 103,215	\$ 0	\$ 103,215	\$ 0
Total Other Financing Sources	\$ 103,215	\$ 0	\$ 0	\$ 103,215	\$ 0	\$ 103,215	\$ 0
Net Change in Fund Balance	\$ 2,071,091	\$ 43,261	\$ (123,459)	\$ 1,990,893	\$ (384,838)	\$ (562,078)	\$ 2,552,971
Fund Balance, July 1, 2024	15,037,559	(43,261)	0	14,994,298	14,994,298	14,994,298	0
Fund Balance, June 30, 2025	\$ 17,108,650	\$ 0	\$ (123,459)	\$ 16,985,191	\$ 14,609,460	\$ 14,432,220	\$ 2,552,971

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 11,476,786	\$ 0	\$ 0	\$ 11,476,786	\$ 10,937,500	\$ 11,426,985	\$ 49,801
Charges for Current Services	13,175,078	0	0	13,175,078	12,166,118	12,854,695	320,383
Other Local Revenues	41,696	0	0	41,696	7,500	41,696	0
State of Tennessee	211,656	0	0	211,656	20,000	203,281	8,375
Federal Government	122,607	0	0	122,607	168,356	168,356	(45,749)
Total Revenues	\$ 25,027,823	\$ 0	\$ 0	\$ 25,027,823	\$ 23,299,474	\$ 24,695,013	\$ 332,810
Expenditures							
Public Health and Welfare							
Ambulance/Emergency Medical Services	\$ 23,131,673	\$ (675,167)	\$ 1,124,927	\$ 23,581,433	\$ 23,299,474	\$ 25,535,046	\$ 1,953,613
Total Expenditures	\$ 23,131,673	\$ (675,167)	\$ 1,124,927	\$ 23,581,433	\$ 23,299,474	\$ 25,535,046	\$ 1,953,613
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,896,150	\$ 675,167	\$ (1,124,927)	\$ 1,446,390	\$ 0	\$ (840,033)	\$ 2,286,423
Net Change in Fund Balance	\$ 1,896,150	\$ 675,167	\$ (1,124,927)	\$ 1,446,390	\$ 0	\$ (840,033)	\$ 2,286,423
Fund Balance, July 1, 2024	16,273,154	(675,167)	0	15,597,987	15,594,973	15,594,973	3,014
Fund Balance, June 30, 2025	\$ 18,169,304	\$ 0	\$ (1,124,927)	\$ 17,044,377	\$ 15,594,973	\$ 14,754,940	\$ 2,289,437

RUTHERFORD COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
 Industrial/Economic Development Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 137,025	\$ 137,024	\$ 137,024	\$ 1
Total Revenues	\$ 137,025	\$ 137,024	\$ 137,024	\$ 1
Expenditures				
Other Operations				
Industrial Development	\$ 1,370	\$ 700,236	\$ 1,371	\$ 1
Total Expenditures	\$ 1,370	\$ 700,236	\$ 1,371	\$ 1
Excess (Deficiency) of Revenues Over Expenditures	\$ 135,655	\$ (563,212)	\$ 135,653	\$ 2
Other Financing Sources (Uses)				
Transfers Out	\$ (698,865)	\$ 0	\$ (698,865)	\$ 0
Total Other Financing Sources	\$ (698,865)	\$ 0	\$ (698,865)	\$ 0
Net Change in Fund Balance	\$ (563,210)	\$ (563,212)	\$ (563,212)	\$ 2
Fund Balance, July 1, 2024	7,419,977	370,262	931,512	6,488,465
Fund Balance, June 30, 2025	\$ 6,856,767	\$ (192,950)	\$ 368,300	\$ 6,488,467

RUTHERFORD COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Purpose Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 13,777	\$ 2,000	\$ 11,700	\$ 2,077
Federal Government	241,082	0	100,733	140,349
Total Revenues	<u>\$ 254,859</u>	<u>\$ 2,000</u>	<u>\$ 112,433</u>	<u>\$ 142,426</u>
Expenditures				
Public Safety				
Sheriff's Department	\$ 20,000	\$ 40,000	\$ 40,000	\$ 20,000
Total Expenditures	<u>\$ 20,000</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 20,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 234,859</u>	<u>\$ (38,000)</u>	<u>\$ 72,433</u>	<u>\$ 162,426</u>
Net Change in Fund Balance	\$ 234,859	\$ (38,000)	\$ 72,433	\$ 162,426
Fund Balance, July 1, 2024	<u>100,918</u>	<u>100,918</u>	<u>100,918</u>	<u>0</u>
Fund Balance, June 30, 2025	<u>\$ 335,777</u>	<u>\$ 62,918</u>	<u>\$ 173,351</u>	<u>\$ 162,426</u>

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Fines, Forfeitures, and Penalties	\$ 1,680,414	\$ 0	\$ 0	\$ 1,680,414	\$ 395,000	\$ 1,573,230	\$ 107,184
Other Local Revenues	167,717	0	0	167,717	50,000	150,000	17,717
Total Revenues	<u>\$ 1,848,131</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,848,131</u>	<u>\$ 445,000</u>	<u>\$ 1,723,230</u>	<u>\$ 124,901</u>
Expenditures							
Public Safety							
Drug Enforcement	\$ 521,154	\$ (102,657)	\$ 183,655	\$ 602,152	\$ 775,000	\$ 1,189,000	\$ 586,848
Total Expenditures	<u>\$ 521,154</u>	<u>\$ (102,657)</u>	<u>\$ 183,655</u>	<u>\$ 602,152</u>	<u>\$ 775,000</u>	<u>\$ 1,189,000</u>	<u>\$ 586,848</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,326,977	\$ 102,657	\$ (183,655)	\$ 1,245,979	\$ (330,000)	\$ 534,230	\$ 711,749
Other Financing Sources (Uses)							
Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ (200,000)	\$ (200,000)	\$ 200,000
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (200,000)</u>	<u>\$ (200,000)</u>	<u>\$ 200,000</u>
Net Change in Fund Balance	\$ 1,326,977	\$ 102,657	\$ (183,655)	\$ 1,245,979	\$ (530,000)	\$ 334,230	\$ 911,749
Fund Balance, July 1, 2024	3,428,629	(102,657)	0	3,325,972	3,325,972	3,325,972	0
Fund Balance, June 30, 2025	<u>\$ 4,755,606</u>	<u>\$ 0</u>	<u>\$ (183,655)</u>	<u>\$ 4,571,951</u>	<u>\$ 2,795,972</u>	<u>\$ 3,660,202</u>	<u>\$ 911,749</u>

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Federal Government	\$ 6,686,737	\$ 0	\$ 0	\$ 6,686,737	\$ 0	\$ 6,686,737	\$ 0
Total Revenues	\$ 6,686,737	\$ 0	\$ 0	\$ 6,686,737	\$ 0	\$ 6,686,737	\$ 0
Expenditures							
Capital Projects							
American Rescue Plan Act Grant #1	\$ 6,686,737	\$ (1,002,294)	\$ 55,645	\$ 5,740,088	\$ 0	\$ 6,686,737	\$ 946,649
Total Expenditures	\$ 6,686,737	\$ (1,002,294)	\$ 55,645	\$ 5,740,088	\$ 0	\$ 6,686,737	\$ 946,649
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 1,002,294	\$ (55,645)	\$ 946,649	\$ 0	\$ 0	\$ 946,649
Net Change in Fund Balance	\$ 0	\$ 1,002,294	\$ (55,645)	\$ 946,649	\$ 0	\$ 0	\$ 946,649
Fund Balance, July 1, 2024	2,149	(1,002,294)	0	(1,000,145)	0	0	(1,000,145)
Fund Balance, June 30, 2025	\$ 2,149	\$ 0	\$ (55,645)	\$ (53,496)	\$ 0	\$ 0	\$ (53,496)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 9,169,678	\$ 8,162,701	\$ 9,007,145	\$ 162,533
Other Local Revenues	1,265,450	725,000	1,215,881	49,569
State of Tennessee	7,417,476	8,045,600	8,358,145	(940,669)
Federal Government	0	0	45,000	(45,000)
Total Revenues	<u>\$ 17,852,604</u>	<u>\$ 16,933,301</u>	<u>\$ 18,626,171</u>	<u>\$ (773,567)</u>
Expenditures				
Highways				
Administration	\$ 1,049,207	\$ 1,058,872	\$ 1,097,002	\$ 47,795
Highway and Bridge Maintenance	9,076,424	9,948,180	10,021,265	944,841
Operation and Maintenance of Equipment	1,098,430	1,733,945	1,746,105	647,675
Other Charges	752,192	1,089,490	1,161,445	409,253
Employee Benefits	136,620	181,905	181,905	45,285
Capital Outlay	4,292,617	2,580,400	5,240,400	947,783
Total Expenditures	<u>\$ 16,405,490</u>	<u>\$ 16,592,792</u>	<u>\$ 19,448,122</u>	<u>\$ 3,042,632</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,447,114</u>	<u>\$ 340,509</u>	<u>\$ (821,951)</u>	<u>\$ 2,269,065</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 89,042	\$ 0	\$ 89,042	\$ 0
Total Other Financing Sources	<u>\$ 89,042</u>	<u>\$ 0</u>	<u>\$ 89,042</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 1,536,156	\$ 340,509	\$ (732,909)	\$ 2,269,065
Fund Balance, July 1, 2024	<u>27,044,019</u>	<u>27,384,528</u>	<u>27,384,528</u>	<u>(340,509)</u>
Fund Balance, June 30, 2025	<u><u>\$ 28,580,175</u></u>	<u><u>\$ 27,725,037</u></u>	<u><u>\$ 26,651,619</u></u>	<u><u>\$ 1,928,556</u></u>

MAJOR GOVERNMENTAL FUND

GENERAL DEBT SERVICE FUND

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

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Local Taxes	\$ 70,883,122	\$ 66,143,415	\$ 70,035,355	\$ 847,767
Other Local Revenues	8,958,777	3,000,000	8,535,500	423,277
Other Governments and Citizens Groups	236,832	0	236,832	0
Total Revenues	<u>\$ 80,078,731</u>	<u>\$ 69,143,415</u>	<u>\$ 78,807,687</u>	<u>\$ 1,271,044</u>
Expenditures				
General Government				
Other General Administration	\$ 1,447,221	\$ 1,525,000	\$ 1,574,998	\$ 127,777
Principal on Debt				
General Government	9,114,052	8,679,733	9,114,053	1
Education	42,676,805	35,755,268	42,676,805	0
Interest on Debt				
General Government	3,944,892	3,972,512	3,944,893	1
Education	18,162,244	18,386,469	18,162,245	1
Other Debt Service				
General Government	1,194,545	2,700,000	2,718,513	1,523,968
Education	164,586	0	164,586	0
Total Expenditures	<u>\$ 76,704,345</u>	<u>\$ 71,018,982</u>	<u>\$ 78,356,093</u>	<u>\$ 1,651,748</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 3,374,386</u>	<u>\$ (1,875,567)</u>	<u>\$ 451,594</u>	<u>\$ 2,922,792</u>
Other Financing Sources (Uses)				
Refunding Debt Issued	\$ 20,130,000	\$ 0	\$ 20,130,000	\$ 0
Premiums on Debt Sold	1,515,853	0	1,515,853	0
Transfers In	698,865	698,865	699,315	(450)
Payments to Refunded Debt Escrow Agent	(21,711,163)	0	(21,711,163)	0
Total Other Financing Sources	<u>\$ 633,555</u>	<u>\$ 698,865</u>	<u>\$ 634,005</u>	<u>\$ (450)</u>
Net Change in Fund Balance	\$ 4,007,941	\$ (1,176,702)	\$ 1,085,599	\$ 2,922,342
Fund Balance, July 1, 2024	<u>68,754,452</u>	<u>66,933,667</u>	<u>66,933,667</u>	<u>1,820,785</u>
Fund Balance, June 30, 2025	<u><u>\$ 72,762,393</u></u>	<u><u>\$ 65,756,965</u></u>	<u><u>\$ 68,019,266</u></u>	<u><u>\$ 4,743,127</u></u>

PROPRIETARY FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, or to other governments, on a cost-reimbursement basis.

Self-Insurance Fund – The Self-Insurance Fund is used to account for transactions of the county’s self-insured liability insurance.

Employee Insurance - Health Fund – The Employee Insurance - Health Fund is used to account for the county’s self-insured health program.

Workers’ Compensation Fund – The Workers’ Compensation Fund is used to account for the county’s self-insured workers’ compensation and on-the-job injury programs.

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

	Internal Service Funds			Total Proprietary Funds
	Self- Insurance	Employee Insurance - Health	Workers' Compensation	
ASSETS				
Current Assets:				
Cash	\$ 507,703	\$ 0	\$ 227,121	\$ 734,824
Equity in Pooled Cash and Investments	6,552,894	34,798,741	2,611,895	43,963,530
Accounts Receivable	0	83,370	0	83,370
Due from Other Governments	0	959	0	959
Total Assets	<u>\$ 7,060,597</u>	<u>\$ 34,883,070</u>	<u>\$ 2,839,016</u>	<u>\$ 44,782,683</u>
LIABILITIES				
Current Liabilities:				
Claims and Judgments Payable	\$ 2,521,052	\$ 3,168,551	\$ 778,400	\$ 6,468,003
Total Current Liabilities	<u>\$ 2,521,052</u>	<u>\$ 3,168,551</u>	<u>\$ 778,400</u>	<u>\$ 6,468,003</u>
Noncurrent Liabilities:				
Claims and Judgments Payable	\$ 630,263	\$ 792,138	\$ 51,000	\$ 1,473,401
Total Noncurrent Liabilities	<u>\$ 630,263</u>	<u>\$ 792,138</u>	<u>\$ 51,000</u>	<u>\$ 1,473,401</u>
NET POSITION				
Unrestricted	<u>\$ 3,909,282</u>	<u>\$ 30,922,381</u>	<u>\$ 2,009,616</u>	<u>\$ 36,841,279</u>
Total Net Position	<u>\$ 3,909,282</u>	<u>\$ 30,922,381</u>	<u>\$ 2,009,616</u>	<u>\$ 36,841,279</u>

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

	Internal Service Funds			Total Proprietary Funds
	Self - Insurance	Employee Insurance - Health	Workers' Compensation	
Operating Revenues				
Charges for Current Services:				
Self-Insurance Premiums/Contributions	\$ 2,257,000	\$ 18,880,668	\$ 1,105,466	\$ 22,243,134
Other Employee Benefit Charges/Contributions	0	683,175	0	683,175
Other Local Revenues:				
Retirees' Insurance Payments	0	2,370,016	0	2,370,016
Cobra Insurance Payments	0	45,473	0	45,473
Total Operating Revenues	\$ 2,257,000	\$ 21,979,332	\$ 1,105,466	\$ 25,341,798
Operating Expenses				
Employee Benefits:				
Handling Charges and Administrative Costs	\$ 113,286	\$ 3,011,806	\$ 78,906	\$ 3,203,998
Disability Insurance	0	0	10,563	10,563
Bank Charges	0	2,500	0	2,500
Consultants	7,424	67,820	0	75,244
Contracts with Private Agencies	0	38,264	0	38,264
Other Contracted Services	0	0	6,950	6,950
Medical Claims	0	21,770,089	0	21,770,089
Liability Claims	7,293,665	0	0	7,293,665
Data Processing Equipment	0	0	7,708	7,708
Other Charges	5,902	0	0	5,902
Other Self-Insured Claims	0	0	955,807	955,807
Total Operating Expenses	\$ 7,420,277	\$ 24,890,479	\$ 1,059,934	\$ 33,370,690
Operating Income (Loss)	\$ (5,163,277)	\$ (2,911,147)	\$ 45,532	\$ (8,028,892)
Nonoperating Revenues (Expenses)				
Insurance Recovery	\$ 3,589,229	\$ 21,707	\$ 9,190	\$ 3,620,126
Total Nonoperating Revenues (Expenses)	\$ 3,589,229	\$ 21,707	\$ 9,190	\$ 3,620,126
Income (Loss)	\$ (1,574,048)	\$ (2,889,440)	\$ 54,722	\$ (4,408,766)
Change in Net Position	\$ (1,574,048)	\$ (2,889,440)	\$ 54,722	\$ (4,408,766)
Net Position, July 1, 2024	5,483,330	33,811,821	1,954,894	41,250,045
Net Position, June 30, 2025	\$ 3,909,282	\$ 30,922,381	\$ 2,009,616	\$ 36,841,279

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

	Internal Service Funds			Total Proprietary Funds
	Self - Insurance	Employee Insurance - Health	Workers' Compensation	
Cash Flows from Operating Activities				
Receipts for Self-Insurance Premiums	\$ 2,257,000	\$ 21,975,253	\$ 1,105,466	\$ 25,337,719
Payments to Suppliers	(139,592)	(3,120,390)	(117,957)	(3,377,939)
Claims Paid	(5,775,481)	(21,921,315)	(1,055,407)	(28,752,203)
Insurance Recovery	3,589,229	21,707	9,190	3,620,126
Net Cash Provided By (Used In) Operating Activities	<u>\$ (68,844)</u>	<u>\$ (3,044,745)</u>	<u>\$ (58,708)</u>	<u>\$ (3,172,297)</u>
Net Increase (Decrease) in Cash	\$ (68,844)	\$ (3,044,745)	\$ (58,708)	\$ (3,172,297)
Cash, July 1, 2024	<u>7,129,441</u>	<u>37,843,486</u>	<u>2,897,724</u>	<u>47,870,651</u>
Cash, June 30, 2025	<u><u>\$ 7,060,597</u></u>	<u><u>\$ 34,798,741</u></u>	<u><u>\$ 2,839,016</u></u>	<u><u>\$ 44,698,354</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities				
Operating Income (Loss)	\$ (5,163,277)	\$ (2,911,147)	\$ 45,532	\$ (8,028,892)
Insurance Recovery	3,589,229	21,707	9,190	3,620,126
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:				
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	0	(3,120)	0	(3,120)
(Increase) Decrease in Due from Other Governments	0	(959)	0	(959)
Increase (Decrease) in Accounts Payable	(12,980)	0	(13,830)	(26,810)
Increase (Decrease) in Claims and Judgments Payable	1,518,184	(151,226)	(99,600)	1,267,358
Net Cash Provided By (Used In) Operating Activities	<u>\$ (68,844)</u>	<u>\$ (3,044,745)</u>	<u>\$ (58,708)</u>	<u>\$ (3,172,297)</u>
Reconciliation of Cash With Statement of Net Position				
Cash Per Net Position	\$ 507,703	\$ 0	\$ 227,121	\$ 734,824
Equity in Pooled Cash and Investments Per Net Position	<u>6,552,894</u>	<u>34,798,741</u>	<u>2,611,895</u>	<u>43,963,530</u>
Cash, June 30, 2025	<u><u>\$ 7,060,597</u></u>	<u><u>\$ 34,798,741</u></u>	<u><u>\$ 2,839,016</u></u>	<u><u>\$ 44,698,354</u></u>

CUSTODIAL FUNDS

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

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

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for the property taxes of the city of Smyrna and city of Eagleville. These collections are remitted to the city monthly.

City School ADA - Murfreesboro Fund – The City School ADA - Murfreesboro Fund is used to account for the city school system's share of education revenues collected by the county that must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school system on a monthly basis.

Joint Venture Fund – The Joint Venture Fund is used to account for transactions of the Central Tennessee Solid Waste Planning Board for Rutherford, Cannon, Warren, and Coffee counties.

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, general sessions, and juvenile courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, litigants, heirs, and others.

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

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

	Custodial Funds							Total
	Cities - Sales Tax	Cities - Property Tax	City School ADA - Murfreesboro	Joint Venture	Constitu - tional Officers - Custodial	District Attorney General		
ASSETS								
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,100,422	\$ 2,681	\$ 19,103,103	
Equity in Pooled Cash and Investments	0	36,542	203,014	8,459	0	428,166	676,181	
Accounts Receivable	0	0	0	0	3,832	0	3,832	
Due from Other Governments	19,794,009	0	3,400,566	0	0	850	23,195,425	
Property Taxes Receivable	0	0	14,209,367	0	0	0	14,209,367	
Allowance for Uncollectible Property Taxes	0	0	(135,631)	0	0	0	(135,631)	
Total Assets	\$ 19,794,009	\$ 36,542	\$ 17,677,316	\$ 8,459	\$ 19,104,254	\$ 431,697	\$ 57,052,277	
LIABILITIES								
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65	\$ 65	
Accrued Payroll	0	0	0	0	0	851	851	
Due to Other Taxing Units	19,794,009	36,542	3,642,933	0	0	0	23,473,484	
Total Liabilities	\$ 19,794,009	\$ 36,542	\$ 3,642,933	\$ 0	\$ 0	\$ 916	\$ 23,474,400	
DEFERRED INFLOWS OF RESOURCES								
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 14,034,383	\$ 0	\$ 0	\$ 0	\$ 14,034,383	
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 14,034,383	\$ 0	\$ 0	\$ 0	\$ 14,034,383	
NET POSITION								
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 0	\$ 8,459	\$ 19,104,254	\$ 430,781	\$ 19,543,494	
Total Net Position	\$ 0	\$ 0	\$ 0	\$ 8,459	\$ 19,104,254	\$ 430,781	\$ 19,543,494	

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

	Custodial Funds							
	Cities - Sales Tax	Cities - Property Tax	City School ADA - Murfreesboro	Joint Venture	Constitu- tional Officers - Custodial	District Attorney General		Total
Additions								
Sales Tax Collections for Other Governments	\$ 114,774,020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		\$ 114,774,020
Property Tax Collections for Other Governments	0	15,067,343	0	0	0	0		15,067,343
ADA - Educational Funds Collected for Cities	0	0	34,251,412	0	0	0		34,251,412
Fines/Fees and Other Collections	0	0	0	0	77,403,549	0		77,403,549
District Attorney General Collections	0	0	0	0	0	48,076		48,076
Total Additions	\$ 114,774,020	\$ 15,067,343	\$ 34,251,412	\$ 0	\$ 77,403,549	\$ 48,076		\$ 241,544,400
Deductions								
Payment of Sales Tax Collections to Other Governments	\$ 114,774,020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		\$ 114,774,020
Payment of Property Tax Collections to Other Governments	0	15,067,343	0	0	0	0		15,067,343
Payments to City School Systems	0	0	34,251,412	0	0	0		34,251,412
Payments to State	0	0	0	0	53,883,165	0		53,883,165
Payments to Cities	0	0	0	0	551,301	0		551,301
Payments to Individuals and Others	0	0	0	70	25,038,372	0		25,038,442
Payment of District Attorney General Expenses	0	0	0	0	0	30,772		30,772
Total Deductions	\$ 114,774,020	\$ 15,067,343	\$ 34,251,412	\$ 70	\$ 79,472,838	\$ 30,772		\$ 243,596,455
Change in Net Position	\$ 0	\$ 0	\$ 0	\$ (70)	\$ (2,069,289)	\$ 17,304		\$ (2,052,055)
Net Position July 1, 2024	0	0	0	8,529	21,173,543	413,477		21,595,549
Net Position June 30, 2025	\$ 0	\$ 0	\$ 0	\$ 8,459	\$ 19,104,254	\$ 430,781		\$ 19,543,494

RUTHERFORD COUNTY SCHOOL DEPARTMENT

This section presents combining and individual fund financial statements for the Rutherford County School Department, a discretely presented component unit. The school department uses a General Fund, three Special Revenue Funds, two Capital Projects Funds, and a Fiduciary 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 projects and renovations of the school department.

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

Endowment Fund – The Endowment Fund is used to account for an endowment received by the school department for which the principal amount must remain intact while interest earned on the principal is to fund a scholarship at Eagleville High School.

RUTHERFORD COUNTY, TENNESSEE

Statement of Activities

Discretely Presented Rutherford County School Department

For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total
					Governmental Activities
Governmental Activities:					
Instruction	\$ 385,080,106	\$ 510,202	\$ 24,861,369	\$ 0	\$ (359,708,535)
Support Services	236,000,307	884,868	36,205,599	2,169,084	(196,740,756)
Operation of Non-instructional Services	49,953,020	7,548,847	17,930,158	0	(24,474,015)
Total Governmental Activities	<u>\$ 671,033,433</u>	<u>\$ 8,943,917</u>	<u>\$ 78,997,126</u>	<u>\$ 2,169,084</u>	<u>\$ (580,923,306)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 97,362,228
Payments in-Lieu-of Tax					121,962
Local Option Sales Tax					107,623,727
Wheel Tax					5,565,264
Business Tax					3,209,749
Mixed Drink Tax					802,662
Adequate Facilities/Development Tax					2,595,764
Grants and Contributions Not Restricted for Specific Programs					364,162,979
Unrestricted Investment Income					6,615,071
Miscellaneous					303,861
Total General Revenues					<u>\$ 588,363,267</u>
Change in Net Position					\$ 7,439,961
Net Position, July 1, 2024					1,123,570,422
Restatement - See Note 1.D.11					<u>(4,216,879)</u>
Net Position, June 30, 2025					<u>\$ 1,126,793,504</u>

RUTHERFORD COUNTY, TENNESSEE
Balance Sheet - Governmental Funds
 Discretely Presented Rutherford County School Department
June 30, 2025

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General Purpose School</u>	<u>Other Capital Projects</u>	<u>Other Governmental Funds</u>	
ASSETS				
Cash	\$ 103	\$ 0	\$ 13,249,908	\$ 13,250,011
Equity in Pooled Cash and Investments	156,893,339	36,258,621	42,219,380	235,371,340
Inventories	0	0	646,823	646,823
Accounts Receivable	618,398	0	362,110	980,508
Due from Other Governments	37,526,778	800	6,891,784	44,419,362
Due from Other Funds	2,028,790	0	0	2,028,790
Property Taxes Receivable	80,670,457	0	18,381,450	99,051,907
Allowance for Uncollectible Property Taxes	(782,786)	0	(180,717)	(963,503)
Prepaid Items	334	0	0	334
Other Current Assets	0	0	9,954	9,954
Restricted Assets	11,295,841	0	0	11,295,841
Total Assets	\$ 288,251,254	\$ 36,259,421	\$ 81,580,692	\$ 406,091,367
LIABILITIES				
Accounts Payable	\$ 53,369	\$ 0	\$ 275,010	\$ 328,379
Accrued Payroll	44,167,265	0	1,508,972	45,676,237
Payroll Deductions Payable	13,589,395	0	7,903	13,597,298
Contracts Payable	0	16,188,390	0	16,188,390
Retainage Payable	0	852,021	0	852,021
Due to Other Funds	0	0	2,028,790	2,028,790
Total Liabilities	\$ 57,810,029	\$ 17,040,411	\$ 3,820,675	\$ 78,671,115

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Rutherford County School Department (Cont.)

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Other Capital Projects	Other Governmental Funds	
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 78,654,784	\$ 0	\$ 17,912,217	\$ 96,567,001
Deferred Delinquent Property Taxes	1,069,314	0	250,237	1,319,551
Other Deferred/Unavailable Revenue	9,312,862	0	0	9,312,862
Total Deferred Inflows of Resources	\$ 89,036,960	\$ 0	\$ 18,162,454	\$ 107,199,414
FUND BALANCES				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 646,823	\$ 646,823
Prepaid Items	334	0	0	334
Restricted:				
Restricted for Education	0	0	33,955,659	33,955,659
Restricted for Capital Projects	0	8,531,311	18,658,341	27,189,652
Restricted for Hybrid Retirement Stabilization Funds	11,295,841	0	0	11,295,841
Committed:				
Committed for Education	264,474	0	5,000,000	5,264,474
Committed for Capital Projects	0	10,687,699	1,336,740	12,024,439
Assigned:				
Assigned for Education	24,190,201	0	0	24,190,201
Unassigned	105,653,415	0	0	105,653,415
Total Fund Balances	\$ 141,404,265	\$ 19,219,010	\$ 59,597,563	\$ 220,220,838
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 288,251,254	\$ 36,259,421	\$ 81,580,692	\$ 406,091,367

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

Discretely Presented Rutherford County School Department

June 30, 2025

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

Total fund balances - balance sheet - governmental funds (Exhibit K-2)		\$ 220,220,838
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 33,042,075	
Add: construction in progress	227,100,101	
Add: buildings and improvements net of accumulated depreciation	532,792,126	
Add: intangible assets net of accumulated depreciation	6,432	
Add: other capital assets net of accumulated depreciation	<u>9,318,183</u>	802,258,917
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (7,589,128)	
Less: OPEB liability	(21,146,034)	
Less: pension liability - agent plan	<u>(9,162,493)</u>	(37,897,655)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 63,815,243	
Add: deferred outflows of resources related to OPEB	3,899,965	
Less: deferred inflows of resources related to pensions	<u>(25,644,281)</u>	42,070,927
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - teacher retirement plan	\$ 3,652,018	
Add: net pension asset - teacher legacy pension plan	<u>85,856,046</u>	89,508,064
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>10,632,413</u>
Net position of governmental activities (Exhibit A)		<u>\$ 1,126,793,504</u>

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

	Major Funds			Nonmajor	Total
	General Purpose School	<i>Formerly Major</i> Education Capital Projects	Other Capital Projects	Funds Other Governmental Funds	
Revenues					
Local Taxes	\$ 194,662,650	\$ 0	\$ 0	\$ 21,558,615	\$ 216,221,265
Licenses and Permits	15,809	0	0	0	15,809
Charges for Current Services	626,305	0	0	7,500,551	8,126,856
Other Local Revenues	7,130,411	0	0	25,308,067	32,438,478
State of Tennessee	372,345,426	0	0	180,369	372,525,795
Federal Government	1,848,066	0	0	41,561,102	43,409,168
Other Governments and Citizens Groups	2,169,084	0	0	0	2,169,084
Total Revenues	\$ 578,797,751	\$ 0	\$ 0	\$ 96,108,704	\$ 674,906,455
Expenditures					
Current:					
Instruction	\$ 365,034,519	\$ 0	\$ 0	\$ 13,016,000	\$ 378,050,519
Support Services	187,592,159	0	0	10,956,398	198,548,557
Operation of Non-Instructional Services	5,058,074	0	0	49,491,253	54,549,327
Capital Outlay	3,935,511	0	0	0	3,935,511
Debt Service:					
Other Debt Service	236,832	0	0	0	236,832

(Continued)

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

	Major Funds			Nonmajor Funds	
	General Purpose School	<i>Formerly Major</i> Education Capital Projects	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
Expenditures (Cont.)					
Capital Projects	\$ 0	\$ 0	\$ 136,009,924	\$ 21,340,724	\$ 157,350,648
Total Expenditures	\$ 561,857,095	\$ 0	\$ 136,009,924	\$ 94,804,375	\$ 792,671,394
Excess (Deficiency) of Revenues Over Expenditures	\$ 16,940,656	\$ 0	\$ (136,009,924)	\$ 1,304,329	\$ (117,764,939)
Other Financing Sources (Uses)					
Insurance Recovery	\$ 78,279	\$ 0	\$ 0	\$ 213,303	\$ 291,582
Transfers In	2,028,789	0	3,700,000	0	5,728,789
Transfers Out	(3,700,000)	0	0	(2,028,789)	(5,728,789)
Total Other Financing Sources (Uses)	\$ (1,592,932)	\$ 0	\$ 3,700,000	\$ (1,815,486)	\$ 291,582
Net Change in Fund Balances	\$ 15,347,724	\$ 0	\$ (132,309,924)	\$ (511,157)	\$ (117,473,357)
Change to or Within the Reporting Entity	0	(19,962,489)	0	19,962,489	0
Fund Balance, July 1, 2024	126,056,541	19,962,489	151,528,934	40,146,231	337,694,195
Fund Balance, June 30, 2025	\$ 141,404,265	\$ 0	\$ 19,219,010	\$ 59,597,563	\$ 220,220,838

RUTHERFORD COUNTY, TENNESSEE
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Rutherford County School Department
For the Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds (Exhibit K-4)		\$ (117,473,357)
(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	\$ 156,714,263	
Less: current-year depreciation expense	<u>(22,669,850)</u>	134,044,413
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(2,785,036)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2024	\$ (9,567,443)	
Add: deferred delinquent property taxes and other deferred June 30, 2025	<u>10,632,413</u>	1,064,970
(4) The contributions of long-term debt (e.g. bonds, other loans, leases) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on loans to primary government		235,857
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ (484,112)	
Change in net OPEB liability	(6,321,952)	
Change in net pension liability - agent plan	991,668	
Change in deferred outflows of resources related to pensions	(20,591,150)	
Change in deferred inflows of resources related to pensions	(17,665,308)	
Change in deferred outflows of resources related to OPEB	3,320,612	
Change in deferred inflows of resources related to OPEB	2,157,782	
Change in net pension asset - teacher retirement plan	1,543,268	
Change in net pension asset - teacher legacy pension plan	<u>29,402,306</u>	<u>(7,646,886)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 7,439,961</u>

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

	<u>Special Revenue Funds</u>				<u>Capital Projects Fund</u>	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	Total	Education Capital Projects	
ASSETS						
Cash	\$ 0	\$ 100,697	\$ 13,149,211	\$ 13,249,908	\$ 0	\$ 13,249,908
Equity in Pooled Cash and Investments	3,557,480	18,958,987	0	22,516,467	19,702,913	42,219,380
Inventories	0	583,132	63,691	646,823	0	646,823
Accounts Receivable	38,504	737	79,632	118,873	243,237	362,110
Due from Other Governments	3,082,048	3,799,084	0	6,881,132	10,652	6,891,784
Property Taxes Receivable	0	0	0	0	18,381,450	18,381,450
Allowance for Uncollectible Property Taxes	0	0	0	0	(180,717)	(180,717)
Other Current Assets	0	0	9,954	9,954	0	9,954
Total Assets	<u>\$ 6,678,032</u>	<u>\$ 23,442,637</u>	<u>\$ 13,302,488</u>	<u>\$ 43,423,157</u>	<u>\$ 38,157,535</u>	<u>\$ 81,580,692</u>
LIABILITIES						
Accounts Payable	\$ 169,310	\$ 81,835	\$ 23,865	\$ 275,010	\$ 0	\$ 275,010
Accrued Payroll	1,181,925	327,047	0	1,508,972	0	1,508,972
Payroll Deductions Payable	348	7,555	0	7,903	0	7,903
Due to Other Funds	303,080	1,725,710	0	2,028,790	0	2,028,790
Total Liabilities	<u>\$ 1,654,663</u>	<u>\$ 2,142,147</u>	<u>\$ 23,865</u>	<u>\$ 3,820,675</u>	<u>\$ 0</u>	<u>\$ 3,820,675</u>

(Continued)

RUTHERFORD COUNTY, TENNESSEE
Combining Balance Sheet - Nonmajor Governmental Funds
 Discretely Presented Rutherford County School Department (Cont.)

