

**PRELIMINARY OFFICIAL STATEMENT DATED MARCH 26, 2025
BONDS TO BE SOLD WEDNESDAY, APRIL 2, 2025 AT 9:30 A.M. C.D.T.**

New Issues
Book-Entry Only

Rating: S&P "AA"

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds will be excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax except for certain corporations, as more fully described herein. 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).

\$6,000,000*
MARION COUNTY, TENNESSEE
GENERAL OBLIGATION BONDS, SERIES 2025
(ULT) (BANK QUALIFIED)

Dated: Date of Issuance

Due: June 1, as shown below

Marion County, Tennessee (the "County") will issue its \$6,000,000* General Obligation Bonds, Series 2025 (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 June 1 and December of each year, commencing December 1, 2025*, 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 corporate trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the "Registration Agent").

The Bonds shall be subject to redemption at the option of the County at any time on or after June 1, 2035, at a price of par plus accrued interest to the redemption date. The Bonds are payable on June 1 of each year as follows:

<u>Maturity</u> <u>(June 1)</u>	<u>Principal*</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>	<u>CUSIP</u> <u>Number</u>	<u>Maturity</u> <u>(June 1)</u>	<u>Principal*</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>	<u>CUSIP</u> <u>Number</u>
2026	\$205,000				2036	\$295,000			
2027	230,000				2037	305,000			
2028	235,000				2038	315,000			
2029	240,000				2039	330,000			
2030	245,000				2040	340,000			
2031	255,000				2041	355,000			
2032	260,000				2042	365,000			
2033	270,000				2043	380,000			
2034	280,000				2044	395,000			
2035	285,000				2045	415,000			

The Bonds will be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

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.

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 William L. Gouger, Esq., counsel to the County. Stephens Inc. is serving as Municipal Advisor to the County. The Bonds, in book-entry form, are expected to be available for delivery through Depository Trust Company in New York, New York, on or about April 16, 2025.*

April __, 2025

* Preliminary and Subject to Change

THIS PRELIMINARY OFFICIAL STATEMENT AND THE INFORMATION CONTAINED HEREIN ARE SUBJECT TO CHANGE, COMPLETION OR AMENDMENT WITHOUT NOTICE. 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 these securities 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. As of this date, this Preliminary Official Statement has been deemed "final" by the County for purposes of SEC Rule 15c2-12(b)(1) except for the omission of certain information permitted by SEC Rule 15c2-12(b)(1).

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 Marion 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.

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

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

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, Resolution, 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 Bonds.

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**Marion County, Tennessee
1 Courthouse Square
Jasper, Tennessee 37347**

Officials

David Jackson
County Mayor

Board of Commissioners

David Abbott
Donald Blansett
Ruric Brandt
Nick Holland
Jimmy Cantrell

Gene Hargis
Don Adkins
Steven Franklin
Paul Schafer
Linda Mason

Dennis Rollins
Peggy Thompson
Logan Campbell
Jim Nunley
Chris Morrison

County Officials

County Clerk
Trustee

Joanie Spangler
Diane Massengale

Counsel for the County

William L. Gouger, Esq.
Jasper, 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

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NOTICE OF SALE

MARION COUNTY, TENNESSEE
GENERAL OBLIGATION BONDS, SERIES 2025
(ULT) (BANK QUALIFIED)

Notice is hereby given that the County Mayor of Marion 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 **\$6,000,000* GENERAL OBLIGATION BONDS, SERIES 2025** (the "Bonds") until:

9:30 A.M. C.D.T. on Wednesday, April 2, 2025

Written bids must be addressed and delivered to the County to the attention of the County Mayor, 1740 Main Street, Jasper, Tennessee 37064. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. ***The sale of all or any series of the Bonds on Wednesday, April 2, 2025 may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours notice.***

The Bonds will be dated the date of delivery. The interest rate or rates on the Bonds shall not exceed 6% per annum and shall be payable semi-annually on June 1 and December 1, commencing December 1, 2025. No bid for the Bonds will be considered for less than 99% of par nor more than 125% 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 June 1 in the years 2026 through 2045, 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. 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.

The Bonds shall be subject to redemption at the option of the County at any time on or after June 1, 2035, at a price of par plus accrued interest to the redemption date.

The Bonds will be "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

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.

The Bonds and approving opinions 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 County Clerk, 1740 Main Street, Jasper, Tennessee 37347 or from Stephens Inc. Attention: Ashley McNulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4334; Fax: (615) 279-4351.

David Jackson
County Mayor

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DETAILED NOTICE OF SALE

MARION COUNTY, TENNESSEE

\$6,000,000* GENERAL OBLIGATION BONDS, SERIES 2025 (ULT) (BANK QUALIFIED)

Time and Place of Sale

Notice is hereby given that the County Mayor of Marion County, Tennessee (the "County") will accept a written bid or electronic bid for the purchase of all, but not less than all, of the **\$6,000,000* GENERAL OBLIGATION BONDS, SERIES 2025** (the "Bonds") until:

9:30 A.M. C.D.T. on Wednesday, April 2, 2025

The written bids must be addressed and delivered to the County to the attention of the County Mayor, 1740 Main Street, Jasper, Tennessee 37347. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. ***The sale of all or any series of the Bonds on Wednesday, April 2, 2025 may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours notice.*** The 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 June 1 of each year as follows:

<u>Year (June 1)*</u>	<u>Bonds*</u>	<u>Year (June 1)*</u>	<u>Bonds*</u>
2026	\$205,000	2036	\$295,000
2027	230,000	2037	305,000
2028	235,000	2038	315,000
2029	240,000	2039	330,000
2030	245,000	2040	340,000
2031	255,000	2041	355,000
2032	260,000	2042	365,000
2033	270,000	2043	380,000
2034	280,000	2044	395,000
2035	285,000	2045	415,000

Purpose and Authority of Bonds

The Bonds are being issued to finance the construction and equipping of an addition to the County jail and to pay issuance costs. The Bonds are being issued under the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., and pursuant to a resolution duly adopted by the Board of County Commissioners of the County on February 24, 2025.

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 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 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 June 1 and December 1, beginning December 1, 2025, 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 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 be subject to redemption at the option of the County at any time on or after June 1, 2035, at a price of par plus accrued interest to the redemption date.

Designation of Term Bonds

The successful bidder for the Bonds shall have the option to designate certain consecutive serial maturities of the 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.

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.

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 authorizing the Bonds.

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
1740 Main Street
Jasper, Tennessee 37347

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% of par nor greater than 125% of par for the Bonds. Bidders must specify the interest rate or rates the Bonds are to bear in multiples of one-hundredth (1/100th) or one-eighth (1/8th) of one percent (1%), but no rate specified for the Bonds shall be in excess of 5% per annum. There will be no limitation on the number of rates of interest which may be specified for the Bonds, but one rate of interest shall apply to all the Bonds of a maturity. In addition, each maturity of the Bonds must be reoffered at a price of not less than 98% of the par amount of such maturity. 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. Bidders must specify the reoffering prices or yields of each maturity.

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 the 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 (in case of revised principal amounts, 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., C.D.T. 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, C.D.T., at least one day prior to the date for receipt of the bids.

Changes to Maturity Schedule

The County reserves the right to change the Revised Aggregate Principal Amounts of the Bonds after determination of the winning bidder. The County may increase or decrease the Revised Annual Principal Amount of each maturity of the Bonds without limitation. Such changes, if any, will determine the final annual principal amounts of Bonds (the "Final Annual Principal Amounts") and the final aggregate principal amount of Bonds (the "Final Aggregate Principal Amount"). The Final Aggregate Principal Amount of the Bonds will not exceed \$6,000,000. Any changes beyond those described above will only be made with the consent of the winning bidder.

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 THEIR 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 the 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 as determined by reference to the Revised Aggregate Principal Amounts, prior to post-sale adjustments, as discussed in the paragraph 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 the Bonds (compounded semi-annually from the dated date of the Bonds) produces a value equal to the purchase price of the 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 \$120,000 to secure the faithful performance of the terms of the bid to purchase a series of 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 2:00 p.m. C.D.T. on the day of the sale provided the County awards the bid by 12:00 noon C.D.T. otherwise the wire shall be received not later than 11:00 a.m. C.D.T. on the next business day following the award. The County Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier's check or a treasurer's check drawn upon an incorporated bank or trust company payable unconditionally to the order of the County. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder's Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from Stephens Inc., Attn: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351. In the event the successful bidder fails to timely submit the Deposit, the award may be terminated by the County Mayor, and the County Mayor in his discretion may award the 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 the 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 the Bonds.

CUSIP

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

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.

County Intention to Apply the Hold-the-Offering-Price Rule if Competitive Sale Requirements are Not Met. In the event that the competitive sale requirements are not satisfied with respect to the Bonds, the County intends to treat the initial offering prices of the Bonds to the public as the issue price of the 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).

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

The County acknowledges that, in making the agreements and representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the 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 retail 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 retail distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the 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 retail 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) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- “sale date” means the date that the Bonds are awarded by the County to the winning bidder.

Issue Price Certificate. The winning bidder will be required to provide the County, at closing, with an issue price certificate consistent with the foregoing.

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.

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 statements will be provided to the successful bidder not later than seven 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 statements 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 (i) 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"), (ii) provide timely notice of the occurrence of certain enumerated events and (iii) provide timely notice of failure to timely provide any required financial information of the County. The Annual Report (and audited financial statements, if filed separately) and notices described above will be filed by the County with the Municipal Securities Rulemaking Board ("MSRB") at www.emma.msrb.org and with any State Information Depository established in the State of Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events will be summarized in the County's official statement to be prepared and distributed in connection with the sale of the 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 interest on the Bonds will be (i) excluded from gross income for federal income tax purposes as it relates to the Bonds; and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. 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 forms of opinions contained therein.

Bank Qualification

The Bonds will be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Delivery and Payment

The Bonds are expected to be ready for delivery within 28 days after the sale thereof, in book-entry form. At least five days' notice will be given to the successful bidder(s). 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.

Further Information

Copies of the Preliminary Official Statement may be obtained from the undersigned at the office of the County's Finance/Budget Director, 1740 Main Street, Jasper, Tennessee 37347, or from Stephens Inc., Attn: Ashley McNulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351.

David Jackson,
County Mayor

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MARION COUNTY, TENNESSEE
\$6,000,000* GENERAL OBLIGATION BONDS, SERIES 2025

OFFICIAL BID FORM

The Honorable David Jackson
County Mayor
1740 Main Street
Jasper, Tennessee 37347

_____, 2025

For your legally issued, properly executed Marion County, Tennessee (the "County") \$6,000,000* General Obligation Bonds, Series 2025 (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 June 1 as shown below, and shall bear interest at the following rates:

<u>Maturity (June 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>	<u>Maturity (June 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>
2026	\$205,000	_____ %	_____ %	2036	\$295,000	_____ %	_____ %
2027	\$230,000	_____	_____	2037	\$305,000	_____	_____
2028	\$235,000	_____	_____	2038	\$315,000	_____	_____
2029	\$240,000	_____	_____	2039	\$330,000	_____	_____
2030	\$245,000	_____	_____	2040	\$340,000	_____	_____
2031	\$255,000	_____	_____	2041	\$355,000	_____	_____
2032	\$260,000	_____	_____	2042	\$365,000	_____	_____
2033	\$270,000	_____	_____	2043	\$380,000	_____	_____
2034	\$280,000	_____	_____	2044	\$395,000	_____	_____
2035	\$285,000	_____	_____	2045	\$415,000	_____	_____

Principal of and interest on the Bonds will be payable at the principal 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:

Term Bond 1, due June 1, _____ includes the following maturities: From June 1, _____ to June 1, _____. Term Bond 2, due June 1, _____ includes the following maturities: From June 1, _____ to June 1, _____.	
Firm Name	

In accordance with the terms of the Detailed Notice of Sale, we have or will make a good faith deposit for \$120,000 as set forth in the Detailed Notice of Sale, which is to be applied in accordance with the Detailed Notice of Sale. The good faith deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the County or the County's Municipal Advisor by the successful bidder by 2:00 p.m. C.D.T. on the day of the sale provided the County awards the bid by 12:00 noon C.D.T. otherwise the wire shall be received not later than 11:00 a.m. C.D.T. on the next business day following the award. The County Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier's check or a treasurer's check drawn upon an incorporated bank or trust company payable unconditionally to the order of the County. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder's Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from Stephens Inc., Attn: Ashley McNulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351. If a successful bidder fails to timely make the Deposit for the 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 the 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 _____ day of _____, 2025

Respectfully submitted,

County Mayor

Firm Name

Signature

Title

Telephone Number of Person to Submit Bid

The following is for information purposes only.

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

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

Summary Statement

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

ISSUER	Marion County, Tennessee (the "County").
ISSUES	\$6,000,000* General Obligation Bonds, Series 2025 (the "Bonds").
PURPOSE	The Bonds are being issued to finance the construction and equipping of an addition to the County jail and to pay issuance costs.
SECURITY	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.
DATED DATE	Settlement Date.
INTEREST DUE	Each June 1 and December 1, commencing December 1, 2025.*
PRINCIPAL DUE	June 1, 2026* through June 1, 2045*.
SETTLEMENT DATE	_____, 2025* (use for bidding purposes).
OPTIONAL REDEMPTION	The Bonds, shall be subject to redemption at the option of the County at any time on or after June 1, 2035*, at a price of par plus accrued interest to the redemption date.
RATING	"AA" by S&P Global Ratings ("S&P") based on documents and other information provided by the County. The rating reflects only the view of S&P and neither the County, the Municipal Advisor nor the Underwriter makes any representations as to the appropriateness of such rating. There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn. Any such downward change in or withdrawal of the rating 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 S&P. See "Rating" herein.
TAX MATTERS	In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds will be excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, except for certain corporations, as more fully described herein. 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).

BANK QUALIFICATION..... The Bonds will be "qualified tax-exempt obligations" pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended.

**REGISTRATION AND PAYING
AGENT** U.S. Bank Trust Company, National Association, Nashville, Tennessee.

MUNICIPAL ADVISOR..... Stephens Inc.

UNDERWRITER..... _____.

Official Statement

Marion County, Tennessee

\$6,000,000* General Obligation Bonds, Series 2025 (ULT) (Bank Qualified)

Introduction

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Marion County, Tennessee (the "County") of \$6,000,000* General Obligation Bonds, Series 2025 (the "Bonds").

The Bonds are issuable 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 pursuant to a resolution adopted by the Board of County Commissioners of the County on February 24, 2025 (the "Resolution") authorizing the execution, terms, issuance and sale of the Bonds.

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 documents, including the forms 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 finance the construction and equipping of an addition to the County jail and to pay issuance costs.

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 June 1 and December 1 of each year (herein an "Interest Payment Date"), commencing December 1, 2025*.

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

Registration and Payment

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 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.

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds 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 Bond certificate for each maturity of the Bonds will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing

corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds 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 Bonds 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds 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, the Registration Agent, or the 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 Bonds 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, Bond 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, Bond 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.

Optional Redemption*

The Bonds maturing on or before June 1, 2034 shall mature without option of prior redemption, and Bonds maturing June 1, 2035 and thereafter, shall be subject to redemption prior to maturity at the option of the Municipality on June 1, 2034 and thereafter, as a whole or in part, at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the County in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

- (i) if the 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.

Mandatory Redemption*

Subject to any credits as permitted by the terms of the Resolution, the County shall redeem Bonds maturing on June 1, ____, on the redemption dates set forth below opposite the maturity date, 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. If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Board of County Commissioners in its discretion. If less than all the Bonds within a single maturity shall be called for redemption, the Bonds within a single maturity shall be selected determined by DTC, or such successor Depository, by lot or such other manner as DTC or such successor Depository, shall determine in the event the Bonds are being held under a Book Entry System. If not held under a Book Entry System and if less than all the Bonds of a maturity shall be called for redemption, 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 shall elect. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount to be Redeemed</u>
-----------------	------------------------	--

***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 of the maturity to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its mandatory redemption obligation for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (other than through mandatory redemption) and cancelled by the Registration Agent and not theretofore applied as a credit against any mandatory redemption obligation. Each Bond 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 mandatory redemption shall be accordingly reduced.

Notice of Redemption

Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the 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. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the 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. In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain Outstanding.

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.

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 hereby made to the respective Resolution.

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.

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 or redemption, 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 or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(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 Escrow 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 obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Plan of Financing

Sources and Uses of Funds

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

Sources of Funds

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

Uses of Funds

Deposit to Project Fund	_____
Costs of Issuance ⁽¹⁾	_____
Total Uses	\$ _____

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

Rating

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

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

Continuing Disclosure

The County will at the time the Bonds are delivered execute a Continuing Disclosure Certificate under which it will covenant for the benefit of holders and beneficial owners of the Bonds to (i) provide certain financial information and operating data relating to the County by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2025 (the "Annual Report"), (ii) provide notice of the occurrence of certain enumerated events and (iii) provide timely notice of failure to provide any required financial information of the County. The Annual Report (and audited financial statements if filed separately) and notices described above will be filed by the County with the Municipal

Securities Rulemaking Board (“MSRB”) at www.emma.msrb.org and with any State Information Depository which may be established in Tennessee (the “SID”). The specific nature of the information to be contained in the Annual Report or the notices of events is summarized below. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b), as it may be amended from time to time (the “Rule”).

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

Future Issues

The County has no additional debt planned or authorized for new capital projects at this time.

Litigation

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

As of the date of this Official Statement, the County has no knowledge or information concerning any pending or threatened litigation contesting the authority of the County to issue, sell or deliver the 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 William L Gouger, Esq., Counsel to the County.

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 Issuer and assuming compliance by the Issuer with certain covenants, is that interest on the Bonds:

- is excluded from a bondholder’s federal gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and
- is not treated as a preference item in calculating the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

The Code imposes requirements on the Bonds that the Issuer must continue to meet after the Bonds are issued. These requirements generally involve the way that Bond proceeds must be invested and ultimately used. If the Issuer 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 Issuer 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
- a borrower of money to purchase or carry the Bonds, or
- an applicable corporation, as defined in Section 59(k) of the Code

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.