	<u>Special Revenue Funds</u>				<u>Capital Projects Fund</u>	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	Total	Education Capital Projects	
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,912,217	\$ 17,912,217
Deferred Delinquent Property Taxes	0	0	0	0	250,237	250,237
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,162,454</u>	<u>\$ 18,162,454</u>
FUND BALANCES						
Nonspendable:						
Inventory	\$ 0	\$ 583,132	\$ 63,691	\$ 646,823	\$ 0	\$ 646,823
Restricted:						
Restricted for Education	23,369	20,717,358	13,214,932	33,955,659	0	33,955,659
Restricted for Capital Projects	0	0	0	0	18,658,341	18,658,341
Committed:						
Committed for Education	5,000,000	0	0	5,000,000	0	5,000,000
Committed for Capital Projects	0	0	0	0	1,336,740	1,336,740
Total Fund Balances	<u>\$ 5,023,369</u>	<u>\$ 21,300,490</u>	<u>\$ 13,278,623</u>	<u>\$ 39,602,482</u>	<u>\$ 19,995,081</u>	<u>\$ 59,597,563</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,678,032</u>	<u>\$ 23,442,637</u>	<u>\$ 13,302,488</u>	<u>\$ 43,423,157</u>	<u>\$ 38,157,535</u>	<u>\$ 81,580,692</u>

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	Total	<i>Formerly Major Education Capital Projects</i>	
Revenues						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,558,615	\$ 21,558,615
Charges for Current Services	0	7,500,551	0	7,500,551	0	7,500,551
Other Local Revenues	0	971,031	24,337,036	25,308,067	0	25,308,067
State of Tennessee	0	180,369	0	180,369	0	180,369
Federal Government	23,811,313	17,749,789	0	41,561,102	0	41,561,102
Total Revenues	\$ 23,811,313	\$ 26,401,740	\$ 24,337,036	\$ 74,550,089	\$ 21,558,615	\$ 96,108,704
Expenditures						
Current:						
Instruction	\$ 13,016,000	\$ 0	\$ 0	\$ 13,016,000	\$ 0	\$ 13,016,000
Support Services	10,469,469	88,327	0	10,557,796	398,602	10,956,398
Operation of Non-Instructional Services	0	26,216,826	23,274,427	49,491,253	0	49,491,253
Capital Projects	0	0	0	0	21,340,724	21,340,724
Total Expenditures	\$ 23,485,469	\$ 26,305,153	\$ 23,274,427	\$ 73,065,049	\$ 21,739,326	\$ 94,804,375

(Continued)

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	Total	<i>Formerly Major Education Capital Projects</i>	
Excess (Deficiency) of Revenues Over Expenditures	\$ 325,844	\$ 96,587	\$ 1,062,609	\$ 1,485,040	\$ (180,711)	\$ 1,304,329
Other Financing Sources (Uses)						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 213,303	\$ 213,303
Transfers Out	(303,079)	(1,725,710)	0	(2,028,789)	0	(2,028,789)
Total Other Financing Sources (Uses)	\$ (303,079)	\$ (1,725,710)	\$ 0	\$ (2,028,789)	\$ 213,303	\$ (1,815,486)
Net Change in Fund Balances	\$ 22,765	\$ (1,629,123)	\$ 1,062,609	\$ (543,749)	\$ 32,592	\$ (511,157)
Change to or Within the Reporting Entity	0	0	0	0	19,962,489	19,962,489
Fund Balance, July 1, 2024	5,000,604	22,929,613	12,216,014	40,146,231	0	40,146,231
Fund Balance, June 30, 2025	\$ 5,023,369	\$ 21,300,490	\$ 13,278,623	\$ 39,602,482	\$ 19,995,081	\$ 59,597,563

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 194,662,650	\$ 0	\$ 0	\$ 194,662,650	\$ 186,938,957	\$ 186,938,957	\$ 7,723,693
Licenses and Permits	15,809	0	0	15,809	13,000	13,000	2,809
Charges for Current Services	626,305	0	0	626,305	162,500	162,500	463,805
Other Local Revenues	7,130,411	0	0	7,130,411	2,253,000	2,485,000	4,645,411
State of Tennessee	372,345,426	0	0	372,345,426	346,067,308	387,111,447	(14,766,021)
Federal Government	1,848,066	0	0	1,848,066	1,350,000	1,786,625	61,441
Other Governments and Citizens Groups	2,169,084	0	0	2,169,084	0	2,169,084	0
Total Revenues	\$ 578,797,751	\$ 0	\$ 0	\$ 578,797,751	\$ 536,784,765	\$ 580,666,613	\$ (1,868,862)
Expenditures							
Instruction							
Regular Instruction Program	\$ 289,934,148	\$ (74,398)	\$ 11,436,708	\$ 301,296,458	\$ 278,081,515	\$ 312,995,926	\$ 11,699,468
Alternative Instruction Program	3,653,928	(110)	430	3,654,248	3,573,561	3,846,406	192,158
Special Education Program	47,611,075	(5,000)	0	47,606,075	46,598,349	51,560,466	3,954,391
Career and Technical Education Program	23,835,368	(17,255)	102,428	23,920,541	22,502,529	26,847,296	2,926,755
Support Services							
Attendance	1,886,433	0	15,700	1,902,133	1,893,363	1,940,338	38,205
Health Services	6,515,463	0	0	6,515,463	6,417,698	6,669,273	153,810
Other Student Support	18,798,079	(1,563)	2,608,787	21,405,303	18,598,788	22,262,308	857,005

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Support Services (Cont.)							
Regular Instruction Program	\$ 15,574,580	\$ (8,173)	\$ 14,264	\$ 15,580,671	\$ 15,749,245	\$ 16,036,054	\$ 455,383
Alternative Instruction Program	1,519,560	0	7,295	1,526,855	1,849,608	1,658,820	131,965
Special Education Program	3,040,290	(172)	1,340	3,041,458	3,534,109	3,531,253	489,795
Career and Technical Education Program	727,186	(19,129)	22,019	730,076	712,489	745,304	15,228
Technology	8,852,148	(33,453)	119,657	8,938,352	6,422,363	9,188,135	249,783
Other Programs	318,742	0	0	318,742	0	318,742	0
Board of Education	11,031,858	(18,514)	183,510	11,196,854	8,379,779	12,017,072	820,218
Director of Schools	1,837,001	(2,640)	8,266	1,842,627	1,849,654	1,879,966	37,339
Office of the Principal	32,429,627	(4,088)	65,628	32,491,167	32,349,927	33,114,832	623,665
Fiscal Services	2,005,526	(7,874)	0	1,997,652	2,149,546	2,118,646	120,994
Human Services/Personnel	2,003,358	(1,000)	0	2,002,358	1,986,416	2,109,113	106,755
Operation of Plant	38,012,710	(493,629)	864,611	38,383,692	37,361,789	39,155,519	771,827
Maintenance of Plant	12,640,658	(282,941)	425,495	12,783,212	11,964,256	13,355,188	571,976
Transportation	30,398,940	(29,110)	24,387	30,394,217	30,262,636	31,177,722	783,505
Operation of Non-Instructional Services							
Community Services	2,756	0	0	2,756	10,000	5,000	2,244
Early Childhood Education	5,055,318	0	0	5,055,318	5,613,921	5,599,821	544,503

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Expenditures (Cont.)							
Capital Outlay							
Regular Capital Outlay	\$ 3,935,511	\$ (156,495)	\$ 332,456	\$ 4,111,472	\$ 336,397	\$ 7,461,854	\$ 3,350,382
Principal on Debt							
Education	0	0	0	0	235,857	0	0
Interest on Debt							
Education	0	0	0	0	975	0	0
Other Debt Service							
Education	236,832	0	0	236,832	0	236,832	0
Total Expenditures	<u>\$ 561,857,095</u>	<u>\$ (1,155,544)</u>	<u>\$ 16,232,981</u>	<u>\$ 576,934,532</u>	<u>\$ 538,434,770</u>	<u>\$ 605,831,886</u>	<u>\$ 28,897,354</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 16,940,656</u>	<u>\$ 1,155,544</u>	<u>\$ (16,232,981)</u>	<u>\$ 1,863,219</u>	<u>\$ (1,650,005)</u>	<u>\$ (25,165,273)</u>	<u>\$ 27,028,492</u>
Other Financing Sources (Uses)							
Insurance Recovery	\$ 78,279	\$ 0	\$ 0	\$ 78,279	\$ 50,000	\$ 50,000	\$ 28,279
Transfers In	2,028,789	0	0	2,028,789	1,600,000	5,116,500	(3,087,711)
Transfers Out	(3,700,000)	0	0	(3,700,000)	(11,394,008)	(3,700,000)	0
Total Other Financing Sources	<u>\$ (1,592,932)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,592,932)</u>	<u>\$ (9,744,008)</u>	<u>\$ 1,466,500</u>	<u>\$ (3,059,432)</u>
Net Change in Fund Balance	\$ 15,347,724	\$ 1,155,544	\$ (16,232,981)	\$ 270,287	\$ (11,394,013)	\$ (23,698,773)	\$ 23,969,060
Fund Balance, July 1, 2024	<u>126,056,541</u>	<u>(1,155,544)</u>	<u>0</u>	<u>124,900,997</u>	<u>92,284,002</u>	<u>92,284,002</u>	<u>32,616,995</u>
Fund Balance, June 30, 2025	<u>\$ 141,404,265</u>	<u>\$ 0</u>	<u>\$ (16,232,981)</u>	<u>\$ 125,171,284</u>	<u>\$ 80,889,989</u>	<u>\$ 68,585,229</u>	<u>\$ 56,586,055</u>

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

Discretely Presented Rutherford County School Department
 School Federal Projects Fund

For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Federal Government	\$ 23,811,313	\$ 18,929,462	\$ 27,507,989	\$ (3,696,676)
Total Revenues	\$ 23,811,313	\$ 18,929,462	\$ 27,507,989	\$ (3,696,676)
Expenditures				
Instruction				
Regular Instruction Program	\$ 7,390,917	\$ 3,983,104	\$ 7,818,434	\$ 427,517
Special Education Program	4,951,872	5,794,714	6,997,835	2,045,963
Career and Technical Education Program	673,211	664,906	673,219	8
Support Services				
Other Student Support	1,557,272	642,672	1,830,322	273,050
Regular Instruction Program	3,515,969	3,506,990	4,040,958	524,989
Special Education Program	4,996,072	3,914,755	5,692,548	696,476
Career and Technical Education Program	4,728	5,000	4,728	0
Operation of Plant	158,035	0	158,035	0
Transportation	237,393	422,940	429,827	192,434
Total Expenditures	\$ 23,485,469	\$ 18,935,081	\$ 27,645,906	\$ 4,160,437
Excess (Deficiency) of Revenues Over Expenditures	\$ 325,844	\$ (5,619)	\$ (137,917)	\$ 463,761
Other Financing Sources (Uses)				
Transfers In	\$ 0	\$ 313,391	\$ 496,391	\$ (496,391)
Transfers Out	(303,079)	(307,772)	(358,474)	55,395
Total Other Financing Sources	\$ (303,079)	\$ 5,619	\$ 137,917	\$ (440,996)
Net Change in Fund Balance	\$ 22,765	\$ 0	\$ 0	\$ 22,765
Fund Balance, July 1, 2024	5,000,604	5,000,604	5,000,604	0
Fund Balance, June 30, 2025	\$ 5,023,369	\$ 5,000,604	\$ 5,000,604	\$ 22,765

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Charges for Current Services	\$ 7,500,551	\$ 0	\$ 0	\$ 7,500,551	\$ 7,575,700	\$ 7,575,700	\$ (75,149)
Other Local Revenues	971,031	0	0	971,031	24,250	24,250	946,781
State of Tennessee	180,369	0	0	180,369	184,300	184,300	(3,931)
Federal Government	17,749,789	0	0	17,749,789	21,039,300	21,039,300	(3,289,511)
Total Revenues	\$ 26,401,740	\$ 0	\$ 0	\$ 26,401,740	\$ 28,823,550	\$ 28,823,550	\$ (2,421,810)
Expenditures							
Support Services							
Board of Education	\$ 56,000	\$ 0	\$ 0	\$ 56,000	\$ 72,000	\$ 72,000	\$ 16,000
Maintenance of Plant	32,327	0	0	32,327	0	32,327	0
Operation of Non-Instructional Services							
Food Service	26,216,826	(874,791)	1,415,617	26,757,652	33,376,756	33,336,756	6,579,104
Total Expenditures	\$ 26,305,153	\$ (874,791)	\$ 1,415,617	\$ 26,845,979	\$ 33,448,756	\$ 33,441,083	\$ 6,595,104
Excess (Deficiency) of Revenues Over Expenditures	\$ 96,587	\$ 874,791	\$ (1,415,617)	\$ (444,239)	\$ (4,625,206)	\$ (4,617,533)	\$ 4,173,294
Other Financing Sources (Uses)							
Transfers Out	\$ (1,725,710)	\$ 0	\$ 0	\$ (1,725,710)	\$ 0	\$ (3,491,846)	\$ 1,766,136
Total Other Financing Sources	\$ (1,725,710)	\$ 0	\$ 0	\$ (1,725,710)	\$ 0	\$ (3,491,846)	\$ 1,766,136
Net Change in Fund Balance	\$ (1,629,123)	\$ 874,791	\$ (1,415,617)	\$ (2,169,949)	\$ (4,625,206)	\$ (8,109,379)	\$ 5,939,430
Fund Balance, July 1, 2024	22,929,613	(874,791)	0	22,054,822	33,448,756	33,448,756	(11,393,934)
Fund Balance, June 30, 2025	\$ 21,300,490	\$ 0	\$ (1,415,617)	\$ 19,884,873	\$ 28,823,550	\$ 25,339,377	\$ (5,454,504)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2024	Add: Encumbrances 6/30/2025	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 21,558,615	\$ 0	\$ 0	\$ 21,558,615	\$ 18,977,525	\$ 18,977,525	\$ 2,581,090
Total Revenues	<u>\$ 21,558,615</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 21,558,615</u>	<u>\$ 18,977,525</u>	<u>\$ 18,977,525</u>	<u>\$ 2,581,090</u>
Expenditures							
Support Services							
Board of Education	\$ 398,602	\$ 0	\$ 0	\$ 398,602	\$ 425,000	\$ 425,000	\$ 26,398
Capital Projects							
Education Capital Projects	21,340,724	(11,643,819)	10,806,907	20,503,812	18,552,525	22,387,993	1,884,181
Total Expenditures	<u>\$ 21,739,326</u>	<u>\$ (11,643,819)</u>	<u>\$ 10,806,907</u>	<u>\$ 20,902,414</u>	<u>\$ 18,977,525</u>	<u>\$ 22,812,993</u>	<u>\$ 1,910,579</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (180,711)	\$ 11,643,819	\$ (10,806,907)	\$ 656,201	\$ 0	\$ (3,835,468)	\$ 4,491,669
Other Financing Sources (Uses)							
Insurance Recovery	\$ 213,303	\$ 0	\$ 0	\$ 213,303	\$ 0	\$ 0	\$ 213,303
Total Other Financing Sources	<u>\$ 213,303</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 213,303</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 213,303</u>
Net Change in Fund Balance	\$ 32,592	\$ 11,643,819	\$ (10,806,907)	\$ 869,504	\$ 0	\$ (3,835,468)	\$ 4,704,972
Changes to or Within the Financial Reporting Entity	19,962,489	0	0	19,962,489	0	0	19,962,489
Fund Balance, July 1, 2024	0	(11,643,819)	0	(11,643,819)	8,318,670	8,318,670	(19,962,489)
Fund Balance, June 30, 2025	<u>\$ 19,995,081</u>	<u>\$ 0</u>	<u>\$ (10,806,907)</u>	<u>\$ 9,188,174</u>	<u>\$ 8,318,670</u>	<u>\$ 4,483,202</u>	<u>\$ 4,704,972</u>

RUTHERFORD COUNTY, TENNESSEE
Statement of Fiduciary Net Position - Fiduciary Fund
 Discretely Presented Rutherford County School Department
June 30, 2025

	Private- Purpose Trust Fund
	<hr/> Endowment Fund <hr/>
ASSETS	
Equity in Pooled Cash and Investments	\$ 28,783
Total Assets	<hr/> \$ 28,783 <hr/>
NET POSITION	
Held in Trust for Scholarships	<hr/> \$ 28,783 <hr/>

RUTHERFORD COUNTY, TENNESSEE
Statement of Changes in Fiduciary Net Position - Fiduciary Fund
 Discretely Presented Rutherford County School Department
For the Year Ended June 30, 2025

**Private-
Purpose
Trust
Fund**

Endowment
Fund

ADDITIONS

Investment Income:

Interest

\$ 1,394

Total Additions

\$ 1,394

DEDUCTIONS

Education:

Scholarship

\$ 1,394

Total Deductions

\$ 1,394

Change in Net Position

\$ 0

Net Position, July 1, 2024

28,783

Net Position, June 30, 2025

\$ 28,783

MISCELLANEOUS SCHEDULES

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-25
OTHER LOANS PAYABLE									
Payable by School Department Contributions from the General Purpose School Fund to the General Debt Service Fund									
Energy Efficiency Loan	\$ 2,133,645	1 %	3-20-17	3-3-25	\$ 235,857	\$ 0	\$ 235,857	\$ 0	\$ 0
Total Other Loans Payable					\$ 235,857	\$ 0	\$ 235,857	\$ 0	\$ 0
BONDS PAYABLE									
Payable through General Debt Service Fund									
Refunding Bonds, Series 2010	13,764,000	2.4838	9-28-10	4-1-26	\$ 749,932	\$ 0	\$ 0	\$ 0	\$ 749,932
School Refunding Bonds, Series 2010	75,036,000	2.4838	9-28-10	4-1-26	4,090,068	0	0	0	4,090,068
Public Improvements, Series 2014B	2,570,000	3.6776	6-12-14	4-1-34	1,595,000	0	135,000	0	1,460,000
Public Improvements, Series 2015A	2,065,693	2.8757	5-14-15	1-8-25	1,373,720	0	534,055	839,665	0
School Facilities, Series 2015A	31,798,132	2.8757	5-14-15	1-8-25	21,146,280	0	8,220,945	12,925,335	0
Refunding Bonds, Series 2015B	4,139,890	2.2522	5-14-15	1-8-25	1,766,330	0	437,690	1,328,640	0
School Refunding Bonds, Series 2015 B	19,790,110	2.2522	5-14-15	1-8-25	8,443,670	0	2,092,310	6,351,360	0
Refunding Bonds, Series 2016A	1,217,900	1.5655	9-15-16	4-1-29	674,262	0	125,637	0	548,625
School Refunding Bonds, Series 2016A	24,422,100	1.5655	9-15-16	4-1-29	13,520,738	0	2,519,363	0	11,001,375
Public Improvements, Series 2016B	61,408,000	2.3686	9-28-16	4-1-36	44,849,120	0	3,018,720	0	41,830,400
School Facilities, Series 2016B	39,592,000	2.3686	9-28-16	4-1-36	28,915,880	0	1,946,280	0	26,969,600
School Facilities, Series 2017	81,530,000	2.6657	11-28-17	4-1-38	63,505,000	0	3,550,000	0	59,955,000
School Facilities, Series 2018	40,680,000	3.9826	8-30-18	4-1-38	32,200,000	0	1,725,000	0	30,475,000
Public Improvement, Series 2019	14,610,000	5.0000	9-20-19	4-1-29	8,010,000	0	1,450,000	0	6,560,000
Public Improvements, Series 2020A	10,826,326	2.7077	10-15-20	4-1-40	9,542,400	0	434,400	0	9,108,000
School Facilities, Series 2020A	79,543,674	2.7077	10-15-20	4-1-40	69,977,600	0	3,185,600	0	66,792,000
Refunding Bonds, Series 2020B	7,820,200	1.3137	11-12-20	4-1-32	7,035,130	0	1,460,950	0	5,574,180
Refunding Bonds, School, Series 2020B	56,279,800	1.3137	11-12-20	4-1-32	50,629,870	0	10,514,050	0	40,115,820
School Facilities, Series 2021A	21,000,000	1.6127	9-1-21	4-1-41	18,835,000	0	775,000	0	18,060,000
Public Improvements, Series 2021B	6,140,000	1.6094	9-1-21	6-30-36	5,420,000	0	425,000	0	4,995,000
Public Improvements, Series 2023	24,658,560	4.0975	10-6-23	4-1-43	23,938,560	0	787,680	0	23,150,880
School Facilities, Series 2023	146,581,440	4.0975	10-6-23	4-1-43	142,301,440	0	4,682,320	0	137,619,120
Refunding Bonds, Series 2024	3,849,615	2.8183	4-24-24	4-1-34	3,849,615	0	304,920	0	3,544,695
Refunding Bonds, School, Series 2024	12,815,385	2.8183	4-24-24	4-1-34	12,815,385	0	1,015,080	0	11,800,305
School Facilities, Series 2024	26,845,000	2.8183	4-24-24	4-1-34	26,845,000	0	2,215,000	0	24,630,000
Refunding Bonds, Series 2025	2,035,143	2.8183	1-8-25	4-1-32	0	2,035,143	0	0	2,035,143
Refunding Bonds, School, Series 2025	18,094,857	2.8183	1-8-25	4-1-32	0	18,094,857	0	0	18,094,857
Total Bonds Payable					\$ 602,030,000	\$ 20,130,000	\$ 51,555,000	\$ 21,445,000	\$ 549,160,000

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

Year Ending June 30	Bonds		Total
	Principal	Interest	
2026	\$ 45,690,000	\$ 20,647,027	\$ 66,337,027
2027	42,505,000	18,704,729	61,209,729
2028	44,115,000	16,954,901	61,069,901
2029	42,995,000	15,371,413	58,366,413
2030	39,680,000	13,825,030	53,505,030
2031	37,590,000	12,330,216	49,920,216
2032	39,095,000	10,844,774	49,939,774
2033	34,070,000	9,352,933	43,422,933
2034	35,325,000	8,120,498	43,445,498
2035	30,705,000	6,863,614	37,568,614
2036	31,745,000	5,831,569	37,576,569
2037	24,875,000	4,752,269	29,627,269
2038	25,760,000	3,857,979	29,617,979
2039	18,030,000	2,927,837	20,957,837
2040	18,635,000	2,317,363	20,952,363
2041	13,170,000	1,676,287	14,846,287
2042	12,310,000	1,132,875	13,442,875
2043	12,865,000	578,925	13,443,925
Total	\$ 549,160,000	\$ 156,090,239	\$ 705,250,239

RUTHERFORD COUNTY, TENNESSEE
Schedule of Notes Receivable
 Primary Government
For the Year Ended June 30, 2025

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-25
Industrial/Economic Development Fund:						
Construction/Renovations	Smyrna/Rutherford County Airport	\$ 2,570,000	4-17-14	4-1-34	3.6 %	\$ 1,425,000
"	"	6,140,000	9-1-21	4-1-36	1.6	4,888,750
General Debt Service Fund:						
Rockvale Utility District Waterlines	City of Murfreesboro, Tennessee	1,820,785	Various	Various	0	<u>1,820,785</u>
Total						<u><u>\$ 8,134,535</u></u>

RUTHERFORD COUNTY, TENNESSEE

Schedule of Transfers

Primary Government and Discretely Presented Rutherford County School Department

For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	General Capital Projects	Building projects	\$ 15,000,000
Industrial/Economic Development	General Debt Service	Debt retirement	<u>698,865</u>
Total Transfers Primary Government			<u><u>\$ 15,698,865</u></u>
DISCRETELY PRESENTED RUTHERFORD COUNTY SCHOOL DEPARTMENT			
General Purpose School	Other Capital Projects	Building projects	\$ 3,700,000
School Federal Projects	General Purpose School	Indirect costs	303,079
School Cafeteria	General Purpose School	Indirect costs	<u>1,725,710</u>
Total Transfers Discretely Presented Rutherford County School Department			<u><u>\$ 5,728,789</u></u>

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

Primary Government and Discretely Presented Rutherford County School Department

For the Year Ended June 30, 2025

Official	Salary	Authorization	Bond	Surety
County Mayor Base salary/Total compensation	<u>\$ 195,481</u>	Section 8-24-102, <i>TCA</i>	\$ 500,000	Traveler's Casualty and Surety Company of America
Highway Superintendent Base salary/Total compensation	<u>\$ 186,172</u>	Section 8-24-102, <i>TCA</i>	500,000	Traveler's Casualty and Surety Company of America
Director of Schools Base salary/Total compensation	<u>\$ 241,519</u>	State Board of Education and County Board of Education	500,000	Traveler's Casualty and Surety Company of America
Trustee Base salary/Total compensation	<u>\$ 153,862</u>	Section 8-24-102, <i>TCA</i>	22,178,493	Cincinnati Insurance Company
Assessor of Property Base salary Certified Public Administrator Total compensation	\$ 153,862 1,000 <u>\$ 154,862</u>	Section 8-24-102, <i>TCA</i>	500,000	Traveler's Casualty and Surety Company of America
County Clerk Base salary/Total compensation	<u>\$ 153,862</u>	Section 8-24-102, <i>TCA</i>	500,000	Traveler's Casualty and Surety Company of America
Circuit, General Sessions, and Juvenile Courts Clerk Base salary Additional 10% for overseeing more than one court Total compensation	\$ 153,862 15,386 <u>\$ 169,248</u>	Section 8-24-102, <i>TCA</i>	500,000	Traveler's Casualty and Surety Company of America
Clerk and Master Base salary Special commissioner fees Total compensation	\$ 153,862 6,840 <u>\$ 160,702</u>	Section 8-24-102, <i>TCA</i>	500,000	Traveler's Casualty and Surety Company of America
Register of Deeds Base salary/Total compensation	<u>\$ 153,862</u>	Section 8-24-102, <i>TCA</i>	500,000	Traveler's Casualty and Surety Company of America
Sheriff Base salary Law enforcement training supplement Tennessee retention bonus Total compensation	\$ 186,172 800 800 <u>\$ 187,772</u>	Section 8-24-102, <i>TCA</i>	500,000	Traveler's Casualty and Surety Company of America
Administrator of Elections Base salary/Total compensation Longevity	\$ 138,475 225 <u>\$ 138,700</u>	Section 2-12-208, <i>TCA</i>		
Director of Finance Base salary/Total compensation	<u>\$ 187,050</u>	County Commission	500,000	Traveler's Casualty and Surety Company of America
Employee Blanket Bonds:				
Employee Fidelity - County Departments			500,000	Traveler's Casualty and Surety Company of America
Employee Fidelity - School Department			500,000	Traveler's Casualty and Surety Company of America

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 113,109,757	\$ 0	\$ 10,907,895	\$ 0	0
Trustee's Collections - Prior Year	1,127,904	0	108,771	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	509,830	0	49,166	0	0
Interest and Penalty	236,432	0	22,800	0	0
Pickup Taxes	196,031	0	18,904	0	0
Payments in-Lieu-of Taxes - T.V.A.	5,811	0	560	0	0
Payments in-Lieu-of Taxes - Other	4,732,309	0	0	0	0
County Local Option Taxes					
Local Option Sales Tax	2,348,648	7,045,943	0	0	0
Hotel/Motel Tax	5,956,676	0	0	0	0
Wheel Tax	4,909,208	0	0	0	0
Litigation Tax - General	835,481	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Litigation Tax - Courthouse Security	572,466	0	0	0	0
Business Tax	3,823,156	0	368,690	0	0
Mixed Drink Tax	32,960	0	0	0	0
Mineral Severance Tax	0	0	0	0	0
Adequate Facilities/Development Tax	0	0	0	0	0

(Continued)

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Local Taxes (Cont.)					
Statutory Local Taxes					
Bank Excise Tax	\$ 1,575,936	\$ 0	\$ 0	\$ 0	\$ 0
Wholesale Beer Tax	615,725	0	0	0	0
Total Local Taxes	<u>\$ 140,588,330</u>	<u>\$ 7,045,943</u>	<u>\$ 11,476,786</u>	<u>\$ 0</u>	<u>\$ 0</u>
Licenses and Permits					
Licenses					
Animal Registration	\$ 297,225	\$ 0	\$ 0	\$ 0	\$ 0
Animal Vaccination	29,505	0	0	0	0
Cable TV Franchise	719,302	0	0	0	0
Permits					
Building Permits	2,870,326	0	0	0	0
Electrical Permits	11,225	0	0	0	0
Plumbing Permits	186,123	0	0	0	0
Food Handling Permits	235	0	0	0	0
Other Permits	684,398	0	0	0	0
Total Licenses and Permits	<u>\$ 4,798,339</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 19,146	\$ 0	\$ 0	\$ 0	0
Officers Costs	159,252	0	0	0	0
Drug Control Fines	0	0	0	0	0
Drug Court Fees	13,619	0	0	0	0
Veterans Treatment Court Fees	6,072	0	0	0	0
Jail Fees	20,080	0	0	0	0
Data Entry Fee - Circuit Court	13,729	0	0	0	0
Courtroom Security Fee	38,434	0	0	0	0
Criminal Court					
Officers Costs	413	0	0	0	0
Veterans Treatment Court Fees	2,986	0	0	0	0
DUI Treatment Fines	6,582	0	0	0	0
Victims Assistance Assessments	12,780	0	0	0	0
General Sessions Court					
Fines	137,946	0	0	0	0
Officers Costs	496,003	0	0	0	0
Game and Fish Fines	533	0	0	0	0
Drug Control Fines	0	0	0	0	0

(Continued)

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Fines, Forfeitures, and Penalties (Cont.)					
General Sessions Court (Cont.)					
Drug Court Fees	\$ 20,600	\$ 0	\$ 0	\$ 0	0
Veterans Treatment Court Fees	13,555	0	0	0	0
Jail Fees	61,505	0	0	0	0
Interpreter Fee	25	0	0	0	0
DUI Treatment Fines	53,618	0	0	0	0
Data Entry Fee - General Sessions Court	106,980	0	0	0	0
Courtroom Security Fee	8,789	0	0	0	0
Victims Assistance Assessments	86,133	0	0	0	0
Juvenile Court					
Fines	4,878	0	0	0	0
Officers Costs	19,022	0	0	0	0
Jail Fees	402,625	0	0	0	0
Data Entry Fee - Juvenile Court	4,782	0	0	0	0
Courtroom Security Fee	47	0	0	0	0
Chancery Court					
Data Entry Fee - Chancery Court	18,958	0	0	0	0
Other Courts - In-county					
Fines	44,786	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Fines, Forfeitures, and Penalties (Cont.)					
Judicial District Drug Program					
Victims Assistance Assessments	\$ 20,814	\$ 0	\$ 0	\$ 0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 1,794,692	\$ 0	\$ 0	\$ 0	0
Charges for Current Services					
General Service Charges					
Tipping Fees	\$ 0	\$ 67,894	\$ 0	\$ 0	0
Surcharge - Host Agency	0	623,283	0	0	0
Patient Charges	116,067	0	11,325,912	0	0
Past Due Collections - Ambulance	0	0	225,650	0	0
Zoning Studies	418,501	0	0	0	0
Work Release Charges for Board	34,308	0	0	0	0
Other General Service Charges	0	0	1,473,489	0	0
Fees					
Subdivision Lot Fees	1,346,950	0	0	0	0
Engineer Review Fees	544,800	0	0	0	0
Archives and Records Management Fee	147,123	0	0	0	0

(Continued)

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Charges for Current Services (Cont.)					
Fees (Cont.)					
Greenbelt Late Application Fee	\$ 750	\$ 0	\$ 0	\$ 0	0
Telephone Commissions	625,287	0	0	0	0
Additional Fees - Titling and Registration	330,344	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0
Data Processing Fee - Register	98,912	0	0	0	0
Probation Fees	248,536	0	0	0	0
Data Processing Fee - Sheriff	30,569	0	0	0	0
Sexual Offender Registration Fee - Sheriff	9,000	0	0	0	0
Data Processing Fee - County Clerk	47,556	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	127,880	0	0	0	0
Education Charges					
Contract for Administrative Services with Other LEA's	594,483	0	0	0	0
TBI Criminal Background Fee	10,245	0	0	0	0
Other Charges for Services	38,712	0	150,027	0	0
Total Charges for Current Services	\$ 4,770,023	\$ 691,177	\$ 13,175,078	\$ 0	0

(Continued)

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Other Local Revenues					
Recurring Items					
Investment Income	\$ 18,062,357	\$ 0	\$ 0	\$ 137,025	\$ 13,777
Lease/Rentals/PPP	591,561	0	0	0	0
Sale of Materials and Supplies	105,977	0	4,696	0	0
Commissary Sales	294,938	0	0	0	0
Sale of Maps	55	0	0	0	0
Sale of Recycled Materials	1,965	256,513	0	0	0
Sale of Animals/Livestock	27,953	0	0	0	0
Miscellaneous Refunds	44,072	30	0	0	0
Nonrecurring Items					
Sale of Equipment	10,370	0	0	0	0
Sale of Property	81,550	0	0	0	0
Damages Recovered from Individuals	1,015	0	0	0	0
Contributions and Gifts	180,146	0	37,000	0	0
Performance Bond Forfeitures	138,456	0	0	0	0
Other Local Revenues					
Other Local Revenues	95	0	0	0	0
Total Other Local Revenues	\$ 19,540,510	\$ 256,543	\$ 41,696	\$ 137,025	\$ 13,777

(Continued)

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Fees Received From County Officials					
Excess Fees					
County Clerk	\$ 4,006,153	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	925,000	0	0	0	0
Register	1,128,990	0	0	0	0
Trustee	9,568,410	0	0	0	0
Fees In-Lieu-of Salary					
Clerk and Master	541,476	0	0	0	0
Sheriff	141,767	0	0	0	0
Total Fees Received From County Officials	<u>\$ 16,311,796</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 13,500	\$ 0	\$ 0	\$ 0	0
Public Safety Grants					
Law Enforcement Training Programs	678,600	0	63,200	0	0
School Resource Officer Grants	3,675,000	0	0	0	0
Health and Welfare Grants					
Health Department Programs	2,101,961	0	0	0	0
Other Health and Welfare Grants	198,249	0	0	0	0

(Continued)

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
State of Tennessee (Cont.)					
Public Works Grants					
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 0	0
Litter Program	49,264	0	0	0	0
Other State Revenues					
Flood Control	0	0	0	0	0
Income Tax	3,347	0	0	0	0
Beer Tax	17,752	0	0	0	0
Vehicle Certificate of Title Fees	39,868	0	0	0	0
Alcoholic Beverage Tax	587,920	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	1,191,105	0	0	0	0
State Revenue Sharing - Telecommunications	353,319	0	0	0	0
State Shared Sports Gaming Privilege Tax	209,998	0	0	0	0
Contracted Prisoner Boarding	5,139,943	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	1,569,161	0	98,831	0	0
Other State Revenues	374,038	388,593	49,625	0	0
Total State of Tennessee	\$ 16,218,189	\$ 388,593	\$ 211,656	\$ 0	0

(Continued)

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Special Purpose
Federal Government					
Federal Through State					
Civil Defense Reimbursement	\$ 136,077	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	137,664	0	0	0	0
Law Enforcement Grants	30,978	0	0	0	0
COVID-19 Grant #2	82,841	0	0	0	0
American Rescue Plan Act Grant A	27,207	0	0	0	0
Other Federal through State	1,734,838	0	0	0	0
Direct Federal Revenue					
Police Service (Lake Area)	53,694	0	0	0	0
Asset Forfeiture Funds	0	0	0	0	241,082
Public Safety Partnership and Community Policing - COPS	243,589	0	0	0	0
American Rescue Plan Act Grant F	0	0	0	0	0
Other Direct Federal Revenue	1,204,080	0	122,607	0	0
Total Federal Government	\$ 3,650,968	\$ 0	\$ 122,607	\$ 0	\$ 241,082
Other Governments and Citizens Groups					
Other Governments					
Prisoner Board	\$ 9,136	\$ 0	\$ 0	\$ 0	0
Contributions	590,020	0	0	0	0
Contracted Services	645,732	0	0	0	0
Other					
Other	75	0	0	0	0
Opioid Settlement Funds - Past Remediation	379,851	0	0	0	0
Total Other Governments and Citizens Groups	\$ 1,624,814	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 209,297,661	\$ 8,382,256	\$ 25,027,823	\$ 137,025	\$ 254,859

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 0	\$ 0	\$ 0	\$ 1,126,377	\$ 62,779,197
Trustee's Collections - Prior Year	0	0	0	11,233	626,024
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	0	5,077	282,972
Interest and Penalty	0	0	0	2,353	131,225
Pickup Taxes	0	0	0	1,952	108,803
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	58	3,225
Payments in-Lieu-of Taxes - Other	0	0	0	0	0
County Local Option Taxes					
Local Option Sales Tax	0	0	0	2,348,648	0
Hotel/Motel Tax	0	0	0	0	0
Wheel Tax	0	0	0	4,909,207	0
Litigation Tax - General	0	0	0	0	50,964
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	2,182,976
Litigation Tax - Courthouse Security	0	0	0	0	0
Business Tax	0	0	0	38,071	2,121,972
Mixed Drink Tax	0	0	0	0	0
Mineral Severance Tax	0	0	0	726,702	0
Adequate Facilities/Development Tax	0	0	0	0	2,595,764

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Local Taxes (Cont.)					
Statutory Local Taxes					
Bank Excise Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Wholesale Beer Tax	0	0	0	0	0
Total Local Taxes	\$ 0	\$ 0	\$ 0	\$ 9,169,678	\$ 70,883,122
Licenses and Permits					
Licenses					
Animal Registration	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Animal Vaccination	0	0	0	0	0
Cable TV Franchise	0	0	0	0	0
Permits					
Building Permits	0	0	0	0	0
Electrical Permits	0	0	0	0	0
Plumbing Permits	0	0	0	0	0
Food Handling Permits	0	0	0	0	0
Other Permits	0	0	0	0	0
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	0	0	0	0	0
Drug Control Fines	19,021	0	0	0	0
Drug Court Fees	0	0	0	0	0
Veterans Treatment Court Fees	0	0	0	0	0
Jail Fees	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0
Criminal Court					
Officers Costs	0	0	0	0	0
Veterans Treatment Court Fees	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0
General Sessions Court					
Fines	0	0	0	0	0
Officers Costs	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0
Drug Control Fines	19,348	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Fines, Forfeitures, and Penalties (Cont.)					
General Sessions Court (Cont.)					
Drug Court Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Veterans Treatment Court Fees	0	0	0	0	0
Jail Fees	0	0	0	0	0
Interpreter Fee	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0
Victims Assistance Assessments	0	0	0	0	0
Juvenile Court					
Fines	0	0	0	0	0
Officers Costs	0	0	0	0	0
Jail Fees	0	0	0	0	0
Data Entry Fee - Juvenile Court	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0
Chancery Court					
Data Entry Fee - Chancery Court	0	0	0	0	0
Other Courts - In-county					
Fines	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Fines, Forfeitures, and Penalties (Cont.)					
Judicial District Drug Program					
Victims Assistance Assessments	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	1,642,045	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 1,680,414	\$ 0	\$ 0	\$ 0	0
Charges for Current Services					
General Service Charges					
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 0	0
Surcharge - Host Agency	0	0	0	0	0
Patient Charges	0	0	0	0	0
Past Due Collections - Ambulance	0	0	0	0	0
Zoning Studies	0	0	0	0	0
Work Release Charges for Board	0	0	0	0	0
Other General Service Charges	0	0	0	0	0
Fees					
Subdivision Lot Fees	0	0	0	0	0
Engineer Review Fees	0	0	0	0	0
Archives and Records Management Fee	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Charges for Current Services (Cont.)					
Fees (Cont.)					
Greenbelt Late Application Fee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Telephone Commissions	0	0	0	0	0
Additional Fees - Titling and Registration	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	8,046,781	0	0
Special Commissioner Fees/Special Master Fees	0	0	6,840	0	0
Data Processing Fee - Register	0	0	0	0	0
Probation Fees	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0
Data Processing Fee - County Clerk	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	0
Education Charges					
Contract for Administrative Services with Other LEA's	0	0	0	0	0
TBI Criminal Background Fee	0	0	0	0	0
Other Charges for Services	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 8,053,621	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Other Local Revenues					
Recurring Items					
Investment Income	\$ 167,717	\$ 0	\$ 0	\$ 935,526	\$ 8,958,777
Lease/Rentals/PPP	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	4,743	0
Commissary Sales	0	0	0	0	0
Sale of Maps	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0
Sale of Animals/Livestock	0	0	0	0	0
Miscellaneous Refunds	0	0	0	0	0
Nonrecurring Items					
Sale of Equipment	0	0	0	325,181	0
Sale of Property	0	0	0	0	0
Damages Recovered from Individuals	0	0	0	0	0
Contributions and Gifts	0	0	0	0	0
Performance Bond Forfeitures	0	0	0	0	0
Other Local Revenues					
Other Local Revenues	0	0	0	0	0
Total Other Local Revenues	\$ 167,717	\$ 0	\$ 0	\$ 1,265,450	\$ 8,958,777

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Fees Received From County Officials					
Excess Fees					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	0	0	0	0	0
Register	0	0	0	0	0
Trustee	0	0	0	0	0
Fees In-Lieu-of Salary					
Clerk and Master	0	0	0	0	0
Sheriff	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	0
State of Tennessee					
General Government Grants					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	0
Public Safety Grants					
Law Enforcement Training Programs	0	0	0	0	0
School Resource Officer Grants	0	0	0	0	0
Health and Welfare Grants					
Health Department Programs	0	0	0	0	0
Other Health and Welfare Grants	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
State of Tennessee (Cont.)					
Public Works Grants					
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 1,052,994	\$ 0
Litter Program	0	0	0	0	0
Other State Revenues					
Flood Control	0	0	0	52,385	0
Income Tax	0	0	0	0	0
Beer Tax	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	6,013,353	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	72,481	0
Petroleum Special Tax	0	0	0	226,263	0
Registrar's Salary Supplement	0	0	0	0	0
Other State Grants	0	0	0	0	0
Other State Revenues	0	0	0	0	0
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 7,417,476	\$ 0

(Continued)

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Other General Government Fund	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
Federal Government					
Federal Through State					
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	0	0	0	0	0
Law Enforcement Grants	0	0	0	0	0
COVID-19 Grant #2	0	0	0	0	0
American Rescue Plan Act Grant A	0	0	0	0	0
Other Federal through State	0	0	0	0	0
Direct Federal Revenue					
Police Service (Lake Area)	0	0	0	0	0
Asset Forfeiture Funds	0	0	0	0	0
Public Safety Partnership and Community Policing - COPS	0	0	0	0	0
American Rescue Plan Act Grant F	0	6,686,737	0	0	0
Other Direct Federal Revenue	0	0	0	0	0
Total Federal Government	\$ 0	\$ 6,686,737	\$ 0	\$ 0	\$ 0
Other Governments and Citizens Groups					
Other Governments					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	236,832
Contracted Services	0	0	0	0	0
Other					
Other	0	0	0	0	0
Opioid Settlement Funds - Past Remediation	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 236,832
Total	\$ 1,848,131	\$ 6,686,737	\$ 8,053,621	\$ 17,852,604	\$ 80,078,731

(Continued)

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

	Capital Projects Fund	
	General Capital Projects	Total
Local Taxes		
County Property Taxes		
Current Property Tax	\$ 0	\$ 187,923,226
Trustee's Collections - Prior Year	0	1,873,932
Circuit Clerk/Clerk and Master Collections - Prior Years	0	847,045
Interest and Penalty	0	392,810
Pickup Taxes	0	325,690
Payments in-Lieu-of Taxes - T.V.A.	0	9,654
Payments in-Lieu-of Taxes - Other	0	4,732,309
County Local Option Taxes		
Local Option Sales Tax	0	11,743,239
Hotel/Motel Tax	0	5,956,676
Wheel Tax	0	9,818,415
Litigation Tax - General	0	886,445
Litigation Tax - Jail, Workhouse, or Courthouse	0	2,182,976
Litigation Tax - Courthouse Security	0	572,466
Business Tax	0	6,351,889
Mixed Drink Tax	0	32,960
Mineral Severance Tax	0	726,702
Adequate Facilities/Development Tax	0	2,595,764

(Continued)

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

	Capital Projects Fund	
	General Capital Projects	Total
Local Taxes (Cont.)		
Statutory Local Taxes		
Bank Excise Tax	\$ 0	\$ 1,575,936
Wholesale Beer Tax	0	615,725
Total Local Taxes	<u>\$ 0</u>	<u>\$ 239,163,859</u>
Licenses and Permits		
Licenses		
Animal Registration	\$ 0	\$ 297,225
Animal Vaccination	0	29,505
Cable TV Franchise	0	719,302
Permits		
Building Permits	0	2,870,326
Electrical Permits	0	11,225
Plumbing Permits	0	186,123
Food Handling Permits	0	235
Other Permits	0	684,398
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 4,798,339</u>

(Continued)

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
Fines, Forfeitures, and Penalties		
Circuit Court		
Fines	\$ 0	\$ 19,146
Officers Costs	0	159,252
Drug Control Fines	0	19,021
Drug Court Fees	0	13,619
Veterans Treatment Court Fees	0	6,072
Jail Fees	0	20,080
Data Entry Fee - Circuit Court	0	13,729
Courtroom Security Fee	0	38,434
Criminal Court		
Officers Costs	0	413
Veterans Treatment Court Fees	0	2,986
DUI Treatment Fines	0	6,582
Victims Assistance Assessments	0	12,780
General Sessions Court		
Fines	0	137,946
Officers Costs	0	496,003
Game and Fish Fines	0	533
Drug Control Fines	0	19,348

(Continued)

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
Fines, Forfeitures, and Penalties (Cont.)		
General Sessions Court (Cont.)		
Drug Court Fees	\$ 0	\$ 20,600
Veterans Treatment Court Fees	0	13,555
Jail Fees	0	61,505
Interpreter Fee	0	25
DUI Treatment Fines	0	53,618
Data Entry Fee - General Sessions Court	0	106,980
Courtroom Security Fee	0	8,789
Victims Assistance Assessments	0	86,133
Juvenile Court		
Fines	0	4,878
Officers Costs	0	19,022
Jail Fees	0	402,625
Data Entry Fee - Juvenile Court	0	4,782
Courtroom Security Fee	0	47
Chancery Court		
Data Entry Fee - Chancery Court	0	18,958
Other Courts - In-county		
Fines	0	44,786

(Continued)

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

	Capital Projects Fund	
	General Capital Projects	Total
Fines, Forfeitures, and Penalties (Cont.)		
Judicial District Drug Program		
Victims Assistance Assessments	\$ 0	\$ 20,814
Other Fines, Forfeitures, and Penalties		
Proceeds from Confiscated Property	0	1,642,045
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 3,475,106
Charges for Current Services		
General Service Charges		
Tipping Fees	\$ 0	\$ 67,894
Surcharge - Host Agency	0	623,283
Patient Charges	0	11,441,979
Past Due Collections - Ambulance	0	225,650
Zoning Studies	0	418,501
Work Release Charges for Board	0	34,308
Other General Service Charges	0	1,473,489
Fees		
Subdivision Lot Fees	0	1,346,950
Engineer Review Fees	0	544,800
Archives and Records Management Fee	0	147,123

(Continued)

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

	Capital Projects Fund	
	General Capital Projects	Total
Charges for Current Services (Cont.)		
Fees (Cont.)		
Greenbelt Late Application Fee	\$ 0	\$ 750
Telephone Commissions	0	625,287
Additional Fees - Titling and Registration	0	330,344
Constitutional Officers' Fees and Commissions	0	8,046,781
Special Commissioner Fees/Special Master Fees	0	6,840
Data Processing Fee - Register	0	98,912
Probation Fees	0	248,536
Data Processing Fee - Sheriff	0	30,569
Sexual Offender Registration Fee - Sheriff	0	9,000
Data Processing Fee - County Clerk	0	47,556
Vehicle Insurance Coverage and Reinstatement Fees	0	127,880
Education Charges		
Contract for Administrative Services with Other LEA's	0	594,483
TBI Criminal Background Fee	0	10,245
Other Charges for Services	0	188,739
Total Charges for Current Services	\$ 0	\$ 26,689,899

(Continued)

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
Other Local Revenues		
Recurring Items		
Investment Income	\$ 321,386	\$ 28,596,565
Lease/Rentals/PPP	0	591,561
Sale of Materials and Supplies	0	115,416
Commissary Sales	0	294,938
Sale of Maps	0	55
Sale of Recycled Materials	0	258,478
Sale of Animals/Livestock	0	27,953
Miscellaneous Refunds	0	44,102
Nonrecurring Items		
Sale of Equipment	0	335,551
Sale of Property	0	81,550
Damages Recovered from Individuals	0	1,015
Contributions and Gifts	0	217,146
Performance Bond Forfeitures	0	138,456
Other Local Revenues		
Other Local Revenues	0	95
Total Other Local Revenues	<u>\$ 321,386</u>	<u>\$ 30,702,881</u>

(Continued)

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
Fees Received From County Officials		
Excess Fees		
County Clerk	\$ 0	\$ 4,006,153
Circuit Court Clerk	0	925,000
Register	0	1,128,990
Trustee	0	9,568,410
Fees In-Lieu-of Salary		
Clerk and Master	0	541,476
Sheriff	0	141,767
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 16,311,796</u>
State of Tennessee		
General Government Grants		
Juvenile Services Program	\$ 0	\$ 13,500
Public Safety Grants		
Law Enforcement Training Programs	0	741,800
School Resource Officer Grants	0	3,675,000
Health and Welfare Grants		
Health Department Programs	0	2,101,961
Other Health and Welfare Grants	0	198,249

(Continued)

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

	<u>Capital Projects Fund</u>	
	General Capital Projects	Total
State of Tennessee (Cont.)		
Public Works Grants		
State Aid Program	\$ 0	\$ 1,052,994
Litter Program	0	49,264
Other State Revenues		
Flood Control	0	52,385
Income Tax	0	3,347
Beer Tax	0	17,752
Vehicle Certificate of Title Fees	0	39,868
Alcoholic Beverage Tax	0	587,920
Opioid Settlement Funds - TN Abatement Council	0	1,191,105
State Revenue Sharing - Telecommunications	0	353,319
State Shared Sports Gaming Privilege Tax	0	209,998
Contracted Prisoner Boarding	0	5,139,943
Gasoline and Motor Fuel Tax	0	6,013,353
Hybrid/Electric Vehicle Registration Fee	0	72,481
Petroleum Special Tax	0	226,263
Registrar's Salary Supplement	0	15,164
Other State Grants	0	1,667,992
Other State Revenues	0	812,256
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 24,235,914</u>

(Continued)

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

	Capital Projects Fund	
	General Capital Projects	Total
Federal Government		
Federal Through State		
Civil Defense Reimbursement	\$ 0	\$ 136,077
Homeland Security Grants	0	137,664
Law Enforcement Grants	0	30,978
COVID-19 Grant #2	0	82,841
American Rescue Plan Act Grant A	0	27,207
Other Federal through State	0	1,734,838
Direct Federal Revenue		
Police Service (Lake Area)	0	53,694
Asset Forfeiture Funds	0	241,082
Public Safety Partnership and Community Policing - COPS	0	243,589
American Rescue Plan Act Grant F	0	6,686,737
Other Direct Federal Revenue	0	1,326,687
Total Federal Government	<u>\$ 0</u>	<u>\$ 10,701,394</u>
Other Governments and Citizens Groups		
Other Governments		
Prisoner Board	\$ 0	\$ 9,136
Contributions	0	826,852
Contracted Services	0	645,732
Other		
Other	0	75
Opioid Settlement Funds - Past Remediation	0	379,851
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 1,861,646</u>
Total	<u>\$ 321,386</u>	<u>\$ 357,940,834</u>

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Rutherford County School Department

For the Year Ended June 30, 2025

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 76,942,459	\$ 0	\$ 0	\$ 0	\$ 18,022,946	\$ 94,965,405
Trustee's Collections - Prior Year	767,275	0	0	0	179,708	946,983
Circuit Clerk/Clerk and Master Collections - Prior Years	346,706	0	0	0	81,231	427,937
Interest and Penalty	160,835	0	0	0	37,667	198,502
Pickup Taxes	133,354	0	0	0	31,233	164,587
Payments in-Lieu-of Taxes - T.V.A.	3,953	0	0	0	926	4,879
Payments in-Lieu-of Taxes - Local Utilities	121,962	0	0	0	0	121,962
County Local Option Taxes						
Local Option Sales Tax	107,217,571	0	0	0	0	107,217,571
Wheel Tax	5,565,264	0	0	0	0	5,565,264
Business Tax	2,600,609	0	0	0	609,140	3,209,749
Mixed Drink Tax	802,662	0	0	0	0	802,662
Adequate Facilities/Development Tax	0	0	0	0	2,595,764	2,595,764
Total Local Taxes	\$ 194,662,650	\$ 0	\$ 0	\$ 0	\$ 21,558,615	\$ 216,221,265

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 15,809	\$ 0	\$ 0	\$ 0	\$ 0	15,809
Total Licenses and Permits	\$ 15,809	\$ 0	\$ 0	\$ 0	\$ 0	15,809
Charges for Current Services						
Education Charges						
Tuition - Summer School	\$ 4,650	\$ 0	\$ 0	\$ 0	\$ 0	4,650
Tuition - Other	61,662	0	0	0	0	61,662
Lunch Payments - Children	0	0	6,560,525	0	0	6,560,525
Lunch Payments - Adults	0	0	77,352	0	0	77,352
Income from Breakfast	0	0	253,327	0	0	253,327
A la Carte Sales	0	0	609,347	0	0	609,347
Contract for Instructional Services with Other LEA's	22,685	0	0	0	0	22,685
Charter Authorizer Fee	75,000	0	0	0	0	75,000
Other Charges for Services	462,308	0	0	0	0	462,308
Total Charges for Current Services	\$ 626,305	\$ 0	\$ 7,500,551	\$ 0	\$ 0	8,126,856

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
Other Local Revenues						
Recurring Items						
Investment Income	\$ 5,659,797	\$ 0	\$ 955,274	\$ 0	\$ 0	\$ 6,615,071
Lease/Rentals/PPP	48,296	0	0	0	0	48,296
Sale of Materials and Supplies	5,096	0	0	0	0	5,096
E-Rate Funding	187,169	0	0	0	0	187,169
Miscellaneous Refunds	196,079	0	15,757	0	0	211,836
Nonrecurring Items						
Sale of Equipment	100,790	0	0	0	0	100,790
Contributions and Gifts	169,515	0	0	0	0	169,515
Other Local Revenues						
Other Local Revenues	763,669	0	0	24,337,036	0	25,100,705
Total Other Local Revenues	\$ 7,130,411	\$ 0	\$ 971,031	\$ 24,337,036	\$ 0	\$ 32,438,478
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 318,742	\$ 0	\$ 0	\$ 0	\$ 0	\$ 318,742
State Education Funds						
Tennessee Investment in Student Achievement	348,991,316	0	0	0	0	348,991,316

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
State of Tennessee (Cont.)						
State Education Funds (Cont.)						
TISA - On-behalf Payments	\$ 1,251,393	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,251,393
Early Childhood Education	2,218,648	0	0	0	0	2,218,648
School Food Service	0	0	180,369	0	0	180,369
Driver Education	352,454	0	0	0	0	352,454
Other State Education Funds	8,404,990	0	0	0	0	8,404,990
Paid Parental Leave	1,153,615	0	0	0	0	1,153,615
Career Ladder Program	222,024	0	0	0	0	222,024
Other Vocational	5,272,761	0	0	0	0	5,272,761
Other State Revenues						
State Revenue Sharing - T.V.A.	3,041,878	0	0	0	0	3,041,878
Other State Grants	890,622	0	0	0	0	890,622
Other State Revenues	226,983	0	0	0	0	226,983
Total State of Tennessee	\$ 372,345,426	\$ 0	\$ 180,369	\$ 0	\$ 0	\$ 372,525,795
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 12,504,955	\$ 0	\$ 0	\$ 12,504,955

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Revenues -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Internal School	Education Capital Projects	
Federal Government (Cont.)						
Federal Through State (Cont.)						
USDA - Commodities	\$ 0	\$ 0	\$ 1,078,868	\$ 0	\$ 0	\$ 1,078,868
Breakfast	0	0	4,026,509	0	0	4,026,509
USDA - Other	0	0	139,457	0	0	139,457
Vocational Education - Basic Grants to States	0	827,004	0	0	0	827,004
Title I Grants to Local Education Agencies	0	6,182,278	0	0	0	6,182,278
Special Education - Grants to States	740,723	10,660,527	0	0	0	11,401,250
Special Education Preschool Grants	0	258,489	0	0	0	258,489
English Language Acquisition Grants	0	1,102,849	0	0	0	1,102,849
Education for Homeless Children and Youth	0	265,159	0	0	0	265,159
Eisenhower Professional Development State Grants	0	681,702	0	0	0	681,702
American Rescue Plan Act Grant #1	0	3,551,448	0	0	0	3,551,448
American Rescue Plan Act Grant #4	0	267,783	0	0	0	267,783
Other Federal through State	404,566	14,074	0	0	0	418,640
Direct Federal Revenue						
ROTC Reimbursement	702,777	0	0	0	0	702,777
Total Federal Government	\$ 1,848,066	\$ 23,811,313	\$ 17,749,789	\$ 0	\$ 0	\$ 43,409,168
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 2,169,084	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,169,084
Total Other Governments and Citizens Groups	\$ 2,169,084	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,169,084
Total	\$ 578,797,751	\$ 23,811,313	\$ 26,401,740	\$ 24,337,036	\$ 21,558,615	\$ 674,906,455

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	168,875	
Other Per Diem and Fees		135,200	
Social Security		17,132	
Employer Medicare		4,409	
Dues and Memberships		55,625	
Travel		2,724	
Total County Commission			\$ 383,965

Board of Equalization

Board and Committee Members Fees	\$	7,050	
Social Security		437	
Employer Medicare		102	
Consultants		10,049	
Total Board of Equalization			17,638

County Mayor/Executive

County Official/Administrative Officer	\$	195,481	
Assistant(s)		206,316	
Secretary(ies)		130,721	
Longevity Pay		550	
Overtime Pay		10,555	
Other Salaries and Wages		98,344	
Social Security		37,420	
Pensions		76,348	
Employee and Dependent Insurance		64,484	
Disability Insurance		779	
Employer Medicare		9,005	
Communication		2,875	
Dues and Memberships		9,350	
Engineering Services		3,250	
Legal Services		108,581	
Legal Notices, Recording, and Court Costs		14,193	
Maintenance Agreements		1,310	
Postal Charges		801	
Travel		543	
Other Contracted Services		376,376	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Gasoline	\$	447	
Office Supplies		1,755	
Other Charges		43,413	
Total County Mayor/Executive			\$ 1,392,897