Qualified Tax-Exempt Obligations

Under the Code, in the case of certain financial institutions, no deduction from income under the federal tax law will be allowed for that portion of such institution's interest expense which is allocable to tax-exempt interest received on account of tax-exempt obligations acquired after August 7, 1986. The Code, however, provides that certain "qualified tax-exempt obligations", as defined in the Code, will be treated as if acquired on August 7, 1986. Based on an examination of the Code and the factual representations and covenants of the Municipality as to the Bonds, Bond Counsel has determined that the Bonds upon issuance will be "qualified tax-exempt obligations" within the meaning of the Code.

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 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.

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 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. The information set forth herein has been obtained by the County and other sources believed to be reliable. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

Underwriting

_____, _____, _____, acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the Bonds for an aggregate purchase price of \$_____, which is par, less \$_____ , 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.

Certificate of County Mayor

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I, David Jackson, do hereby certify that I am the duly qualified and acting County Mayor of Marion County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated April __, 2025 issued in connection with the sale of the County's \$6,000,000* General Obligation Bonds, Series 2025 and to the best of my knowledge, information, and belief (a) the descriptions and statements contained in said Official Statement were at the time of acceptance of the winning bids and are on the date hereof true and correct in all material respects; and (b) that said Official Statement did not at the time of the acceptance of the winning bids and does not on the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements made, in light of the circumstances under which they are made, not misleading.

WITNESS my official signature this ____ day of _____, 2025.

/s/

County Mayor

I, Joanie Spangler, do hereby certify that I am the duly qualified and acting County Clerk of Marion County, Tennessee, and as such official, I do hereby certify that David Jackson is the duly qualified and acting County Mayor of said County and that the signature appended to the foregoing certificate is the true and genuine signature of such official.

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

/s/

County Clerk

(SEAL)

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APPENDIX A

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

(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 the Marion County, Tennessee (the "Issuer") in connection with the issuance of \$6,000,000 General Obligation Bonds, Series 2025 (the "Bonds") dated the date hereof. We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

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

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

1. The 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 obligations of the Issuer.
2. The resolution of the County Commission 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 shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Issuer. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the Issuer have been irrevocably pledged.
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; 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.

6. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265 of the Code.

The rights of the owners of the Bonds and the enforceability of the Bonds and the resolutions 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.

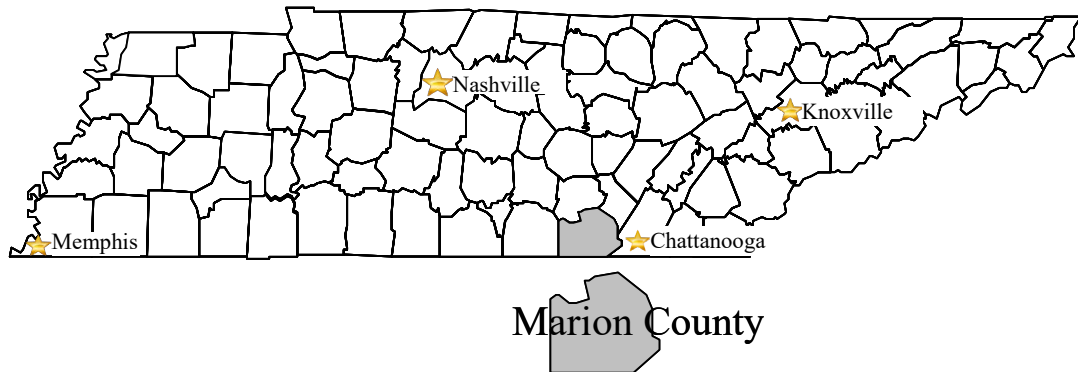
Yours truly,

APPENDIX B

Demographic and General Financial Information
Related to the County

GENERAL INFORMATION

Marion County is located on the southern border of Tennessee adjoining the state borders of Alabama and Georgia. In addition to the county seat of Jasper, other towns and cities in the County are Kimball, Monteagle, New Hope, Orme, Powells Crossroads, South Pittsburg, and Whitwell. The County is also contiguous to Hamilton County, Tennessee where Chattanooga is the county seat and the major city in the area.



The County is one of six counties in the Chattanooga Metropolitan Statistical Area, which had an estimated total population of 580,971 in 2023. The County is approximately 25 miles northwest of Chattanooga via Interstate 24 with a thirty minute or less commuting distance for many residents employed in Hamilton County.

DEMOGRAPHIC DATA

According to the U.S. Census population data for 2023, the County's population of 29,382 has grown 6% since 2000. Various socioeconomic factors are indicated below.

	<u>County</u>	<u>Tennessee</u>
1990 U.S. Census	24,712	4,890,626
2000 U.S. Census	27,733	5,703,719
2010 U.S. Census	28,227	6,355,518
2020 U.S. Census	28,870	6,927,904
2021 U.S. Census Estimate	28,919	6,965,740
2022 U.S. Census Estimate	29,050	7,062,217
2023 U.S. Census Estimate	29,382	7,148,304

Source: U.S. Bureau of Census

Per Capita Personal Income

The County's per capita personal income according to the Bureau of Economic Analysis was \$51,590 in 2023. This reflects a 55% increase since 2014.

	County	Tennessee	% of State
2014 Per Capita Personal Income	\$33,364	\$40,230	82.9%
2015 Per Capita Personal Income	\$35,014	\$41,942	83.5%
2016 Per Capita Personal Income	\$36,630	\$42,943	85.3%
2017 Per Capita Personal Income	\$37,904	\$44,411	85.3%
2018 Per Capita Personal Income	\$38,762	\$46,452	83.4%
2019 Per Capita Personal Income	\$40,050	\$48,905	81.9%
2020 Per Capita Personal Income	\$42,741	\$51,959	82.3%
2021 Per Capita Personal Income	\$47,540	\$57,508	82.7%
2022 Per Capita Personal Income	\$49,519	\$59,210	83.6%
2023 Per Capita Personal Income	\$51,590	\$62,229	82.9%

Source: Bureau of Economic Analysis, CA1-3 Personal Income Summary

Median Housing Value

	Marion		
	County	Tennessee	% of State
2014 Median Housing Value	130,000	166,000	78.3%
2015 Median Housing Value	142,000	175,000	81.1%
2016 Median Housing Value	123,500	185,000	66.8%
2017 Median Housing Value	127,900	196,800	65.0%
2018 Median Housing Value	143,000	210,000	68.1%
2019 Median Housing Value	150,000	226,000	66.4%
2020 Median Housing Value	170,000	244,900	69.4%
2021 Median Housing Value	200,000	283,410	70.6%
2022 Median Housing Value	215,000	325,000	66.2%
2023 Median Housing Value	244,000	339,900	71.8%

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.

Major Employers

The following are the largest employers and their respective number of employees for the communities in the County.

Employer	Estimated Employees	Product or Service
Lodge Manufacturing Co.	554	Iron Castings
Marion County School District	507	Education
Shaw Industries, Inc.	250	Hardwood Flooring
Mueller Water Products	246	Water Distribution Products
Valmont Industries, Inc.	240	Communication Poles
Wal-Mart SuperCenter	233	Retail
Variform, Inc.	230	Vinyl Siding
Parkridge West Hospital	200	Medical Facility
Marion County Government	167	Government
Colonial Chemicals, Inc.	130	Chemical Manufacturing

Source: Tennessee Department of Economic and Community Development

Labor Force, Employment and Unemployment Data

Year	Employment	Unemployment	Total Labor Force	Unemployment Percent		
				County	State	U.S.
2015	10,952	786	11,738	6.7%	5.6%	5.3%
2016	11,177	752	11,929	6.3%	4.8%	4.9%
2017	11,462	591	12,053	4.9%	3.8%	4.4%
2018	11,762	567	12,329	4.6%	3.5%	3.9%
2019	12,102	531	12,633	4.2%	3.3%	3.7%
2020	11,337	932	12,269	7.6%	7.5%	8.1%
2021	11,612	560	12,172	4.6%	4.5%	5.4%
2022	11,891	483	12,374	3.9%	3.4%	3.6%
2023	12,171	494	12,665	3.9%	3.3%	3.6%
2024	12,398	476	12,874	3.7%	3.2%	4.0%
Dec-24	12,368	529	12,897	4.1%	3.6%	4.1%

Source: Bureau of Labor Statistics

Transportation

Interstate 24 runs through the County providing easy access to the Chattanooga area. In addition to Interstate 24, U.S. Highways 41, 64, and 72 and numerous state highways service the County.

Rail Transport

In addition to an excellent highway system, two major railroads cross the County. The Sequatchie Valley Railroad system runs southwest to northeast through the County. CSX Railroad also serves the County.

Air Transport

The County Airport has a 3,500 foot runway. The nearest commercial airport is Chattanooga Metropolitan Airport approximately 25 miles from the County seat. Chattanooga Metropolitan Airport is served by Allegiant, American Airlines, Delta, and United. Nonstop destinations include Atlanta, Charlotte, Chicago, Dallas, Detroit, New York, Washington DC, Orlando and Tampa / St. Petersburg.

Water Transport

The County has a port facility in New Hope on the Tennessee River, with a nine-foot channel. The river links the region to intermediate points on the Ohio and Mississippi Rivers, the Tennessee-Tombigbee Waterway, and on to the Gulf of Mexico.

Health Care

The County has several health care facilities with the largest being Parkridge West Hospital, a part of the Parkridge Health System in HCA Healthcare's TriStar Division.

Tourism

Physically defined by the incredible Tennessee River Gorge, Nickajack Reservoir and the lower Sequatchie Valley, Marion County is a region of rich contrasts. The state-designated Wildlife Observation Area surrounding the TVA's Raccoon Mountain Pump Storage Project, the cabins at Jim Oliver's Smokehouse, the Monteagle Winery, and the many trails in the South Cumberland State Park, Prentice Cooper State Park, Grundy Forest National Area, Savage Gulf Natural Area, and Nickajack Lake are all interesting destinations that draw visitors into the County.

Higher Education

Students who choose to pursue higher education have excellent choices in the area around Marion County. The University of Tennessee at Chattanooga, Tennessee Temple University, and Chattanooga State Community College are located approximately 25 miles away in Chattanooga. In addition, Sewanee: The University of the South is located in Sewanee, Tennessee near the Marion County/Franklin County line.

Public Education

The average daily membership of the Marion County School System was 3,778 during the 2023-2024 school year. The average daily membership of the Richard City School System was 180 during the 2023-2024 school year.

Average Daily Membership		
<u>School Year</u>	<u>Marion County Schools</u>	<u>Richard City Schools</u>
2014-2015	4,077	270
2015-2016	4,030	278
2016-2017	3,992	251
2017-2018	3,959	248
2018-2019	3,927	244
2019-2020	3,857	211
2020-2021	3,760	208
2021-2022	3,751	198
2022-2023	3,793	169
2023-2024	3,778	180

Source: Tennessee Department of Education

GOVERNMENTAL STRUCTURE

County Government

Marion County government operates under the general laws and uniform structure for counties in Tennessee with a County Mayor, Superintendent of Highways, Director of Schools, various county officials and a county legislative body, the Board of County Commissioners (the “Board”).

All powers of the County are vested in and exercised by the Board. The Board consists of 15 members, serving 4-year terms.

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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.

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 Highway/Public Works Fund, Special Revenue Funds, General Debt Service Fund, Education Debt Service Fund, County District Debt Service Fund, Capital Projects Funds, and Internal Service Funds. For additional information regarding the component units, see Notes to the latest published Comprehensive Annual Financial Report for the year ending June 30, 2024 in APPENDIX C hereto. Potential purchasers should read APPENDIX C in its entirety for more complete information concerning the County's financial position.

Accounting Method

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, the Education Debt Service Fund and the County District Debt Service Fund for payments to be made early in the following year.

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

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

FUNDING OF COUNTY DISTRICT DEBT SERVICE REQUIREMENTS

The County District Bonds are considered overlapping debt because the security for the County District Bonds is different as described below.

Historically, in Tennessee, counties with multiple school systems within the same county have issued "County District" School Bonds secured by a general obligation (full, faith and credit pledge) of the property in the county lying outside any city or special school district created as an optional school system by the state. These school bonds are called "County District School Bonds" or "Rural School Bonds". The word "County District" is used to designate the area outside any city or special school district in the county. In Marion County, for example, all eight towns or cities in the County are located in the County School District.

The state law authorizes different methods for funding capital improvements for schools by the County. The County may issue general obligation bonds secured by a general obligation pledge of a property tax on all property within the County with bond proceeds for school purposes divided between the County System and the District based upon the average daily attendance in those grades offered by both school systems. Alternatively, the County may issue "County District" School Bonds secured by a general obligation pledge of a property tax on property within the County lying outside the District. In this case, the County would not be required to distribute a portion of the bond proceeds to the District.

The state law requires each county to operate "a local public school system". The State of Tennessee has authorized a second school system in the County called Richard City School District. The average daily attendance (ADA) for both school systems was 3,715 for the school year 2023-2024. Marion County operated a public school system with 3,554 or 95.7% of the total pupils in the County attending. The Richard City School District operated a public school system with 161 or 4.3% of the total pupils in the County attending. In Tax Year 2023, the Richard City School District had 1.57% of the County's assessed property values subject to property taxes. The County has previously issued County District School Bonds with the annual principal and interest payments secured by an unlimited property tax on all the property located outside the Richard City School District. In Tax Year 2023, the County levied a \$0.1470 per \$100 property tax rate on all property assessed values outside of the Richard City School District specifically dedicated to the County District Debt Service Fund for the payment of principal and interest on the Bonds.

LOCAL SALES TAX

Pursuant to Sections 67-6-701 et seq. *Tennessee Code Annotated*, the County is authorized to levy a county-wide local option sales and use tax not to exceed 2.75% on the sale of most merchandise subject to a referendum of the majority of voters. The state law also directs how the proceeds from the local sales tax shall be distributed unless there is a contract of the various cities, county and school systems authorizing a different distribution. For the current 2.75% collected in the County, the first half of the local sales tax must be used for school purposes and divided within a county among the school systems providing public education based on a weighted average daily attendance. The second half of the local sales tax proceeds must be returned to the governmental entity where the original sale was made.

RETIREMENT COMMITMENTS

See Appendix C, page 68, Note G of the Marion County Annual Financial Report for the fiscal year ending June 30, 2024 as presented and prepared by the State Comptroller's Division of County Audit.

OTHER POST-EMPLOYMENT BENEFITS ("OPEB") DISCLOSURE STATEMENT

See Appendix C, page 82, Note H of the Marion County Annual Financial Report for the fiscal year ending June 30, 2024 as presented and prepared by the State Comptroller's Division of County Audit.

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PART ONE

GENERAL FINANCIAL INFORMATION - COUNTY-WIDE

MARION COUNTY
GENERAL FINANCIAL INFORMATION
COUNTY-WIDE SUMMARY OF CURRENT OUTSTANDING DEBT

Amount Issued	Issue	Date Issued	Maturity Date	Interest Rate	Principal Outstanding 6/30/2024⁽¹⁾
<u>Total Bonds</u>					
3,675,000	GO Bonds, Series 2010	03/31/10	04/01/30	2.50% - 4.00%	1,150,000
15,485,000	GO Refunding Bonds, Series 2014	10/15/14	06/01/31	2.00% - 5.00%	8,385,000
3,345,000	GO Refunding Bonds, Series 2015A	02/25/15	04/01/29	2.00% - 2.35%	1,285,000
1,630,000	GO Bonds, Series 2023	11/27/23	04/01/44	4.00% - 5.00%	1,580,000
6,000,000	Proposed GO Bonds, Series 2025	TBD	06/01/45	TBD	6,000,000 ⁽²⁾
Total Bonds					\$18,400,000
<u>Total Notes</u>					
\$550,000	Highway Department Equipment	11/02/23	11/02/31	4.99%	\$550,000
\$295,000	Gradall Excavator	06/15/21	06/15/26	2.23%	\$121,924
Total Notes					\$671,924
<u>Total Capital Leases</u>					
\$112,016	Body-Worn Cameras	09/30/20	09/30/25	0.00%	\$18,204
Total Capital Leases					\$18,204
Total Outstanding Debt					\$19,090,128

COUNTY-WIDE DEBT STATEMENT (as of June 30, 2024)

Outstanding Debt		
Total Current Outstanding Debt		\$19,090,128
Less: General Debt Service Fund Balance as of June 30, 2024		(4,097,609)
Net Direct Debt		\$14,992,519
Net Overlapping Debt (as of June 30, 2024)		
Jasper		\$191,043
Kimball		0
Marion County - County-District		29,545,000
Monteagle (estimate)		145,000
New Hope		0
Orme		0
Powells Crossroads		0
South Pittsburg (Estimate)		275,555
Whitwell		27,649
Total Net Overlapping Debt		\$30,184,247
Overall Net Debt		\$45,176,766

COUNTY-WIDE DEBT RECORD OF MARION COUNTY

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

(1) - As of 6/30/2024 and adjusted for Proposed GO Bonds, Series 2025.

(2) - Preliminary, subject to change.

Note - The Rural School Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the County lying outside the Richard City School District.

Sources: Annual Financial Reports for the fiscal year ending June 30, 2024 as presented and prepared by the State Comptroller's Division of County Audit, County officials, and individual Cities and Towns.