Personnel Office

County Official/Administrative Officer	\$	168,045	
Assistant(s)		308,364	
Supervisor/Director		96,110	
Longevity Pay		1,225	
Social Security		34,348	
Pensions		68,256	
Employee and Dependent Insurance		57,899	
Disability Insurance		760	
Employer Medicare		8,033	
Dues and Memberships		1,355	
Evaluation and Testing		102,143	
Maintenance Agreements		889	
Postal Charges		253	
Travel		1,969	
Other Contracted Services		31,685	
Office Supplies		4,324	
Other Charges		26,422	
Total Personnel Office			912,080

County Attorney

County Official/Administrative Officer	\$	93,713	
Secretary(ies)		64,729	
Longevity Pay		350	
Social Security		9,105	
Pensions		7,738	
Employee and Dependent Insurance		41,112	
Disability Insurance		237	
Employer Medicare		2,129	
Communication		210	
Legal Services		103,170	
Total County Attorney			322,493

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	138,475	
Part-time Personnel		14,805	
Longevity Pay		1,800	
Overtime Pay		9,983	
Other Salaries and Wages		396,667	
Election Commission		13,000	
Election Workers		423,586	
Social Security		53,215	
Pensions		63,832	
Employee and Dependent Insurance		64,429	
Disability Insurance		748	
Unemployment Compensation		24	
Employer Medicare		12,445	
Communication		3,376	
Dues and Memberships		619	
Legal Notices, Recording, and Court Costs		14,612	
Maintenance Agreements		32,943	
Postal Charges		43,937	
Printing, Stationery, and Forms		16,478	
Rentals		8,933	
Travel		4,311	
Data Processing Supplies		2,219	
Office Supplies		20,575	
Data Processing Equipment		9,893	
Furniture and Fixtures		914	
Voting Machines		108,850	
Total Election Commission			\$ 1,460,669

Register of Deeds

In-service Training	\$	780
Social Security		56,131
Pensions		115,282
Employee and Dependent Insurance		200,705
Disability Insurance		1,396
Employer Medicare		13,127
Communication		112

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Data Processing Services	\$	57,002	
Maintenance Agreements		25,389	
Postal Charges		880	
Data Processing Supplies		4,037	
Office Supplies		1,610	
Data Processing Equipment		10,960	
Total Register of Deeds			\$ 487,411

Planning

County Official/Administrative Officer Assistant(s)	\$	150,740	
Supervisor/Director		594,777	
Secretary(ies)		156,061	
Longevity Pay		223,100	
Board and Committee Members Fees		3,400	
In-service Training		40,200	
Social Security		8,846	
Pensions		69,161	
Employee and Dependent Insurance		129,428	
Disability Insurance		159,837	
Employer Medicare		1,528	
Communication		16,175	
Consultants		3,076	
Dues and Memberships		24,291	
Engineering Services		36,000	
Legal Notices, Recording, and Court Costs		20,475	
Maintenance Agreements		5,721	
Maintenance and Repair Services - Office Equipment		9,526	
Postal Charges		450	
Data Processing Supplies		2,813	
Gasoline		1,935	
Office Supplies		7,312	
Periodicals		4,297	
Other Supplies and Materials		105	
Data Processing Equipment		1,665	
Furniture and Fixtures		17,601	
Motor Vehicles		3,935	
Total Planning		4,650	1,697,105

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Geographical Information Systems

Data Processing Personnel	\$ 322,959	
Longevity Pay	1,400	
Social Security	18,662	
Pensions	38,583	
Employee and Dependent Insurance	67,887	
Disability Insurance	472	
Employer Medicare	4,365	
Data Processing Services	33,245	
Dues and Memberships	1,220	
Licenses	380,056	
Maintenance Agreements	6,368	
Travel	5,837	
Data Processing Supplies	5,508	
Data Processing Equipment	462,179	
Other Capital Outlay	<u>573,111</u>	
Total Geographical Information Systems		\$ 1,921,852

County Buildings

Assistant(s)	\$ 86,328
Supervisor/Director	97,852
Clerical Personnel	103,047
Maintenance Personnel	934,632
Longevity Pay	3,300
Overtime Pay	1,172
Social Security	73,431
Pensions	145,798
Employee and Dependent Insurance	184,075
Disability Insurance	1,822
Employer Medicare	17,173
Communication	31,306
Contracts with Government Agencies	59,071
Maintenance and Repair Services - Buildings	345,596
Travel	7,889
Other Contracted Services	1,050,516
Custodial Supplies	12,513
Gasoline	28,401

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Utilities	\$	1,311,992	
Other Supplies and Materials		222,483	
Building Improvements		255,998	
Data Processing Equipment		2,546	
Maintenance Equipment		26,141	
Total County Buildings			\$ 5,003,082

Preservation of Records

County Official/Administrative Officer	\$	92,729	
Assistant(s)		136,457	
Part-time Personnel		5,227	
Longevity Pay		550	
Social Security		13,524	
Pensions		27,332	
Employee and Dependent Insurance		53,187	
Disability Insurance		343	
Employer Medicare		3,163	
Communication		339	
Dues and Memberships		595	
Maintenance Agreements		328	
Postal Charges		118	
Travel		1,821	
Other Contracted Services		1,246	
Gasoline		276	
Office Supplies		1,838	
Other Supplies and Materials		9,778	
Other Charges		29,975	
Furniture and Fixtures		18,270	
Total Preservation of Records			397,096

Risk Management

Supervisor/Director	\$	144,731	
Clerical Personnel		390,805	
Part-time Personnel		34,262	
Longevity Pay		550	
Overtime Pay		6,827	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Risk Management (Cont.)

Other Salaries and Wages	\$ 81,411	
Board and Committee Members Fees	8,100	
Social Security	39,537	
Pensions	73,522	
Employee and Dependent Insurance	80,055	
Disability Insurance	860	
Unemployment Compensation	19	
Employer Medicare	9,247	
Communication	1,373	
Dues and Memberships	220	
Maintenance Agreements	1,581	
Postal Charges	2,290	
Travel	5,262	
Other Contracted Services	62,500	
Office Supplies	5,555	
Building and Contents Insurance	519,295	
Liability Insurance	1,273,865	
Premiums on Corporate Surety Bonds	340	
Total Risk Management	\$ 2,742,207	

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$ 187,050
Accountants/Bookkeepers	1,180,359
Salary Supplements	6,400
Part-time Personnel	7,090
Longevity Pay	4,350
Overtime Pay	6,371
Board and Committee Members Fees	1,050
Social Security	80,566
Pensions	160,401
Employee and Dependent Insurance	160,856
Disability Insurance	1,768
Unemployment Compensation	82
Employer Medicare	19,476
Audit Services	150,254

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Bank Charges	\$	33,458	
Communication		210	
Dues and Memberships		1,885	
Maintenance Agreements		880	
Postal Charges		21,780	
Travel		2,509	
Other Contracted Services		910	
Gasoline		289	
Office Supplies		9,987	
Data Processing Equipment		1,871	
Office Equipment		1,945	
Total Accounting and Budgeting			\$ 2,041,797

Reappraisal Program

County Official/Administrative Officer	\$	153,862
Deputy(ies)		1,776,288
Salary Supplements		3,500
Part-time Personnel		29,401
Longevity Pay		6,625
In-service Training		1,683
Social Security		118,250
Pensions		230,018
Employee and Dependent Insurance		281,148
Disability Insurance		2,821
Employer Medicare		27,655
Communication		8,038
Contracts with Private Agencies		74,825
Data Processing Services		183,681
Licenses		13,468
Maintenance Agreements		6,088
Maintenance and Repair Services - Vehicles		400
Postal Charges		39,092
Travel		780
Other Contracted Services		27,042
Gasoline		5,037
Office Supplies		7,119

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

Uniforms	\$	182	
Other Supplies and Materials		643	
Data Processing Equipment		23,365	
Furniture and Fixtures		954	
Other Capital Outlay		326,045	
Total Reappraisal Program			\$ 3,348,010

County Trustee's Office

Social Security	\$	36,087	
Pensions		70,316	
Employee and Dependent Insurance		98,948	
Disability Insurance		807	
Employer Medicare		8,440	
Communication		215	
Data Processing Services		8,000	
Legal Notices, Recording, and Court Costs		244	
Maintenance Agreements		554	
Postal Charges		47,904	
Other Contracted Services		73,204	
Office Supplies		6,283	
Tax Relief Program		905,000	
Data Processing Equipment		4,720	
Total County Trustee's Office			1,260,722

County Clerk's Office

Social Security	\$	160,157	
Pensions		317,622	
Employee and Dependent Insurance		478,306	
Disability Insurance		3,946	
Unemployment Compensation		1,909	
Employer Medicare		37,821	
Communication		3,434	
Data Processing Services		74,390	
Lease/SBITA Payments		3,337	
Maintenance Agreements		8,466	
Maintenance and Repair Services - Equipment		2,369	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Postal Charges	\$	167,268	
Other Contracted Services		7,337	
Data Processing Supplies		50,001	
Gasoline		1,411	
Office Supplies		50,517	
Other Supplies and Materials		17,886	
Data Processing Equipment		8,769	
Office Equipment		31,132	
Total County Clerk's Office			\$ 1,426,078

Data Processing

County Official/Administrative Officer	\$	178,428	
Data Processing Personnel		2,064,551	
Part-time Personnel		91,244	
Longevity Pay		4,525	
Overtime Pay		197	
Social Security		139,000	
Pensions		267,389	
Employee and Dependent Insurance		306,756	
Disability Insurance		3,165	
Unemployment Compensation		2,316	
Employer Medicare		32,508	
Communication		569,576	
Data Processing Services		389,509	
Dues and Memberships		1,390	
Lease/SBITA Payments		12,756	
Licenses		1,128,594	
Maintenance Agreements		573,992	
Postal Charges		36	
Travel		41,201	
Data Processing Supplies		11,440	
Gasoline		823	
Data Processing Equipment		657,190	
Motor Vehicles		47,074	
Total Data Processing			6,523,660

(Continued)

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

General Fund (Cont.)

Administration of Justice

Circuit Court

Jury and Witness Expense	\$	81,949	
Social Security		210,615	
Pensions		403,740	
Employee and Dependent Insurance		530,261	
Disability Insurance		5,015	
Unemployment Compensation		30	
Employer Medicare		49,289	
Communication		651	
Data Processing Services		108,214	
Legal Services		33,195	
Maintenance Agreements		20,631	
Postal Charges		47,571	
Office Supplies		56,825	
Other Supplies and Materials		236	
Other Charges		148,842	
Data Processing Equipment		7,610	
Furniture and Fixtures		270	
Total Circuit Court			\$ 1,704,944

Circuit Court Judge

Assistant(s)	\$	77,262	
Deputy(ies)		249,832	
Longevity Pay		550	
Social Security		19,702	
Pensions		38,632	
Employee and Dependent Insurance		52,670	
Disability Insurance		474	
Employer Medicare		4,608	
Postal Charges		154	
Travel		2,638	
Total Circuit Court Judge			446,522

General Sessions Court

Judge(s)	\$	805,824	
Assistant(s)		94,457	
Deputy(ies)		200,002	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Longevity Pay	\$	3,600	
Overtime Pay		14,168	
Other Salaries and Wages		914,905	
Social Security		115,553	
Pensions		241,517	
Employee and Dependent Insurance		260,325	
Disability Insurance		2,443	
Employer Medicare		28,454	
Communication		1,315	
Contracts with Private Agencies		119,545	
Dues and Memberships		5,254	
Maintenance Agreements		1,697	
Postal Charges		30	
Travel		2,137	
Other Contracted Services		7,150	
Office Supplies		10,443	
Total General Sessions Court			\$ 2,828,819

Drug Court

Supervisor/Director	\$	87,325	
Secretary(ies)		107,274	
Part-time Personnel		39,767	
Longevity Pay		1,775	
Other Salaries and Wages		1,502,440	
Social Security		102,869	
Pensions		201,430	
Employee and Dependent Insurance		303,117	
Disability Insurance		2,524	
Employer Medicare		24,058	
Communication		9,243	
Contracts with Other Public Agencies		18,918	
Contracts with Private Agencies		72,499	
Data Processing Services		14,976	
Dues and Memberships		1,335	
Licenses		1,544	
Maintenance Agreements		1,128	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court (Cont.)

Postal Charges	\$	82	
Travel		51,966	
Other Contracted Services		371,819	
Gasoline		840	
Office Supplies		5,401	
Other Supplies and Materials		8,941	
Other Charges		31,196	
Furniture and Fixtures		2,552	
Total Drug Court			\$ 2,965,019

Chancery Court

County Official/Administrative Officer	\$	153,862	
Deputy(ies)		725,532	
Attendants		49,787	
Part-time Personnel		58,997	
Longevity Pay		3,900	
Overtime Pay		119	
Jury and Witness Expense		594	
Social Security		58,477	
Pensions		110,840	
Employee and Dependent Insurance		133,187	
Disability Insurance		1,270	
Employer Medicare		13,962	
Communication		131	
Data Processing Services		37,221	
Dues and Memberships		945	
Legal Notices, Recording, and Court Costs		1,327	
Maintenance Agreements		2,476	
Postal Charges		20,279	
Travel		234	
Other Contracted Services		306	
Office Supplies		14,453	
Other Supplies and Materials		391	
Total Chancery Court			1,388,290

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

Judge(s)	\$	201,456	
Deputy(ies)		52,467	
Secretary(ies)		188,775	
Longevity Pay		550	
Other Salaries and Wages		440,287	
Social Security		51,179	
Pensions		105,005	
Employee and Dependent Insurance		93,011	
Disability Insurance		1,095	
Employer Medicare		12,396	
Contracts with Private Agencies		39,342	
Dues and Memberships		6,455	
Maintenance Agreements		76	
Postal Charges		36	
Travel		2,491	
Other Contracted Services		24,144	
Library Books/Media		5,012	
Office Supplies		2,405	
Uniforms		605	
Other Supplies and Materials		240	
Data Processing Equipment		6,655	
Office Equipment		3,827	
Total Juvenile Court			\$ 1,237,509

District Attorney General

Assistant(s)	\$	156,886	
Social Security		9,612	
Pensions		18,493	
Employee and Dependent Insurance		5,422	
Disability Insurance		210	
Employer Medicare		2,248	
Dues and Memberships		771	
Total District Attorney General			193,642

Office of Public Defender

Assistant(s)	\$	248,258	
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RUTHERFORD COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Office of Public Defender (Cont.)

Longevity Pay	\$	275	
Social Security		14,763	
Pensions		29,122	
Employee and Dependent Insurance		31,339	
Disability Insurance		362	
Employer Medicare		3,453	
Dues and Memberships		800	
Postal Charges		127	
Total Office of Public Defender			\$ 328,499

Other Administration of Justice

County Official/Administrative Officer	\$	84,029	
Probation Officer(s)		1,044,034	
Longevity Pay		2,500	
Social Security		66,926	
Pensions		134,318	
Employee and Dependent Insurance		183,383	
Disability Insurance		1,680	
Unemployment Compensation		233	
Employer Medicare		15,652	
Communication		923	
Contracts with Private Agencies		80,313	
Data Processing Services		33,600	
Licenses		405	
Maintenance Agreements		281	
Postal Charges		648	
Other Contracted Services		73,298	
Gasoline		20	
Office Supplies		8,927	
Other Supplies and Materials		6,252	
Total Other Administration of Justice			1,737,422

Probation Services

County Official/Administrative Officer	\$	109,734	
Assistant(s)		87,480	
Youth Service Officer(s)		322,231	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probation Services (Cont.)

Secretary(ies)	\$	37,929	
Longevity Pay		2,200	
In-service Training		1,400	
Social Security		33,214	
Pensions		66,550	
Employee and Dependent Insurance		87,393	
Disability Insurance		854	
Employer Medicare		7,768	
Contracts with Private Agencies		417,696	
Data Processing Services		750	
Maintenance Agreements		630	
Postal Charges		229	
Travel		2,962	
Office Supplies		2,248	
Total Probation Services			\$ 1,181,268

Victim Assistance Programs

Assistant(s)	\$	80,938	
Longevity Pay		250	
Other Salaries and Wages		205,387	
Social Security		17,492	
Pensions		34,104	
Employee and Dependent Insurance		26,379	
Disability Insurance		414	
Employer Medicare		4,096	
Maintenance Agreements		1,150	
Office Supplies		1,589	
Total Victim Assistance Programs			371,799

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	186,172	
Assistant(s)		486,665	
Detective(s)		1,948,609	
Captain(s)		784,202	
Lieutenant(s)		1,496,303	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Youth Service Officer(s)	\$	4,256,594
Sergeant(s)		4,127,009
Accountants/Bookkeepers		491,253
Data Processing Personnel		764,987
Salary Supplements		536,600
Dispatchers/Radio Operators		1,049,624
Clerical Personnel		1,102,004
Part-time Personnel		588,868
Longevity Pay		79,275
Overtime Pay		2,233,215
Other Salaries and Wages		7,551,167
In-service Training		359,820
Social Security		1,647,522
Pensions		3,130,073
Employee and Dependent Insurance		3,683,867
Disability Insurance		35,492
Unemployment Compensation		1,119
Employer Medicare		385,490
Communication		258,146
Contracts with Other Public Agencies		86,190
Contracts with Private Agencies		224,125
Data Processing Services		1,259,673
Dues and Memberships		14,625
Maintenance Agreements		193,116
Maintenance and Repair Services - Equipment		94
Maintenance and Repair Services - Office Equipment		13,665
Maintenance and Repair Services - Vehicles		251,736
Postal Charges		14,827
Printing, Stationery, and Forms		9,235
Internet Connectivity		212,759
Travel		6,898
Veterinary Services		170
Other Contracted Services		150,316
Animal Food and Supplies		5,354
Data Processing Supplies		70,155
Gasoline		709,408

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Instructional Supplies and Materials	\$	14,338	
Law Enforcement Supplies		81,443	
Office Supplies		27,350	
Periodicals		199	
Uniforms		317,900	
Vehicle Parts		76,694	
Other Supplies and Materials		54,353	
Other Charges		13,456	
Communication Equipment		41,153	
Data Processing Equipment		891,725	
Law Enforcement Equipment		1,032,545	
Motor Vehicles		2,155,598	
Office Equipment		13,346	
Total Sheriff's Department			\$ 45,126,522

Special Patrols

Nightwatchmen	\$	47,225	
Social Security		2,820	
Pensions		5,633	
Employer Medicare		659	
Total Special Patrols			56,337

Traffic Control

Maintenance and Repair Services - Equipment	\$	4,428	
Utilities		5,590	
Total Traffic Control			10,018

Administration of the Sexual Offender Registry

Longevity Pay	\$	625	
Other Salaries and Wages		82,942	
Social Security		5,059	
Pensions		9,937	
Employee and Dependent Insurance		5,478	
Disability Insurance		109	
Employer Medicare		1,183	
Other Charges		2,950	
Total Administration of the Sexual Offender Registry			108,283

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail

Assistant(s)	\$	105,469
Captain(s)		111,520
Lieutenant(s)		413,548
Sergeant(s)		660,339
Guards		6,626,592
Clerical Personnel		102,470
Maintenance Personnel		468,098
Part-time Personnel		72,796
Longevity Pay		22,275
Overtime Pay		1,400,922
Other Salaries and Wages		1,079,334
In-service Training		71,006
Social Security		658,116
Pensions		1,282,238
Employee and Dependent Insurance		1,705,806
Disability Insurance		13,929
Unemployment Compensation		3,044
Employer Medicare		153,914
Dues and Memberships		410
Maintenance Agreements		77,719
Maintenance and Repair Services - Buildings		44,043
Maintenance and Repair Services - Equipment		15,954
Maintenance and Repair Services - Office Equipment		10,518
Printing, Stationery, and Forms		8,000
Transportation - Other than Students		175,765
Other Contracted Services		7,636,845
Custodial Supplies		106,863
Data Processing Supplies		51,489
Food Preparation Supplies		3,741
Food Supplies		1,813,678
Law Enforcement Supplies		4,538
Office Supplies		5,230
Prisoners Clothing		101,823
Uniforms		84,670
Utilities		868,934
Other Supplies and Materials		509,610

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Building Improvements	\$ 1,473,328	
Data Processing Equipment	209,627	
Food Service Equipment	2,614	
Office Equipment	9,989	
Other Equipment	97,961	
Total Jail	\$ 28,264,765	

Workhouse

County Official/Administrative Officer	\$ 119,123
Captain(s)	95,399
Lieutenant(s)	234,559
Sergeant(s)	308,030
Guards	1,715,452
Secretary(ies)	62,843
Clerical Personnel	220,138
Part-time Personnel	33,918
Longevity Pay	7,225
Overtime Pay	56,797
Other Salaries and Wages	94,402
Board and Committee Members Fees	6,450
In-service Training	8,116
Social Security	174,001
Pensions	342,316
Employee and Dependent Insurance	465,046
Disability Insurance	4,141
Employer Medicare	41,008
Communication	6,277
Dues and Memberships	495
Maintenance Agreements	50,523
Maintenance and Repair Services - Buildings	42,385
Maintenance and Repair Services - Equipment	11,712
Maintenance and Repair Services - Vehicles	8,012
Postal Charges	11
Other Contracted Services	887,640
Custodial Supplies	23,103
Data Processing Supplies	1,024

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Drugs and Medical Supplies	\$	486	
Equipment and Machinery Parts		214	
Gasoline		12,413	
Instructional Supplies and Materials		858	
Law Enforcement Supplies		739	
Office Supplies		6,174	
Prisoners Clothing		2,123	
Uniforms		3,521	
Utilities		241,366	
Other Supplies and Materials		13,317	
Total Workhouse			\$ 5,301,357

Juvenile Services

County Official/Administrative Officer	\$	132,191
Captain(s)		90,561
Lieutenant(s)		78,632
Sergeant(s)		327,708
Guards		332,753
Secretary(ies)		57,450
Attendants		915,463
Part-time Personnel		93,448
Longevity Pay		3,650
Overtime Pay		108,746
Other Salaries and Wages		70,994
Board and Committee Members Fees		8,250
In-service Training		3,178
Social Security		132,325
Pensions		247,208
Employee and Dependent Insurance		300,184
Disability Insurance		2,884
Unemployment Compensation		3,092
Employer Medicare		30,947
Communication		5,673
Dues and Memberships		400
Maintenance Agreements		9,987
Medical and Dental Services		191,393

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Postal Charges	\$ 445	
Printing, Stationery, and Forms	184	
Travel	796	
Other Contracted Services	59,824	
Gasoline	193	
Office Supplies	8,413	
Uniforms	2,411	
Other Supplies and Materials	33,969	
Data Processing Equipment	178,708	
Total Juvenile Services	178,708	\$ 3,432,060

Rural Fire Protection

County Official/Administrative Officer	\$ 129,395
Salary Supplements	74,400
Educational Assistants	54,210
Part-time Personnel	20,043
Longevity Pay	7,100
Overtime Pay	563,665
Other Salaries and Wages	5,132,896
Social Security	356,226
Pensions	696,926
Employee and Dependent Insurance	872,830
Disability Insurance	7,850
Employer Medicare	83,311
Communication	30,813
Contributions	2,000
Data Processing Services	65,672
Dues and Memberships	2,700
Evaluation and Testing	54,085
Maintenance Agreements	18,813
Maintenance and Repair Services - Equipment	34,298
Maintenance and Repair Services - Vehicles	288,502
Pest Control	1,908
Postal Charges	86
Travel	13,243
Other Contracted Services	240,000

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Rural Fire Protection (Cont.)

Custodial Supplies	\$	17,954	
Diesel Fuel		115,983	
Drugs and Medical Supplies		17,944	
Gasoline		15,119	
Instructional Supplies and Materials		17,625	
Office Supplies		7,628	
Uniforms		77,795	
Utilities		61,367	
Other Supplies and Materials		79,481	
Other Charges		8,548	
Administration Equipment		226,459	
Data Processing Equipment		25,799	
Furniture and Fixtures		15,168	
Site Development		5,187	
Other Equipment		168,354	
Total Rural Fire Protection			\$ 9,611,383

Disaster Relief

County Official/Administrative Officer	\$	143,474	
Assistant(s)		129,208	
Supervisor/Director		302,527	
Dispatchers/Radio Operators		1,208,077	
Secretary(ies)		38,547	
Part-time Personnel		73,739	
Longevity Pay		5,975	
Overtime Pay		135,237	
Other Salaries and Wages		430,386	
In-service Training		12,037	
Social Security		146,836	
Pensions		279,716	
Employee and Dependent Insurance		328,182	
Disability Insurance		3,239	
Employer Medicare		34,341	
Communication		15,777	
Contracts with Private Agencies		1,201,900	
Dues and Memberships		3,907	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Disaster Relief (Cont.)

Maintenance Agreements	\$	1,666	
Maintenance and Repair Services - Buildings		60,664	
Maintenance and Repair Services - Equipment		34,795	
Maintenance and Repair Services - Vehicles		2,036	
Rentals		9,852	
Travel		15,066	
Other Contracted Services		71,361	
Custodial Supplies		1,334	
Gasoline		6,135	
Office Supplies		3,356	
Uniforms		7,377	
Utilities		38,705	
Other Supplies and Materials		14,126	
Other Charges		976	
Communication Equipment		788,932	
Data Processing Equipment		25,023	
Furniture and Fixtures		786	
Other Equipment		352,083	
Total Disaster Relief			\$ 5,927,378

Inspection and Regulation

County Official/Administrative Officer	\$	110,153
Assistant(s)		89,786
Deputy(ies)		533,987
Clerical Personnel		270,219
Longevity Pay		3,100
Social Security		59,358
Pensions		119,766
Employee and Dependent Insurance		179,578
Disability Insurance		1,486
Employer Medicare		13,882
Communication		10,546
Dues and Memberships		1,010
Maintenance Agreements		3,843
Postal Charges		649
Printing, Stationery, and Forms		648

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Inspection and Regulation (Cont.)

Travel	\$	4,465	
Other Contracted Services		60	
Gasoline		15,952	
Office Supplies		5,918	
Uniforms		1,968	
Other Supplies and Materials		2,717	
In Service/Staff Development		4,507	
Data Processing Equipment		4,970	
Motor Vehicles		44,070	
Office Equipment		11,953	
Total Inspection and Regulation			\$ 1,494,591

Public Health and Welfare

Local Health Center

Salary Supplements	\$	7,962	
Longevity Pay		525	
Other Salaries and Wages		391,484	
Social Security		22,993	
Pensions		44,640	
Employee and Dependent Insurance		89,560	
Disability Insurance		578	
Employer Medicare		5,377	
Communication		3,242	
Contracts with Government Agencies		125,623	
Maintenance and Repair Services - Buildings		11,507	
Travel		1,554	
Other Contracted Services		58,605	
Utilities		85,122	
Other Supplies and Materials		13,932	
Other Charges		128	
Building Improvements		24,660	
Total Local Health Center			887,492

Rabies and Animal Control

County Official/Administrative Officer	\$	129,395	
Supervisor/Director		144,839	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Attendants	\$	1,068,314	
Part-time Personnel		62,660	
Longevity Pay		1,700	
Overtime Pay		42,587	
Other Salaries and Wages		250,174	
Social Security		101,865	
Pensions		193,580	
Employee and Dependent Insurance		252,819	
Disability Insurance		2,295	
Employer Medicare		23,823	
Advertising		5,828	
Communication		13,166	
Dues and Memberships		2,660	
Maintenance Agreements		31,094	
Maintenance and Repair Services - Buildings		24,665	
Maintenance and Repair Services - Vehicles		10,904	
Postal Charges		376	
Travel		10,022	
Veterinary Services		4,847	
Other Contracted Services		15,271	
Animal Food and Supplies		16,382	
Custodial Supplies		23,845	
Drugs and Medical Supplies		73,935	
Gasoline		28,836	
Office Supplies		9,290	
Uniforms		9,198	
Utilities		51,775	
Other Supplies and Materials		11,267	
Building Improvements		22,586	
Data Processing Equipment		5,259	
Other Equipment		3,970	
Total Rabies and Animal Control			\$ 2,649,227
Dental Health Program			
Dues and Memberships	\$	375	
Medical and Dental Services		9,357	
Total Dental Health Program			9,732

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Alcohol and Drug Programs

Advertising	\$	20,168	
Contracts with Other Public Agencies		58,823	
Other Charges		1,071,587	
Total Alcohol and Drug Programs			\$ 1,150,578

Other Local Health Services

Medical Personnel	\$	2,258,271	
Longevity Pay		6,325	
Social Security		133,400	
Pensions		258,968	
Employee and Dependent Insurance		426,360	
Disability Insurance		3,289	
Employer Medicare		31,198	
Travel		12,362	
Liability Insurance		7,081	
Total Other Local Health Services			3,137,254

General Welfare Assistance

Contributions	\$	55,750	
Total General Welfare Assistance			55,750

Sanitation Management

Contracts with Private Agencies	\$	42,937	
Total Sanitation Management			42,937

Other Public Health and Welfare

Medical and Dental Services	\$	18,000	
Other Contracted Services		917,117	
Total Other Public Health and Welfare			935,117

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$	37,800	
Total Adult Activities			37,800

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries

Contributions	\$ 2,076,801	
Total Libraries		\$ 2,076,801

Parks and Fair Boards

Supervisor/Director	\$ 37,709	
Other Salaries and Wages	192,226	
Board and Committee Members Fees	5,200	
Social Security	13,918	
Employer Medicare	3,409	
Contributions	297,834	
Other Contracted Services	126,500	
Equipment and Machinery Parts	13,269	
Total Parks and Fair Boards		690,065

Other Social, Cultural, and Recreational

Contributions	\$ 593,808	
Total Other Social, Cultural, and Recreational		593,808

Agriculture and Natural Resources

Agricultural Extension Service

Part-time Personnel	\$ 6,551	
Other Salaries and Wages	85,959	
Board and Committee Members Fees	1,600	
Social Security	5,801	
Pensions	10,518	
Employee and Dependent Insurance	40	
Disability Insurance	130	
Employer Medicare	1,360	
Advertising	4,000	
Communication	539	
Contracts with Government Agencies	562,366	
Postal Charges	949	
Fertilizer, Lime, and Seed	1,356	
Gasoline	2,221	
Office Supplies	1,932	
Utilities	145,619	
Other Supplies and Materials	46,504	
Total Agricultural Extension Service		877,445

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation

Assistant(s)	\$	54,536	
Longevity Pay		225	
Other Salaries and Wages		35,423	
Social Security		5,460	
Pensions		10,612	
Employee and Dependent Insurance		11,452	
Disability Insurance		134	
Employer Medicare		1,277	
Contributions		20,000	
Total Soil Conservation			\$ 139,119

Storm Water Management

Assistant(s)	\$	119,814	
Part-time Personnel		54,669	
Longevity Pay		400	
Other Salaries and Wages		120,460	
In-service Training		2,950	
Social Security		17,806	
Pensions		28,635	
Employee and Dependent Insurance		32,293	
Disability Insurance		342	
Employer Medicare		4,164	
Communication		3,297	
Dues and Memberships		976	
Engineering Services		23,590	
Postal Charges		159	
Printing, Stationery, and Forms		542	
Travel		3,500	
Other Contracted Services		3,460	
Gasoline		3,316	
Office Supplies		499	
Uniforms		1,308	
Other Supplies and Materials		1,332	
Data Processing Equipment		4,885	
Furniture and Fixtures		1,341	
Motor Vehicles		47,840	
Total Storm Water Management			477,578

(Continued)

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

General Fund (Cont.)

Other Operations

Tourism

Contributions	\$ 986,850	
Total Tourism	<u>986,850</u>	\$ 986,850

Industrial Development

Contracts with Other Public Agencies	\$ 135,000	
Contributions	96,500	
Total Industrial Development	<u>231,500</u>	231,500

Other Economic and Community Development

Contracts with Private Agencies	\$ 8,520	
Other Contracted Services	29	
Total Other Economic and Community Development	<u>8,549</u>	8,549

Other Charges

Mechanic(s)	\$ 75,399	
Laborers	150,138	
Longevity Pay	650	
Overtime Pay	1,412	
Social Security	13,850	
Pensions	27,087	
Employee and Dependent Insurance	23,606	
Disability Insurance	334	
Employer Medicare	3,239	
Travel	1,115	
Equipment and Machinery Parts	10,696	
Gasoline	5,356	
Utilities	14,885	
Vehicle Parts	13,086	
Other Supplies and Materials	8,078	
Other Equipment	5,809	
Total Other Charges	<u>354,740</u>	354,740

Employee Benefits

Employee and Dependent Insurance	\$ 485	
Other Fringe Benefits	412,226	
Workers' Compensation Insurance	375,000	
Total Employee Benefits	<u>787,711</u>	787,711

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

American Rescue Plan Act Grant B

Contracts with Private Agencies	\$ 27,207	
Total American Rescue Plan Act Grant B	<u>27,207</u>	\$ 27,207

Miscellaneous

Contracts with Other Public Agencies	\$ 160,000	
Judgments	1,200,000	
Trustee's Commission	2,927,019	
Total Miscellaneous	<u>4,287,019</u>	<u>4,287,019</u>

Total General Fund \$ 165,499,468

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

Supervisor/Director	\$ 111,139
Foremen	76,606
Truck Drivers	777,531
Laborers	1,102,469
Clerical Personnel	52,660
Maintenance Personnel	109,912
Part-time Personnel	623,851
Longevity Pay	1,775
Overtime Pay	189,311
Social Security	183,882
Pensions	286,625
Employee and Dependent Insurance	312,537
Disability Insurance	3,224
Employer Medicare	43,005
Communication	11,881
Contracts with Private Agencies	49,897
Engineering Services	1,200
Maintenance and Repair Services - Buildings	12,659
Maintenance and Repair Services - Equipment	55,415
Maintenance and Repair Services - Vehicles	163,547
Postal Charges	3
Rentals	14,454

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

Towing Services	\$	4,784	
Crushed Stone		14,183	
Diesel Fuel		262,028	
Equipment and Machinery Parts		41,906	
Gasoline		5,262	
Lubricants		26,382	
Office Supplies		814	
Tires and Tubes		129,479	
Uniforms		17,618	
Utilities		32,986	
Other Supplies and Materials		5,382	
Furniture and Fixtures		138	
Motor Vehicles		390,966	
Site Development		53,453	
Total Convenience Centers			\$ 5,168,964

Other Waste Collection

Laborers	\$	42,876	
Part-time Personnel		21,423	
Overtime Pay		1,657	
Social Security		4,006	
Pensions		5,299	
Employee and Dependent Insurance		9,672	
Disability Insurance		64	
Employer Medicare		937	
Communication		370	
Contracts with Private Agencies		53,774	
Maintenance and Repair Services - Equipment		1,552	
Other Contracted Services		167,612	
Other Supplies and Materials		1,511	
Total Other Waste Collection			310,753

Landfill Operation and Maintenance

Mechanic(s)	\$	55,453	
Clerical Personnel		55,373	
Longevity Pay		175	

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Landfill Operation and Maintenance (Cont.)

Overtime Pay	\$	20,984	
Social Security		7,953	
Pensions		15,065	
Employee and Dependent Insurance		16,368	
Disability Insurance		157	
Unemployment Compensation		2,039	
Employer Medicare		1,860	
Communication		1,386	
Legal Services		76,652	
Maintenance and Repair Services - Equipment		7,007	
Travel		398	
Disposal Fees		390,075	
Crushed Stone		4,067	
Data Processing Supplies		2,599	
Equipment and Machinery Parts		16,350	
Lubricants		247	
Utilities		10,503	
Vehicle Parts		100	
Other Supplies and Materials		1,149	
Total Landfill Operation and Maintenance			\$ 685,960

Postclosure Care Costs

Engineering Services	\$	10,864	
Crushed Stone		17,671	
Testing		62,943	
Other Supplies and Materials		6,891	
Total Postclosure Care Costs			98,369

Other Operations

Employee Benefits

Workers' Compensation Insurance	\$	30,000	
Total Employee Benefits			30,000

Miscellaneous

Building and Contents Insurance	\$	836	
Liability Insurance		38,357	
Trustee's Commission		81,141	
Total Miscellaneous			120,334

Total Solid Waste/Sanitation Fund \$ 6,414,380

(Continued)

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

Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	122,297
Supervisor/Director		2,152,651
Accountants/Bookkeepers		198,527
Paraprofessionals		8,147,472
Salary Supplements		63,200
Part-time Personnel		993,433
Longevity Pay		28,525
Overtime Pay		3,141,573
In-service Training		42,551
Social Security		888,285
Pensions		1,583,946
Employee and Dependent Insurance		1,877,315
Disability Insurance		18,510
Employer Medicare		207,744
Communication		41,153
Contracts with Private Agencies		113,253
Evaluation and Testing		2,563
Lease/SBITA Payments		1,229
Maintenance and Repair Services - Buildings		18,409
Maintenance and Repair Services - Vehicles		13,631
Medical and Dental Services		40,000
Pest Control		5,941
Postal Charges		327
Printing, Stationery, and Forms		285
Travel		5,417
Other Contracted Services		579,772
Custodial Supplies		10,334
Data Processing Supplies		5,735
Drugs and Medical Supplies		599,253
Gasoline		285,774
Instructional Supplies and Materials		13,464
Office Supplies		4,285
Uniforms		84,161
Utilities		95,590
Vehicle Parts		121,605
Other Supplies and Materials		20,542

(Continued)

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Building and Contents Insurance	\$	14,702	
Liability Insurance		40,000	
Refunds		95,335	
Trustee's Commission		357,815	
Workers' Compensation Insurance		60,000	
In Service/Staff Development		53,490	
Fines, Assessments, and Penalties		435,260	
Other Charges		10,674	
Data Processing Equipment		14,079	
Motor Vehicles		278,600	
Health Equipment		242,966	
Total Ambulance/Emergency Medical Services		<u>2,313,167</u>	\$ 2,313,167

Total Ambulance Service Fund \$ 2,313,167

Industrial/Economic Development Fund

Other Operations

Industrial Development

Trustee's Commission	\$	1,370	
Total Industrial Development		<u>1,370</u>	\$ 1,370

Total Industrial/Economic Development Fund 1,370

Special Purpose Fund

Public Safety

Sheriff's Department

Confidential Drug Enforcement Payments	\$	20,000	
Total Sheriff's Department		<u>20,000</u>	\$ 20,000

Total Special Purpose Fund 20,000

Drug Control Fund

Public Safety

Drug Enforcement

In-service Training	\$	38,117	
Confidential Drug Enforcement Payments		100,000	

(Continued)

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Maintenance and Repair Services - Buildings	\$	74,508	
Maintenance and Repair Services - Vehicles		37,624	
Veterinary Services		5,392	
Animal Food and Supplies		6,339	
Other Supplies and Materials		7,996	
Trustee's Commission		13,634	
Other Charges		2,094	
Building Improvements		39,895	
Data Processing Equipment		76,479	
Law Enforcement Equipment		29,725	
Motor Vehicles		89,351	
Total Drug Enforcement		<u>521,154</u>	\$ 521,154

Total Drug Control Fund \$ 521,154

Other General Government Fund

Capital Projects

American Rescue Plan Act Grant #1

Building Construction	\$	6,637,067	
Data Processing Equipment		49,670	
Total American Rescue Plan Act Grant #1		<u>6,686,737</u>	\$ 6,686,737

Total Other General Government Fund 6,686,737

Constitutional Officers - Fees Fund

General Government

Register of Deeds

Constitutional Officers' Operating Expenses	\$	<u>963,695</u>	
Total Register of Deeds			\$ 963,695

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$	<u>675,601</u>	
Total County Trustee's Office			675,601

(Continued)

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

Constitutional Officers - Fees Fund (Cont.)

Finance (Cont.)

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 2,727,114	
Total County Clerk's Office		\$ 2,727,114

Administration of Justice

Circuit Court

Constitutional Officers' Operating Expenses	\$ 3,512,213	
Total Circuit Court		3,512,213

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 6,840	
Total Chancery Court		<u>6,840</u>

Total Constitutional Officers - Fees Fund \$ 7,885,463

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 186,172
Assistant(s)	96,915
Secretary(ies)	172,505
Longevity Pay	2,325
Board and Committee Members Fees	43,000
Social Security	29,344
Pensions	54,490
Employee and Dependent Insurance	82,640
Disability Insurance	563
Employer Medicare	6,938
Communication	5,081
Dues and Memberships	10,000
Janitorial Services	8,940
Legal Notices, Recording, and Court Costs	1,436
Postal Charges	874
Printing, Stationery, and Forms	1,312
Electricity	20,620
Natural Gas	10,205
Office Supplies	2,899

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Water and Sewer	\$	6,327	
Building and Contents Insurance		9,022	
Liability Insurance		104,416	
Trustee's Commission		180,616	
Other Charges		12,321	
Office Equipment		246	
Total Administration			\$ 1,049,207

Highway and Bridge Maintenance

Foremen	\$	395,150	
Equipment Operators		1,925,562	
Truck Drivers		458,992	
Longevity Pay		13,950	
Overtime Pay		21,376	
Social Security		164,639	
Pensions		331,842	
Employee and Dependent Insurance		647,170	
Disability Insurance		4,201	
Employer Medicare		38,504	
Engineering Services		8,439	
Other Contracted Services		315,786	
Asphalt		4,397,720	
Crushed Stone		85,935	
General Construction Materials		2,021	
Pipe - Metal		109,015	
Road Signs		52,254	
Salt		74,977	
Uniforms		28,891	
Total Highway and Bridge Maintenance			9,076,424

Operation and Maintenance of Equipment

Foremen	\$	68,320	
Mechanic(s)		223,958	
Laborers		123,527	
Longevity Pay		1,650	
Overtime Pay		3,769	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Social Security	\$	25,158	
Pensions		49,426	
Employee and Dependent Insurance		69,775	
Disability Insurance		625	
Employer Medicare		5,884	
Maintenance and Repair Services - Equipment		58,998	
Other Contracted Services		42,319	
Diesel Fuel		165,888	
Equipment and Machinery Parts		130,766	
Garage Supplies		9,454	
Gasoline		35,210	
Lubricants		15,848	
Tires and Tubes		47,063	
Other Supplies and Materials		20,792	
Total Operation and Maintenance of Equipment			\$ 1,098,430

Other Charges

Assistant(s)	\$	56,756
Data Processing Personnel		17,902
Salary Supplements		10,000
Foremen		65,793
Equipment Operators		224,024
Secretary(ies)		67,806
Longevity Pay		2,625
Overtime Pay		7,151
In-service Training		253
Social Security		26,509
Pensions		53,060
Employee and Dependent Insurance		94,969
Disability Insurance		635
Employer Medicare		6,173
Communication		1,615
Maintenance and Repair Services - Equipment		12,917
Printing, Stationery, and Forms		500
Other Contracted Services		5,645
Crushed Stone		5,267

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Data Processing Supplies	\$	777	
Diesel Fuel		18,456	
Equipment and Machinery Parts		14,524	
Gasoline		5,176	
General Construction Materials		6,532	
Lubricants		1,001	
Office Supplies		1,253	
Pipe - Metal		8,496	
Tires and Tubes		5,327	
Other Supplies and Materials		39	
Other Equipment		31,011	
Total Other Charges			\$ 752,192

Employee Benefits

Other Fringe Benefits	\$	78,535	
Workers' Compensation Insurance		58,085	
Total Employee Benefits			136,620

Capital Outlay

Bridge Construction	\$	2,060,537	
Highway Equipment		916,883	
Right-of-Way		19,138	
State Aid Projects		1,296,059	
Total Capital Outlay			4,292,617

Total Highway/Public Works Fund \$ 16,405,490

General Debt Service Fund

General Government

Other General Administration

Trustee's Commission	\$	1,440,273	
Other Debt Service		6,948	
Total Other General Administration			\$ 1,447,221

(Continued)

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

General Debt Service Fund (Cont.)

Principal on Debt

General Government

Principal on Bonds	\$ 9,114,052	
Total General Government		\$ 9,114,052

Education

Principal on Bonds	\$ 42,440,948	
Principal on Other Loans	235,857	
Total Education		42,676,805

Interest on Debt

General Government

Interest on Bonds	\$ 3,944,892	
Total General Government		3,944,892

Education

Interest on Bonds	\$ 18,161,269	
Interest on Other Loans	975	
Total Education		18,162,244

Other Debt Service

General Government

Underwriter's Discount	\$ 4,636	
Other Debt Issuance Charges	13,877	
Other Debt Service	1,176,032	
Total General Government		1,194,545

Education

Underwriter's Discount	\$ 41,213	
Other Debt Issuance Charges	123,373	
Total Education		164,586

Total General Debt Service Fund		\$ 76,704,345
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General Capital Projects Fund

Capital Projects

General Administration Projects

Engineering Services	\$ 16,551	
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(Continued)

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

General Administration Projects (Cont.)

Building Construction	\$ 733,319	
Data Processing Equipment	65,709	
Total General Administration Projects	<u>815,579</u>	\$ 815,579

Public Safety Projects

Architects	\$ 81,303	
Legal Services	12,785	
Permits	15,736	
Data Processing Equipment	177,422	
Furniture and Fixtures	12,876	
Total Public Safety Projects	<u>300,122</u>	300,122

Public Health and Welfare Projects

Engineering Services	\$ 1,266,060	
Building Construction	7,254,202	
Data Processing Equipment	268,881	
Furniture and Fixtures	43,736	
Site Development	6,322,027	
Total Public Health and Welfare Projects	<u>15,154,906</u>	15,154,906

Highway and Street Capital Projects

Highway Construction	\$ 42,802	
Total Highway and Street Capital Projects	<u>42,802</u>	42,802

Total General Capital Projects Fund	<u>\$ 16,313,409</u>
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Total Governmental Funds - Primary Government	<u><u>\$ 319,583,489</u></u>
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RUTHERFORD COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Rutherford County School Department
For the Year Ended June 30, 2025

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 202,248,581	
Career Ladder Program	155,752	
Educational Assistants	7,140,304	
Other Salaries and Wages	1,747,520	
Social Security	12,377,814	
Pensions	15,385,955	
Life Insurance	69,617	
Medical Insurance	31,425,929	
Unemployment Compensation	20,175	
Employer Medicare	2,929,051	
Other Fringe Benefits	296,462	
Contracts with Private Agencies	191,118	
Maintenance and Repair Services - Equipment	2,484	
Contracts for Substitute Teachers - Certified	1,055,269	
Contracts for Substitute Teachers - Non-certified	3,048,026	
Other Contracted Services	4,203,034	
Instructional Supplies and Materials	3,599,551	
Textbooks - Bound	1,031,077	
Fee Waivers	143,513	
TISA - On-behalf Payments	844,840	
Other Charges	12,216	
Regular Instruction Equipment	2,005,860	
Total Regular Instruction Program		\$ 289,934,148

Alternative Instruction Program

Teachers	\$ 2,322,375
Career Ladder Program	3,995
Educational Assistants	476,601
Social Security	163,005
Pensions	214,477
Life Insurance	1,117
Medical Insurance	407,765
Employer Medicare	38,837
Other Fringe Benefits	4,134
Other Contracted Services	2,113

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Alternative Instruction Program (Cont.)

Instructional Supplies and Materials	\$ 18,124	
Other Equipment	1,385	
Total Alternative Instruction Program	\$ 3,653,928	

Special Education Program

Teachers	\$ 19,511,643	
Career Ladder Program	10,959	
Educational Assistants	9,750,936	
Speech Pathologist	2,854,712	
Other Salaries and Wages	382,430	
Social Security	1,886,495	
Pensions	2,753,012	
Life Insurance	15,542	
Medical Insurance	6,200,907	
Unemployment Compensation	13,856	
Employer Medicare	445,000	
Other Fringe Benefits	47,796	
Contracts with Private Agencies	2,028,322	
Evaluation and Testing	47,995	
Maintenance and Repair Services - Equipment	2,480	
Contracts for Substitute Teachers - Certified	205,645	
Contracts for Substitute Teachers - Non-certified	611,583	
Other Contracted Services	33,075	
Instructional Supplies and Materials	202,006	
Textbooks - Bound	23,856	
Other Supplies and Materials	172,899	
TISA - On-behalf Payments	406,553	
Other Charges	500	
Special Education Equipment	2,873	
Total Special Education Program	47,611,075	

Career and Technical Education Program

Teachers	\$ 15,182,887
Career Ladder Program	6,000
Clerical Personnel	306,108

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Educational Assistants	\$	27,619	
Other Salaries and Wages		722,812	
Social Security		953,351	
Pensions		1,192,242	
Life Insurance		4,992	
Medical Insurance		2,442,199	
Unemployment Compensation		6,026	
Employer Medicare		224,952	
Other Fringe Benefits		22,840	
Maintenance and Repair Services - Equipment		71,007	
Other Contracted Services		91,845	
Instructional Supplies and Materials		427,980	
T&I Construction Materials		90,121	
Textbooks - Bound		333,807	
Other Supplies and Materials		510,828	
Vocational Instruction Equipment		1,217,752	
Total Career and Technical Education Program			\$ 23,835,368

Support Services

Attendance

Supervisor/Director	\$	193,848	
Career Ladder Program		3,500	
Social Workers		553,467	
Clerical Personnel		277,152	
Other Salaries and Wages		94,008	
Social Security		63,055	
Pensions		88,616	
Life Insurance		242	
Medical Insurance		157,846	
Employer Medicare		15,553	
Other Fringe Benefits		1,378	
Travel		3,618	
Other Contracted Services		422,183	
Other Supplies and Materials		2,821	
In Service/Staff Development		9,146	
Total Attendance			1,886,433

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services

Supervisor/Director	\$	208,889	
Medical Personnel		4,492,824	
Other Salaries and Wages		49,880	
Social Security		282,086	
Pensions		433,354	
Life Insurance		1,357	
Medical Insurance		583,215	
Employer Medicare		66,006	
Other Fringe Benefits		6,426	
Travel		15,320	
Other Contracted Services		185,304	
Drugs and Medical Supplies		11,805	
Other Supplies and Materials		70,671	
In Service/Staff Development		30,211	
Other Charges		785	
Health Equipment		77,330	
Total Health Services			\$ 6,515,463

Other Student Support

Career Ladder Program	\$	8,580	
Guidance Personnel		8,401,938	
Social Workers		1,308,154	
Clerical Personnel		479,993	
Other Salaries and Wages		3,611,892	
Social Security		820,138	
Pensions		1,020,418	
Life Insurance		4,117	
Medical Insurance		2,040,836	
Unemployment Compensation		1,347	
Employer Medicare		191,811	
Other Fringe Benefits		19,196	
Contracts with Government Agencies		481,361	
Travel		25,535	
Other Contracted Services		215,046	
Other Supplies and Materials		111,470	

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

In Service/Staff Development	\$	7,458	
Other Charges		24,300	
Other Equipment		24,489	
Total Other Student Support			\$ 18,798,079

Regular Instruction Program

Supervisor/Director	\$	1,157,110	
Career Ladder Program		16,472	
Librarians		4,393,176	
Materials Supervisor		77,517	
Instructional Computer Personnel		441,176	
Secretary(ies)		103,225	
Clerical Personnel		115,151	
Educational Assistants		844,339	
Other Salaries and Wages		4,087,631	
Social Security		659,839	
Pensions		855,593	
Life Insurance		3,104	
Medical Insurance		1,542,060	
Unemployment Compensation		280	
Employer Medicare		156,584	
Other Fringe Benefits		15,211	
Travel		75,057	
Other Contracted Services		257,600	
Library Books/Media		293,966	
Other Supplies and Materials		91,589	
In Service/Staff Development		185,235	
Other Equipment		202,665	
Total Regular Instruction Program			15,574,580

Alternative Instruction Program

Supervisor/Director	\$	318,885	
Career Ladder Program		995	
Guidance Personnel		221,514	
Librarians		110,454	

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program (Cont.)

Clerical Personnel	\$	93,014	
Other Salaries and Wages		388,922	
Social Security		65,358	
Pensions		82,070	
Life Insurance		302	
Medical Insurance		167,841	
Employer Medicare		15,826	
Other Fringe Benefits		1,556	
Other Contracted Services		4,063	
Library Books/Media		11,514	
Other Supplies and Materials		33,233	
In Service/Staff Development		2,733	
Other Equipment		1,280	
Total Alternative Instruction Program			\$ 1,519,560

Special Education Program

Supervisor/Director	\$	145,630	
Career Ladder Program		2,000	
Medical Personnel		1,325,258	
Clerical Personnel		216,787	
Other Salaries and Wages		523,460	
Social Security		129,360	
Pensions		188,045	
Life Insurance		582	
Medical Insurance		218,156	
Employer Medicare		31,046	
Other Fringe Benefits		2,974	
Maintenance and Repair Services - Equipment		1,590	
Travel		108,400	
Other Contracted Services		19,785	
Other Supplies and Materials		55,132	
In Service/Staff Development		46,459	
Other Charges		7,584	
Other Equipment		18,042	
Total Special Education Program			3,040,290

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	135,420	
Clerical Personnel		56,388	
Other Salaries and Wages		230,930	
Social Security		25,472	
Pensions		30,010	
Life Insurance		84	
Medical Insurance		45,715	
Employer Medicare		5,957	
Other Fringe Benefits		567	
Travel		52,251	
Other Supplies and Materials		25,057	
In Service/Staff Development		114,671	
Other Equipment		4,664	
Total Career and Technical Education Program			\$ 727,186

Technology

Supervisor/Director	\$	122,609	
Computer Programmer(s)		2,136,978	
Social Security		135,063	
Pensions		268,189	
Life Insurance		647	
Medical Insurance		315,908	
Employer Medicare		31,587	
Other Fringe Benefits		3,249	
Internet Connectivity		2,669,595	
Travel		11,237	
Other Contracted Services		1,590,780	
Cabling		42,398	
Other Supplies and Materials		296,519	
In Service/Staff Development		76,440	
Other Equipment		1,150,949	
Total Technology			8,852,148

Other Programs

On-behalf Payments to OPEB	\$	318,742	
Total Other Programs			318,742

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education

Secretary to Board	\$	130,861	
Board and Committee Members Fees		109,049	
Social Security		14,394	
Pensions		15,546	
Life Insurance		43	
Medical Insurance		1,207,742	
Employer Medicare		3,366	
Other Fringe Benefits		177	
Audit Services		63,000	
Contracts with Private Agencies		3,935,293	
Dues and Memberships		20,992	
Legal Services		271,339	
Other Contracted Services		20,289	
Other Supplies and Materials		1,120	
Liability Insurance		1,441,492	
Trustee's Commission		3,130,675	
Workers' Compensation Insurance		526,381	
In Service/Staff Development		18,106	
Criminal Investigation of Applicants - TBI		121,993	
Total Board of Education			\$ 11,031,858

Director of Schools

County Official/Administrative Officer	\$	241,519
Deputy(ies)		173,189
Secretary(ies)		132,966
Other Salaries and Wages		592,769
Social Security		64,309
Pensions		112,620
Life Insurance		253
Medical Insurance		121,438
Unemployment Compensation		384
Employer Medicare		15,989
Other Fringe Benefits		1,336
Communication		88,909
Dues and Memberships		18,242

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Postal Charges	\$	29,436	
Travel		8,134	
Other Contracted Services		76,939	
Other Supplies and Materials		30,251	
In Service/Staff Development		19,637	
Other Charges		91,312	
Administration Equipment		17,369	
Total Director of Schools			\$ 1,837,001

Office of the Principal

Principals	\$	6,672,979	
Career Ladder Program		20,000	
Accountants/Bookkeepers		1,877,699	
Assistant Principals		11,402,510	
Secretary(ies)		1,793,315	
Clerical Personnel		2,640,179	
Social Security		1,447,750	
Pensions		1,907,543	
Life Insurance		6,988	
Medical Insurance		3,506,722	
Employer Medicare		338,587	
Other Fringe Benefits		32,422	
Communication		149,703	
Dues and Memberships		18,239	
Other Contracted Services		298,076	
Office Supplies		2,232	
Other Supplies and Materials		2,900	
In Service/Staff Development		981	
Other Charges		307,236	
Administration Equipment		3,566	
Total Office of the Principal			32,429,627

Fiscal Services

Supervisor/Director	\$	384,221	
Accountants/Bookkeepers		820,647	

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Purchasing Personnel	\$	172,887	
Social Security		80,206	
Pensions		162,816	
Life Insurance		377	
Medical Insurance		228,190	
Employer Medicare		18,872	
Other Fringe Benefits		1,865	
Travel		1,370	
Other Contracted Services		95,997	
Office Supplies		14,028	
Other Supplies and Materials		1,070	
In Service/Staff Development		7,382	
Administration Equipment		15,598	
Total Fiscal Services			\$ 2,005,526

Human Services/Personnel

Supervisor/Director	\$	493,232	
Career Ladder Program		1,500	
Clerical Personnel		335,517	
Other Salaries and Wages		431,895	
Social Security		73,330	
Pensions		128,254	
Life Insurance		346	
Medical Insurance		177,957	
Employer Medicare		17,477	
Other Fringe Benefits		1,718	
Travel		858	
Other Contracted Services		292,616	
Other Supplies and Materials		19,981	
In Service/Staff Development		9,231	
Administration Equipment		19,446	
Total Human Services/Personnel			2,003,358

Operation of Plant

Custodial Personnel	\$	10,407,748	
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(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Other Salaries and Wages	\$	191,730	
Social Security		624,569	
Pensions		1,197,310	
Life Insurance		5,266	
Medical Insurance		1,793,420	
Unemployment Compensation		3,366	
Employer Medicare		146,305	
Other Fringe Benefits		14,885	
Other Contracted Services		1,535,181	
Custodial Supplies		1,990,548	
Electricity		11,908,952	
Natural Gas		1,075,880	
Water and Sewer		1,584,070	
Other Supplies and Materials		169,937	
Building and Contents Insurance		2,617,939	
Other Charges		116,354	
Plant Operation Equipment		2,629,250	
Total Operation of Plant			\$ 38,012,710

Maintenance of Plant

Supervisor/Director	\$	691,157
Clerical Personnel		158,356
Maintenance Personnel		4,157,735
Social Security		292,618
Pensions		579,363
Life Insurance		1,768
Medical Insurance		872,045
Employer Medicare		68,975
Other Fringe Benefits		7,032
Laundry Service		41,634
Maintenance and Repair Services - Buildings		1,194,561
Maintenance and Repair Services - Equipment		1,907
Travel		2,918
Other Contracted Services		1,715,616
Other Supplies and Materials		1,671,993

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Vehicle and Equipment Insurance	\$ 67,577	
In Service/Staff Development	8,628	
Other Charges	2,643	
Administration Equipment	1,028,489	
Maintenance Equipment	75,643	
Total Maintenance of Plant		\$ 12,640,658

Transportation

Supervisor/Director	\$ 217,509	
Attendants	692,451	
Other Salaries and Wages	600,288	
Social Security	88,530	
Pensions	140,410	
Life Insurance	605	
Medical Insurance	216,386	
Unemployment Compensation	3,548	
Employer Medicare	21,020	
Other Fringe Benefits	1,717	
Contracts with Private Agencies	115,381	
Contracts with Vehicle Owners	27,564,224	
Other Contracted Services	283,125	
Other Supplies and Materials	11,513	
Vehicle and Equipment Insurance	87,000	
In Service/Staff Development	7,582	
Other Charges	27,598	
Administration Equipment	924	
Transportation Equipment	319,129	
Total Transportation		30,398,940

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 2,756	
Total Community Services		2,756

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Teachers	\$	2,547,872	
Career Ladder Program		1,000	
Educational Assistants		1,178,958	
Social Security		218,064	
Pensions		315,048	
Life Insurance		1,845	
Medical Insurance		706,667	
Employer Medicare		50,999	
Other Fringe Benefits		5,524	
Instructional Supplies and Materials		28,971	
In Service/Staff Development		370	
Total Early Childhood Education			\$ 5,055,318

Capital Outlay

Regular Capital Outlay

Other Contracted Services	\$	18,294	
Building Construction		199,442	
Building Improvements		919,863	
Other Capital Outlay		2,797,912	
Total Regular Capital Outlay			3,935,511

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	236,832	
Total Education			236,832

Total General Purpose School Fund

\$ 561,857,095

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	1,585,053	
Educational Assistants		307,555	
Social Security		110,688	
Pensions		145,487	

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Life Insurance	\$	675	
Medical Insurance		325,511	
Employer Medicare		25,887	
Other Fringe Benefits		2,640	
Contracts for Substitute Teachers - Certified		75,798	
Contracts for Substitute Teachers - Non-certified		127,913	
Other Contracted Services		4,019	
Instructional Supplies and Materials		310,039	
Other Supplies and Materials		406,158	
Regular Instruction Equipment		3,963,494	
Total Regular Instruction Program			\$ 7,390,917

Special Education Program

Teachers	\$	982,505	
Homebound Teachers		75,449	
Educational Assistants		1,943,934	
Speech Pathologist		84,488	
Other Salaries and Wages		260,748	
Social Security		195,237	
Pensions		338,777	
Life Insurance		2,058	
Medical Insurance		683,567	
Employer Medicare		45,760	
Other Fringe Benefits		4,941	
Contracts with Private Agencies		71,013	
Contracts for Substitute Teachers - Certified		8,355	
Contracts for Substitute Teachers - Non-certified		15,443	
Instructional Supplies and Materials		137,087	
Other Supplies and Materials		65,065	
Other Charges		24,058	
Special Education Equipment		13,387	
Total Special Education Program			4,951,872

Career and Technical Education Program

Other Supplies and Materials	\$	79,325	
Vocational Instruction Equipment		593,886	
Total Career and Technical Education Program			673,211

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services

Other Student Support

Other Salaries and Wages	\$	714,726	
Social Security		42,715	
Pensions		52,055	
Life Insurance		209	
Medical Insurance		84,978	
Employer Medicare		9,989	
Other Fringe Benefits		1,007	
Contracts with Government Agencies		70,046	
Travel		6,872	
Other Contracted Services		170,949	
Other Supplies and Materials		254,916	
In Service/Staff Development		68,440	
Other Charges		65,476	
Other Equipment		14,894	
Total Other Student Support			\$ 1,557,272

Regular Instruction Program

Supervisor/Director	\$	161,900	
Secretary(ies)		61,364	
Instructional Coaches		229,971	
Other Salaries and Wages		1,763,562	
In-service Training		53,400	
Social Security		135,622	
Pensions		154,934	
Life Insurance		541	
Medical Insurance		310,707	
Employer Medicare		33,057	
Other Fringe Benefits		3,041	
Communication		2,500	
Travel		6,689	
Other Supplies and Materials		26,657	
In Service/Staff Development		569,134	
Other Equipment		2,890	
Total Regular Instruction Program			3,515,969

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$	119,819	
Psychological Personnel		2,514,734	
Medical Personnel		271,292	
Other Salaries and Wages		860,139	
Social Security		224,081	
Pensions		268,382	
Life Insurance		891	
Medical Insurance		492,499	
Employer Medicare		52,406	
Other Fringe Benefits		5,374	
Communication		8,171	
Contracts with Private Agencies		63,068	
Other Supplies and Materials		9,640	
In Service/Staff Development		105,051	
Other Equipment		525	
Total Special Education Program			\$ 4,996,072

Career and Technical Education Program

In Service/Staff Development	\$	4,728	
Total Career and Technical Education Program			4,728

Operation of Plant

Other Contracted Services	\$	158,035	
Total Operation of Plant			158,035

Transportation

Other Salaries and Wages	\$	160,195	
Social Security		9,174	
Pensions		13,019	
Life Insurance		70	
Medical Insurance		39,496	
Employer Medicare		2,145	
Other Fringe Benefits		140	
Contracts with Parents		2,186	
Maintenance and Repair Services - Vehicles		4,632	
Gasoline		6,336	
Total Transportation			237,393

Total School Federal Projects Fund \$ 23,485,469

(Continued)

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

Discretely Presented Rutherford County School Department (Cont.)