COUNTY-WIDE POPULATION

	<u>County</u>	<u>Tennessee</u>
1990 U.S. Census	24,712	4,890,626
2000 U.S. Census	27,733	5,703,719
2010 U.S. Census	28,227	6,355,518
2020 U.S. Census	28,870	6,927,904
2021 U.S. Census Estimate	28,919	6,965,740
2022 U.S. Census Estimate	29,050	7,062,217
2023 U.S. Census Estimate	29,382	7,148,304

Source: U.S. Bureau of Census

COUNTY-WIDE PER CAPITA DEBT RATIOS

Current Outstanding Debt	\$649.72
Net Direct Debt	\$510.26
Total Net Overlapping Debt	\$1,027.30
Overall Net Debt	\$1,537.57

COUNTY-WIDE DEBT RATIOS

	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
Property Values	\$1,050,622,359	\$4,709,096,289
Current Outstanding Debt to	1.82%	0.41%
Net Direct Debt to	1.43%	0.32%
Total Net Overlapping Debt to	2.87%	0.64%
Overall Net Debt to	4.30%	0.96%

COUNTY-WIDE DEBT TREND

Fiscal Years Ending

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
Bonds	\$12,400,000	\$12,255,000	\$13,630,000	\$14,955,000	\$16,195,000
Notes	671,924	262,363	443,536	620,948	444,505
Capitalized Leases	18,204	36,408	104,676	172,230	148,080
Total Debt	<u>\$13,090,128</u>	<u>\$12,553,771</u>	<u>\$14,178,212</u>	<u>\$15,748,178</u>	<u>\$16,787,585</u>

Sources: Annual Financial Reports for the fiscal years ending June 30, 2020 - 2024 as presented and prepared by the State Comptroller's Division of County Audit and County officials.

COUNTY-WIDE DEBT SERVICE REQUIREMENTS

(as of June 30, 2024)⁽¹⁾

Principal					Interest			Total Debt Service Requirements
Year Ended June 30	Existing Debt as of 6/30/2023	Plus: Proposed GO Bonds, Series 2025 ⁽²⁾	Total Principal Requirements	Percent Principal Retired	Existing Debt as of 6/30/2023	Plus: Proposed GO Bonds, Series 2025 ⁽²⁾	Total Interest Requirements	
1 2025	1,662,242		1,662,242		434,809		434,809	2,097,051
2 2026	1,690,386	205,000	1,895,386		390,271	225,913	616,183	2,511,569
3 2027	1,703,750	230,000	1,933,750		341,703	202,405	544,108	2,477,858
4 2028	1,798,750	235,000	2,033,750		289,054	196,080	485,134	2,518,884
5 2029	1,868,750	240,000	2,108,750	50.47%	229,687	189,547	419,234	2,527,984
6 2030	1,663,750	245,000	1,908,750		167,367	182,803	350,170	2,258,920
7 2031	1,473,750	255,000	1,728,750		105,886	175,845	281,731	2,010,481
8 2032	138,750	260,000	398,750		52,306	168,578	220,884	619,634
9 2033	70,000	270,000	340,000		45,375	160,518	205,893	545,893
10 2034	75,000	280,000	355,000	75.25%	41,875	152,148	194,023	549,023
11 2035	80,000	285,000	365,000		38,875	143,188	182,063	547,063
12 2036	80,000	295,000	375,000		35,675	133,925	169,600	544,600
13 2037	85,000	305,000	390,000		32,475	124,043	156,518	546,518
14 2038	85,000	315,000	400,000		29,075	113,673	142,748	542,748
15 2039	90,000	330,000	420,000	85.46%	25,675	102,490	128,165	548,165
16 2040	95,000	340,000	435,000		22,075	90,445	112,520	547,520
17 2041	100,000	355,000	455,000		18,275	77,695	95,970	550,970
18 2042	105,000	365,000	470,000		14,025	64,028	78,053	548,053
19 2043	110,000	380,000	490,000		9,563	49,610	59,173	549,173
20 2044	115,000	395,000	510,000	97.83%	4,887	34,030	38,917	548,917
21 2045		415,000	415,000	100.00%		17,638	17,638	432,638
		<u>\$13,090,128</u>	<u>\$6,000,000</u>		<u>\$2,328,931</u>	<u>\$2,604,598</u>	<u>\$4,933,529</u>	<u>\$24,023,657</u>

Note- Excludes Rural School Bonds

(1) - As of 6/30/2024 and adjusted for Proposed GO Bonds, Series 2025.

(2) Preliminary, subject to change.

Source: Annual Financial Report and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2024 and County officials.

COUNTY-WIDE PROPERTY VALUATION AND PROPERTY TAX

Fiscal Year Tax Year	2023-2024 2023	2022-2023 2022	2021-2022 2021	2020-2021 2020	2019-2020 2019
ESTIMATED ACTUAL VALUES					
Residential & Farm	\$3,604,859,639	\$2,669,933,500	\$2,546,854,600	\$2,183,201,722	\$2,019,198,548
Commercial & Industrial	549,345,752	401,161,300	394,868,600	384,840,641	372,728,678
Personal Tangible Property	424,187,759	181,182,982	152,479,771	146,930,805	142,982,126
Public Utilities	130,703,139	164,735,780	160,154,641	129,127,982	129,094,694
Total Estimated Actual Values	\$4,709,096,289	\$3,417,013,562	\$3,254,357,612	\$2,844,101,150	\$2,664,004,046
Annual Percentage Change	37.81%	5.00%	14.42%	6.76%	2.81%
Estimated Per Capita Amount	\$160,271	\$116,296	\$112,026	\$98,637	\$92,250
ASSESSED VALUES					
Residential & Farm (at 25%)	\$710,010,115	\$667,558,315	\$636,792,985	\$489,781,900	\$475,743,705
Commercial & Industrial (at 40%)	166,013,900	160,414,615	157,898,165	138,100,900	140,486,100
Personal Tangible Property (at 30%)	117,546,424	54,354,949	45,743,986	40,612,132	40,670,021
Public Utilities (at 30%-55%)	57,051,920	71,907,168	69,907,501	56,364,364	56,349,834
Total Assessed Values	\$1,050,622,359	\$954,235,047	\$910,342,637	\$724,859,296	\$713,249,660
Annual Percentage Change	10.10%	4.82%	25.59%	1.63%	2.93%
Estimated Per Capita Amount	\$35,757	\$32,477	\$31,337	\$25,139	\$24,699
Appraisal Ratio	78.35%	100.00%	100.00%	89.73%	94.24%
Assessed Values to Actual Values	22.31%	27.93%	27.97%	25.49%	26.77%
Property Tax Rate					
Total Property Tax Rate	\$1.7603	\$1.7603	\$1.7603	\$2.1686	\$2.1686
Taxes Levied	\$18,494,105	\$16,797,400	\$16,024,761	\$15,719,299	\$15,467,532
Collections					
Current Fiscal Year	\$16,182,996	\$15,789,876	\$14,991,549	\$14,974,635	\$14,386,838
Percent Collected Current FY	87.50%	94.00%	93.55%	95.26%	93.01%

Sources: State Board of Equalization, 2019 - 2023 Tax Aggregate Reports of Tennessee, the Annual Financial Reports for the years ending June 30, 2020 - 2024 as prepared by the Comptroller of the Treasury and County Officials.

COUNTY-WIDE TOP PROPERTY TAXPAYERS

<u>Business</u>	<u>Type of Business</u>	<u>Assessed Value</u> <u>Tax Year 2023 as a % of 2023</u>	
		<u>Assessed Value</u>	<u>Total Assessment</u>
Sequatchie Valley Electric Co-op	Electric Utility	\$25,367,701	2.41%
East Tn Natural Gas	Gas Utility	6,343,792	0.60%
Variform Inc.	Vinyl Siding Manufacturer	6,077,455	0.58%
Agree Stores LLC	Retail	5,752,520	0.55%
Mueller Property Holdings	Minerals	5,696,915	0.54%
CSX Transportation	Railroad	4,793,410	0.46%
Colonial Chemical	Specialty Chemicals	4,734,362	0.45%
Tennessee American Water	Utility	4,039,089	0.38%
Regency Kimball	Retail	3,893,360	0.37%
Lodge Mfg.	Cookware	3,742,548	0.36%

Source: Office of the Trustee of Marion County.

COUNTY-WIDE FUND BALANCES For Fiscal Years Ending June 30

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
GOVERNMENTAL FUNDS					
General Government Fund	\$12,015,994	\$12,107,937	\$12,494,608	\$12,259,152	\$9,808,501
Highway/Public Works Fund	2,036,795	1,830,370	1,135,546	1,850,702	1,796,669
Special Revenue Funds	2,519,472	1,946,811	1,430,078	1,040,450	786,542
Education Funds	23,134,729	16,424,671	15,876,955	12,711,151	8,733,211
Debt Service Fund	4,097,609	2,455,903	2,219,552	2,054,883	1,929,293
Education Debt Service Fund	9,924,877	8,370,067	6,935,409	5,662,345	4,572,797
Rural Debt Service Fund	6,819,215	7,813,468	8,628,341	8,080,014	7,331,908
Capital Projects - Education	3,623,527	23,230,892	25,860,517	1,409,595	1,188,490
Capital Projects - General	9,448,407	9,631,529	7,846,601	8,526,842	7,697,833
Total Governmental Funds	\$73,620,625	\$83,811,648	\$82,427,607	\$53,595,134	\$43,845,244

Sources: Annual Financial Reports for the fiscal years ending June 30, 2020 - 2024 as presented and prepared by the State Comptroller's Division of County Audit.

COUNTY-WIDE LOCAL SALES TAX For Fiscal Years Ending June 30

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
Rate (Percent of retail sales)	2.75%	2.75%	2.75%	2.75%	2.75%
Distribution to Following Funds					
Solid Waste/Sanitation	\$1,089,153	\$1,058,476	\$938,319	\$779,738	\$555,308
Education Debt Service	2,899,337	2,748,475	2,580,712	2,298,951	1,976,213
General Purpose School	6,228,636	5,993,221	5,583,326	4,914,609	4,214,227
Total Amount Collected	\$10,217,126	\$9,800,172	\$9,102,357	\$7,993,298	\$6,745,748
% of Increase	4.25%	7.67%	13.87%	18.49%	8.49%

Note - Beginning in FY2023, this chart does not include sales taxes collected on behalf of, and distributed to, Cities within the County and the City school district.

Sources: Annual Financial Reports for the fiscal years ending June 30, 2020 - 2024 as presented and prepared by the State Comptroller's Division of County Audit.

BEP/TISA FUNDING For Fiscal Years Ending June 30

	<u>6/30/2024*</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
Total BEP/TISA Funding	\$27,878,729	\$22,117,343	\$21,389,319	\$21,021,889	\$20,836,193

* - In 2022, the General Assembly approved a new state funding formula for K-12 schools to replace the Basic Education Program (BEP). The Tennessee Investment in Student Achievement (TISA) is a student-based funding formula that was used to allocate state funds to school districts beginning with the 2023-24 school year.

Sources: Annual Financial Reports for the fiscal years ending June 30, 2020 - 2024 as presented and prepared by the State Comptroller's Division of County Audit.

PART TWO

GENERAL FINANCIAL INFORMATION – COUNTY DISTRICT

The County District area is that portion of the County lying outside the territorial limits of the Richard City and Deptford Independent School District.

**COUNTY-DISTRICT OF MARION COUNTY
GENERAL FINANCIAL INFORMATION
SUMMARY OF OUTSTANDING DEBT**

Amount Issued	Issue	Date Issued	Maturity Date	Interest Rate	Principal Outstanding 06/30/24
1,805,000	Rural School GO Refunding Bonds, Series 2015	02/25/15	04/01/25	2.00%-4.00%	210,000
23,615,000	County District School Bonds, Series 2022	01/05/22	06/01/40	1.00%-5.00%	21,625,000
8,430,000	County District School Bonds, Series 2022A	12/19/22	06/01/42	4.00%-5.00%	7,710,000
Total Current Outstanding Rural Debt					<u>\$29,545,000</u>

COUNTY-DISTRICT DEBT STATEMENT (as of June 30, 2024)

Outstanding Debt		
Total Current Outstanding Debt		\$29,545,000
Less: Debt Service Fund Balance as of June 30, 2024		<u>(6,819,215)</u>
Net Direct Debt		<u><u>\$22,725,785</u></u>
Net Overlapping Debt (as of June 30, 2024)		
Jasper		\$191,043
Kimball		0
Marion County - General Debt (98.43% of Assessed Valuation)		18,791,334 ⁽¹⁾
Monteagle (estimate)		145,000
New Hope		0
Orme		0
Powell's Crossroads		0
South Pittsburg (Estimate)		275,555
Whitwell		<u>27,649</u>
Total Net Overlapping Debt		<u><u>\$19,430,581</u></u>
Overall Net Debt		<u><u>\$42,156,366</u></u>

(1) As of 6/30/2024 and adjusted for Proposed GO Bonds, Series 2025.

Sources: Annual Financial Reports for the fiscal year ending June 30, 2024 as presented and prepared by the State Comptroller's Division of County Audit and individual Cities and Towns.

DEBT RECORD OF COUNTY-DISTRICT OF MARION COUNTY

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

POPULATION

	<u>District</u> (Estimated)	<u>County</u>	<u>Tennessee</u>
	(1)		
1990 U.S. Census	23,862	24,712	4,890,626
2000 U.S. Census	26,786	27,733	5,703,719
2010 U.S. Census	27,280	28,227	6,355,518
2020 U.S. Census	27,923	28,870	6,926,091
2021 U.S. Census Estimate	27,972	28,919	6,963,709
2022 U.S. Census Estimate	28,103	29,050	7,048,976
2023 U.S. Census Estimate	28,435	29,382	7,126,489

Source: U.S. Bureau of Census

(1) Based on US Census estimated population of the Richard City School District of 947.

COUNTY-DISTRICT PER CAPITA DEBT RATIOS

Current Outstanding Debt	\$1,039.04
Net Direct Debt	\$799.22
Total Net Overlapping Debt	\$683.33
Overall Net Debt	\$1,482.55

COUNTY-DISTRICT DEBT RATIOS

	<u>Assessed</u> <u>Value</u>	<u>Estimated</u> <u>Actual Value</u>
Property Values	\$ 1,034,178,272	\$ 4,638,421,012
Current Outstanding Debt to	2.86%	0.64%
Net Direct Debt to	2.20%	0.49%
Total Net Overlapping Debt to	1.88%	0.42%
Overall Net Debt to	4.08%	0.91%

COUNTY-DISTRICT DEBT TREND

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
Gross Debt					
Rural Debt	\$29,545,000	\$32,160,000	\$34,855,000	\$4,040,000	\$5,640,000
Total Net Debt	<u>\$29,545,000</u>	<u>\$32,160,000</u>	<u>\$34,855,000</u>	<u>\$4,040,000</u>	<u>\$5,640,000</u>

Sources: Annual Financial Reports for the fiscal years ending June 30, 2020 - 2024 as presented and prepared by the State Comptroller's Division of County Audit.

COUNTY-DISTRICT DEBT SERVICE REQUIREMENTS
(as of June 30, 2024)

		<u>Principal</u>	<u>Interest</u>		
	Year Ended June 30	Total Principal	Percent Principal Retired	Total Interest	Debt Service Requirements
1	2025	1,550,000		932,963	2,482,963
2	2026	1,410,000		857,563	2,267,563
3	2027	1,480,000		787,063	2,267,063
4	2028	1,505,000		760,063	2,265,063
5	2029	1,535,000	25.32%	729,250	2,264,250
6	2030	1,610,000		652,500	2,262,500
7	2031	1,685,000		584,600	2,269,600
8	2032	1,740,000		526,650	2,266,650
9	2033	1,805,000		466,650	2,271,650
10	2034	1,850,000	54.73%	418,250	2,268,250
11	2035	1,900,000		368,350	2,268,350
12	2036	1,950,000		316,850	2,266,850
13	2037	2,000,000		263,750	2,263,750
14	2038	2,055,000		208,900	2,263,900
15	2039	2,110,000	88.63%	157,400	2,267,400
16	2040	2,165,000		104,400	2,269,400
17	2041	585,000		47,800	632,800
18	2042	610,000	100.00%	24,400	634,400
		<u>\$29,545,000</u>		<u>\$8,207,400</u>	<u>\$37,752,400</u>

Source: Annual Financial Reports for the fiscal year ending June 30, 2024 as presented and prepared by the State Comptroller's Division of County Audit.

**COUNTY-DISTRICT PROPERTY VALUATION AND
PROPERTY TAX**

Fiscal Year Tax Year	2023-2024 2023	2022-2023 2022	2021-2022 2021	2020-2021 2020	2019-2020 2019
ESTIMATED ACTUAL VALUES					
Residential & Farm	\$3,575,588,673	\$2,631,804,600	\$2,508,445,500	\$2,154,671,236	\$1,992,290,234
Commercial & Industrial	509,554,822	385,359,700	379,357,700	370,358,530	358,765,829
Personal Tangible Property	423,220,770	180,354,836	151,636,465	146,018,422	141,935,739
Public Utilities	130,056,747	163,940,208	159,363,276	128,439,240	128,413,173
Total Estimated Actual Values	\$4,638,421,012	\$3,361,459,344	\$3,198,802,941	\$2,799,487,428	\$2,621,404,975
Annual Percentage Change	37.99%	5.08%	14.26%	6.79%	2.85%
Estimated Per Capita Amount	\$163,124	\$118,216	\$113,824	\$100,387	\$93,853
ASSESSED VALUES					
Residential & Farm (at 25%)	\$700,448,790	\$658,026,090	\$627,190,710	\$483,381,800	\$469,404,105
Commercial & Industrial (at 40%)	159,683,830	154,109,785	151,718,120	132,913,780	135,222,660
Personal Tangible Property (at 30%)	117,275,882	54,106,504	45,490,995	40,364,234	40,372,877
Public Utilities (at 30%-55%)	56,769,770	71,559,901	69,562,070	56,063,728	56,052,350
Total Assessed Values	\$1,034,178,272	\$937,802,280	\$893,961,895	\$712,723,542	\$701,051,992
Annual Percentage Change	10.28%	4.90%	25.43%	1.66%	2.98%
Estimated Per Capita Amount	\$36,370	\$32,981	\$31,810	\$25,558	\$25,099
Appraisal Ratio	78.35%	100.00%	100.00%	89.73%	94.24%
Assessed Values to Actual Values	22.30%	27.90%	27.95%	25.46%	26.74%
Property Tax Rate					
Rural Debt Fund	\$0.1470	\$0.1655	\$0.1655	\$0.2036	\$0.2036
Total Property Tax Rate	\$0.1470	\$0.1655	\$0.1655	\$0.2036	\$0.2036
Taxes Levied⁽¹⁾					
	\$1,520,242	\$1,552,063	\$1,479,507	\$1,451,105	\$1,427,342
Collections⁽²⁾					
Current Fiscal Year	\$1,355,545	\$1,486,756	\$1,389,676	\$1,387,872	\$1,332,762
Percent Collected Current FY	89.17%	95.79%	93.93%	95.64%	93.37%

⁽¹⁾ The Rural Debt Service Fund was established July 1, 2000.