Central Cafeteria Fund

Support Services

Board of Education

Workers' Compensation Insurance	\$ 56,000	
Total Board of Education		\$ 56,000

Maintenance of Plant

Maintenance Personnel	\$ 21,429	
Social Security	2,004	
Pensions	3,369	
Life Insurance	19	
Medical Insurance	4,992	
Employer Medicare	469	
Other Fringe Benefits	45	
Total Maintenance of Plant		32,327

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 173,771
Accountants/Bookkeepers	119,802
Cafeteria Personnel	9,678,676
Other Salaries and Wages	305,224
Social Security	615,972
Pensions	640,986
Life Insurance	3,288
Medical Insurance	1,185,193
Unemployment Compensation	8,767
Employer Medicare	144,294
Other Fringe Benefits	8,135
Transportation - Other than Students	143,161
Travel	32,858
Other Contracted Services	625,364
Food Preparation Supplies	596,141
Food Supplies	9,767,293
Office Supplies	12,842
Uniforms	3,997
USDA - Commodities	1,078,868
Other Supplies and Materials	305,666

(Continued)

RUTHERFORD COUNTY, TENNESSEE

Schedule of Detailed Expenditures -

All Governmental Fund Types

Discretely Presented Rutherford County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

In Service/Staff Development	\$ 48,001	
Food Service Equipment	718,527	
Total Food Service	<u>766,528</u>	\$ 26,216,826

Total Central Cafeteria Fund \$ 26,305,153

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 23,274,427	
Total Community Services	<u>23,274,427</u>	\$ 23,274,427

Total Internal School Fund 23,274,427

Education Capital Projects Fund

Support Services

Board of Education

Trustee's Commission	\$ 398,602	
Total Board of Education	<u>398,602</u>	\$ 398,602

Capital Projects

Education Capital Projects

Architects	\$ 8,000	
Maintenance and Repair Services - Buildings	21,332,724	
Total Education Capital Projects	<u>21,340,724</u>	21,340,724

Total Education Capital Projects Fund 21,739,326

Other Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 3,764,432	
Engineering Services	212,551	
Building Construction	121,977,253	
Furniture and Fixtures	1,326,613	
Land	214,842	
Regular Instruction Equipment	3,148,426	
Site Development	5,012,366	
Other Equipment	349,691	
Other Capital Outlay	3,750	
Total Education Capital Projects	<u>136,009,924</u>	\$ 136,009,924

Total Other Capital Projects Fund \$ 136,009,924

Total Governmental Funds - Rutherford County School Department \$ 792,671,394

STATISTICAL SECTION

This part of Rutherford County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	Table(s)	Page(s)
Financial Trends:		
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1-5	308-320
Revenue Capacity:		
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	6-10	321-325
Debt Capacity:		
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. The tables on legal debt margin information and pledged-revenue coverage are not applicable to counties in Tennessee.	11-12	326-327
Demographic and Economic Information:		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	13-14	328-329
Operating Information:		
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	15-17	330-332

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Table 1

Rutherford County, Tennessee
Net Position by Component
Primary Government and Discretely Presented Component Unit
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PRIMARY GOVERNMENT: (Note 1, 2)										
Governmental activities										
Net investment in capital assets	\$ 222,753	\$ 203,279	\$ 234,473	\$ 236,379	\$ 255,537	\$ 264,669	\$ 255,735	\$ 287,739	\$ 318,772	\$ 332,788
Restricted for:										
Capital Projects	2,630	27,160	3,196	4,688	795	4,363	11,273	904	671	5,444
Debt Service	2,861	2,711	2,559	2,403	2,245	3,902	10,753	9,979	9,106	8,309
General	490	542	603	659	729	821	1,284	884	882	923
Finance	97	131	129	124	111	133	138	153	144	193
Admin. of Justice	1,013	658	768	783	502	465	489	599	530	466
Public Safety	1,112	1,386	860	879	938	1,481	2,100	2,756	4,333	5,767
Public Health & Welfare	71	123	53	9	15	37	50	4,736	5,174	5,204
Pensions	-	1,132	4,636	8,693	11,197	6,763	30,280	-	-	-
Other Purposes	5,717	-	-	-	-	-	-	-	-	-
Unrestricted (2)	(204,313)	(206,887)	(265,825)	(270,143)	(231,793)	(281,092)	(247,543)	(210,283)	(234,497)	(144,648)
Total Governmental Activities Net Position	\$ 32,431	\$ 30,235	\$ (18,548)	\$ (15,526)	\$ 40,276	\$ 1,542	\$ 64,559	\$ 97,467	\$ 105,115	\$ 214,446
COMPONENT UNIT - Rutherford County Schools (Note 2)										
Governmental activities										
Net investment in capital assets	\$ 438,406	\$ 471,814	\$ 563,928	\$ 580,266	\$ 585,331	\$ 608,804	\$ 628,787	\$ 632,016	\$ 671,000	\$ 802,259
Restricted for:										
Capital Projects	15,110	29,878	15,676	22,822	7,280	42,414	37,066	60,072	133,931	27,440
Education	8,981	5,002	4,055	4,586	3,443	15,337	30,057	36,195	35,715	34,603
Pensions	-	1,162	5,419	23,869	58,401	46,281	229,653	66,533	67,563	100,804
Unrestricted	(48,641)	(42,317)	(109,709)	(96,009)	(117,279)	(67,940)	(175,620)	28,515	215,361	161,688
Total Governmental Activities Net Position	\$ 413,856	\$ 465,539	\$ 479,369	\$ 535,534	\$ 537,176	\$ 644,896	\$ 749,943	\$ 823,331	\$ 1,123,570	\$ 1,126,794

Notes:

- (1) Rutherford County Government does not engage in any business-type activities.
- (2) Rutherford County Board of Education is not part of the Primary Government, but is reflected as a component unit. The primary government is responsible for the debt issued to finance construction/improvement of education facilities; however, the physical structures are considered assets of the component unit.
- (3) GASB Statement 75 was implemented for the fiscal year ended June 30, 2018, which affects the comparability of restricted net position in prior periods.

Table 2

Rutherford County, Tennessee
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EXPENSES (Note 1)										
Governmental activities:										
General Government	\$ 17,666	\$ 20,667	\$ 16,560	\$ 19,487	\$ 19,985	\$ 36,137	\$ 21,192	\$ 39,417	\$ 31,723	\$ 29,326
Finance	8,193	9,927	10,038	10,238	10,819	13,019	13,030	12,197	17,492	21,678
Administration of Justice	8,108	10,043	9,834	13,501	7,344	9,076	16,172	21,275	17,758	21,703
Public Safety	48,198	50,725	53,328	55,844	61,485	58,727	64,321	64,716	67,651	105,165
Public Health & Welfare	19,650	21,775	22,638	24,001	25,485	29,752	50,028	37,503	28,106	41,841
Social, Cultural & Rec. Services	2,687	2,802	2,920	2,974	3,028	2,915	3,976	4,320	4,426	4,462
Agriculture & Natural Resources	1,171	1,268	1,278	1,376	1,298	1,330	1,047	1,456	1,481	1,697
Highways/Public Works	8,885	12,683	11,622	13,309	12,319	13,798	15,257	14,834	15,282	17,017
Education (Pymts to Comp. Unit)	52,801	98,912	138,705	100,404	62,050	156,244	87,328	71,604	167,352	7,425
Interest on Long-Term Debt	13,124	10,924	16,400	16,207	15,186	15,421	14,418	8,271	15,549	14,205
Total Governmental activities expenses	\$ 180,483	\$ 239,726	\$ 283,323	\$ 257,341	\$ 218,999	\$ 336,419	\$ 286,769	\$ 275,593	\$ 366,820	\$ 264,519
PROGRAM REVENUES										
Governmental activities:										
Charges for Services:										
General Government	\$ 4,546	\$ 4,884	\$ 5,408	\$ 5,267	\$ 5,995	\$ 7,723	\$ 11,716	\$ 5,425	\$ 8,205	\$ 9,568
Finance	9,431	10,093	10,094	11,782	10,823	11,885	11,592	17,489	16,583	16,892
Administration of Justice	6,422	6,520	6,068	6,337	5,845	5,288	2,869	5,935	7,440	8,484
Public Safety	7,208	5,290	6,755	6,279	7,348	6,070	3,967	4,586	6,100	9,798
Public Health & Welfare	11,892	12,354	11,936	11,194	12,337	13,952	16,198	13,719	14,441	16,573
Social, Cultural & Rec. Services	-	-	-	-	-	16	-	-	-	-
Agriculture & Natural Resources	265	297	327	333	310	338	173	338	158	349
Highways/Public Works	155	121	-	-	4	22	-	-	-	99
Education	48,584	51,218	57,789	61,757	62,172	64,069	66,829	38,218	21,254	4,683
Operating Grants and Contributions	8,505	9,277	10,119	10,158	11,755	13,647	63,474	20,404	18,400	20,061
Capital grants and Contributions	3,900	5,170	3,877	2,745	3,409	12,584	7,639	18,543	19,505	13,839
Total Governmental activities program revenues	\$ 100,908	\$ 105,224	\$ 112,373	\$ 115,852	\$ 119,998	\$ 135,594	\$ 184,457	\$ 124,657	\$ 112,086	\$ 100,346

(Continued)

Table 2

Rutherford County, Tennessee
Changes in Net Position (Cont.)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (expense)/Revenue Governmental Activities	\$ (79,575)	\$ (134,502)	\$ (170,950)	\$ (141,489)	\$ (99,001)	\$ (200,825)	\$ (102,312)	\$ (150,936)	\$ (254,734)	\$ (164,173)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property tax levied for general purposes	\$ 47,850	\$ 47,990	\$ 50,271	\$ 51,698	\$ 61,295	\$ 63,155	\$ 69,294	\$ 80,166	\$ 122,557	\$ 128,317
Property tax levied for debt services	37,883	43,250	45,938	47,259	47,066	48,590	50,279	43,331	62,230	64,367
Payments in Lieu of Taxes	8,380	8,399	7,780	7,943	7,531	7,841	3,445	4,001	2,775	7,492
Local Option Sales Tax	4,141	4,252	4,379	4,919	5,452	8,164	10,546	10,637	10,898	11,858
Hotel/Motel Tax	2,061	4,248	4,517	4,494	3,551	3,974	5,393	6,136	6,059	5,957
Wheel Tax	6,684	6,988	7,232	7,390	7,637	7,891	8,638	9,149	9,308	9,818
Business Tax	2,455	2,739	2,814	3,051	3,196	3,684	4,129	4,936	6,087	6,352
Mixed Drink Tax	17	10	-	6	8	15	23	22	28	33
Litigation Tax	2,092	3,191	3,378	3,447	2,894	2,497	2,776	2,993	3,492	3,642
Development/School Facilities Tax	5,189	6,196	5,807	6,484	6,143	6,152	2,742	2,975	3,479	2,596
Mineral Severance Tax	433	478	445	549	456	491	541	514	1,128	727
Bank Excise Tax	283	461	513	627	1,014	965	1,124	1,695	1,806	1,576
Wholesale Beer Tax	1,064	1,089	1,019	998	1,070	960	785	733	922	616
Interstate Telecommunications Tax	7	6	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	863	1,173	1,147	1,002	887	5,600	3,660	3,405	3,343	3,751
Investment earnings	609	1,712	3,636	4,619	6,522	1,198	1,127	12,831	27,221	28,596
Gain on disposal of capital assets	-	-	-	-	-	465	-	-	-	-
Miscellaneous	83	124	125	25	81	449	827	321	1,049	56
Total Governmental activities	\$ 120,094	\$ 132,306	\$ 139,001	\$ 144,511	\$ 154,803	\$ 162,091	\$ 165,329	\$ 183,845	\$ 262,382	\$ 275,754
Change in Net Position	\$ 40,519	\$ (2,196)	\$ (31,949)	\$ 3,022	\$ 55,802	\$ (38,734)	\$ 63,017	\$ 32,909	\$ 7,648	\$ 111,581

Notes:

(1) Rutherford County Government does not engage in any business-type activities.

Rutherford County, Tennessee
Changes in Net Position - Rutherford County Board of Education
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EXPENSES (Note 1)										
Governmental activities:										
Education										
Instruction	\$ 214,997	\$ 223,312	\$ 238,880	\$ 244,861	\$ 270,509	\$ 286,190	\$ 269,862	\$ 315,355	\$ 262,876	\$ 385,080
Support Services	115,179	128,038	135,735	147,066	151,518	171,325	167,103	195,004	203,803	236,000
Operation of Non-instructional Services	19,263	20,886	22,559	22,181	21,105	36,437	37,128	44,395	47,981	49,953
Total Governmental activities expenses	\$ 349,439	\$ 372,236	\$ 397,174	\$ 414,108	\$ 443,132	\$ 493,952	\$ 474,093	\$ 554,754	\$ 514,660	\$ 671,033
PROGRAM REVENUES										
Governmental activities:										
Charges for Services - Education	\$ 6,769	\$ 7,274	\$ 7,728	\$ 7,943	\$ 7,096	\$ 20,141	\$ 15,719	\$ 10,480	\$ 8,630	\$ 8,944
Operating Grants and Contributions	23,459	25,072	24,824	27,887	25,845	46,106	69,591	79,052	85,088	78,997
Capital grants and Contributions	605	-	556	-	216	4,261	3,229	35,000	150,360	2,169
Total Governmental activities program revenues	\$ 30,833	\$ 32,346	\$ 33,108	\$ 35,830	\$ 33,157	\$ 70,508	\$ 88,539	\$ 124,532	\$ 244,078	\$ 90,110
Net (expense)/Revenue Governmental Activities	\$ (318,606)	\$ (339,890)	\$ (364,066)	\$ (378,278)	\$ (409,975)	\$ (423,444)	\$ (385,554)	\$ (430,222)	\$ (270,582)	\$ (580,923)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Tax levied for general purposes	\$ 79,584	\$ 79,769	\$ 82,810	\$ 85,271	\$ 94,709	\$ 98,181	\$ 101,445	\$ 106,352	\$ 94,517	\$ 97,362
Payments in-Lieu-of Taxes	987	935	942	886	974	139	168	96	140	122
Local Option Sales Tax	54,870	59,370	62,304	65,528	68,430	82,960	97,095	101,709	104,858	107,624
Wheel Tax	3,787	3,965	4,096	4,191	4,323	4,495	4,909	5,219	5,303	5,565
Business Tax	2,272	2,395	2,422	2,631	2,809	3,260	3,504	4,198	3,120	3,210
Mixed Drink Tax	403	424	494	537	512	546	734	733	717	802
Development/School Facilities Tax	-	-	-	-	-	-	2,742	2,975	3,479	2,596
Interstate Telecommunications Tax	19	19	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	186,632	244,215	305,865	274,229	237,710	333,868	279,942	277,650	351,356	364,163
Investment earnings	157	401	856	1,141	2,118	1,000	30	4,499	7,168	6,615
Miscellaneous	51	80	74	29	32	277	31	179	163	304
Total Governmental activities	\$ 328,762	\$ 391,573	\$ 459,863	\$ 434,443	\$ 411,617	\$ 524,726	\$ 490,600	\$ 503,610	\$ 570,821	\$ 588,363
Change in Net Position	\$ 10,156	\$ 51,683	\$ 95,797	\$ 56,165	\$ 1,642	\$ 101,282	\$ 105,046	\$ 73,388	\$ 300,239	\$ 7,440

Notes:

(1) Rutherford County Schools do not engage in any business-type activities.

Table 3

Rutherford County, Tennessee
Governmental Activities Tax Revenue by Source
General Government
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax for General Purposes	Property Tax For Debt Service	Payment in Lieu of Taxes	Sales Tax - Primary Government	Hotel/Motel Tax	Wheel Tax	Busines Tax	Mixed Drink Tax	Litigation Tax	Development / School Facilities Tax	Mineral Severance Tax	Wholesale Beer Tax	Bank Excise Tax	Interstate Telecom. Tax	Total
2016	\$ 47,850	\$ 37,883	\$ 8,380	\$ 4,141	\$2,061	\$ 6,684	\$2,455	\$ 17	\$ 2,092	\$ 5,188	\$ 433	\$ 1,064	\$ 283	\$ 7	\$118,538
2017	47,990	43,250	8,399	4,252	4,248	6,988	2,739	10	3,191	6,196	478	1,089	461	6	129,297
2018	50,271	45,938	7,780	4,379	4,517	7,232	2,814	0	3,378	5,807	445	1,019	513	0	134,093
2019	51,698	47,259	7,942	4,919	4,494	7,390	3,051	6	3,447	6,484	549	998	627	0	138,864
2020	61,295	47,066	7,531	5,452	3,551	7,637	3,196	8	2,894	6,143	456	1,070	1,014	0	147,313
2021	63,155	48,590	7,841	8,164	3,974	7,891	3,684	15	2,497	6,152	491	960	965	0	154,379
2022	69,294	50,279	3,445	10,546	5,393	8,638	4,129	23	2,776	2,742	541	785	1,124	0	159,715
2023	80,166	43,331	4,001	10,637	6,136	9,149	4,936	22	2,993	2,975	514	733	1,695	0	167,288
2024	122,557	62,230	2,775	10,898	6,059	9,308	6,087	28	3,492	3,479	1,128	922	1,806	0	230,769
2025	128,317	64,367	7,492	11,858	5,957	9,818	6,352	33	3,642	2,596	727	616	1,576	0	243,351

Rutherford County, Tennessee
Governmental Activities Tax Revenue by Source
Rutherford County Board of Education
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax for Ruth. Co. Schools	Payment in Lieu of Taxes	Sales Tax Ruth. Co.	Wheel Tax	Busines Tax	Mixed Drink Tax	Interstate Telecom. Tax	Development / School Facilities Tax	Total
2016	\$ 79,583	\$ 987	\$ 54,870	\$ 3,787	\$ 2,272	\$ 403	\$ 19	-	\$ 141,921
2017	79,769	935	59,370	3,965	2,395	424	19	-	146,877
2018	82,810	942	62,304	4,096	2,422	494	-	-	153,068
2019	85,271	886	65,528	4,191	2,631	537	-	-	159,044
2020	94,709	974	68,430	4,323	2,809	512	-	-	171,757
2021	98,181	139	82,960	4,495	3,260	546	-	-	189,581
2022	101,445	168	97,095	4,909	3,504	734	-	2,742	210,597
2023	106,352	96	101,709	5,219	4,198	733	-	2,975	221,282
2024	94,517	140	104,858	5,303	3,120	717	-	3,479	212,134
2025	97,362	122	107,624	5,565	3,210	802	-	2,596	217,281

Table 4

Rutherford County, Tennessee
General Government Fund Balances - Primary Government
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
PRIMARY GOVERNMENT										
General Fund										
Nonspendable: Prepaid Items	\$ 29	\$ 42	\$ 37	\$ 89	\$ 42	\$ 63	\$ 78	\$ 63	\$ 59	\$ 99
Restricted										
General Government	490	542	603	660	729	757	802	819	821	822
Finance	97	131	129	124	111	133	138	153	144	193
Admin of Justice	1,013	658	768	783	502	465	488	599	530	466
Public Safety	11	85	35	120	-	34	73	576	804	675
Public Health & Welfare	71	116	53	8	9	31	44	4,731	5,171	5,204
Other Operations	-	-	-	-	-	-	404	-	-	-
Capital Projects	2,630	2,839	2,150	3,232	2,573	4,149	3,183	671	671	-
Committed										
General Government	422	662	1,200	265	1,096	140	373	275	466	385
Finance	454	237	201	187	149	216	556	374	159	815
Admin of Justice	252	21	13	14	15	12	5	3	34	54
Public Safety	969	479	661	594	157	1,068	1,031	1,717	3,372	4,630
Public Health & Welfare	132	136	84	113	106	183	5,237	5,158	6,321	1,869
Agriculture & Natural Resources	292	412	493	506	563	631	898	1,188	863	1,000
Other Operations	4	2	1	1	-	1	1	1	-	965
Public Works	-	-	-	-	-	-	-	-	-	3
Assigned for Other Purposes	6,159	8,089	7,400	7,183	9,675	13,350	21,169	559	312	2,773
Unassigned	23,625	24,267	31,198	36,434	38,905	37,038	53,240	71,607	115,707	144,285
Total General Fund	<u>\$ 36,650</u>	<u>\$ 38,718</u>	<u>\$ 45,026</u>	<u>\$ 50,313</u>	<u>\$ 54,632</u>	<u>\$ 58,271</u>	<u>\$ 87,720</u>	<u>\$ 88,494</u>	<u>\$ 135,434</u>	<u>\$ 164,238</u>

(Continued)

Table 4

Rutherford County, Tennessee
General Government Fund Balances - Primary Government
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
All Other Governmental Funds										
Restricted										
General Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 2	\$ 2
Public Safety	1,101	1,301	824	759	938	1,447	2,028	2,181	3,530	5,091
Public Health & Welfare	-	6	-	1	6	7	6	5	3	1
Debt Service	2,861	2,711	2,559	2,403	2,244	3,902	9,897	9,431	8,870	8,309
Capital Projects	-	24,321	2,015	1,455	6,724	8,410	8,090	438	24,008	17,469
Committed										
Highways/Public Works	2,125	2,228	2,306	2,283	2,533	2,756	2,572	2,804	2,992	3,401
Capital Projects	-	-	-	-	-	717	6,108	12,938	12,400	17,947
Debt Service	1,821	1,821	1,821	1,821	1,821	-	-	-	-	5
Assigned										
General Government	256	181	175	175	175	177	175	175	175	175
Finance	672	650	525	550	550	571	571	715	754	871
Admin of Justice	125	304	602	464	464	421	327	559	1,181	1,231
Public Health & Welfare	10,650	11,635	12,712	12,556	15,989	21,421	22,703	25,744	31,308	35,277
Other Operations	201	127	166	206	245	285	323	362	369	369
Highways/Public Works	10,301	11,332	13,452	14,845	16,261	17,359	19,045	21,220	24,052	25,179
Debt Service	33,903	41,009	47,538	50,871	51,009	50,402	50,255	12,701	66,934	70,937
Capital Projects	-	-	-	-	-	698	76	-	-	-
Unassigned	(3,332)	-	-	-	-	-	(112)	-	-	-
Total All Other Governmental Funds	<u>\$ 60,684</u>	<u>\$ 97,626</u>	<u>\$ 84,695</u>	<u>\$ 88,389</u>	<u>\$ 98,959</u>	<u>\$ 108,573</u>	<u>\$ 122,064</u>	<u>\$ 89,275</u>	<u>\$ 176,578</u>	<u>\$ 186,264</u>

Rutherford County, Tennessee
General Government Fund Balances - Rutherford County Board of Education
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
COMPONENT UNIT -										
Rutherford County Board of Education										
General Purpose School Fund										
Nonspendable: Prepaid Items	\$ 6	\$ 4	\$ 13	\$ 571	\$ 217	\$ 112	\$ 1	\$ 3	\$ 1	\$ 1
Nonspendable: Note Receivable	-	-	-	-	-	-	3,000	-	-	-
Restricted										
For Education	414	430	364	203	747	1,018	1,237	670	569	-
For Capital Projects	120	34	34	-	-	-	-	-	-	-
For Hybrid Retirement Stabilization	-	-	-	979	2,146	4,158	5,527	7,032	9,000	11,296
Committed	-	-	5,336	294	294	266	264	264	264	264
Assigned	7,868	9,763	18,173	21,736	19,521	17,705	31,434	3,642	12,550	24,190
Unassigned	33,493	32,688	27,409	38,638	43,475	64,734	72,277	115,766	103,673	105,653
Total General Purpose School Fund	<u>\$ 41,901</u>	<u>\$ 42,919</u>	<u>\$ 51,329</u>	<u>\$ 62,421</u>	<u>\$ 66,400</u>	<u>\$ 87,993</u>	<u>\$ 113,740</u>	<u>\$ 127,377</u>	<u>\$ 126,057</u>	<u>\$ 141,404</u>
All other School Funds										
Nonspendable: Inventory	\$ 180	\$ 224	\$ 243	\$ 222	\$ 586	\$ 514	\$ 516	\$ 694	\$ 725	\$ 647
Restricted										
Education	4,339	4,348	3,690	4,383	2,696	13,693	25,304	34,828	34,421	33,956
Capital projects	14,990	29,844	67,392	22,822	7,216	42,368	37,030	59,944	133,823	27,190
Committed										
Education	1,000	1,000	1,000	1,000	1,000	2,000	2,000	5,000	5,000	5,000
Capital projects	-	-	-	-	-	-	-	-	37,669	12,024
Total all other School Funds	<u>\$ 20,509</u>	<u>\$ 35,416</u>	<u>\$ 72,325</u>	<u>\$ 28,427</u>	<u>\$ 11,498</u>	<u>\$ 58,575</u>	<u>\$ 64,850</u>	<u>\$ 100,466</u>	<u>\$ 211,638</u>	<u>\$ 78,817</u>

Rutherford County, Tennessee
Changes in Fund Balances - Governmental Funds - Primary Government
Last Ten Fiscal Years
(amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$ 118,102	\$ 129,425	\$ 134,395	\$ 138,692	\$ 147,640	\$ 154,189	\$ 163,558	\$ 168,776	\$ 230,329	\$ 239,164
Licenses & Permits	2,224	2,513	2,590	2,584	2,545	3,152	3,030	3,050	4,198	4,798
Fines & Forfeitures	2,743	2,395	2,559	2,224	2,156	2,217	2,341	2,076	3,632	3,475
Charges for Service	15,658	16,778	17,936	17,108	17,983	18,811	20,135	22,906	26,001	26,690
Other Local Revenue	2,309	3,399	5,548	5,959	7,828	3,553	3,614	14,640	29,819	30,703
Fees from Co. Officials	9,938	10,740	11,040	11,774	12,251	13,593	14,827	14,159	15,829	16,312
State Revenues	12,441	13,114	16,134	16,163	15,831	16,882	15,183	20,481	25,113	24,236
Federal Revenues	1,556	1,289	1,044	1,259	2,234	10,578	57,840	19,161	18,408	10,701
Other Govt/Citizens	1,084	1,443	1,298	2,518	978	1,337	1,272	3,474	1,545	1,862
Total revenues	<u>\$ 166,055</u>	<u>\$ 181,096</u>	<u>\$ 192,544</u>	<u>\$ 198,281</u>	<u>\$ 209,446</u>	<u>\$ 224,312</u>	<u>\$ 281,800</u>	<u>\$ 268,723</u>	<u>\$ 354,874</u>	<u>\$ 357,941</u>
Expenditures										
General Government	\$ 9,421	\$ 10,453	\$ 13,128	\$ 12,092	\$ 11,309	\$ 12,233	\$ 12,117	\$ 15,846	\$ 16,136	\$ 19,150
Finance	8,900	9,892	9,959	10,364	10,727	12,813	13,132	14,813	16,867	18,003
Admin. Of Justice	8,229	10,208	10,312	11,576	12,311	12,632	13,560	15,200	16,355	17,903
Public Safety	49,929	51,332	53,529	55,571	60,387	54,628	65,932	77,262	89,025	99,874
Public Health/Welfare	19,589	21,409	22,698	23,734	24,269	25,694	25,361	31,073	34,097	38,264
Social, Cultural/Rec.	2,687	2,802	2,920	2,974	3,035	2,897	3,129	3,318	3,440	3,398
Agriculture & Natural Resource	999	1,092	1,087	1,214	1,121	1,129	1,196	1,307	1,336	1,494
Other Operations	6,213	7,330	6,067	7,036	7,880	20,938	32,111	13,446	9,244	6,835
Highway & Bridge	7,684	10,887	10,154	11,588	10,419	11,168	14,068	13,583	17,367	16,406
Debt Service:										
Principal	29,017	28,574	30,505	34,148	36,701	38,044	39,022	39,353	40,952	51,791
Interest	13,739	14,188	16,558	18,455	18,144	17,791	17,800	16,281	18,520	22,107
Other charges	-	3,671	499	355	141	672	276	35,000	1,463	1,359
Capital Projects	9,358	87,954	110,345	45,976	16,583	103,430	31,727	24,365	167,181	23,000
	<u>\$ 165,765</u>	<u>\$ 259,792</u>	<u>\$ 287,761</u>	<u>\$ 235,083</u>	<u>\$ 213,027</u>	<u>\$ 314,069</u>	<u>\$ 269,431</u>	<u>\$ 300,847</u>	<u>\$ 431,983</u>	<u>\$ 319,584</u>
Excess of revenues over (under) expenditures	<u>\$ 290</u>	<u>\$ (78,696)</u>	<u>\$ (95,217)</u>	<u>\$ (36,802)</u>	<u>\$ (3,581)</u>	<u>\$ (89,757)</u>	<u>\$ 12,369</u>	<u>\$ (32,124)</u>	<u>\$ (77,109)</u>	<u>\$ 38,357</u>

(Continued)

Rutherford County, Tennessee
Changes in Fund Balances - Governmental Funds - Primary Government
Last Ten Fiscal Years
(amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Other financing sources (uses)										
Transfers in	\$ 1,064	\$ 2,554	\$ 2,025	\$ 1,707	\$ 5,030	\$ 1,908	\$ 31,263	\$ 10,352	\$ 1,595	\$ 15,699
Transfers out	(514)	(1,962)	(1,421)	(1,079)	(4,420)	(1,265)	(31,263)	(10,352)	(1,595)	(15,699)
Insurance Recovery	71	64	127	214	39	241	546	110	255	198
Bond proceeds	-	101,000	81,530	40,680	14,610	90,370	27,140	-	198,085	-
Other Loans Issued	-	2,163	639	444	529	8	-	-	-	-
Refunding Debt Issued	-	25,640	-	-	-	64,100	-	-	16,665	20,130
Payments to refunded bond escrow	-	(27,320)	-	-	-	(63,855)	-	-	(18,514)	(21,711)
Premiums on Debt Issued	-	15,567	5,694	3,817	2,682	11,503	2,886	-	14,861	1,516
TOTAL OTHER SOURCES	\$ 621	\$ 117,706	\$ 88,594	\$ 45,783	\$ 18,470	\$ 103,010	\$ 30,572	\$ 110	\$ 211,352	\$ 133
Net change in fund balances	\$ 911	\$ 39,010	\$ (6,623)	\$ 8,981	\$ 14,889	\$ 13,253	\$ 42,941	\$ (32,014)	\$ 134,243	\$ 38,490
Debt Service as a percentage of noncapital expenditures	28.1%	20.1%	18.3%	22.8%	29.6%	18.8%	21.7%	20.5%	14.9%	25.1%
Capital Expenditures	\$ 13,551	\$ 46,623	\$ 30,149	\$ 4,539	\$ 28,021	\$ 16,551	\$ 7,562	\$ 29,412	\$ 32,267	\$ 25,220