⁽²⁾ Delinquent property taxes for prior years are not maintained for the Rural Debt Service Fund. However when they are collected, they are deposited to the Fund.

Sources: State Board of Equalization, 2019 - 2023 Tax Aggregate Reports of Tennessee, the Annual Financial Reports for the years ending June 30, 2020 - 2024 as prepared by the Comptroller of the Treasury and County Officials.

COUNTY-DISTRICT DEBT SERVICE FUND BALANCES

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
GOVERNMENTAL FUNDS					
Rural Debt Service Fund	\$6,819,215	\$7,813,468	\$8,628,341	\$8,080,014	\$7,331,908

Sources: Annual Financial Reports for the fiscal years ending June 30, 2020 - 2024 as presented and prepared
by the State Comptroller's Division of County Audit.

Bondholder Risks

The purchase of the Series 2025 Bonds involves various risks and investment considerations. Certain of these risks and investment considerations are set forth in this section for convenience and are not intended to be a comprehensive compilation of all possible risk factors nor a substitute for an independent evaluation of the information presented in this Official Statement, including the appendices attached hereto.

Each potential purchaser of any of the Series 2025 Bonds should read this Official Statement, including the appendices attached hereto, in its entirety and consult such prospective purchaser's own investment, financial and legal advisor for a more complete explanation of the matters that should be evaluated and considered when purchasing the Series 2025 Bonds.

Epidemics, Pandemics and Public Health Emergencies

The outbreak of epidemics, pandemics and other public health emergencies have the potential to materially disrupt the operations and financial condition of the County and the local economy. The spread of Covid-19, a respiratory disease caused by a novel strain of coronavirus, is an example of a recent public health emergency. The Covid-19 outbreak led to quarantines and social-distancing efforts that impacted government agencies, schools, businesses and other entities throughout the County and the State. Multiple vaccines and additional boosters for the virus were approved for distribution in the United States. The vaccines have had varying efficacy rates and studies suggest the efficacy rates may decline over time. While some studies suggest that the existing vaccines are effective against known variants of the virus, there is no assurance that future variants will not be resistant to current vaccines.

Given the evolving nature of the spread of the disease, and future diseases, and the behavior of governments, businesses, and individuals in response thereto, the Issuer is unable to predict the (1) extent or duration of the Covid-19 outbreak or other epidemics, pandemics or public health emergencies, (2) the extent or duration of any existing or future quarantines, business closures, travel restrictions or other measures relating to Covid-19 or other epidemics, pandemics or public health emergencies, and (3) whether and to what extent the Covid-19 outbreak or other epidemics, pandemics or public health emergencies will adversely affect the operations or financial condition of the Issuer.

Climate Change

Numerous scientific studies have suggested that changing global weather patterns and extreme weather events may potentially disrupt government operations and economic conditions in impacted areas. Changing weather patterns can potentially increase the risk of higher temperatures, changes in precipitation, increased flooding, droughts and fires. The County cannot accurately predict the timing, extent or severity of any climate change and its 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, and 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 municipal services and operations and subject the County to legal action. The County has no knowledge of, nor historical record of any successful cyber-security breach or related attack. Attempted cyber-security attacks, whether anonymous or targeted, occur on a periodic frequency that is not uncommon to organizations or agencies of similar characteristics. To mitigate against such risks, the County has instituted various policies and procedures to protect its network infrastructure, including a cyber-security training requirement for certain departments, as well as general cyber-security training and awareness for all employees. Despite the County's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

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.

APPENDIX C

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



ANNUAL FINANCIAL REPORT

Marion County, Tennessee

For the Year Ended June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

STEVE REEDER, CPA, CGFM, CFE
Audit Manager

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

MARION COUNTY, TENNESSEE

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SINGLE AUDIT SECTION

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ The office had deficiencies in budget operations.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The school department employed a contractor without requiring appropriate bonds in accordance with state statute.



INTRODUCTORY SECTION

MARION COUNTY OFFICIALS

June 30, 2024

Officials

David Jackson, County Mayor
Cory Pickett, Highway Supervisor
Mark Griffith, Director of Schools
Diane Massengale, Trustee
Darrell Pittman, Assessor of Property
Joanie Spangler, County Clerk
Lonna Henderson, Circuit and General Sessions Courts Clerk
Paige Mashburn, Clerk and Master
Debbie Pittman, Register of Deeds
Ronnie Burnett, Sheriff

Board of County Commissioners

Linda Mason, Chairman
David Abbott
Don Adkins, Jr.
Donald Blansett
Ruric Brandt
Logan Campbell
Jimmy Cantrell
Steven Franklin

Robert Eugene Hargis
Chris Morrison
Jim Nunley
Dennis Rollins
Paul Schafer
Peggy Thompson
Sherry VanAllman

Board of Education

Ryan Phillips, Chairman
Nathan Billingsley
Donna Blansett
Linda Hooper
Brian Nunley

Audit Committee

David Abbott, Chairman
Don Adkins
Gary Hooper
John Moore
Steve Moss

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marion County, Tennessee, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Other Special Revenue, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Marion County Conservation Commission (a major enterprise fund), which represent 100 percent of the assets, net position, and revenues of the business-type activities as of June 30, 2024. We also did not audit the financial statements of the Internal School Fund of the Marion County School Department (a discretely presented component unit), which represent 1.25 percent, 1.33 percent, and 3.79 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Marion County Conservation Commission and the Internal School Fund of the discretely presented Marion County School Department, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Marion 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., Marion County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 clarifies financial and reporting requirements for changes in accounting principles, changes in accounting estimates, error corrections, and changes within the reporting entity.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Marion 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 Marion 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 Marion County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in the total other postemployment benefits liability and related ratios, as listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Marion County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Rural Debt Service, Education Debt Service, Education Capital Projects, and Other Capital Projects funds, combining and individual fund financial statements of the Marion 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 Rural Debt Service, Education Debt Service, Education Capital Projects, and Other Capital Projects funds, combining and individual fund financial statements of the Marion County School Department

(a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Requirements by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2024, on our consideration of Marion 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 Marion 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 Marion County's internal control over financial reporting and compliance.

Very truly yours,


Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 1, 2024

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Marion County School Department
ASSETS				
Cash	\$ 77,835	\$ 273,718	\$ 351,553	\$ 1,482,974
Equity in Pooled Cash and Investments	46,265,048	0	46,265,048	21,980,444
Inventories	0	0	0	80,818
Accounts Receivable	76,144	0	76,144	22,996
Due from Other Governments	1,300,353	0	1,300,353	2,693,239
Due from Component Units	2,537	0	2,537	0
Property Taxes Receivable	12,092,469	0	12,092,469	6,916,640
Allowance for Uncollectible Property Taxes	(424,546)	0	(424,546)	(248,711)
Internal Balances	461,225	(461,225)	0	0
Notes Receivable	1,644,629	0	1,644,629	0
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	425,886
Net Pension Asset - Teacher Retirement Plan	0	0	0	95,339
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	4,686,826
Assets Not Depreciated:				
Land	2,839,127	0	2,839,127	2,051,696
Construction in Progress	6,343,222	318,374	6,661,596	34,001,112
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	10,897,249	0	10,897,249	28,589,530
Infrastructure	4,828,613	0	4,828,613	0
Other Capital Assets	2,903,306	283,296	3,186,602	4,013,506
Total Assets	<u>\$ 89,307,211</u>	<u>\$ 414,163</u>	<u>\$ 89,721,374</u>	<u>\$ 106,792,295</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Changes in Experience	\$ 1,176,176	\$ 0	\$ 1,176,176	\$ 1,848,023
Pension Changes in Investment Earnings	216,301	0	216,301	971,339
Pension Changes in Assumptions	757,497	0	757,497	2,067,790
Pension Changes in Proportion	0	0	0	41,288
Pension Contributions After Measurement Date	549,334	0	549,334	1,440,508
OPEB Changes in Experience	24,116	0	24,116	205,863
OPEB Changes in Assumptions	78,778	0	78,778	933,467
OPEB Changes in Proportion	0	0	0	69,588
OPEB Contributions After Measurement Date	4,834	0	4,834	57,626
Total Deferred Outflows of Resources	<u>\$ 2,807,036</u>	<u>\$ 0</u>	<u>\$ 2,807,036</u>	<u>\$ 7,635,492</u>

(Continued)

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Marion County School Department
LIABILITIES				
Accounts Payable	\$ 192,134	\$ 4,523	\$ 196,657	\$ 267,253
Accrued Payroll	121,362	0	121,362	466,368
Contracts Payable	0	0	0	678,784
Retainage Payable	0	0	0	35,726
Payroll Deductions Payable	118	0	118	12,433
Due to Primary Government	0	0	0	2,537
Due to Litigants, Heirs, and Others	34,547	0	34,547	0
Accrued Interest Payable	156,915	0	156,915	0
Noncurrent Liabilities:				
Due Within One Year - Debt	3,212,242	0	3,212,242	0
Due Within One Year - Other	32,248	0	32,248	300,153
Due in More Than One Year - Debt	41,859,207	0	41,859,207	0
Due in More Than One Year - Other	1,246,846	0	1,246,846	4,201,825
Total Liabilities	\$ 46,855,619	\$ 4,523	\$ 46,860,142	\$ 5,965,079
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 11,285,248	\$ 0	\$ 11,285,248	\$ 6,437,494
Pension Changes in Experience	150,335	0	150,335	366,220
Pension Changes in Proportion	0	0	0	39,316
OPEB Changes in Experience	31,370	0	31,370	453,896
OPEB Changes in Assumptions	113,195	0	113,195	414,956
OPEB Changes in Proportion	0	0	0	299,064
Total Deferred Inflows of Resources	\$ 11,580,148	\$ 0	\$ 11,580,148	\$ 8,010,946
NET POSITION				
Net Investment in Capital Assets	\$ 23,038,538	\$ 140,445	\$ 23,178,983	\$ 69,330,279
Restricted for:				
General Government	2,431,105	0	2,431,105	0
Finance	132,225	0	132,225	0
Administration of Justice	442,528	0	442,528	0
Public Safety	314,693	0	314,693	0
Public Health and Welfare	2,529,952	0	2,529,952	0
Highways/Public Works	2,266,734	0	2,266,734	0
Debt Service	9,444,223	0	9,444,223	0
Capital Projects	9,373,570	0	9,373,570	0
Education	0	0	0	6,522,109
Pensions	0	0	0	5,208,051
Unrestricted	(16,295,088)	269,195	(16,025,893)	19,391,323
Total Net Position	\$ 33,678,480	\$ 409,640	\$ 34,088,120	\$ 100,451,762

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

Exhibit B

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

Functions/Programs		Net (Expense) Revenue and Changes in Net Position							Component Unit							
		Program Revenues			Primary Government			Marion County School Department								
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions												
					Expenses	Governmental Activities	Business-type Activities			Total						
Primary Government:																
Governmental Activities:																
General Government	\$	5,356,769	\$	718,923	\$	16,664	\$	6,349,706	\$	1,728,524	\$	0	\$	1,728,524	\$	0
Finance		1,228,087		1,019,564		0		0		(208,523)		0		(208,523)		0
Administration of Justice		1,188,423		650,346		4,500		0		(533,577)		0		(533,577)		0
Public Safety		7,251,997		242,692		1,105,013		146,279		(5,758,013)		0		(5,758,013)		0
Public Health and Welfare		1,524,076		57,801		285,696		6,093,269		4,912,690		0		4,912,690		0
Social, Cultural, and Recreational Services		6,998,464		135,064		112,212		0		(6,751,188)		0		(6,751,188)		0
Agriculture and Natural Resources		159,554		0		0		0		(159,554)		0		(159,554)		0
Highways/Public Works		5,916,371		333,328		2,698,285		2,271,052		(613,706)		0		(613,706)		0
Interest on Long-term Debt		1,468,580		0		0		0		(1,468,580)		0		(1,468,580)		0
Education		31,482		0		0		1,250,000		1,218,518		0		1,218,518		0
Total Governmental Activities	\$	31,123,803	\$	3,157,718	\$	4,222,370	\$	16,110,306	\$	(7,633,409)	\$	0	\$	(7,633,409)	\$	0
Business-type Activities:																
Marion County Conservation Commission	\$	220,422	\$	229,263	\$	0	\$	0	\$	0	\$	8,841	\$	8,841	\$	0
Total Primary Government	\$	31,344,225	\$	3,386,981	\$	4,222,370	\$	16,110,306	\$	(7,633,409)	\$	8,841	\$	(7,624,568)	\$	0
Component Unit:																
Marion County School Department	\$	50,737,822	\$	289,879	\$	13,323,605	\$	760,961	\$	0	\$	0	\$	0	\$	(36,363,377)
Total Component Unit	\$	50,737,822	\$	289,879	\$	13,323,605	\$	760,961	\$	0	\$	0	\$	0	\$	(36,363,377)

(Continued)

Exhibit B

MARION COUNTY, TENNESSEE
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges	Operating	Capital	Primary Government			Marion
		for	Grants	Grants				County
		Services	and	and	Governmental	Business-type	Total	School
			Contributions	Contributions	Activities	Activities		Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 8,892,631	\$ 0	\$ 8,892,631	\$ 6,413,693
Property Taxes Levied for Debt Service					2,034,356	0	2,034,356	0
Local Option Sales Taxes					3,994,080	0	3,994,080	6,263,370
Hotel/Motel Tax					0	0	0	353,879
Litigation Taxes					129,307	0	129,307	0
Business Tax					554,800	0	554,800	0
Wholesale Beer Tax					0	0	0	83,460
Mineral Severance Tax					88,823	0	88,823	0
Mixed Drink Tax					44,051	0	44,051	27,545
Other Local Taxes					29,789	0	29,789	0
Grants and Contributions Not Restricted to Specific Programs					1,480,328	0	1,480,328	29,720,490
Unrestricted Investment Income					1,240,137	0	1,240,137	517,328
Proceeds from Sale of Land/Equipment					16,995	0	16,995	0
Miscellaneous					62,209	0	62,209	99,728
Amortization Premium					262,380	0	262,380	0
Total General Revenues					\$ 18,829,886	\$ 0	\$ 18,829,886	\$ 43,479,493
Insurance Recovery					\$ 0	\$ 0	\$ 0	\$ 78,788
Change in Net Position					\$ 11,196,477	\$ 8,841	\$ 11,205,318	\$ 7,194,904
Net Position, July 1, 2023					22,482,003	400,799	22,882,802	93,256,858
Net Position, June 30, 2024					\$ 33,678,480	\$ 409,640	\$ 34,088,120	\$ 100,451,762

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

MARION COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds

June 30, 2024

	Major Funds					
	General	Highway / Public Works	Rural Debt Service	Education Debt Service	Education Capital Projects	Other Capital Projects
ASSETS						
Cash	\$ 200	\$ 0	\$ 0	\$ 0	\$ 0	0
Equity in Pooled Cash and Investments	11,607,404	1,782,311	6,814,553	9,674,212	2,071,749	9,338,323
Accounts Receivable	75,916	0	0	0	0	0
Due from Other Governments	123,442	481,886	0	506,856	0	0
Due from Other Funds	30,728	0	0	0	0	0
Advances Due from Other Funds	431,225	0	0	0	0	0
Due from Component Units	0	2,537	0	0	0	0
Property Taxes Receivable	8,230,222	0	1,777,288	0	0	1,302,203
Allowance for Uncollectible Property Taxes	(296,735)	0	(59,830)	0	0	(42,684)
Notes Receivable - Long-term	0	0	0	0	0	106,875
Total Assets	<u>\$ 20,202,402</u>	<u>\$ 2,266,734</u>	<u>\$ 8,532,011</u>	<u>\$ 10,181,068</u>	<u>\$ 2,071,749</u>	<u>\$ 10,704,717</u>
LIABILITIES						
Accounts Payable	\$ 161,711	\$ 0	\$ 0	\$ 0	\$ 0	0
Accrued Payroll	115,474	0	0	0	0	0
Payroll Deductions Payable	118	0	0	0	0	0
Due to Other Funds	0	0	0	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	0	0	0
Total Liabilities	<u>\$ 277,303</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 7,657,739	\$ 0	\$ 1,666,258	\$ 0	\$ 0	1,224,272
Deferred Delinquent Property Taxes	250,638	0	46,538	0	0	32,038

(Continued)

MARION COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Major Funds					
	General	Highway / Public Works	Rural Debt Service	Education Debt Service	Education Capital Projects	Other Capital Projects
DEFERRED INFLOWS OF RESOURCES (Cont.)						
Other Deferred/Unavailable Revenue	\$ 728	\$ 229,939	\$ 0	\$ 256,191	\$ 0	\$ 0
Total Deferred Inflows of Resources	\$ 7,909,105	\$ 229,939	\$ 1,712,796	\$ 256,191	\$ 0	\$ 1,256,310
FUND BALANCES						
Nonspendable:						
Long-term Advances Due From Other Funds	\$ 431,225	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:						
Restricted for General Government	71,505	0	0	0	0	0
Restricted for Finance	55,090	0	0	0	0	0
Restricted for Administration of Justice	442,528	0	0	0	0	0
Restricted for Public Safety	86,559	0	0	0	0	0
Restricted for Public Health and Welfare	229,371	0	0	0	0	0
Restricted for Other Operations	56,006	0	0	0	0	0
Restricted for Highways/Public Works	0	2,036,795	0	0	0	0
Restricted for Debt Service	0	0	6,819,215	0	0	0
Restricted for Capital Projects	0	0	0	0	0	9,448,407
Committed:						
Committed for Debt Service	0	0	0	9,924,877	0	0
Committed for Capital Projects	0	0	0	0	2,071,749	0
Assigned:						
Assigned for Social, Cultural, and Recreational Services	24,282	0	0	0	0	0
Unassigned	10,619,428	0	0	0	0	0
Total Fund Balances	\$ 12,015,994	\$ 2,036,795	\$ 6,819,215	\$ 9,924,877	\$ 2,071,749	\$ 9,448,407
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 20,202,402	\$ 2,266,734	\$ 8,532,011	\$ 10,181,068	\$ 2,071,749	\$ 10,704,717

(Continued)

MARION COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

	Nonmajor Funds	
	Other Govern- mental Funds	Total Governmental Funds
ASSETS		
Cash	\$ 77,635	\$ 77,835
Equity in Pooled Cash and Investments	4,976,496	46,265,048
Accounts Receivable	228	76,144
Due from Other Governments	188,169	1,300,353
Due from Other Funds	0	30,728
Advances Due from Other Funds	0	431,225
Due from Component Units	0	2,537
Property Taxes Receivable	782,756	12,092,469
Allowance for Uncollectible Property Taxes	(25,297)	(424,546)
Notes Receivable - Long-term	1,537,754	1,644,629
Total Assets	<u>\$ 7,537,741</u>	<u>\$ 61,496,422</u>
LIABILITIES		
Accounts Payable	\$ 30,423	\$ 192,134
Accrued Payroll	5,888	121,362
Payroll Deductions Payable	0	118
Due to Other Funds	728	728
Due to Litigants, Heirs, and Others	34,547	34,547
Total Liabilities	<u>\$ 71,586</u>	<u>\$ 348,889</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 736,979	\$ 11,285,248
Deferred Delinquent Property Taxes	18,615	347,829

(Continued)

MARION COUNTY, TENNESSEE**Balance Sheet**

Governmental Funds (Cont.)

DEFERRED INFLOWS OF RESOURCES (Cont.)

Other Deferred/Unavailable Revenue	\$	93,480	\$	580,338
Total Deferred Inflows of Resources	\$	849,074	\$	12,213,415

FUND BALANCES

Nonspendable:				
Long-term Advances Due From Other Funds	\$	0	\$	431,225
Restricted:				
Restricted for General Government		7,102		78,607
Restricted for Finance		77,135		132,225
Restricted for Administration of Justice		0		442,528
Restricted for Public Safety		228,134		314,693
Restricted for Public Health and Welfare		2,207,101		2,436,472
Restricted for Other Operations		0		56,006
Restricted for Highways/Public Works		0		2,036,795
Restricted for Debt Service		4,097,609		10,916,824
Restricted for Capital Projects		0		9,448,407
Committed:				
Committed for Debt Service		0		9,924,877
Committed for Capital Projects		0		2,071,749
Assigned:				
Assigned for Social, Cultural, and Recreational Services		0		24,282
Unassigned		0		10,619,428
Total Fund Balances	\$	6,617,081	\$	48,934,118
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$	7,537,741	\$	61,496,422

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

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

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 48,934,118
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 2,839,127	
Add: construction in progress	6,343,222	
Add: buildings and improvements net of accumulated depreciation	10,897,249	
Add: infrastructure net of accumulated depreciation	4,828,613	
Add: other capital assets net of accumulated depreciation	<u>2,903,306</u>	27,811,517
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (41,945,000)	
Less: notes payable	(671,924)	
Less: other loans payable	(18,204)	
Less: compensated absences payable	(19,368)	
Less: pension liability - agent plan	(965,005)	
Less: OPEB liability	(294,721)	
Less: accrued interest on outstanding debt	(156,915)	
Less: unamortized premium on debt	<u>(2,436,321)</u>	(46,507,458)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 2,699,308	
Less: deferred inflows of resources related to pensions	(150,335)	
Add: deferred outflows of resources related to OPEB	107,728	
Less: deferred inflows of resources related to OPEB	<u>(144,565)</u>	2,512,136
(4) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>928,167</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 33,678,480</u></u>

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

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

	Major Funds				
	General	Other Special Revenue	Highway / Public Works	Rural Debt Service	Education Debt Service
Revenues					
Local Taxes	\$ 8,651,847	\$ 0	\$ 88,823	\$ 1,462,950	\$ 2,899,337
Licenses and Permits	321,852	0	0	0	0
Fines, Forfeitures, and Penalties	106,213	0	0	0	0
Charges for Current Services	167,518	0	303,479	0	0
Other Local Revenues	1,413,224	0	47,670	0	4,408
Fees Received From County Officials	1,130,153	0	0	0	0
State of Tennessee	2,617,718	0	4,925,989	0	0
Federal Government	3,646,674	5,614,846	0	0	0
Other Governments and Citizens Groups	479,005	0	0	1,250,000	0
Total Revenues	\$ 18,534,204	\$ 5,614,846	\$ 5,365,961	\$ 2,712,950	\$ 2,903,745
Expenditures					
Current:					
General Government	\$ 2,756,784	\$ 0	\$ 0	\$ 0	\$ 0
Finance	619,593	0	0	0	0
Administration of Justice	1,351,390	0	0	0	0
Public Safety	6,739,905	0	0	0	0
Public Health and Welfare	727,261	0	0	0	0
Social, Cultural, and Recreational Services	386,285	0	0	0	0
Agriculture and Natural Resources	159,938	0	0	0	0
Other Operations	6,086,129	5,455,683	0	0	28,954
Highways	0	0	5,612,991	0	0
Debt Service:					
Principal on Debt	18,204	0	140,439	2,615,000	1,035,000
Interest on Debt	0	0	4,045	1,061,664	284,681
Other Debt Service	78,878	0	0	30,539	300

(Continued)

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

	Major Funds				
	General	Other Special Revenue	Highway / Public Works	Rural Debt Service	Education Debt Service
Expenditures (Cont.)					
Capital Projects	\$ 0	\$ 0	\$ 396,861	\$ 0	\$ 0
Total Expenditures	\$ 18,924,367	\$ 5,455,683	\$ 6,154,336	\$ 3,707,203	\$ 1,348,935
Excess (Deficiency) of Revenues Over Expenditures	\$ (390,163)	\$ 159,163	\$ (788,375)	\$ (994,253)	\$ 1,554,810
Other Financing Sources (Uses)					
Bonds Issued	\$ 1,630,000	\$ 0	\$ 0	\$ 0	\$ 0
Notes Issued	0	0	550,000	0	0
Premiums on Debt Sold	37,139	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	34,800	0	0
Insurance Recovery	100,551	0	0	0	0
Transfers In	128,791	0	410,000	0	0
Transfers Out	(1,598,261)	0	0	0	0
Total Other Financing Sources (Uses)	\$ 298,220	\$ 0	\$ 994,800	\$ 0	\$ 0
Net Change in Fund Balances	\$ (91,943)	\$ 159,163	\$ 206,425	\$ (994,253)	\$ 1,554,810
Fund Balance, July 1, 2023	12,107,937	(159,163)	1,830,370	7,813,468	8,370,067
Fund Balance, June 30, 2024	\$ 12,015,994	\$ 0	\$ 2,036,795	\$ 6,819,215	\$ 9,924,877

(Continued)

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

	<u>Major Funds (Cont.)</u>		<u>Nonmajor Funds</u>	
	Education Capital Projects	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Revenues				
Local Taxes	\$ 0	\$ 1,027,874	\$ 1,696,057	\$ 15,826,888
Licenses and Permits	0	0	0	321,852
Fines, Forfeitures, and Penalties	0	0	48,822	155,035
Charges for Current Services	0	0	622,314	1,093,311
Other Local Revenues	222,770	0	1,718	1,689,790
Fees Received From County Officials	0	0	0	1,130,153
State of Tennessee	0	29,708	193,342	7,766,757
Federal Government	0	2,904,816	0	12,166,336
Other Governments and Citizens Groups	0	0	25,679	1,754,684
Total Revenues	\$ 222,770	\$ 3,962,398	\$ 2,587,932	\$ 41,904,806
Expenditures				
Current:				
General Government	\$ 0	\$ 711,622	\$ 15,739	\$ 3,484,145
Finance	0	0	600,396	1,219,989
Administration of Justice	0	0	0	1,351,390
Public Safety	0	0	13,425	6,753,330
Public Health and Welfare	0	0	733,407	1,460,668
Social, Cultural, and Recreational Services	0	0	0	386,285
Agriculture and Natural Resources	0	0	0	159,938
Other Operations	2,228	2,925,107	25,324	14,523,425
Highways	0	0	0	5,612,991
Debt Service:				
Principal on Debt	0	0	450,000	4,258,643
Interest on Debt	0	0	107,185	1,457,575
Other Debt Service	0	0	650	110,367

(Continued)

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

	<u>Major Funds (Cont.)</u>		<u>Nonmajor Funds</u>	
	Education Capital Projects	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Expenditures (Cont.)				
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 396,861
Total Expenditures	\$ 2,228	\$ 3,636,729	\$ 1,946,126	\$ 41,175,607
Excess (Deficiency) of Revenues Over Expenditures	\$ 220,542	\$ 325,669	\$ 641,806	\$ 729,199
Other Financing Sources (Uses)				
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 1,630,000
Notes Issued	0	0	0	550,000
Premiums on Debt Sold	0	0	0	37,139
Proceeds from Sale of Capital Assets	0	0	4,300	39,100
Insurance Recovery	0	0	0	100,551
Transfers In	0	0	1,588,261	2,127,052
Transfers Out	0	(508,791)	(20,000)	(2,127,052)
Total Other Financing Sources (Uses)	\$ 0	\$ (508,791)	\$ 1,572,561	\$ 2,356,790
Net Change in Fund Balances	\$ 220,542	\$ (183,122)	\$ 2,214,367	\$ 3,085,989
Fund Balance, July 1, 2023	1,851,207	9,631,529	4,402,714	45,848,129
Fund Balance, June 30, 2024	\$ 2,071,749	\$ 9,448,407	\$ 6,617,081	\$ 48,934,118

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

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)	\$	3,085,989
(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	\$	7,703,690
Less: current-year depreciation expense		(1,729,460)
		5,974,230
(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		(42,750)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$	928,167
Less: deferred delinquent property taxes and other deferred June 30, 2023		(776,373)
		151,794
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$	4,100,000
Add: principal payments on notes		140,439
Add: principal payments on other loans		18,204
Less: proceeds of debt issued		(2,180,000)
Add: changes in premium on debt issuance		225,241
		2,303,884
(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	\$	(11,005)
Change in compensated absences payable		(4,256)
Change in net pension liability/asset - agent plan		(956,369)
Change in deferred outflows related to pensions		609,258
Change in deferred inflows related to pensions		94,715
Change in OPEB liability		(92,909)
Change in deferred outflows related to OPEB		51,839
Change in deferred inflows related to OPEB		32,057
		(276,670)
Change in net position of governmental activities (Exhibit B)	\$	11,196,477

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

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

			Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual		Original	Final	
Revenues					
Local Taxes	\$ 8,651,847	\$	7,329,250	\$ 7,349,250	\$ 1,302,597
Licenses and Permits	321,852		306,500	306,500	15,352
Fines, Forfeitures, and Penalties	106,213		91,550	91,550	14,663
Charges for Current Services	167,518		113,010	115,511	52,007
Other Local Revenues	1,413,224		398,625	403,625	1,009,599
Fees Received From County Officials	1,130,153		838,000	838,000	292,153
State of Tennessee	2,617,718		2,157,500	3,181,535	(563,817)
Federal Government	3,646,674		975,500	4,473,220	(826,546)
Other Governments and Citizens Groups	479,005		402,000	535,394	(56,389)
Total Revenues	\$ 18,534,204	\$	12,611,935	\$ 17,294,585	\$ 1,239,619
Expenditures					
General Government					
County Commission	\$ 126,288	\$	168,750	\$ 168,750	\$ 42,462
Board of Equalization	1,184		6,200	6,200	5,016
Beer Board	2,907		2,925	2,925	18
Budget and Finance Committee	4,683		6,500	6,500	1,817
County Mayor/Executive	331,955		395,925	395,925	63,970
Election Commission	662,452		815,074	825,293	162,841
Register of Deeds	285,592		294,010	297,066	11,474
Development	50,000		50,000	50,000	0
Building	155,448		250,135	250,135	94,687
County Buildings	966,799		1,243,490	1,271,221	304,422
Other General Administration	169,476		157,213	184,213	14,737
Finance					
Property Assessor's Office	282,982		322,615	322,615	39,633
Reappraisal Program	120,340		140,282	140,282	19,942
County Trustee's Office	82,759		89,655	89,655	6,896
County Clerk's Office	133,512		142,455	145,355	11,843
Administration of Justice					
Circuit Court	610,097		650,065	650,065	39,968
General Sessions Court	153,840		154,000	155,500	1,660
Chancery Court	298,810		318,575	318,575	19,765
Juvenile Court	288,643		320,240	321,115	32,472
Public Safety					
Sheriff's Department	4,417,934		4,365,970	4,998,370	580,436
Administration of the Sexual Offender Registry	830		2,585	3,645	2,815
Jail	1,841,874		2,068,305	2,109,905	268,031
Correctional Incentive Program Improvements	41,224		37,180	48,980	7,756
Fire Prevention and Control	339,700		358,500	358,500	18,800
Civil Defense	41,964		63,317	68,967	27,003
Rescue Squad	23,000		23,000	23,000	0
County Coroner/Medical Examiner	33,379		35,100	35,100	1,721

(Continued)

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Expenditures (Cont.)				
Public Health and Welfare				
Local Health Center	\$ 331,061	\$ 914,700	\$ 1,037,600	\$ 706,539
Ambulance/Emergency Medical Services	192,715	197,000	197,000	4,285
Alcohol and Drug Programs	3,164	5,560	5,560	2,396
Other Local Health Services	102,925	116,500	116,500	13,575
Sanitation Education/Information	97,396	100,240	102,740	5,344
Social, Cultural, and Recreational Services				
Libraries	271,572	271,572	271,572	0
Parks and Fair Boards	57,735	38,965	58,035	300
Other Social, Cultural, and Recreational	56,978	80,000	80,000	23,022
Agriculture and Natural Resources				
Agricultural Extension Service	105,509	132,930	132,930	27,421
Soil Conservation	54,429	57,472	57,472	3,043
Other Operations				
Tourism	1,345	25,000	25,000	23,655
Industrial Development	19,451	40,385	40,385	20,934
Other Economic and Community Development	1,107,165	550,000	1,005,606	(101,559)
Airport	3,685,492	786,673	3,990,126	304,634
Veterans' Services	21,871	25,670	25,670	3,799
Other Charges	1,250,805	664,100	1,345,392	94,587
Principal on Debt				
General Government	18,204	0	18,204	0
Other Debt Service				
General Government	78,878	0	78,878	0
Total Expenditures	\$ 18,924,367	\$ 16,488,833	\$ 21,836,527	\$ 2,912,160
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (390,163)	\$ (3,876,898)	\$ (4,541,942)	\$ 4,151,779
Other Financing Sources (Uses)				
Bonds Issued	\$ 1,630,000	\$ 0	\$ 1,630,000	\$ 0
Premiums on Debt Sold	37,139	0	37,139	0
Insurance Recovery	100,551	3,500	31,845	68,706
Transfers In	128,791	0	191,310	(62,519)
Transfers Out	(1,598,261)	(10,000)	(2,059,486)	461,225
Total Other Financing Sources	\$ 298,220	\$ (6,500)	\$ (169,192)	\$ 467,412
Net Change in Fund Balance	\$ (91,943)	\$ (3,883,398)	\$ (4,711,134)	\$ 4,619,191
Fund Balance, July 1, 2023	12,107,937	11,094,913	11,094,913	1,013,024
Fund Balance, June 30, 2024	\$ 12,015,994	\$ 7,211,515	\$ 6,383,779	\$ 5,632,215

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

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

Other Special Revenue Fund

For the Year Ended June 30, 2024

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Federal Government	\$ 5,614,846	\$ 0	\$ 5,614,846	\$ 0
Total Revenues	\$ 5,614,846	\$ 0	\$ 5,614,846	\$ 0
Expenditures				
Other Operations				
American Rescue Plan Act Grant #1	\$ 5,455,683	\$ 0	\$ 5,455,683	\$ 0
Total Expenditures	\$ 5,455,683	\$ 0	\$ 5,455,683	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ 159,163	\$ 0	\$ 159,163	\$ 0
Net Change in Fund Balance	\$ 159,163	\$ 0	\$ 159,163	\$ 0
Fund Balance, July 1, 2023	(159,163)	0	0	(159,163)
Fund Balance, June 30, 2024	\$ 0	\$ 0	\$ 159,163	\$ (159,163)

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

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

Highway/Public Works Fund

For the Year Ended June 30, 2024

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 88,823	\$ 20,152	\$ 20,152	\$ 68,671
Charges for Current Services	303,479	200,000	200,000	103,479
Other Local Revenues	47,670	30,500	30,500	17,170
State of Tennessee	4,925,989	6,310,482	6,310,482	(1,384,493)
Total Revenues	<u>\$ 5,365,961</u>	<u>\$ 6,561,134</u>	<u>\$ 6,561,134</u>	<u>\$ (1,195,173)</u>
Expenditures				
Highways				
Administration	\$ 257,951	\$ 271,131	\$ 271,132	\$ 13,181
Highway and Bridge Maintenance	1,478,638	2,005,150	2,005,150	526,512
Operation and Maintenance of Equipment	431,798	551,353	570,803	139,005
Other Charges	72,896	73,610	76,226	3,330
Employee Benefits	300,609	347,310	347,310	46,701
Capital Outlay	3,071,099	4,243,208	4,793,208	1,722,109
Principal on Debt				
Highways and Streets	140,439	140,438	140,439	0
Interest on Debt				
Highways and Streets	4,045	6,570	6,570	2,525
Capital Projects				
Highway and Street Capital Projects	396,861	0	400,000	3,139
Total Expenditures	<u>\$ 6,154,336</u>	<u>\$ 7,638,770</u>	<u>\$ 8,610,838</u>	<u>\$ 2,456,502</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (788,375)</u>	<u>\$ (1,077,636)</u>	<u>\$ (2,049,704)</u>	<u>\$ 1,261,329</u>
Other Financing Sources (Uses)				
Notes Issued	\$ 550,000	\$ 0	\$ 550,000	\$ 0
Proceeds from Sale of Capital Assets	34,800	0	0	34,800
Transfers In	410,000	10,000	410,000	0
Total Other Financing Sources	<u>\$ 994,800</u>	<u>\$ 10,000</u>	<u>\$ 960,000</u>	<u>\$ 34,800</u>
Net Change in Fund Balance	\$ 206,425	(1,067,636)	(1,089,704)	1,296,129
Fund Balance, July 1, 2023	1,830,370	1,850,702	1,850,702	(20,332)
Fund Balance, June 30, 2024	<u><u>\$ 2,036,795</u></u>	<u><u>\$ 783,066</u></u>	<u><u>\$ 760,998</u></u>	<u><u>\$ 1,275,797</u></u>