General Governmental TAX Revenues by Source
Last Ten Fiscal Years (expressed in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Property Tax & PILOT	\$ 93,712	\$ 99,664	\$ 104,408	\$ 106,858	\$ 116,292	\$ 119,654	\$ 127,126	\$ 128,802	\$ 187,148	\$ 196,104
Sales Tax	4,106	4,355	4,262	4,788	5,380	7,906	10,282	10,821	10,872	11,743
Hotel/Motel Tax	2,061	4,248	4,517	4,494	3,551	3,974	5,393	6,136	6,059	5,957
Wheel Tax	6,684	6,989	7,232	7,390	7,637	7,891	8,638	9,149	9,308	9,818
Litigation Tax	2,092	3,191	3,378	3,447	2,894	2,497	2,775	2,993	3,492	3,642
Business Tax	2,455	2,739	2,814	3,051	3,196	3,684	4,129	4,936	6,087	6,352
Mixed Drink Tax	17	9	-	6	8	15	23	22	28	33
Mineral Severance	433	478	445	549	456	491	541	514	1,128	727
Develop./School Facilities	5,188	6,196	5,807	6,484	6,142	6,152	2,742	2,975	3,479	2,596
Bank Excise Tax	283	461	513	627	1,014	965	1,124	1,695	1,806	1,576
Wholesale Beer Tax	1,064	1,089	1,019	998	1,070	960	785	733	922	616
Other Statutory Tax	7	6	-	-	-	-	-	-	-	-
TOTAL TAX REVENUES	\$ 118,102	\$ 129,425	\$ 134,395	\$ 138,692	\$ 147,640	\$ 154,189	\$ 163,558	\$ 168,776	\$ 230,329	\$ 239,164

Rutherford County, Tennessee
Changes in Fund Balances - Governmental Funds - Rutherford County School Department
Last Ten Fiscal Years
 (amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$ 141,531	\$ 146,700	\$ 152,564	\$ 158,635	\$ 171,578	\$ 188,221	\$ 209,154	\$ 221,267	\$ 212,145	\$ 216,221
Licenses & Permits	12	14	13	12	11	13	14	15	15	16
Charges for Service	6,661	7,183	7,320	7,790	6,612	1,398	1,972	9,488	7,672	8,127
Other Local Revenue	607	715	1,436	1,959	3,165	21,397	14,954	26,798	32,255	32,438
State Revenues	184,802	200,020	217,057	227,973	234,624	244,194	255,492	276,880	349,497	372,526
Federal Revenues	25,541	25,861	27,362	28,914	27,873	49,358	72,405	59,017	57,431	43,409
Other Govt/Citizens	-	45,406	87,349	44,586	529	89,297	23,697	35,000	150,337	2,169
Total revenues	<u>\$ 359,154</u>	<u>\$ 425,899</u>	<u>\$ 493,101</u>	<u>\$ 469,869</u>	<u>\$ 444,392</u>	<u>\$ 593,878</u>	<u>\$ 577,688</u>	<u>\$ 628,465</u>	<u>\$ 809,352</u>	<u>\$ 674,906</u>
Expenditures										
Education										
Instruction	\$ 219,513	\$ 224,316	\$ 246,325	\$ 259,080	\$ 277,106	\$ 296,090	\$ 306,808	\$ 330,706	\$ 367,595	\$ 378,050
Support Services	103,746	110,561	120,208	126,709	134,297	135,973	157,385	168,422	186,199	198,549
Operational Services	19,327	20,806	22,432	22,435	21,711	36,773	38,649	45,575	52,445	54,549
Capital Outlay	49	33	5	45	41	303	3,402	1,910	1,473	3,935
Other Debt Service	510	424	547	725	605	649	648	648	371	237
Capital Projects	23,635	53,867	58,700	93,716	23,585	61,858	38,776	31,972	91,423	157,351
Total expenditures	<u>\$ 366,780</u>	<u>\$ 410,007</u>	<u>\$ 448,217</u>	<u>\$ 502,710</u>	<u>\$ 457,345</u>	<u>\$ 531,646</u>	<u>\$ 545,668</u>	<u>\$ 579,233</u>	<u>\$ 699,506</u>	<u>\$ 792,671</u>
Excess of revenues over (under) expenditures	<u>\$ (7,626)</u>	<u>\$ 15,892</u>	<u>\$ 44,884</u>	<u>\$ (32,841)</u>	<u>\$ (12,953)</u>	<u>\$ 62,232</u>	<u>\$ 32,020</u>	<u>\$ 49,232</u>	<u>\$ 109,846</u>	<u>\$ (117,765)</u>
Other financing sources (uses)										
Transfers in	\$ 148	\$ 19,307	\$ 4,763	\$ 311	\$ 989	\$ 2,942	\$ 1,479	\$ 3,868	\$ 35,030	\$ 5,729
Transfers out	(148)	(19,307)	(4,763)	(311)	(989)	(2,942)	(1,479)	(3,868)	(35,030)	(5,729)
Insurance Recovery	3	34	435	36	4	-	1	22	5	292
TOTAL OTHER SOURCES	<u>\$ 3</u>	<u>\$ 34</u>	<u>\$ 435</u>	<u>\$ 36</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 22</u>	<u>\$ 5</u>	<u>\$ 292</u>
Net change in fund balances	<u>\$ (7,623)</u>	<u>\$ 15,926</u>	<u>\$ 45,319</u>	<u>\$ (32,805)</u>	<u>\$ (12,949)</u>	<u>\$ 62,232</u>	<u>\$ 32,021</u>	<u>\$ 49,254</u>	<u>\$ 109,851</u>	<u>\$ (117,473)</u>
Debt Service as a percentage of noncapital expenditures	0.1%	0.1%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%
Capital expenditures	\$ 21,388	\$ 47,181	\$ 54,739	\$ 83,640	\$ 21,115	\$ 40,439	\$ 38,633	\$ 23,734	\$ 68,132	\$ 156,714

(Continued)

General Governmental TAX Revenues by Source - Rutherford County School Department
Last Ten Fiscal Years (expressed in thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Property Tax & PILOT	\$ 80,435	\$ 80,870	\$ 83,703	\$ 85,922	\$ 95,843	\$ 98,564	\$ 101,602	\$ 106,247	\$ 94,822	\$ 96,830
Sales Tax	54,616	59,027	61,849	65,354	68,090	81,356	95,663	101,894	104,704	107,217
Wheel Tax	3,787	3,965	4,096	4,191	4,323	4,495	4,909	5,219	5,303	5,565
Business Tax	2,272	2,395	2,422	2,631	2,810	3,260	3,504	4,198	3,120	3,210
Mixed Drink Tax	402	424	494	537	512	546	734	733	717	803
Other Statutory Tax	19	19	-	-	-	-	-	-	-	-
Develop./School Facilities	-	-	-	-	-	-	2,742	2,975	3,479	2,596
	<u>\$ 141,531</u>	<u>\$ 146,700</u>	<u>\$ 152,564</u>	<u>\$ 158,635</u>	<u>\$ 171,578</u>	<u>\$ 188,221</u>	<u>\$ 209,154</u>	<u>\$ 221,266</u>	<u>\$ 212,145</u>	<u>\$ 216,221</u>

Table 6

Rutherford County, Tennessee
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years

Fiscal Year Ending June 30	Tax Year	Tax Rate	Real Property		Personal Property		Public Utilities		Equalization Ratio	Total		Ratio of Total Assessed Value To Total Estimated Actual Value
			Estimated	Assessed	Estimated	Assessed	Estimated	Assessed		Estimated	Assessed	
2016	2015	2.6800	\$22,388,256,768	\$5,965,452,501	\$1,439,914,594	\$432,002,439	\$372,429,031	\$204,835,967	100.00%	\$24,200,600,393	\$6,602,290,907	27.28%
2017	2016	2.6800	23,465,756,790	6,214,946,839	1,634,689,379	446,605,834	458,944,060	200,329,082	90.95%	25,559,390,229	6,861,881,755	26.85%
2018	2017	2.6800	24,448,618,078	6,484,653,382	1,826,626,737	498,900,870	452,694,692	197,601,233	90.95%	26,727,939,507	7,181,155,485	26.87%
2019	2018	2.0994	29,756,086,216	8,621,391,968	1,988,454,170	597,068,154	527,227,031	230,134,599	100.00%	32,271,767,417	9,448,594,721	29.28%
2020	2019	2.2194	33,644,344,347	8,990,796,267	2,091,229,863	627,954,052	560,217,666	244,535,011	100.00%	36,295,791,876	9,863,285,330	27.17%
2021	2020	2.2194	36,225,221,753	9,292,738,157	2,235,978,061	594,758,913	537,173,837	234,476,380	88.58%	38,998,373,651	10,121,973,450	25.95%
2022	2021	2.2194	37,762,680,926	9,678,569,274	2,380,877,077	633,344,313	767,059,601	334,821,516	88.58%	40,910,617,604	10,646,735,103	26.02%
2023	2022	1.6162	49,038,839,202	14,062,075,450	2,628,077,672	789,138,344	882,211,132	385,085,159	100.00%	52,549,128,006	15,236,298,953	28.99%
2024	2023	1.8762	50,747,865,156	14,542,465,390	3,302,166,420	990,649,926	971,454,646	424,039,953	100.00%	55,021,486,222	15,957,155,269	29.00%
2025	2024	1.8762	61,628,440,531	14,904,047,572	3,464,955,826	879,613,686	868,245,430	378,989,130	84.62%	65,961,641,787	16,162,650,388	24.50%

Sources: Trustee Tax Rolls, Assessor Geographic Tax Rolls, Public Service Commission, Comptroller's Tax Aggregate Report

Rutherford County, Tennessee
Property Tax Rates (per \$100 assessed value)
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ending June 30	Tax Year	Rutherford County				(1) Average Daily Attendance Factor	(2) Net County Rate	Percent of Direct Tax Rate Collected for Benefit of the City of Murfreesboro	Overlapping Rate				Total Direct & Overlapping Rate (3)
		County Operating	Education	Debt Service	Total County Rate				City of Murfreesboro	Town of Smyrna	City of LaVergne	City of Eagleville	
2016	2015	\$0.7182	\$1.3935	\$0.5683	\$2.6800	0.1501	\$2.4783	7.53%	\$1.2066	\$0.8840	\$0.9750	\$0.7282	\$6.4738
2017	2016	0.6982	1.3535	0.6283	2.6800	0.1490	2.4870	7.20%	1.2066	0.8840	0.9500	0.7282	6.4488
2018	2017	0.6982	1.3435	0.6383	2.6800	0.1503	2.4871	7.20%	1.2066	0.8840	0.9500	0.7282	6.4488
2019	2018**	0.5470	1.0524	0.5000	2.0994	0.1495	1.9491	7.16%	0.9494	0.7007	0.7100	0.5570	5.0165
2020	2019	0.6170	1.1224	0.4800	2.2194	0.1508	2.0615	7.11%	0.9494	0.7007	0.7100	0.5570	5.1365
2021	2020	0.6170	1.1224	0.4800	2.2194	0.1460	2.0665	6.89%	1.2894	0.7007	0.7100	0.5570	5.4765
2022	2021	0.6470	1.1024	0.4700	2.2194	0.1475	2.0649	6.96%	1.2894	0.7007	0.7100	0.5570	5.4765
2023	2022	0.5262	0.8027	0.2873	1.6162	0.1446	1.5160	6.20%	0.9526	0.5257	0.5363	0.4051	4.0359
2024	2023	0.7862	0.6927	0.3973	1.8762	0.1453	1.3696	4.59%	0.9526	0.5270	0.5363	0.4051	4.2972
2025	2024	0.7922	0.6867	0.3973	1.8762	0.1494	1.3891	4.44%	0.9526	0.5257	0.5363	0.4051	4.2959

Source: Rutherford County Trustee, Rutherford County Assessor and City/Town Recorders

- (1) Average daily attendance factor is the weighted full time equivalent determined by the Tennessee Department of Education and is based on the number of students attending county and city school systems. By law, Rutherford County must share locally generated revenue directed to the school's general operating fund with the City of Murfreesboro for its school system.
- (2) Net county rate is arrived at by multiplying the portion of the tax rate designated for school operating purposes by the ADA factor and subtracting from the total county rate.
- (3) Overlapping rates are those of local governments that apply to property owners within Rutherford County. Not all overlapping rates apply to all Rutherford County property owners (e.g., the rates for the city/town apply only to the portion of the Rutherford County property owners whose property is located within the geographic boundaries of the city/town.)

** Reappraisal year

Rutherford County, Tennessee
Principal Taxpayers
For the Fiscal Year Ended June 30, 2025

<u>Taxpayer</u>	Type of Business	2024			Percentage of Total Taxes Levied (2)	2015			Percentage of Total Taxes Levied (2)	
		Rank	Assessed Valuation	2024 Tax Liability		Rank	Assessed Valuation	2015 Tax Liability		
Nissan Motor Mfg. Co. Automobile Maker		1	\$ 455,097,705	\$ 5,844,992 (1)	1.93%	1	\$ 608,907,071	\$ 5,345,196 (1)	3.01%	
Middle Tennessee Electric Public Utility-Electric Company		2	203,470,179	3,817,507	1.26%	2	71,614,031	1,919,256	1.08%	
Prologis Real Estate Development		3	179,095,980	3,360,235	1.11%	5	47,808,120	1,281,258	0.72%	
Progress Residential Real Estate Residential Rentals		4	144,468,904	2,713,406	0.90%					
American Homes 4 Rent LLC Real Estate Residential Rentals		5	103,952,931	1,950,447	0.64%					
Pillsbury Co./General Mills Bakery Goods		6	73,416,885	1,252,495	0.41%	3	67,603,094	1,654,195	0.93%	
BVA Avenue Retail Mall (The Avenues)		7	64,800,000	1,215,777	0.40%					
Wal-Mart Retail		8	54,309,429	1,018,954	0.34%					
Bridgestone Americas Tire Tire Maker		9	45,130,206	846,732	0.28%	6	44,596,580	1,200,549	0.68%	
Swanson Development Commercial Properties		10	44,111,887	827,627	0.27%	7	30,945,246	832,209	0.47%	
Heins Global Reit Retail Mall (The Avenues)						4	56,482,440	1,513,729	0.85%	
HCA Health Services Stone Crest Medical Center						8	26,073,906	698,781	0.39%	
Atmos Public Utility-Gas Company						9	21,103,171	565,565	0.32%	
BellSouth Public Utility-Telephone Company						10	19,605,352	525,424	0.30%	
					<u>7.55%</u>					
						<u>8.75%</u>				

Source: Trustee Tax Rolls, In-Lieu-of Tax Agreements

- (1) The taxes represent \$2,871,422 (2024 tax year) and \$835,889 (2015 tax year) collected on real and personal property not covered by the PILOT agreement. The remaining amounts of \$2,973,570 (2024) and \$4,594,942 (2015) represent net tax payments collected through payment in-lieu of tax agreements.
- (2) This information is presented instead of the percent of assessed value, since Nissan's payment is principally based on a payment in-lieu-of tax agreement whose valuation of assessment is currently disputed.

Rutherford County, Tennessee
Property Tax Levies and Collections-By Tax Year
Last Ten Fiscal Years
As of June 30, 2025

Tax Year	Total Tax Levy	Fiscal Year Tax Collections	Percent of Fiscal Year Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2015	\$ 177,329,882	\$ 173,966,599	98.10%	\$ 3,249,772	\$ 177,216,371	99.94%	\$ 113,511	0.06%
2016	183,684,656	180,789,656	98.42%	2,764,368	183,554,024	99.93%	130,632	0.07%
2017	192,522,373	189,470,950	98.42%	2,815,757	192,286,707	99.88%	235,666	0.12%
2018	197,965,359	194,416,867	98.21%	3,313,905	197,730,772	99.88%	234,587	0.12%
2019	218,454,575	214,957,808	98.40%	3,360,656	218,318,464	99.94%	136,111	0.06%
2020	224,479,123	221,580,861	98.71%	2,699,705	224,280,566	99.91%	198,557	0.09%
2021	236,549,724	233,710,645	98.80%	2,547,044	236,257,689	99.88%	292,035	0.12%
2022	246,067,008	241,530,070	98.16%	4,148,730	245,678,800	99.84%	388,208	0.16%
2023	298,726,697	290,991,810	97.41%	6,669,873	297,661,683	99.64%	1,065,014	0.36%
2024	302,516,909	296,265,802	97.93%	(1)	296,265,802	97.93%	6,251,107	2.07%

Source: Trustee tax collection records and tax rolls, clerk and master tax collection records.

(1) Taxes are current until August 1st of the following year.

Table 10

Rutherford County, Tennessee
Assessed and Estimated Actual Value of In-Lieu-of Tax Agreements
and Tax Payments
Last Ten Fiscal Years

Fiscal Year Ending June 30	Tax Year	Estimated	Assessed	Tax Payments
2016	2015	\$2,015,195,277	\$691,418,633	\$6,051,274
2017	2016	2,027,809,763	684,509,281	6,097,602
2018	2017	2,005,770,586	683,852,116	6,189,101
2019	2018	2,159,563,288	746,458,126	6,174,236
2020	2019	2,086,766,418	724,470,608	5,751,196
2021	2020	2,123,583,821	727,122,146	5,676,655
2022	2021	2,147,759,351	724,194,857	5,647,756
2023	2022	2,213,575,621	786,195,518	4,269,576
2024	2023	747,191,513	272,388,051	1,969,367
2025	2024	1,310,857,926	375,280,800	4,790,812

Source: In lieu of tax agreements

NOTE: Property subject to in-lieu-of tax payment is included in the agreement with each company. The county had PILOT agreements with 21 entities in 2024-2025. A large portion of the Nissan PILOT expired in FY23 and is part of the tax roll for FY24. Section 7-53-305, TCA is the statutory basis for these agreements, which allows the county's Industrial Development Board to finance new development with revenue bonds, and establish these agreements during the term of the bonds. For tax year 2024 there was an ongoing dispute between Nissan and the County Assessor's office on the value of the plant. The table reflects the County Assessor's value.

In-lieu-of tax revenues are included in the General Fund. The revenues reflected in the financial statements include payments received from Nissan for the Town of Smyrna, Tennessee.

Rutherford County, Tennessee
Ratio of Net General Obligation Bonded Debt
Last Ten Fiscal Years

Fiscal Year	General Net Bonded Debt	Assessed Value	% of Net Bonded Debt to Assessed Value	(1) Population	% of Net Bonded Debt to Total Personal Income (2)	Net Bonded Debt per Capita	% of Net Bonded Debt to Total Personal Income (2)
2016	\$ 363,657,798	\$ 6,602,290,907	5.51%	298,612	3.48%	1,218	3.48%
2017	447,234,285	6,861,881,755	6.52%	308,251	3.98%	1,451	3.98%
2018	500,776,297	7,181,155,485	6.97%	317,157	4.26%	1,579	4.26%
2019	507,486,072	9,448,594,721	5.37%	324,890	4.00%	1,562	4.00%
2020	484,257,422	9,863,285,330	4.91%	332,285	3.55%	1,457	3.55%
2021	547,855,462	10,121,973,450	5.41%	341,486	3.76%	1,604	3.76%
2022	534,212,789	10,646,735,103	5.02%	352,182	3.34%	1,517	3.34%
2023	486,062,736	15,236,298,953	3.19%	360,619	2.73%	1,348	2.73%
2024	650,288,001	15,957,155,269	4.08%	367,101	3.59%	1,771	3.59%
2025	590,598,386	16,162,650,388	3.65%	379,939	2.85%	1,554	2.85%

Sources: Table 6, Tennessee Dept. of Economic & Community Development, Census Bureau

(1) Population figures are estimated for all years except the 2021 fiscal year.

(2) See Table 13 for personal income data

NOTE: General Bonded Debt on this table includes capital outlay notes.

Rutherford County, Tennessee
Direct and Overlapping Debt
General Obligation Bonds and Notes
As of June 30, 2025

		<u>% of</u> <u>Estimated</u> <u>Property</u> <u>Value (1)</u>	<u>% of</u> <u>Assessed</u> <u>Property</u> <u>Value (1)</u>
<u>Direct Debt</u>			
General Bonded Debt	\$ 549,160,000		
County School District of Rutherford (Notes)	-		
Unamortized Premium	<u>41,438,386</u>		
Total Direct Debt	\$ 590,598,386	100.00%	100.00%
 <u>Overlapping Debt</u>			
City of Murfreesboro	\$ 228,924,873	44.48%	46.50%
Town of Smyrna	15,525,000	16.60%	17.40%
City of LaVergne	17,465,000	10.55%	10.91%
City of Eagleville	<u>6,509,600</u>	0.34%	0.32%
Total Overlapping Debt	<u>268,424,473</u>		
Total Direct and Overlapping Debt	<u>\$ 859,022,859</u>		

Source: City Recorders, Table 6, State of Tennessee 2024 Tax Aggregate Report,

(1) The percentages represent the ratio of the overlapping government's property value to the county's property value.

Rutherford County, Tennessee
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year Ending June 30	(1) Population	Per Capita Income	Total Personal Income	(2) Median Age	County School Enrollment	Average Unemployment rate
2016	298,612	\$36,194	\$10,456,560,000	32.8	42,556	3.89%
2017	308,251	37,654	11,244,031,000	32.9	43,850	3.70%
2018	317,157	38,098	11,743,613,000	32.9	44,768	2.63%
2019	324,890	39,968	12,676,094,000	33.1	45,848	2.58%
2020	332,285	41,031	13,633,985,835	32.2	47,027	5.21%
2021	341,486	42,712	14,585,550,032	34.1	46,865	5.00%
2022	352,182	45,374	15,979,906,068	33.6	48,808	2.78%
2023	360,619	49,411	17,818,545,409	33.6	49,624	2.63%
2024	367,101	49,411	18,138,827,511	33.6	50,553	3.00%
2025	379,939	54,623	20,753,407,997	34	51,321	2.89%

Source: University of Tennessee, Center for Business & Economic Research,
Tennessee Department of Education, Bureau of Economic Analysis &
Business and Economic Research Center, TACIR
Tennessee Department of Economic & Community Development

(1) Populations are estimated for all years except fiscal year 2021.

(2) The Census Bureau determines the median age for local areas each decade. TNECD information used for 2016-2024. Unemployment from TN Department of Labor and Workforce.

Table 14

Rutherford County, Tennessee
Principal Employers
Current Year and Ten Years Ago

Employer	2025			2016		
	Estimated	Rank	% of Total	Employees	Rank	% of Total
Rutherford County Government & Board of Education	7,936	1	3.73%	6,028	2	3.90%
Nissan Motor Manufacturing Corp. USA	5,700	2	2.68%	8,000	1	5.18%
Middle Tennessee State University	3,015	3	1.42%	2,205	3	1.43%
City of Murfreesboro (includes schools)	2,769	4	1.30%	1,912	6	1.24%
Amazon Fulfillment Center	2,700	5	1.27%	1,550	8	1.00%
Taylor Farms	2,326	6	1.09%			
Ascension St. Thomas Rutherford	1,741	7	0.82%			
Ingram Book Company	1,700	8	0.80%	2,048	5	1.33%
Alvin C. York Veterans Administration Medical Center	1,300	9	0.61%	1,300	10	0.84%
Asurion	1,250	10	0.59%			
National Healthcare Corp.				2,071	4	1.34%
State Farm Insurance				1,650	7	1.07%
St. Thomas Rutherford				1,400	9	0.91%
Total			14.29%			18.24%

Source: Rutherford County Chamber of Commerce, Tennessee ECD
Bureau of Labor Statistics

Rutherford County, Tennessee
Full-Time Employees by Function
Last Ten Years

Function:	Employees as of June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	84	87	89	93	96	101	103	117	118	123
Finance	88	90	93	94	94	92	100	106	106	109
Justice	116	133	141	159	161	163	165	173	184	189
Public Safety	534	580	580	611	621	635	676	736	797	812
Health & Welfare	221	222	242	252	252	263	257	302	323	341
Agriculture	5	5	5	6	6	5	5	5	6	7
Other	3	3	3	3	3	3	3	3	3	4
Road & Bridge	60	65	65	67	70	71	72	74	73	73
Total	1111	1185	1218	1285	1303	1333	1381	1516	1610	1658
COMPONENT UNIT:										
Education	4981.4	5095	5264	5396	5703	5714	5805	5925	6235	6278

Source: Rutherford County Finance Department & Rutherford County Board of Education

Table 16

Rutherford County, Tennessee
Operating Indicators by Function

FUNCTION	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>General Government</u>										
Registered Voters (1)	158,899	158,723	163,963	167,963	180,032	197,107	202,496	209,752	215,016	214,411
Building Permits Issued										
Single Family Homes	634	739	713	737	412	1,056	905	944	741	950
All other permits	2,189	2,625	2,682	2,492	3,438	3,374	3,153	4,068	3,014	3,535
<u>Public Safety</u>										
Number of warrants										
State - Issued	14,708	14,227	12,862	12,364	10,581	20,383	17,201	10,322	11,168	10,449
State - Served	11,513	10,670	10,561	9,939	7,203	7,400	7,725	8,203	9,200	8,807
Civil - Issued	19,526	18,663	17,325	18,237	17,902	17,270	17,492	21,212	20,368	23,132
Civil - Served	12,108	12,308	10,809	11,305	17,355	20,288	19,702	23,913	24,381	23,303
Rural Fire - Call Volume	2,738	3,747	6,312	5,803	6,829	6,516	6,859	7,443	9,023	8,761
<u>Public Health</u>										
Ambulance- Call Volume	31,433	34,920	34,343	35,055	35,905	44,866	41,515	45,402	49,298	49,677
Response Time -avg. minutes	8.00	7.90	7.60	6.90	6.50	6.80	7.40	7.05	6.58	6.59
Animal Control										
Requests for service	18,681	18,837	20,825	21,555	20,098	19,535	17,828	15,148	13,924	13,495
Animals Impounded	6,949	6,701	7,286	6,615	6,527	6,030	5,420	4,709	4,811	4,586
Animals Adopted	2,516	3,104	3,735	3,176	2,764	2,122	1,862	1,426	1,193	977
<u>Road & Bridge</u>										
Street Resurfaced (miles)	36.5	48.1	41.2	48.2	41.9	52.6	61.2	75.4	52.7	51.1
<u>Sanitation (tons per day)</u>										
Refuse Collected	120.8	112.4	120.4	122.0	120.3	102.9	119.5	106.1	34.4	97.8
Recyclables Collected	11.3	24.9	15.7	17.2	17.9	29.5	14.9	14.5	7.1	13.0
Tires Collected	9.8	10.1	11.2	12.9	12.1	11.7	15.6	8.6	8.5	16.1

N/A = Information is not available for this time period.

Source: Election Commission, Building Codes, Sheriff's Office, Rural Fire Department, Ambulance Department, PAWS, Highway Department, and

(1) The Election Commission purged 11,000 records in June, 2017.

Table 17

Rutherford County, Tennessee
Capital Assets by Function

FUNCTION	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Highways and Streets										
Number of Streets in System	2,200	2,246	2,286	2,359	2,326	2,382	2,419	2,482	2,541	2,389
Number of Miles	973	980	974	972	970	975	980	984	986	994
Number of Bridges	166	166	166	167	167	167	167	167	168	168
Public Safety										
Number of Correctional Facilities	3	3	3	3	3	3	3	3	3	3
Health and Welfare										
Nursing Home	1	1	1	1	1	1	1	1	1	1
Number of Beds	131	131	131	131	131	131	131	131	131	131
Dispatch Station	1	1	1	1	1	1	1	1	1	1
Special Operations	1	1	1	1	1	1	1	1	1	1
Ambulance Stations	12	12	12	12	12	12	12	15	18	18
Number of ambulance units	28	32	34	33	31	33	30	32	36	35
Sanitation/Landfill										
Number of SW trucks	18	18	18	21	22	19	22	23	22	26
Health Department Facilities	2	2	2	2	2	2	2	2	2	2
<u>Facilities and Services Not Included in the Primary Government</u>										
Education:										
Form of Administration										
Number of Employees	4,981	5,095	5,264	5,396	5,703	5,714	5,805	5,925	6,647	6,520
Elementary Schools	24	24	24	24	24	24	25	25	23	24
Middle Schools	10	10	11	11	11	11	11	11	11	11
High Schools	8	8	8	8	9	9	9	9	9	9
K-12 School	1	1	1	1	1	1	1	1	1	1
Alternative School	2	2	2	2	2	2	2	2	3	3
Magnet School	1	1	1	1	1	1	1	1	3	3
Virtual School	-	-	-	-	-	-	1	1	1	1
Charter Schools (School Board Approved)	-	-	-	-	-	-	-	-	-	2

Source: Rutherford County Highway Dept., Sheriff's Department, Ambulance Department, Convenience Center Department, Board of Education

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*

Rutherford County Mayor and
Board of County Commissioners
Rutherford 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 Rutherford County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Rutherford County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 27, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Community Care of Rutherford County, Inc., the discretely presented Rutherford County Emergency Communications District, and the Internal School Fund of Rutherford County School Department (a discretely presented component unit), as described in our report on Rutherford County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency described in the accompanying Schedule of Findings and Questioned Costs as item to be a material weakness: 2025-001.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies, described in the accompanying Schedule of Findings and Questioned Costs, to be significant deficiencies: 2025-002 and 2005-005.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rutherford County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2025-003 and 2025-004.