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

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

Proprietary Fund

June 30, 2024

	Business-type Activities Major Enterprise Fund Marion County Conservation Commission
ASSETS	
Current Assets:	
Cash	\$ 273,718
Total Current Assets	<u>\$ 273,718</u>
Noncurrent Assets:	
Capital Assets:	
Assets Not Depreciated:	
Construction in Progress	\$ 318,374
Assets Net of Accumulated Depreciated:	
Other Capital Assets	283,296
Total Noncurrent Assets	<u>\$ 601,670</u>
Total Assets	<u><u>\$ 875,388</u></u>
LIABILITIES	
Accounts Payable	\$ 4,523
Due to Other Funds	30,000
Advances Due to Other Funds	<u>431,225</u>
Total Liabilities	<u>\$ 465,748</u>
NET POSITION	
Net Investment in Capital Assets	\$ 140,445
Unrestricted	<u>269,195</u>
Total Net Position	<u><u>\$ 409,640</u></u>

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

MARION COUNTY, TENNESSEE**Statement of Revenues, Expenses, and Changes in Net Position**

Proprietary Fund

For the Year Ended June 30, 2024

	Business-type Activities Major Enterprise Fund Marion County Conservation Commission
Operating Revenues	
User Fees/Vending	\$ 229,263
Total Operating Revenues	<u>\$ 229,263</u>
Operating Expenses	
Salaries and Benefits	\$ 27,660
Utilities	44,596
Contract Services	34,924
Equipment and Supplies	57,334
Depreciation	31,137
Professional Fees	7,920
Construction	10,325
Insurance	677
Fuel	3,236
Printing	561
Miscellaneous	2,052
Total Operating Expenses	<u>\$ 220,422</u>
Operating Income (Loss)	<u>\$ 8,841</u>
Change in Net Position	\$ 8,841
Net Position, July 1, 2023	<u>400,799</u>
Net Position, June 30, 2024	<u><u>\$ 409,640</u></u>

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

MARION COUNTY, TENNESSEE**Statement of Cash Flows**

Proprietary Fund

For the Year Ended June 30, 2024

	Business-type Activities Major Enterprise Fund Marion County Conservation Commission
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 229,263
Payments to Suppliers	(180,779)
Payments to Employees	(27,660)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 20,824</u>
Cash Flows from Capital and Related Financing Activities	
Due to Other Funds	\$ 461,225
Acquisition of Capital Assets	(338,689)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ 122,536</u>
Net Increase (Decrease) in Cash	\$ 143,360
Cash, July 1, 2023	<u>130,358</u>
Cash, June 30, 2024	<u><u>\$ 273,718</u></u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities	
Operating Income (Loss)	\$ 8,841
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	31,137
Changes in Assets and Liabilities:	
Increase (Decrease) in Accounts Payable	(19,154)
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 20,824</u></u>

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

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

Fiduciary Funds

June 30, 2024

	Custodial Funds
ASSETS	
Cash	\$ 1,607,776
Equity in Pooled Cash and Investments	239,073
Accounts Receivable	5,505
Due from Other Governments	1,031,200
Property Taxes Receivable	359,092
Allowance for Uncollectible Property Taxes	<u>(12,372)</u>
Total Assets	<u>\$ 3,230,274</u>
LIABILITIES	
Accounts Payable	\$ 2,056
Accrued Payroll	5,403
Due to Other Taxing Units	<u>1,089,773</u>
Total Liabilities	<u>\$ 1,097,232</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Current Property Taxes	<u>\$ 299,413</u>
Total Deferred Inflows of Resources	<u>\$ 299,413</u>
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 1,833,629</u>
Total Net Position	<u><u>\$ 1,833,629</u></u>

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

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

	Custodial Funds
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 5,436,359
ADA - Educational Funds Collected for Cities	638,813
Fines/Fees and Other Collections	8,449,330
Drug Task Force Collections	378,251
Total Additions	\$ 14,902,753
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 5,436,359
Payments to City School Systems	638,813
Payments to State	5,254,034
Payments to County/City	899,399
Payments to Individuals and Others	2,190,280
Payment of Drug Task Force Expenses	438,179
Total Deductions	\$ 14,857,064
Net Increase (Decrease) in Fiduciary in Net Position	\$ 45,689
Net Position, July 1, 2023	1,787,940
Net Position June 30, 2024	\$ 1,833,629

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

MARION COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Marion 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 Marion County:

A. *Reporting Entity*

Marion County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Marion County (the primary government) and its component units. In addition, the financial statements of the Marion County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of its omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

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

Administrative Office:

Marion County Emergency
Communications District
P.O. Box 818
Jasper, TN 37347

B. Government-wide and Fund Financial Statements

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

Marion County issues all debt for the discretely presented Marion County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2024.

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

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

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

Fund financial statements of Marion County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance/fund net position, revenues, and expenditures/expenses. Funds are organized

into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Marion County only reports one proprietary fund, a major enterprise fund.

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

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

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

Marion County reports the following major governmental funds:

General Fund – This is the county’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Other Special Revenue Fund – This special revenue fund accounts for transactions of American Rescue Plan Act grants for the county.

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

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

Education Debt Service Fund – This fund accounts for the accumulation of resources for, and the contribution to the primary government of, education related long-term debt principal, interest, and related costs.

Education Capital Projects Fund – This fund accounts for debt issued by Marion County that is subsequently contributed to the discretely presented Marion County School Department. This fund also accounts for revenues collected as lease payments on county-owned buildings to be used for future capital outlays.

Other Capital Projects Fund – This fund is used to account for various capital expenditures of the county.

Marion County reports the following major proprietary fund:

Marion County Conservation Commission Fund – This fund accounts for the management of the Marion County Park located on Nickajack Lake.

Additionally, Marion County reports the following fund type:

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers, property taxes levied on residents of Richard City, local sales taxes received by the state to be forwarded to the various cities in Marion County, the city school system's share of educational revenues, and state grants and other restricted revenues held for the benefit of the Twelfth Judicial District Drug Task Force.

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

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

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

Central Cafeteria Fund – This special revenue fund is used to account for the cafeteria operations in each of the schools. USDA School Lunch and Breakfast Programs and payments received from the sale of meals are the foundational revenues of this fund.

Other Capital Projects Fund – This capital projects fund is used to account for the receipt of debt issued by Marion County and contributed to the school department for building construction and renovations of the school department.

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

Private Purpose Trust Fund – The Other Trust Fund is used to account for resources legally held in trust to fund two scholarships. One scholarship is for graduates of Whitwell Middle School who become graduates of Whitwell High School and plan to pursue a post-secondary

education. The other scholarship is for graduating seniors of Marion County who plan to attend college and major in education. Earnings on invested resources may be used to fund the scholarships, but the principal must 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 24) 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 23) are presented in this report. We do not believe using the prior year balances will affect the independent auditor's opinion on the Aggregate Discretely Presented Component Units. A more detailed reporting of the fund activities at each individual school may be found at <https://www.comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

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

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

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Marion County School Department (excluding the school department's Private Purpose Trust Fund). Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Fund. In addition, investments are held separately by the discretely presented school department's Private Purpose Trust Fund. Marion 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. Marion 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 that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Advances between funds, as reported in the General Fund financial statements, are offset by a nonspendable fund balance classification account to indicate that they are not available for appropriation and are not expendable from available financial resources.

Notes receivable in the government-wide and the governmental funds represent loans made to the City of Orme and the Marion County Emergency Communications District. The note receivable balances in the governmental funds are restricted.

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.88 percent of total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are

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

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

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

Retainage payable in the discretely presented 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

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

4. Restricted Assets

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

5. Capital Assets

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

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

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25 - 40
Infrastructure:	
Roads	5 - 20
Bridges	40
Other Capital Assets	5 - 20

6. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for pension and OPEB changes in experience, assumptions, and proportionate share; pension changes in investment earnings; and employer contributions made to the pension and OPEB plans after the measurement date.

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

7. Compensated Absences

It is the county's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. There is no liability for unpaid accumulated sick leave since Marion County does not have a policy to pay any amounts when employees separate from service with the government. Vacation pay is accrued when incurred in the government-wide financial statements. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. It is Marion County's policy to pay a separated employee a maximum of 15 days accrued vacation leave.

The general policy of the discretely presented Marion County School Department allows 12-month employees to earn one day annual leave for each 20 days worked. Any accumulated vacation days, in excess of 20 days, at the end of the school year are converted to sick leave. There is no lump sum payment or compensation for unused annual vacation leave. All professional and support personnel of the school department are allowed to accumulate unlimited sick leave days. The granting of vacation and sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

8. Long-term Debt and Long-term Obligations

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

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

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, pension liabilities, and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

9. Net Position and Fund Balance

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

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

As of June 30, 2024, Marion County had \$37,930,000 in outstanding debt for capital purposes for the discretely presented Marion County School Department. In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (Richard City School System) based on an average daily attendance proration. This debt is a liability of Marion County, but the capital assets acquired are reported in the financial statements of the school department and the Richard City School System. Therefore, Marion 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 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 that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds. In the other governmental funds, funds expended that exceed the amounts that are restricted, committed, and assigned are reported as negative unassigned fund balance.

E. Pension Plans

Primary Government

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

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Marion County School Department

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

Discretely Presented Marion County School Department

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

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

Primary Government

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

Discretely Presented Marion County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

B. Expenditures Exceeded Appropriations

Expenditures exceeded total appropriations approved by the county commission in the Education Debt Service fund by \$1,253.

Expenditures exceeded appropriations approved by the county commission in certain major appropriation categories (the legal level of control) of various funds administered by the county as reflected in the following table:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
General Fund:	
Other Operations - Other Economic and Community Development	\$ 101,559
Solid Waste/Sanitation:	
Other Operations - Other Charges	1,345
Education Debt Service:	
Other Operations - Other Charges	1,454

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded greater than anticipated revenues and/or by available fund balance.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Marion County and the Marion County School Department (excluding the Private Purpose Trust Fund) 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, depositing, 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 in the balance sheets or statements of net position represent nonpooled amounts held separately by individual funds.

Deposits

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

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

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

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

Investments

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

Investment Balances. As of June 30, 2024, the discretely presented Marion County School Department had the following investments carried at fair value within the fair value hierarchy established by generally accepted accounting principles. All the investments are nonpooled investments held by the school department's Private Purpose Trust Fund.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Private Purpose Trust Fund:			
Nonpooled Investments:			
Corporate Bonds - Walmart Inc.	N/A	9-9-25	\$ 98,565
Corporate Bonds - Toyota Motor	N/A	3-25-26	46,882
Corporate Bonds - Loews	N/A	4-1-26	73,099
Corporate Bonds - Apple	N/A	8-4-26	47,497
Corporate Bonds - Proctor & Gamble Co.	N/A	8-11-27	94,498
Corporate Bonds - Johnson & Johnson	N/A	1-15-28	94,512
Corporate Bonds - US Bancorp	N/A	4-26-28	47,930
Corporate Bonds - Apple	N/A	9-11-29	<u>88,731</u>
Total			<u><u>\$ 591,714</u></u>

Investment by Fair Value Level		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)
	Fair Value 6-30-24			
Corporate Bonds - Walmart Inc.	\$ 98,565	\$ 98,565	\$ 0	\$ 0
Corporate Bonds - Toyota Motor	46,882	46,882	0	0
Corporate Bonds - Loews	73,099	73,099	0	0
Corporate Bonds - Apple	136,228	136,228	0	0
Corporate Bonds - Proctor & Gamble Co.	94,498	94,498	0	0
Corporate Bonds - Johnson & Johnson	94,512	94,512	0	0
Corporate Bonds - US Bancorp	<u>47,930</u>	<u>47,930</u>	<u>0</u>	<u>0</u>
Total	<u><u>\$ 591,714</u></u>	<u><u>\$ 591,714</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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. Marion 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. Marion County has no investment policy that would further limit its investment choices. The following is the rating given each nonpooled investment by Moody's Investor's Service and Standard & Poor's Ratings:

Investment	Moody's Investor's Service	Standard & Poor's Rating
Corporate Bonds - Walmart Inc.	Aa2	AA
Corporate Bonds - Toyota Motor	A1	A+
Corporate Bonds - Loews	A3	A
Corporate Bonds - Apple	Aaa	AA+
Corporate Bonds - Proctor & Gamble Co.	Aa3	AA-
Corporate Bonds - Johnson & Johnson	Aaa	AAA
Corporate Bonds - US Bancorp	A3	A

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. Marion County places no limit on the amount the county may invest in one issuer. The nonpooled investments (\$591,714) represent the entire investments of the school department's Private Purpose Trust Fund. These investments are as follows: Corporate Bonds – Walmart Inc. (17 percent), Corporate Bonds – Toyota Motor (8 percent), Corporate Bonds – Loews (12 percent), Corporate Bonds – Apple (23 percent), Corporate Bonds – Proctor & Gamble Co. (16 percent), Corporate Bonds – Johnson & Johnson (16 percent), and Corporate Bonds – US Bancorp (8 percent).

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The school department has a custodial credit risk exposure of \$591,714 for all the investments in corporate bonds because the related securities are uninsured, unregistered, and held by the government's brokerage firm, which is also the counterparty for these particular securities. The school department does not have a formal policy that limits custodial credit risk for investments.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Annual Comprehensive Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-ar.html>.

TCRS Stabilization Trust

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

On June 30, 2024, the Marion 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	\$ 132,025
Developed Market International Equity	N/A	N/A	59,624
Emerging Market International Equity	N/A	N/A	17,035
Private Equity and Strategic Lending	N/A	N/A	85,177
U.S. Fixed Income	N/A	N/A	85,177
Real Estate	N/A	N/A	42,589
Short-term Securities	N/A	N/A	4,259
Total			<u>\$ 425,886</u>

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

B. Notes Receivable

Long-term notes receivable in the Other Capital Projects Fund of \$106,875 on June 30, 2024, resulted from financing projects for the town of Orme. The amount of the notes not expected to be collected within one year is \$100,937.

Long-term notes receivable in the General Debt Service Fund of \$1,537,754 on June 30, 2024, resulted from financing projects for the Marion County Emergency Communications District. The amount of the notes not expected to be collected within one year is \$1,482,754.

C. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 2,839,127	\$ 0	\$ 0	\$ 2,839,127
Construction in Progress	0	6,343,222	0	6,343,222
Total Capital Assets Not Depreciated	\$ 2,839,127	\$ 6,343,222	\$ 0	\$ 9,182,349
Capital Assets Depreciated:				
Buildings and Improvements	\$ 19,483,060	\$ 27,931	\$ 0	\$ 19,510,991
Infrastructure	30,562,906	168,081	0	30,730,987
Other Capital Assets	5,710,394	1,164,456	(320,179)	6,554,671
Total Capital Assets Depreciated	\$ 55,756,360	\$ 1,360,468	\$ (320,179)	\$ 56,796,649
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 8,099,295	\$ 514,447	\$ 0	\$ 8,613,742
Infrastructure	25,318,846	583,528	0	25,902,374
Other Capital Assets	3,297,309	631,485	(277,429)	3,651,365
Total Accumulated Depreciation	\$ 36,715,450	\$ 1,729,460	\$ (277,429)	\$ 38,167,481
Total Capital Assets Depreciated, Net	\$ 19,040,910	\$ (368,992)	\$ (42,750)	\$ 18,629,168
Governmental Activities Capital Assets, Net	\$ 21,880,037	\$ 5,974,230	\$ (42,750)	\$ 27,811,517

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

Governmental Activities:

General Government	\$ 463,058
Finance	6,921
Administration of Justice	23,798
Public Safety	365,911
Public Health and Welfare	50,810
Highways/Public Works	<u>818,962</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,729,460</u></u>

Net Investment in Capital Assets

Capital Assets	\$ 27,811,517
Add:	
Outstanding debt for school purposes	37,930,000
Unamortized premiums for school purposes	2,368,470
Less:	
Outstanding principal of capital debt	(42,635,128)
Unamortized balance of original issue premiums on outstanding capital-related debt	(2,436,321)
Net Investment in Capital Assets	<u><u>\$ 23,038,538</u></u>

Discretely Presented Marion County School Department

Governmental Activities:

	Balance 7-1-23	Increases	Decreases	Balance 6-30-24
Capital Assets Not Depreciated:				
Land	\$ 2,051,696	\$ 0	\$ 0	\$ 2,051,696
Construction in Progress	17,166,646	20,970,837	(4,136,371)	34,001,112
Total Capital Assets Not Depreciated	<u>\$ 19,218,342</u>	<u>\$ 20,970,837</u>	<u>\$ (4,136,371)</u>	<u>\$ 36,052,808</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 60,196,595	\$ 2,222,705	\$ (423,597)	\$ 61,995,703
Other Capital Assets	1,381,517	3,522,725	(48,165)	4,856,077
Total Capital Assets Depreciated	<u>\$ 61,578,112</u>	<u>\$ 5,745,430</u>	<u>\$ (471,762)</u>	<u>\$ 66,851,780</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 32,386,109	\$ 1,410,382	\$ (390,318)	\$ 33,406,173
Other Capital Assets	619,859	252,143	(29,431)	842,571
Total Accumulated Depreciation	<u>\$ 33,005,968</u>	<u>\$ 1,662,525</u>	<u>\$ (419,749)</u>	<u>\$ 34,248,744</u>
Total Capital Assets Depreciated, Net	<u>\$ 28,572,144</u>	<u>\$ 4,082,905</u>	<u>\$ (52,013)</u>	<u>\$ 32,603,036</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 47,790,486</u></u>	<u><u>\$ 25,053,742</u></u>	<u><u>\$ (4,188,384)</u></u>	<u><u>\$ 68,655,844</u></u>

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

Governmental Activities:

Instruction	\$ 1,584,467
Support Services	17,371
Operation of Non-instructional Services	<u>60,687</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,662,525</u></u>

Net Investment in Capital Assets

Capital Assets	\$ 68,655,844
Add:	
Unspent Proceeds of Capital Related Debt	<u>674,435</u>
Net Investment in Capital Assets	<u><u>\$ 69,330,279</u></u>

D. Construction Commitments

On June 30, 2024, the county had uncompleted construction contracts of approximately \$887,435 for the construction of two waterlines on Egypt Hollow Road and Mullins Cove Road. Funding has been received for these future expenditures.

On June 30, 2024, the school department had uncompleted construction contracts of approximately \$1,569,448 for the construction of Theater Renovations at South Pittsburg High School and the construction of the new Jasper Middle School. Funding has been received for these future expenditures.

E. Interfund Receivables, Payables, and Transfers

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

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 728
General	Conservation Commission	30,000
Discretely Presented School Department:		
General Purpose School	School Federal Projects	147,415

The \$30,000 balance due to the General Fund from the Marion County Conservation Commission represents the current balance of an interfund loan. The remaining balances resulted from the time lag

between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

Advances Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Conservation Commission	\$ 431,225

This balance represents the non-current balance of an interfund loan

Due to/from Primary Government and Component Unit:

Receivable Fund	Payable Fund	Amount
Primary Government:	Component Unit:	
Highway	General Purpose School	\$ 2,537

The receivable from the General Purpose School Fund represents amounts due for paving work performed by the highway department at one of the schools.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In			Purpose
	General Fund	Highway/ Public Works Fund	Nonmajor governmental funds	
General Fund	\$ 0	\$ 10,000	\$ 0	Maintenance/construction
"	0	0	1,588,261	Note receivable for E-911
Other Capital Projects Fund	108,791	0	0	Waterline construction
"	0	400,000	0	Road paving
Nonmajor governmental funds	20,000	0	0	Equipment purchases
Totals	<u>\$ 128,791</u>	<u>\$ 410,000</u>	<u>\$ 1,588,261</u>	

Discretely Presented Marion County School Department

Transfer Out	Transfer In	
	General Purpose School Fund	Purpose
School Federal Projects	\$ 143,394	Indirect costs

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.

The county made a one-time transfer of \$400,000 from the Other Capital Projects Fund to the Highway/Public Works Fund to complete some road paving in each of the five county districts.

F. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds – Marion County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 20 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2024, will be retired from the General Debt Service, Rural Debt Service, and Education Debt Service funds.

Direct Borrowing and Direct Placements - Marion County issues capital outlay notes and other loans to fund capital facilities and other capital outlay purchases, such as equipment, for the primary government and discretely presented school department. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to seven years for notes and four years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2024, will be retired from the General and Highway/Public Works funds.

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

Type	Interest Rate		Final Maturity	Original Amount of Issue	Balance 6-30-24
General Obligation Bonds	1.76 to 4	%	4-1-44	\$ 37,350,000	\$ 32,065,000
General Obligation Bonds - Refunding	1.58 to 2.68		6-1-31	20,635,000	9,880,000
Direct Borrowing and Direct Placement:					
Capital Outlay Notes	2.23 to 4.99		11-2-31	845,000	671,924
Other Loans	0		9-30-24	112,016	18,204

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 3,065,000	\$ 1,337,532	\$ 4,402,532
2026	2,970,000	1,222,444	4,192,444
2027	3,115,000	1,108,181	4,223,181
2028	3,235,000	1,031,963	4,266,963
2029	3,335,000	945,178	4,280,178
2030-2034	11,905,000	3,040,875	14,945,875
2035-2039	10,435,000	1,477,025	11,912,025
2040-2044	3,885,000	245,424	4,130,424
Total	\$ 41,945,000	\$ 10,408,622	\$ 52,353,622

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2025	\$ 129,038	\$ 30,239	\$ 159,277
2026	130,386	25,389	155,775
2027	68,750	20,584	89,334
2028	68,750	17,153	85,903
2029	68,750	13,760	82,510
2030-32	206,250	20,584	226,834
Total	\$ 671,924	\$ 127,709	\$ 799,633

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2025	\$ 18,204	\$ 0	\$ 18,204
Total	\$ 18,204	\$ 0	\$ 18,204

There is \$20,841,701 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$1,455, based on the 2020 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums totaled \$1,563, based on the 2020 federal census.

The Marion County Emergency Communications District (E-911) is required to service the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the county's government-wide financial statements as a Note Receivable and as Long-term Liability in the financial statements of the E-911 Component Unit.

Discretely Presented Marion County Emergency Communications District

Description of Debt	Outstanding 6-30-24
<u>Other Loans Payable - Direct Placement</u>	
<u>Contributions from Marion County E-911</u>	
E-911 Radio Towers	\$ 1,537,754
Total	\$ 1,537,754

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2023	\$ 44,415,000	\$ 262,363	\$ 36,408
Additions	1,630,000	550,000	0
Reductions	(4,100,000)	(140,439)	(18,204)
Balance, June 30, 2024	\$ 41,945,000	\$ 671,924	\$ 18,204
Balance Due Within One Year	\$ 3,065,000	\$ 129,038	\$ 18,204

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2024	\$ 42,635,128
Less: Balance Due Within One Year - Debt	(3,212,242)
Add: Unamortized Premium on Debt	<u>2,436,321</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 41,859,207</u></u>

G. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Post- employment Benefits	Net Pension Liability - Agent Plan
Balance, July 1, 2023	\$ 15,112	\$ 201,812	\$ 8,636
Additions	36,169	97,170	3,727,635
Reductions	<u>(31,913)</u>	<u>(4,261)</u>	<u>(2,771,266)</u>
Balance, June 30, 2024	<u>\$ 19,368</u>	<u>\$ 294,721</u>	<u>\$ 965,005</u>
Balance Due Within One Year	<u>\$ 18,401</u>	<u>\$ 13,847</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 1,279,094
Less: Balance Due Within One Year - Other	<u>(32,248)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u><u>\$ 1,246,846</u></u>

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

Discretely Presented Marion County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Other Post- employment Benefits	Net Pension Liability - Agent Plan
Balance, July 1, 2023	\$ 3,634,710	\$ 5,647
Additions	620,365	2,307,664
Reductions	(350,531)	(1,715,877)
Balance, June 30, 2024	<u>\$ 3,904,544</u>	<u>\$ 597,434</u>
Balance Due Within One Year	<u>\$ 300,153</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2024	\$ 4,501,978
Less: Balance Due Within One Year - Other	<u>(300,153)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 4,201,825</u>

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

H. On-Behalf Payments - Discretely Presented Marion County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Marion County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2024, were \$49,532. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

Marion County participates in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property,

and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$250,000 for property and \$450,000 for liability for each insured event.

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

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

Discretely Presented Marion County School Department

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

The school department continues to carry commercial insurance for all other risks of loss, including general liability, property, casualty, workers' compensation, and environmental. Settled claims did not exceed commercial insurance coverage during any of the past three fiscal years.

B. Accounting Change

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

C. Contingent Liabilities

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

The county is involved in several pending lawsuits. Attorneys for the county and the discretely presented school department estimate that the potential claims not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

D. Landfill Closure/Postclosure Care Costs

Marion 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 closure and postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require Marion County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Closure costs generally are paid near the date that the landfill stops accepting waste and postclosure care costs are paid during the 30-year period following closure. Marion County has contracted with Solid Waste Disposal, Inc., a private company, to operate the county's landfill. This contract was amended on November 26, 2012, and requires Solid Waste Disposal, Inc., to be responsible for all closure and postclosure care costs of the county's landfill during the term of the contract. The terms of the 2012 amendment to the contract run for three consecutive ten-year periods. Prior to expiration of the initial ten-year term, the parties have the right to renegotiate or adjust the fees paid from Solid Waste Disposal, Inc., to the county. Any adjustment or modification made will apply to the second ten-year term. Prior to expiration of the second ten-year term, the parties have the right to renegotiate or adjust the fees paid from Solid Waste Disposal, Inc., to the county. Any adjustment or modification made will apply to the third ten-year term. The \$756,477 estimated closure and postclosure costs of the landfill on June 30, 2024, were not included in the county's long-term debt due to the uncertainty of what amount, if any, will be paid by the county. This amount is based on estimates of what it would cost to perform all closure and postclosure care in 2024. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Venture

The Twelfth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twelfth Judicial District and the municipalities within the district. The district is composed of Rhea, Bledsoe, Franklin, Grundy, Marion, and Sequatchie counties and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of the participating law enforcement agencies within the judicial district. Marion County made no contributions to the DTF for the year ended June 30, 2024, and does not have any equity interest in this joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of the District Attorney General
Twelfth Judicial District
375 Church Street, Suite 300
Dayton, TN 37321

F. Jointly Governed Organization

The Marion County Railroad Authority is jointly operated by the county and the cities of Jasper, Kimball, and South Pittsburg. The Marion County Railroad Authority's board comprises the Marion

County Mayor, Marion County Highway Supervisor, and the mayors of the three cities; however, the county and cities do not have any ongoing financial interest in or responsibility for the entity.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Marion County and non-certified employees of the discretely presented Marion County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 61.76 percent and the non-certified employees of the discretely presented school department comprise 38.24 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

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

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	212
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	320
Active Employees	330
Total	<u><u>862</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary to the plan. Marion County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2024, the employer contributions for Marion County were \$948,082 based on a rate of 7.2 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Marion County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

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

Actuarial Assumptions. The total pension liability as of the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2022	\$ 43,611,909	\$ 43,597,626	\$ 14,283
Changes for the Year:			
Service Cost	\$ 1,225,365	\$ 0	\$ 1,225,365
Interest	2,959,902	0	2,959,902
Differences Between Expected and Actual Experience	1,816,401	0	1,816,401
Contributions-Employer	0	927,174	(927,174)
Contributions-Employees	0	643,867	(643,867)
Net Investment Income	0	2,915,915	(2,915,915)
Benefit Payments, Including Refunds of Employee Contributions	(1,973,755)	(1,973,755)	0
Administrative Expense	0	(33,444)	33,444
Net Changes	\$ 4,027,913	\$ 2,479,757	\$ 1,548,156
Balance, June 30, 2023	\$ 47,639,822	\$ 46,077,383	\$ 1,562,439

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	61.76%	\$ 29,423,640	\$ 28,458,636	\$ 965,005
School Department	38.24%	18,216,182	17,618,747	597,434
Total		\$ 47,639,822	\$ 46,077,383	\$ 1,562,439

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Marion County			

Net Pension Liability (Asset) \$ 8,034,345 \$ 1,562,439 \$ (3,778,721)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, Marion County recognized pension expense of \$1,381,581.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,904,347	\$ 243,408
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	350,213	0
Changes in Assumptions	1,226,463	0
Contributions Subsequent to the Measurement Date of June 30, 2023 (1)	948,082	N/A
Total	<u>\$ 4,429,105</u>	<u>\$ 243,408</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2023,” will be recognized as a reduction (increase) to net pension liability (asset) in the subsequent fiscal period.

**Allocation of Agent Plan Deferred Outflows of Resources and
Deferred Inflows of Resources**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 2,699,308	\$ 150,335
School Department	1,729,797	93,073
Total	<u>\$ 4,429,105</u>	<u>\$ 243,408</u>

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

Year Ending June 30	Amount
2025	\$ 736,237
2026	655,427
2027	1,480,224
2028	365,721
2029	0
Thereafter	0

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

Discretely Presented Marion County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Marion County and non-certified employees of the discretely presented Marion County School Department are provided a defined benefit pension plan through the Public Employee Pension Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 61.76 percent and the non-certified employees of the discretely presented school department comprise 38.24 percent of the plan based on contribution data.

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

General Information About the Pension Plan

Plan Description. Teachers of the Marion County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS

after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2024, to the Teacher Retirement Plan were \$161,794, which is 2.96 percent of covered payroll. In addition, employer contributions of \$57,305, which is 1.05 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the Stabilization Reserve Trust Fund, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). On June 30, 2024, the school department reported a liability (asset) of (\$95,339) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2023, the school department's proportion was .224838 percent. The proportion as of June 30, 2022, was .235219 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the Marion County School Department recognized pension expense (negative pension expense) of \$120,533.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 3,211	\$ 55,647
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	24,239	0
Changes in Assumptions	71,728	0
Changes in Proportion of Net Pension Liability (Asset)	12,393	19,914
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	161,794	N/A
Total	\$ 273,365	\$ 75,561

The school department's employer contributions of \$161,794 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ (517)
2026	(4,099)
2027	33,294
2028	1,592
2029	1,740
Thereafter	4,053

Actuarial Assumptions. The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2023, actuarial valuation, were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's	Current		
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 438,555	\$ (95,339)	\$ (479,699)

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

General Information About the Pension Plan

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Marion County School Department for the year ended June 30, 2024, to the Teacher Legacy Pension Plan were \$879,966 which is 6.81 percent of covered payroll. The employer rate, when

combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). On June 30, 2024, the school department reported a liability (asset) of (\$4,686,826) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2023, the school department's proportion was .397534 percent. The proportion measured on June 30, 2022, was .396247 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2024, the school department recognized pension expense (negative pension expense) of \$1,201,116.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,116,641	\$ 217,500
Changes in Assumptions	1,527,096	0
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	813,188	0
Changes in Proportion of Net Pension Liability (Asset)	28,895	19,402
LEA's Contributions Subsequent to the Measurement Date of June 30, 2023	879,966	N/A
Total	<u>\$ 4,365,786</u>	<u>\$ 236,902</u>

The school department's employer contributions of \$879,966 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2025	\$ 1,120,040
2026	(644,612)
2027	2,767,121
2028	6,370
2029	0
Thereafter	0

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

Actuarial Assumptions. The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2023, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's	Current		
Proportionate Share of	1%	Discount	1%
the Net Pension	Decrease	Rate	Increase
Liability (Asset)	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 10,208,234	\$ (4,686,826)	\$ (17,075,316)

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

2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$274,227 and teachers contributed \$182,157 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

Primary Government

Retirees of Marion County, except for the highway department, are provided healthcare under a Local Government Plan (LGP) until they reach Medicare eligibility. The Marion 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 Marion County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the school department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

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

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

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

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

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

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

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

Local Government OPEB Plan (Primary Government)

Plan Description. Employees of Marion County are provided with pre-65 retiree health insurance benefits through the Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

Benefits provided. Marion County offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining

Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-701* establishes and amends the benefit terms of the LGP. 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 LGP, receives 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. Marion County does not provide a direct subsidy and is only subject to the implicit subsidy.

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

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	2
Inactive Employees Entitled to But Not	
Yet Receiving Benefits	0
Active Employees Eligible for Benefits	137
Total	<u>139</u>

An insurance committee, created in accordance with *TCA 8-27-701*, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2024, the county paid \$4,834 to the LGP for OPEB benefits as they came due.

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

	Marion County
Balance July 1, 2022	<u>\$ 201,812</u>
Changes for the Year:	
Service Cost	\$ 16,643
Interest	7,659
Difference between Expected and Actuarial Experience	7,153
Changes in Assumption	65,715
Benefit Payments	<u>(4,261)</u>
Net Changes	<u>\$ 92,909</u>
Balance June 30, 2023	<u><u>\$ 294,721</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the county recognized OPEB expense of \$13,847. On June 30, 2024, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected		
Experience	\$ 24,116	\$ 31,370
Changes of Assumptions	78,778	113,195
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2023	4,834	0
Total	<u>\$ 107,728</u>	<u>\$ 144,565</u>

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

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

Year Ending June 30	Marion County
2025	\$ (10,455)
2026	(10,455)
2027	(9,980)
2028	(11,520)
2029	(7,152)
Thereafter	7,891

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

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
Marion County	2.65%	3.65%	4.65%
Total OPEB Liability	\$ 315,586	\$ 294,721	\$ 275,201

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Trend Rate	1% Increase
Marion County	9.31 to 3.5%	10.31 to 4.5%	11.31 to 5.5%
Total OPEB Liability	\$ 268,842	\$ 294,721	\$ 324,577

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

Plan Description. Employees of the Marion 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 Marion County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-301* establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Marion County does not provide a direct subsidy and is only subject to the implicit subsidy.

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

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	13
Inactive Employees Entitled to But Not	
Yet Receiving Benefits	1
Active Employees Eligible for Benefits	275
Total	<u>289</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 \$57,626 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
	Marion County School Department 60.47%	State of TN 39.53%	
Balance July 1, 2022	\$ 3,634,710	\$ 2,109,340	\$ 5,744,050
Changes for the Year:			
Service Cost	\$ 171,299	\$ 111,966	\$ 283,265
Interest	128,050	83,697	211,747
Difference between Expected and Actuarial Experience	(133,589)	(87,319)	(220,908)
Changes in Assumption and Other Inputs	321,017	209,828	530,845
Change in Proportion	(161,115)	161,115	0
Benefit Payments	(55,827)	(36,492)	(92,319)
Net Changes	\$ 269,835	\$ 442,795	\$ 712,630
Balance June 30, 2023	\$ 3,904,545	\$ 2,552,135	\$ 6,456,680

The Marion 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 Marion 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 \$251,577 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Marion County School Department's proportionate share of the collective OPEB liability was 60.47 percent and the State of Tennessee's share was 39.53 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2024, the school department recognized OPEB expense of \$551,730, including the state's share of the expense. On June 30, 2024, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 205,863	\$ 453,896
Changes of Assumptions	933,467	414,956
Changes in Proportion	69,588	299,064
Benefits Paid After the Measurement Date of June 30, 2023	57,626	0
Total	<u>\$ 1,266,544</u>	<u>\$ 1,167,916</u>

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

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

Year Ending June 30	School Department
2025	\$ 804
2026	804
2027	2,071
2028	13,482
2029	40,099
Thereafter	(16,258)

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

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

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

Proportionate Share of the Collective Total OPEB Liability	\$	4,220,120	\$	3,904,544	\$	3,605,370
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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.