Rutherford County's Responses to Findings

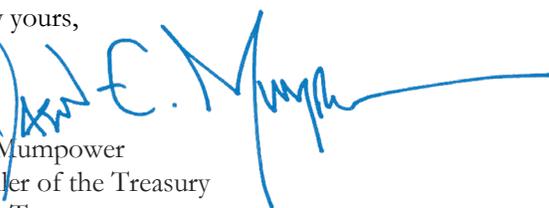
Government Auditing Standards requires the auditor to perform limited procedures on Rutherford County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Rutherford County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

Very truly yours,

Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee



October 27, 2025

JEM/gc



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Rutherford County Mayor and
Board of County Commissioners
Rutherford 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 Rutherford 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 Rutherford County's major federal programs for the year ended June 30, 2025. Rutherford 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, Rutherford County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, 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 Rutherford 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 Rutherford 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 Rutherford County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Rutherford 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 Rutherford 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 Rutherford 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 Rutherford 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 Rutherford 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 Rutherford County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Rutherford County's basic financial statements. We issued our report thereon dated October 27, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,


Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

October 27, 2025

JEM/gc

RUTHERFORD COUNTY, TENNESSEE, AND THE RUTHERFORD COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8)
For the Year Ended June 30, 2025

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (4)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(3)	\$ 0	\$ 1,078,868 (5)
National School Lunch Program (Commodity Rebate - Food Storage)	10.555	(3)	0	139,457 (5)
Passed-through State Department of Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	(3)	0	4,026,509
National School Lunch Program	10.555	(3)	0	12,504,955 (5)
Passed-through State Department of Health:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	202424W100345	0	841,495
Total U.S. Department of Agriculture				<u>\$ 18,591,284</u>
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's Program	14.228	33004-51623	0	\$ 11,320
Total U.S. Department of Housing and Urban Development				<u>\$ 11,320</u>
U.S. Department of Interior:				
Direct Program:				
Payments in Lieu of Taxes	15.226	N/A	0	\$ 58,503
Total U.S. Department of Interior				<u>\$ 58,503</u>
U.S. Department of Justice:				
Direct Programs:				
State Criminal Alien Assistance Program (SCAAP)	16.606	N/A	0	\$ 49,032
Public Safety Partnership and Community Policing Grants	16.710	N/A	0	243,589
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	0	184,163
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	N/A	(7) 62,184	62,184
Second Chance Act Reentry Initiative	16.812	N/A	(7) 11,040	237,282
Body Worn Camera Policy and Implementation	16.835	N/A	0	263,181
Comprehensive Opioid Abuse Site-Based Program	16.838	N/A	0	284,390
Equitable Sharing Program	16.922	N/A	0	241,082
Passed-through State Department of Mental Health and Substance Abuse Services:				
Drug Court Discretionary Grant Program	16.585	(3)	0	166,528
Passed-through State Department of Finance and Administration:				
Violence Against Women Formula Grants	16.588	(3)	0	70,913
Passed-through City of Murfreesboro:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(3)	0	30,978
Total U.S. Department of Justice				<u>\$ 1,833,322</u>
U.S. Department of Transportation:				
Passed-through State Department of Safety and Homeland Security:				
Highway Safety Cluster: (4)				
State and Community Highway Safety	20.600	Z25THS258	0	\$ 166,085
Passed-through State Department of Military:				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	(3)	0	13,098
Total U.S. Department of Transportation				<u>\$ 179,183</u>
U.S. Department of Treasury:				
Direct Program:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	0	\$ 6,686,737 (5)
Passed-through State Department of Economic and Community Development:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	(7) 24,207	27,207 (5)
Passed-through State Department of Education:				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	(3)	0	404,566 (5)
Total U.S. Department of Treasury				<u>\$ 7,118,510</u>

(Continued)

RUTHERFORD COUNTY, TENNESSEE, AND THE RUTHERFORD COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (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:				
Passed-through State Department of Education:				
Title 1 Grants to Local Educational Agencies	84.010	(3)	\$ 0	\$ 5,950,140
Title 1 State Agency Program for Neglected and Delinquent Children and Youth	84.013	(3)	0	98,139
Special Education Cluster (IDEA): (4)				
Special Education - Grants to States	84.027	(3)	0	11,401,250
Special Education - Preschool Grants	84.173	(3)	0	272,563
Career and Technical Education - Basic Grants to States	84.048	(3)	0	827,004
Education for Homeless Children and Youth	84.196	(3)	0	265,159
English Language Acquisition State Grants	84.365	(3)	0	1,106,849
Supporting Effective Instruction State Grants	84.367	(3)	0	788,333
Student Support and Academic Enrichment Program	84.424	(3)	0	604
COVID 19 - Education Stabilization Fund Program - Elementary and				
Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	(3)	0	3,551,448 (5)
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary				
School Emergency Relief Fund - Homeless Children and Youth (ESSER-ARP)	84.425W	(3)	0	267,783 (5)
Total U.S. Department of Education				<u>\$ 24,529,272</u>
U.S. Department of Health and Human Services:				
Passed-through State Department of Health:				
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NU50CK000528	0	\$ 28,439
Maternal and Child Health Services Block Grant to the States	93.994	(3)	0	193,799
Passed-through the State Department of Human Services:				
Child Support Enforcement	93.563	(3)	0	37,706
Total U.S. Department of Health and Human Services				<u>\$ 259,944</u>
U.S. Department of Homeland Security:				
Passed-through State Department of Military:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(3)	0	\$ 82,841
Emergency Management Performance Grant	97.042	(3)	0	136,077
Homeland Security Grant Program	97.067	(6)	0	343,118
Total U.S. Department of Homeland Security				<u>\$ 562,036</u>
Total Expenditures of Federal Awards				<u>\$ 53,143,374</u>
State Grants				
Public School Security Grant - State Department of Education	N/A	(3)		\$ 890,622
Innovative School Models - State Department of Education	N/A	(3)		5,272,761
SRO Supplement - State Department of Commerce and Insurance	N/A	(3)		50,400
Law Enforcement TLETA - State Department of Commerce and Insurance	N/A	(3)		75,000
Essential Equipment Purchases Grant - State Department of Health	N/A	(3)		98,831
Day Treatment - Academic & Behavioral Remediation- Custody Prevention -				
State Department of Children Services	N/A	(3)		417,696
Juvenile Justice - State Commission on Children and Youth	N/A	(3)		13,500
Juvenile Court Custody Prevention - State Department of Child Services	N/A	(3)		42,391
Evidence-Based Jail Programming Project - Department of Finance and Administration	N/A	(3)		313,469
Litter/Litter Removal Program - State Department of Transportation	N/A	(3)		49,264
TDOT Litter Grant Program - State Department of Transportation	N/A	(3)		67,742
Tennessee Certified Recovery Court Program - State Department of Mental				
Health and Substance Abuse	N/A	(3)		144,080
Tennessee Veterans Treatment Court Initiative (TVTCI) - State Department				
of Mental Health and Substance Abuse	N/A	(3)		104,000
Tennessee Mental Health Recovery Court Grant - State Department of				
Mental Health and Substance Abuse	N/A	(3)		198,249
Local Health Services - State Department of Health	N/A	(3)		2,101,961
Early Childhood Education - State Department of Education	N/A	(3)		2,218,648
SRO Grant - State Department of Safety and Homeland Security	N/A	(3)		3,675,000

(Continued)

RUTHERFORD COUNTY, TENNESSEE, AND THE RUTHERFORD COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (8) (Cont.)

	Assistance Listing Number	Contract Number	Expenditures
State Grants (Cont.)			
Direct Appropriations Grant - State Department of Children Services	N/A	(3)	\$ 35,327
Violent Crime Intervention Fund- State Department of Finance and Administration	N/A	(3)	288,808
Summer Learning Camps- State Department of Education	N/A	(3)	4,055,916
Learning Camp Transportation- State Department of Education	N/A	(3)	336,600
Child Nutrition State Match - State Department of Education	N/A	(3)	180,369
Appropriations Act - Capital Maintenance and Improvement - Tennessee State Museum	N/A	(3)	18,270
Mental Health Transportation Grant - State Department of Finance and Administration	N/A	(3)	135,878
Animal Friendly (Low Cost Sterilization of Dogs and Cats) - State Department of Health	N/A	(3)	1,500
Law Enforcement Hiring, Training, and Recruitment Program - State Department of Commerce and Insurance	N/A	(3)	102,000
Total State Grants			\$ 20,888,282

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) Rutherford County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$17,749,789; Highway Safety Cluster total \$166,085; Special Education Cluster (IDEA) total \$11,673,813.
- (5) Total for ALN 10.555 is \$13,723,280; Total for ALN 21.027 is \$7,118,510; Total for ALN No. 84.425 is \$3,819,231.
- (6) 34101-04424: \$137,664; 34101-23525: \$205,454.
- (7) SUBRECIPIENT AMOUNTS

The following amounts (\$97,431) were paid to subrecipients from the specified ALNs:

Subrecipients	ALN	Amounts Provided to Subrecipients
Volunteer Behavioral Health	16.745	\$ 62,184
Allard Consulting, LLC	16.812	11,040
Greenhouse Ministries	21.027	13,168
The Journey Home	21.027	11,039
Total amounts provided to subrecipients		\$ 97,431

(8) 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	\$ 329,299
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	9,391
English Language Acquisition State Grants	84.365	4,000
Supporting Effective Instruction State Grants	84.367	130,000
Total amounts consolidated for administration purposes		\$ 472,690

RUTHERFORD COUNTY, TENNESSEE
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2025

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Comprehensive Financial Report for Rutherford County, Tennessee, for the year ended June 30, 2025.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
OFFICES OF DIRECTOR OF FINANCE AND ASSESSOR OF PROPERTY					
2024	343	2024-001	Expenditures were misclassified in the accounting records of the General Fund.	N/A	Not Corrected - See Explanation on Corrective Action Plan
OFFICE ASSESSOR OF PROPERTY					
2024	344	2024-002	The Assessor did not properly prorate improvements and new construction.	N/A	Not Corrected - See Explanation on Corrective Action Plan
2024	344	2024-003	The Assessor did not properly pick up all improvements in the appropriate tax year.	N/A	Not Corrected

Prior-year Federal Awards Findings

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

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

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Rutherford County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **YES**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **YES**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Number: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
 - * Assistance Listing Number: 84.010 Title I Grants to Local Educational Agencies
 - * Assistance Listing Number: 84.425 COVID 19 - Education Stabilization Fund
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$1,594,301**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF DIRECTOR OF FINANCE

FINDING 2025-001

MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION

(Internal Control – Material Weakness Under *Government Auditing Standards*)

Our examination of financial statements and accounting records revealed material audit adjustments were required for proper financial statement presentation. These deficiencies are the result of a lack of management oversight.

- A. On June 30, 2025, certain general ledger account balances in the General Fund were not materially correct, and audit adjustments to decrease both due from other governments and accounts payable by \$3,129,517 (related to pass-through grant money) were required for the financial statements to be materially correct at year-end.
- B. Our examination of the school capital assets records revealed construction in progress for Simon Springs Community School was erroneously overstated by \$306,437,388.

Generally accepted accounting principles require management to have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because management's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if management has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

Management should provide the necessary oversight and adequate controls to ensure accounting records are materially correct as required by generally accepted accounting principles.

MANAGEMENT'S RESPONSE – DIRECTOR OF FINANCE

We concur with both parts of this finding. Part A is related to a pass-through grant with the State of TN and the Consolidated Utility District (Water Dept.). We were unsure if we would receive and disburse these funds prior to June 30. We did not receive these funds by that timeframe, and we should not have recognized a receivable and payable. This had no effect on our fund balance, since this is a pass-through grant. Part B was a typo on our capital assets schedule. This was corrected as soon as the typo was found. This did not affect any fund-level financial statements and would have only affected the government-wide statements.

OFFICES OF DIRECTOR OF FINANCE AND ASSESSOR OF PROPERTY

FINDING 2025-002

EXPENDITURES WERE MISCLASSIFIED IN THE ACCOUNTING RECORDS OF THE GENERAL FUND

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

All expenditures of the Assessor of Property were budgeted and coded as reappraisal expenditures in the county General Fund. This gives the false impression that every expenditure in the office was spent on their reappraisal program. Sound accounting procedures dictate that accounting records should accurately reflect the true nature of the transactions. Section 67-5-1601, *Tennessee Code Annotated* requires assessors to perform a reappraisal over a four-, five-, or six-year period; however, reappraisal is not the sole responsibility of the office. This deficiency was in part attributable to the failure of management to accurately identify and post expenditures within the general ledger and to correct the finding noted in the prior-year audit report. It should be mentioned that management's corrective action plan in the prior-year audit report did not include corrective measures due to not concurring with the finding.

RECOMMENDATION

Officials should ensure that the general ledger accurately reflects transactions and account balances for the assessor's office.

MANAGEMENT RESPONSE – DIRECTOR OF FINANCE

We do not concur with this finding. All positions in the county property assessor's office contribute to reappraisal. The county is on a four-year cycle and bills the cities in compliance with TCA 67-5-1601(b)(2). Additionally, this TCA code does not specify a budget function. The assessor's office works on a continuing basis to complete the reappraisal within the required four-year period. For example, they reappraise a certain percentage of parcels every year, to meet the four-year cycle. We have asked the auditors over the last two years for examples of positions in the assessor's office that do not perform the duties or support the reappraisals but still have received no examples. Our budget has been budgeted the same way for at least the last four years, and our budget was approved by the comptroller's office. We strongly believe the general ledger reflects the true nature of the transactions. Also, there are several counties in TN that currently utilize a single function budget for the property assessor's office. We believe the sole purpose of the office is to appraise and reappraise property.

AUDITOR'S COMMENT

Assessors have existed in some form in Tennessee since at least the early 1800s. Their roles and responsibilities have evolved over time, but their core functions of identifying assessable property, tracking ownership, and making an assessment on such property existed long before the concept of mandatory reappraisal began around 1980. Based on this fact alone, it's clear that certain functions must be performed regardless of whether properties are periodically revalued at current market value (reappraised). There are many duties and functions within an assessor's office that are not directly related to the periodic reappraisal of real property. Furthermore, most counties in Tennessee do indeed account for operations of the Assessor's Office and Reappraisal program separate on the accounting records. Therefore, management should maintain accounting and payroll records which separate reappraisal expenditures from the other expenditures of the assessor's office.

OFFICE OF ASSESSOR OF PROPERTY

FINDING 2025-003

THE ASSESSOR DID NOT PROPERLY PRORATE IMPROVEMENTS AND NEW CONSTRUCTION

(Material Noncompliance Under *Government Auditing Standards*)

The assessor did not properly prorate improvements and new construction. During the review of the operations of the assessor's office by the Comptroller's Division of Property Assessments it was determined that 14 of 14 new

construction prorations tested had proration issues. Assessors are required to pick up new construction and improvements and to prorate their values for the portion of the year following their date of completion. Section 67-5-603(b)(1), *Tennessee Code Annotated*, provides that for the year in which an improvement or building is completed, the assessment, or increase in assessment, shall be prorated for the portion of the year following the date of its completion. This deficiency can be attributed to management's failure to properly comply with this statute and resulted in an incorrect assessed value on the affected properties.

RECOMMENDATION

The assessor should properly prorate new construction and improvements as required by state statute.

MANAGEMENT'S RESPONSE – ASSESSOR OF PROPERTY

Rutherford County respectfully responds to the Division's findings regarding 14 proration determinations. Upon careful review, we acknowledge 3 findings where our determinations were indeed incorrect. However, we respectfully maintain that 7 findings represent reasonable and statutorily compliant applications of TCA § 67-5-603. Additionally, we have identified 4 findings where neither the Division's determinations nor our original assessments fully aligned with statutory best practices, indicating areas where clearer guidance would benefit all parties.

Our established practice has been to prorate improvements no later than the date of property transfer when improvements included new construction. If the improvement was substantially complete prior to the sale, we would use that earlier date. This practice aligns with the statutory framework established in TCA § 67-5-603(b) and serves the legislative purpose of ensuring timely assessment of completed improvements.

The statute establishes multiple triggers for proration of new improvements:

Primary Triggers(§ 67-5-603(b)(1)):

- Completion and readiness for use or occupancy
- Property sale or lease

Completion Standards(§ 67-5-603(b)(3)):

- "Substantially completed" structural portion, even if interior finish remains incomplete

Deemed Completion (§ 67-5-603(b)(4)):

- Property conveyance to bona fide purchaser
- Actual occupancy, use, or suitability for occupancy or use
- Whichever occurs first

Notably absent from TCA § 67-5-603 is any requirement that Certificates of Occupancy serve as the determinative date for proration purposes. The statute provides multiple alternative triggers and specifically states that structural completion suffices "even though the interior finish or certain appointments may be left to the choice of a prospective buyer."

We respectfully maintain that 7 findings represent correct applications of TCA § 67-5-603. In these cases:

- Our determinations aligned with statutory triggers for proration
- The dates used were reasonable under the "substantially completed" or "conveyance to bona fide purchaser" standards
- Alternative interpretations proposed by the Division lack clear statutory support or contradict established case law

We have modified our procedures prospectively while maintaining that most previous determinations were legally compliant and reasonable under existing statutory authority and case law precedent.

Rutherford County acknowledges 3 legitimate audit findings while respectfully disputing 7 others that we believe represent reasonable statutory compliance supported by Tennessee case law. The 4 cases with mutual inconsistencies highlight opportunities for improved guidance that would benefit all Tennessee assessors.

DIVISION OF PROPERTY ASSESSMENT'S REBUTTAL

The county is currently under a notice and resolution of Noncompliance from the State Board of Equalization for improper proration procedures. This ongoing noncompliance action means that the Division of Property Assessments is actively working to correct the county's errors in proration. The county is overly reliant on the "trigger" of a property transferring and has repeatedly ignored multiple sources of evidence proving that a property met other "triggers" well before any conveyance or lease occurred, thus ignoring the "whichever shall first occur" requirement of 67-5-603(b)(4). Types of evidence that are ignored include digital imagery (purchased with county funds) and certificates of occupancy/completion issued by the appropriate code enforcement office within the county. A periodic inspection of properties with building permits would also yield evidence as to a building's completion, rather than waiting for a sale or some other arbitrary date to trigger the assessment.

FINDING 2025-004

THE ASSESSOR DID NOT PROPERLY CORRECT ALL SQUARE FOOTAGE ERRORS FOUND DURING ASSESSMENTS (Noncompliance Under *Government Auditing Standards*)

The assessor failed to adequately correct all square footage errors identified and make the corresponding corrections to the property assessments, even after this matter was brought to the attention of the Assessor's Office.

Tennessee Code Annotated 67-5-509(c) states that (1) whenever the assessor shall discover, or it has been called to such assessor's attention, that there has been an error or omission in the listing, description, classification or assessed value of property or any other error or omission in the tax rolls held by the trustee or municipal collector, the assessor shall certify in writing the facts to the trustee or municipal collector, who shall receive the tax on the correct assessment and report the difference in the trustee's or municipal collector's errors and releasement list, and shall make such other corrections as such certificate may show right and proper. (2) The assessor shall certify to the trustee or municipal collector the facts and the reasons for such a change in such assessment, and the tax shall be collected upon the revised assessment. It was brought to the attention of the Comptroller's Division of Property Assessments that the Rutherford County Assessor's Office was aware of potential square footage errors on properties in January 2024. The Assessor's Office identified potentially affected properties and created a review list. However, the office failed to correct the inaccurate parcels after multiple review efforts. As a result, these properties were not assessed at the proper amount.

RECOMMENDATION

The assessor should implement policies and procedures to ensure that errors identified, such as these square footage errors, are corrected in a timely manner.

MANAGEMENT'S RESPONSE – ASSESSOR OF PROPERTY

Tremendous effort has been made to correct any square foot variances from the list of potential square foot issues deemed questionable. Properties needing correction have been processed and forwarded to the appropriate collecting authority.

In addition, an Audit and Review team process has been recently implemented to provide quality control for square footage for both new construction and existing properties. This will include a greater number of files reviewed on each appraiser, which should lessen the number of square footage variations going forward.

DIVISION OF PROPERTY ASSESSMENT'S REBUTTAL

The county is currently under a notice and resolution of Noncompliance from the State Board of Equalization for not properly correcting square footage errors. This ongoing noncompliance action means that the Division of Property Assessments is actively working to correct the issues the assessor previously failed to correct. As a result, the assessor's response that "properties needing correction have been processed and forwarded to the appropriate collecting authority" gives a false impression that these errors have already been remedied.

OFFICE OF SHERIFF

FINDING 2025-005

THE ANNUAL FINANCIAL REPORT DID NOT PROPERLY REFLECT THE OPERATIONS OF THE OFFICE

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

The annual financial report did not properly reflect the operations of the office. Receipts and disbursements for operations were overstated on the annual financial report by \$3,138,474 and \$2,588,215, respectively. Additionally, beginning and ending balances in the annual financial report were not correct and did not agree with the cash journal or reconciled bank statements. These amounts were determined by substantive testing and alternative auditing procedures and have been properly included in the financial statements in this report. This deficiency is the result of a lack of management oversight.

RECOMMENDATION

The annual financial report should accurately reflect all operations of the sheriff's department.

MANAGEMENT'S RESPONSE – SHERIFF

I concur with this finding, this finding was due to staff turnover in our accounts payable office, an employee on sick leave and upgrading software program. To ensure this won't occur again, we have scheduled training for the employees, we have put in place for personnel to complete a checklist, so the financial reports are correct.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2025.

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF DIRECTOR OF FINANCE

2025-001	Material audit adjustments were required for proper financial statement presentation.	351
2025-002	Expenditures were misclassified in the accounting records of the General Fund.	351

OFFICE OF ASSESSOR OF PROPERTY

2025-003	The assessor did not properly prorate improvements and new construction.	352
2025-004	The assessor did not properly correct all square footage errors found during assessments.	352

OFFICE OF SHERIFF

2025-005	The annual financial report did not properly reflect the operations of the office.	358
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Rutherford County, Tennessee

Finance Department

1 Public Square
Historic Courthouse, Ste. 201, Murfreesboro, TN 37130
Michael Smith, Finance Director

Phone: (615) 898-7795
Fax: (615) 904-7526
msmith@rutherfordcountyttn.gov

Mr. Jeff Bailey, CPA, Legislative Audit Manager
Division of Local Government Audit
Cordell Hull Building
425 Rep. John Lewis Way N.
Nashville, TN 37243-3400

October 29, 2024

Dear Mr. Bailey,

Below are the required bulleted items for the county's corrective action plan to findings noted:

FINDING 2025-001

- Preparer of the corrective action plan: Michael Smith, Finance Director
- Person responsible for implementing the correction action plan: Michael Smith-Finance Director and finance department employees.
- Specific corrective action taken: We have already fixed the issue.
- Anticipated completion date of corrective action: Already fixed.
- Is this a repeat finding? No.

FINDING 2025-002

- Preparer of the corrective action plan: Michael Smith, Finance Director
- Persons responsible for implementing the correction action plan: Michael Smith-Finance Director, Rob Mitchell-Property Assessor, Joe Carr-County Mayor, & the Rutherford County Commission
- Specific corrective action taken: We do not concur, please see management response.
- Anticipated completion date of corrective action: N/A We do not concur.
- Is this a repeat finding? Yes.

Please reach out if you need anything from me.

Sincerely,

Michael Smith, CPA
Finance Director

ROB MITCHELL



**RUTHERFORD COUNTY
ASSESSOR OF PROPERTY**

September 10, 2025

Bryan Kinsey Director
Comptroller's Division of Property Assessments
425 Rep. John Lewis Way Nashville, Tennessee 37243

Dear Bryan:

Thank you for providing the list of parcels identified as potentially suspect. I have personally reviewed each parcel in detail, conducted a thorough investigation, and documented my findings for the record.

Our analysis reflects a careful, evidence-based review and, we believe, presents a more accurate and comprehensive picture of actual performance and statutory compliance. This process reaffirms our office's commitment to transparency, accuracy, and adherence to the highest professional standards.

We value the Comptroller's continued guidance and partnership, and we look forward to advancing our shared mission with clarity, purpose, and full alignment in the service of Tennessee's taxpayers.

Respectfully,

Rob Mitchell Rutherford County Assessor of Property

**319 North Maple Street 2nd Floor Suite 200 Murfreesboro, TN 37130
Phone: 615-898-7750**

Amended Response to Division of Property Assessments Regarding Proration Findings

To: Division of Property Assessments

From: Rutherford County Property Assessor's Office

Date: 9/10/2025

Re: Response to 14 Proration Findings

Rutherford County respectfully responds to the Division's findings regarding 14 proration determinations. Upon careful review, we acknowledge 3 findings where our determinations were indeed incorrect. However, we respectfully maintain that 7 findings represent reasonable and statutorily compliant applications of TCA § 67-5-603. Additionally, we have identified 4 findings where neither the Division's determinations nor our original assessments fully aligned with statutory best practices, indicating areas where clearer guidance would benefit all parties.

Established Rutherford County Practice

Our established practice has been to prorate improvements no later than the date of property transfer when improvements included new construction. If the improvement was substantially complete prior to the sale, we would use that earlier date. This practice aligns with the statutory framework established in TCA § 67-5-603(b) and serves the legislative purpose of ensuring timely assessment of completed improvements.

Statutory Requirements Under TCA § 67-5-603(b)

The statute establishes multiple triggers for proration of new improvements:

Primary Triggers (§ 67-5-603(b)(1)):

- Completion and readiness for use or occupancy
- Property sale or lease

Completion Standards (§ 67-5-603(b)(3)):

- "Substantially completed" structural portion, even if interior finish remains incomplete

Deemed Completion (§ 67-5-603(b)(4)):

- Property conveyance to bona fide purchaser
- Actual occupancy, use, or suitability for occupancy or use
- Whichever occurs first

Certificate of Occupancy Analysis

Notably absent from TCA § 67-5-603 is any requirement that Certificates of Occupancy serve as the determinative date for proration purposes. The statute provides multiple alternative triggers and specifically states that structural completion suffices "even though the interior finish or certain appointments may be left to the choice of a prospective buyer."

Legal Precedent on Certificate of Occupancy Limitations: Tennessee case law directly supports our position that Certificates of Occupancy do not definitively establish substantial completion dates. Multiple Tennessee court decisions have established this principle:

In *Howard G. Lewis Const. Co., Inc. v. Lee*, Tennessee courts established that:

- **Certificate of Occupancy is Not Determinative:** Courts have acknowledged that "relying solely on a certificate of occupancy for substantial completion might be erroneous"
- **Substantial Completion Standard:** Substantial completion occurs "when the owner can use the building for its intended purpose, even if defects exist"
- **Alternative Evidence Accepted:** Courts accept other evidence of substantial completion, including testimony and factual circumstances, over CO dates

Similarly, *Meyers v. Bryson* (1992) reinforced that certificates of occupancy do not conclusively establish substantial completion dates for legal purposes.

These precedents directly contradict any requirement that assessment offices must use Certificate of Occupancy dates as the sole or primary indicator of substantial completion for proration purposes.

Analysis of Findings

Category 1: Acknowledged Errors (3 findings)

We acknowledge that 3 of the 14 findings represent inconsistencies in our proration determinations. These cases involved incorrect application of our established standards, and we accept responsibility. We have implemented additional review procedures to prevent similar occurrences.

Category 2: Disputed Findings (7 findings)

We respectfully maintain that 7 findings represent correct applications of TCA § 67-5-603. In these cases:

- Our determinations aligned with statutory triggers for proration
- The dates used were reasonable under the "substantially completed" or "conveyance to bona fide purchaser" standards
- Alternative interpretations proposed by the Division lack clear statutory support or contradict established case law

Category 3: Mutual Inconsistencies (4 findings)

Four findings reveal situations where neither our original determinations nor the Division's proposed corrections fully align with statutory best practices.

Position Statement

1. Statutory Compliance

Rutherford County's proration practices have been fully compliant with TCA § 67-5-603. The statute expressly provides that improvements are deemed "substantially complete" when property is "conveyed to a bona fide purchaser" under § 67-5-603(b)(4).

2. Certificate of Occupancy Usage

We have appropriately utilized Certificates of Occupancy as indicators necessitating field verification, consistent with sound assessment practices. However, consistent with Tennessee case law (*Howard G. Lewis Const. Co., Inc. v. Lee* and *Meyers v. Bryson*), we maintain that CO dates should not automatically supersede other evidence of substantial completion or statutory triggers when those occur earlier. Courts have specifically recognized that "relying solely on a certificate of occupancy for substantial completion might be erroneous."

3. Administrative Convenience vs. Legal Requirements

While we understand the Division's preference for CO dates may enhance audit convenience, administrative preference cannot create new statutory requirements or override the existing legal framework. TCA § 67-5-603 provides the exclusive criteria for proration determinations, and Tennessee case law confirms that CO dates are not legally determinative of substantial completion.

4. Reasonableness Standard

Our practice ensures properties are assessed when they achieve taxable status under the statute, serving the underlying legislative purpose while maintaining consistency with both statutory language and judicial interpretation.

Audit Finding Response

We respectfully request differentiated treatment of these findings:

Accepted Findings (3 cases)

We accept these as legitimate audit findings requiring correction and have implemented remedial measures.

Disputed Findings (7 cases)

We respectfully submit that audit findings are inappropriate for these cases where:

1. **Statutory Compliance Exists:** Our determinations fall within the parameters established by TCA § 67-5-603
2. **Case Law Support:** Tennessee courts have validated alternative methods of determining substantial completion beyond CO dates
3. **Reasonable Interpretation Applied:** Multiple statutory triggers create reasonable alternatives for proration dates
4. **No Clear Violation Occurred:** The Division's alternative interpretation, while potentially valid, does not render our approach incorrect under existing law

Inconsistent Applications (4 cases)

These cases suggest the need for:

- Enhanced statewide guidance on complex proration scenarios
- Development of consistent standards for "substantially completed" determinations
- Recognition that both parties may benefit from clearer statutory interpretation

Cooperative Resolution

Process Modifications

Despite our disagreement with the characterization of certain determinations as "errors," Rutherford County has demonstrated good faith by:

- Agreeing to alter our internal processes
- Implementing changes to align with Division preferences
- Cooperating fully throughout the audit process
- Accepting responsibility for acknowledged errors

We have modified our procedures prospectively while maintaining that most previous determinations were legally compliant and reasonable under existing statutory authority and case law precedent.

Rutherford County acknowledges 3 legitimate audit findings while respectfully disputing 7 others that we believe represent reasonable statutory compliance supported by Tennessee case law. The 4 cases with mutual inconsistencies highlight opportunities for improved guidance that would benefit all Tennessee assessors.

Our commitment includes:

- **Correcting acknowledged errors** and strengthening review processes
- **Maintaining statutory compliance** while working within Division preferences
- **Supporting development** of clearer statewide proration standards consistent with existing case law
- **Continuing cooperative relationships** with constructive dialogue on complex issues

We request that the final audit report reflects this nuanced analysis and distinguish between actual errors and reasonable alternative interpretations of statutory requirements that are supported by Tennessee judicial precedent.

Respectfully submitted,



Rob Mitchell, Assessor of Property
Rutherford County

cc: Bryan Kinsey



Rutherford County Sheriff's Office

MICHAEL S. FITZHUGH
SHERIFF

Correction Action Plan

Finding: The annual financial report did not properly reflect the operations of the office

Response and Correction Action Plan Prepared by:

Michael S. Fitzhugh, Sheriff

Person Responsible for Implementing the Correction Action:

Steve Spence, Deputy Chief

Anticipated Completion Date of Correction Action:

Date: Immediately

Repeat Finding: No

Planned Correction Action:

Training is being conducted and further training is scheduled in 2026.

A process has been put in place for personnel to complete a checklist, so the financial reports are correct.

A handwritten signature in blue ink, appearing to read "Michael S. Fitzhugh".

Sheriff Michael S. Fitzhugh

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 Rutherford County.

RUTHERFORD COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF PURCHASING

Rutherford County operates under a private act that provides for a central system of accounting and budgeting covering all county departments under the supervision of the County Mayor, Highway Superintendent, and Director of Schools. However, Rutherford County has not adopted a central system of purchasing covering all departments. Sound business practices dictate that establishing a central system would significantly improve internal controls over the purchasing process. The absence of a central system of 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 purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Rutherford 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 purchasing covering all county departments.