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

Proportionate Share of the Collective Total OPEB Liability	\$	3,473,306	\$	3,904,544	\$	4,404,231
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I. Termination Benefits

The discretely presented Marion County School Department offers a retirement incentive to support staff with at least 20 years with the school department, and to teachers who retire from the school department. Employees must notify the school department of their plans to retire by April 15th in the year they choose to retire. In accordance with contract provisions, eligible retirees receive a \$500 retirement incentive. During the year ended June 30, 2024, four school department employees accepted the retirement incentive; therefore, the total cost of the cash payments reported in the government-wide Statement of Net Position by function was \$2,000.

J. Purchasing Laws

Office of County Mayor

Purchasing procedures for the Office of County Mayor are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, which provide for all purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

Office of Highway Supervisor

Purchasing procedures for the highway department are governed by Chapter 24, Private Acts of 1933, and provisions of the Uniform Road Law, Section 54-7-113, *TCA*. Provisions of the Private Act provide for the highway supervisor and county mayor to jointly approve all machinery purchases. Provisions of the County Uniform Road Law require that competitive bids be solicited through public advertisement on all purchases exceeding \$25,000.

Office of Director of Schools

Purchasing procedures for the discretely presented Marion County School Department are governed by purchasing laws applicable to the 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 that competitive bids be solicited through newspaper advertisement on all purchases exceeding \$25,000.

VI. OTHER NOTES – MARION COUNTY CONSERVATION COMMISSION (ENTERPRISE FUND)

The financial statements of Marion County Conservation Commission (commission) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles.

The following is a summary of the more significant accounting policies:

A. *Summary of Significant Accounting Policies*

Reporting Entity

Marion County Conservation Commission was organized in 1989 for the purpose of managing the Marion County Park located on Nickajack Lake.

The primary source of revenue of the Marion County Conservation Commission is service fees charged for the use of the park, primarily camping fees.

The Marion County Board of Commissioners serves as the Board of Directors for the conservation commission as well as appoints two individuals outside of the county commission to serve on the board. As the governing board is not elected, but instead is entirely appointed by the county, the commission cannot be a primary government. Instead, it qualifies as a proprietary fund of Marion County, Tennessee (the primary government). The county commission may appropriate funds for the operation and maintenance of the conservation commission and must approve long-term debt issued by the commission.

The financial statements present only the Marion County Conservation Commission of Marion County, Tennessee, as of June 30, 2024. These financial statements are in no way intended to represent the government wide financial position of Marion County, Tennessee, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basic Financial Statements

All activities of the commission are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and /or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Measurement Focus – Basis of Accounting

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

The financial records are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. The allowance method is used to estimate the uncollectible accounts. Unbilled service receivables are recorded at year-end.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operation. The principal operating revenues of the commission's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and Cash Equivalents

For purposes of reporting cash on the Statement of Cash Flows, the commission considers all unrestricted highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents. On June 30, 2024, the commission had no cash equivalents.

Investments

Investments are reported at fair value, which is based on quoted market prices. The commission is authorized by Tennessee statutes to invest in the following:

1. Bonds, notes, or treasury bills of the United States.
2. Non-convertible debt securities of the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank, and the Student Loan Marketing Association.
3. Any obligations which are guaranteed as to principal and interest by the United States or any of its agencies.
4. Certificates-of-deposit and other evidence of deposit at state and federal chartered banks and savings and loan associations.
5. Obligations of the United States or its agencies under a repurchase agreement for a shorter time than the maturity date of the security itself if the market value of the security itself is more than the amount of funds invested.
6. Money market funds whose portfolios consist of any of the foregoing investments.
7. The local government investment pool.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the current year-end are recorded as prepaid expenses.

Inventory

Supplies and materials are recorded as expenses at the time items are purchased and are not inventories at year-end, due to lack of materiality.

Restricted Assets

Certain resources can be classified as restricted assets on the Statement of Net Position because their use is limited. At year-end, there were no restricted assets to be reported.

Capital Assets

Capital assets are defined by the commission as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major additions are capitalized while maintenance and repairs, including the cost of minor items of property, are expensed as incurred. Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation, and resulting gains or losses are reflected in income. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Mobile Home	20
Bathhouse	12-20
Camp Store	10-20
Land Improvements	10-20
Equipment	5-10
Picnic Pavilion	15-20

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/expenditure) until then. Currently, the entity has no items that qualify for reporting as a deferred outflow of resources.

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. Currently, the entity has no items that qualify for reporting as a deferred inflow of resources.

Compensated Absences

Policies regarding employee vacation and sick leave benefits do not meet the criteria which would require accrual of a liability for future benefits.

Subscription IT Arrangements

The commission follows GASB No. 96, *Subscription-Based Information Technology Arrangements*, (SBITA), to address the accounting treatment and financial reporting for these agreements. The SBITA asset is measured as the initial value of the subscription liability plus payments made to the vendor at the commencement of the subscription term, plus capitalizable initial implementation costs, and less any vendor incentives received at the commencement of the subscription term. The commission will amortize the SBITA asset in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying asset. Currently, the commission does not have any subscription IT arrangements.

Leases

The commission follows GASB No. 87, *Leases*, to address the accounting treatment and financial reporting of leases. Leases that are not classified as short-term leases or contracts that transfer ownership are required to recognize a right to use asset and a related lease liability. Right to use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. Right to use leased assets are amortized on a straight-line bases over the life of the related lease. Currently, the commission does not have any leases.

Net Position

Net position is the residual of all elements presented in the Statement of Financial Position (i.e., assets + deferred outflows - liabilities - deferred inflows). Net investment in capital assets represents capital assets reduced by accumulated depreciation and by any outstanding debt related to the acquisition, construction, or improvement of those assets. Restricted net position represents restricted assets reduced by any related outstanding debt.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure the commission's deposits may not be returned to it. The commission does not have a deposit or investment policy for custodial credit risk; however, the State of Tennessee requires its governmental entities to either meet the deposit and collateralization regulations under *TCA* Title 9, Chapter 4, Parts 1 and 4, or as provided in the collateral

pool. As of June 30, 2024, the carrying amount of the commission's deposits was \$273,718, and the bank balance was \$437,027. None of the commission's bank balance was exposed to custodial credit risk as uninsured or uncollateralized due to the fact that all of its deposits and investments are in a financial institution that is a participant in the State of Tennessee collateral pool.

Investments

The commission had no investments at year-end.

C. Capital Assets

Capital asset activity for the year ended June 30, 2024, follows:

	Balance 7-1-23	Additions	Deletions	Balance 6-30-24
Business-type Activities:				
Capital Assets Not Depreciated:				
Construction in Progress	\$ 13,000	\$ 305,374	\$ 0	\$ 318,374
Capital Assets Depreciated:				
Mobile Home	\$ 52,148	\$ 0	\$ 0	\$ 52,148
Bathhouse	116,564	0	0	116,564
Camp Store	41,764	4,600	0	46,364
Land Improvements	153,202	19,815	(12,444)	160,573
Equipment	68,062	8,900	(13,750)	63,212
Picnic Pavilion	65,686	0	0	65,686
Total Assets being depreciated	\$ 497,426	\$ 33,315	\$ (26,194)	\$ 504,547
Less Accumulated Depreciation for:				
Mobile Home	\$ 11,734	\$ 2,607	\$ 0	\$ 14,341
Bathhouse	54,916	9,601	0	64,517
Camp Store	1,044	2,318	0	3,362
Land Improvements	71,702	6,592	(12,444)	65,850
Equipment	54,858	6,169	(13,750)	47,277
Picnic Pavilion	22,054	3,850	0	25,904
Total Accumulated Depreciation	\$ 216,308	\$ 31,137	\$ (26,194)	\$ 221,251
Net Capital Assets being depreciated	\$ 281,118	\$ 2,178	\$ 0	\$ 283,296
Net Capital Assets	\$ 294,118	\$ 307,552	\$ 0	\$ 601,670

D. Land Use

The Marion County Park is located on land owned by the Tennessee Valley Authority (TVA). TVA permits Marion County to use the park land at no charge.

E. Due to Other Funds

The commission owes Marion County, Tennessee, \$461,225 of which \$30,000 is scheduled to be repaid within one year. Since the commission is a proprietary fund of Marion County, Tennessee, this balance is shown as a Due to Other Funds in the commission's financial statements. These funds were used for electrical system infrastructure upgrades, improvements, repairs, and expansions.

A schedule of repayments follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 30,000	\$ 0	\$ 30,000
2026	60,000	0	60,000
2027	60,000	0	60,000
2028	60,000	0	60,000
2029	60,000	0	60,000
2030-33	191,225	0	191,225
Total	\$ 461,225	\$ 0	\$ 461,225

F. Wages

The managers of the park are compensated by the general government of Marion County. During the year ended June 30, 2024, the commission reimbursed the county \$27,660 relating to the salaries, payroll taxes and workers compensation insurance. Additionally, the manager is permitted to live in the mobile home rent free, including utilities.

G. Compliance with Finance Related Legal and Contractual Provisions

The commission has no material violations of finance related to legal and contractual provisions.

H. Contingent Liabilities

As of June 30, 2024, the commission does not have any material contingent liabilities that would have a material effect on the commission's financial condition.

I. Litigation

As of June 30, 2024, the commission was not involved in any litigation that would have a material effect on the commission's financial condition.

J. Commercial Insurance

It is the policy of the commission to purchase commercial insurance or to be covered under the entire Marion County Government for the risks of losses to which it is exposed. The risks include general liability, property and casualty, worker's compensation, employee fidelity, and directors' and officers' liability. The commission reimburses Marion County for the cost of insurance.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

Exhibit F-1

MARION COUNTY, TENNESSEE

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on

Participation in the Public Employee Pension Plan of TCRS

Primary Government

For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service Cost	\$ 766,971	\$ 752,309	\$ 787,075	\$ 818,011	\$ 905,238	\$ 955,882	\$ 996,845	\$ 1,014,882	\$ 1,192,995	\$ 1,225,365
Interest	1,832,858	1,941,251	2,054,385	2,160,673	2,258,565	2,385,378	2,523,622	2,631,098	2,768,417	2,959,902
Differences Between Actual and Expected Experience	(37,596)	(72,712)	(228,892)	(86,350)	29,000	57,772	(401,673)	(407,689)	752,042	1,816,401
Changes in Assumptions	0	0	0	786,720	0	0	0	3,066,156	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,073,082)	(1,131,572)	(1,162,760)	(1,289,908)	(1,555,358)	(1,433,247)	(1,633,100)	(1,675,710)	(1,844,263)	(1,973,755)
Net Change in Total Pension Liability	\$ 1,489,151	\$ 1,489,276	\$ 1,449,808	\$ 2,389,146	\$ 1,637,445	\$ 1,965,785	\$ 1,485,694	\$ 4,628,737	\$ 2,869,191	\$ 4,027,913
Total Pension Liability, Beginning	24,207,676	25,696,827	27,186,103	28,635,911	31,025,057	32,662,502	34,628,287	36,113,981	40,742,718	43,611,909
Total Pension Liability, Ending (a)	\$ 25,696,827	\$ 27,186,103	\$ 28,635,911	\$ 31,025,057	\$ 32,662,502	\$ 34,628,287	\$ 36,113,981	\$ 40,742,718	\$ 43,611,909	\$ 47,639,822
Plan Fiduciary Net Position										
Contributions - Employer	\$ 581,841	\$ 601,407	\$ 611,505	\$ 649,560	\$ 701,746	\$ 725,353	\$ 753,154	\$ 773,837	\$ 806,938	\$ 927,174
Contributions - Employee	465,460	451,664	459,052	487,916	511,863	529,962	549,358	566,480	590,202	643,867
Net Investment Income	3,782,091	819,239	725,465	3,161,152	2,552,131	2,457,938	1,745,246	9,433,718	(1,743,756)	2,915,915
Benefit Payments, Including Refunds of Employee Contributions	(1,073,082)	(1,131,572)	(1,162,760)	(1,289,908)	(1,555,358)	(1,433,247)	(1,633,100)	(1,675,710)	(1,844,263)	(1,973,755)
Administrative Expense	(12,205)	(15,587)	(22,153)	(26,408)	(28,907)	(27,790)	(28,621)	(29,065)	(32,194)	(33,444)
Net Change in Plan Fiduciary Net Position	\$ 3,744,105	\$ 725,151	\$ 611,109	\$ 2,982,312	\$ 2,181,475	\$ 2,252,216	\$ 1,386,037	\$ 9,069,260	\$ (2,223,073)	\$ 2,479,757
Plan Fiduciary Net Position, Beginning	22,869,034	26,613,139	27,338,290	27,949,399	30,931,711	33,113,186	35,365,402	36,751,439	45,820,699	43,597,626
Plan Fiduciary Net Position, Ending (b)	\$ 26,613,139	\$ 27,338,290	\$ 27,949,399	\$ 30,931,711	\$ 33,113,186	\$ 35,365,402	\$ 36,751,439	\$ 45,820,699	\$ 43,597,626	\$ 46,077,383
Net Pension Liability (Asset), Ending (a - b)	\$ (916,312)	\$ (152,187)	\$ 686,512	\$ 93,346	\$ (450,684)	\$ (737,115)	\$ (637,458)	\$ (5,077,981)	\$ 14,283	\$ 1,562,439
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.57%	100.56%	97.60%	99.70%	101.38%	102.13%	101.77%	112.46%	99.97%	96.72%
Covered Payroll	\$ 8,937,781	\$ 9,028,233	\$ 9,181,418	\$ 9,753,157	\$ 10,086,009	\$ 10,573,650	\$ 10,978,897	\$ 11,280,406	\$ 11,759,747	\$ 12,877,278
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(10.25%)	(1.69%)	7.48%	0.96%	(4.47%)	(6.97%)	(5.81%)	(45.02%)	0.12%	12.13%

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

MARION COUNTY, TENNESSEE**Schedule of Contributions Based on Participation in the Public****Employee Pension Plan of TCRS**

Primary Government

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 601,407	\$ 611,505	\$ 649,560	\$ 701,746	\$ 725,353	\$ 651,050	\$ 668,929	\$ 697,543	\$ 927,174	\$ 948,082
Less: Contributions in Relation to the Actuarially Determined Contribution	(601,407)	(611,505)	(649,560)	(701,746)	(725,353)	(753,154)	(773,837)	(806,938)	(927,174)	(948,082)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (102,104)	\$ (104,908)	\$ (109,395)	\$ 0	\$ 0
Covered Payroll	\$ 9,028,233	\$ 9,181,418	\$ 9,753,157	\$ 10,086,009	\$ 10,573,650	\$ 10,978,897	\$ 11,280,406	\$ 11,759,747	\$ 12,877,278	\$ 13,167,795
Contributions as a Percentage of Covered Payroll	6.66%	6.66%	6.66%	6.96%	6.86%	6.86%	6.86%	6.86%	7.20%	7.20%

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

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

Discretely Presented Marion County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 23,373	\$ 37,708	\$ 57,654	\$ 70,939	\$ 44,421	\$ 55,706	\$ 60,510	\$ 80,739	\$ 128,350	\$ 161,794
Less: Contributions in Relation to the Contractually Required Contribution	(23,373)	(37,708)	(57,654)	(70,939)	(44,421)	(55,706)	(60,510)	(80,739)	(128,350)	(161,794)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 584,315	\$ 942,703	\$ 1,441,355	\$ 1,773,467	\$ 2,289,727	\$ 2,744,102	\$ 2,995,526	\$ 4,016,832	\$ 4,472,125	\$ 5,466,955
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.96%

Note: Beginning in FY 2019, the school department placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remainder of the four percent contractually required contribution into the Pension Stabilization Reserve Trust (SRT).

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

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

Discretely Presented Marion County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 1,311,722	\$ 1,290,031	\$ 1,271,709	\$ 1,282,612	\$ 1,436,392	\$ 1,425,267	\$ 1,344,627	\$ 1,343,146	\$ 1,121,025	\$ 879,966
Less: Contributions in Relation to the Contractually Required Contribution	(1,311,722)	(1,290,031)	(1,271,709)	(1,282,612)	(1,436,392)	(1,425,267)	(1,344,627)	(1,343,146)	(1,121,025)	(879,966)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 14,510,210	\$ 14,270,258	\$ 14,067,577	\$ 14,125,683	\$ 13,732,244	\$ 13,407,982	\$ 13,092,764	\$ 13,043,332	\$ 12,926,932	\$ 12,920,621
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.67%	6.81%

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

Discretely Presented Marion County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Department's Proportion of the Net Pension Liability (Asset)	0.275422%	0.214248%	0.219605%	0.202942%	0.216379%	0.217456%	0.207558%	0.235219%	0.224838%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (11,314)	\$ (22,304)	\$ (57,940)	\$ (92,040)	\$ (122,143)	\$ (123,655)	\$ (224,829)	\$ (71,254)	\$ (95,339)
Covered Payroll	\$ 584,315	\$ 942,703	\$ 1,441,355	\$ 1,773,467	\$ 2,289,727	\$ 2,744,102	\$ 2,995,526	\$ 4,016,832	\$ 4,472,125
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94%)	(2.37%)	(4.02%)	(5.19%)	(5.33%)	(4.51%)	(7.51%)	(1.77%)	(2.13%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%

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

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

Discretely Presented Marion County School Department

For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School Department's Proportion of the Net Pension Liability (Asset)	0.390575%	0.387610%	0.395320%	0.397957%	0.403398%	0.409533%	0.402852%	0.398906%	0.396247%	0.397534%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (63,467)	\$ 158,778	\$ 2,470,530	\$ (130,206)	\$ (1,419,523)	\$ (4,210,740)	\$ (3,072,047)	\$ (17,205,762)	\$ (4,859,600)	\$ (4,686,826)
Covered Payroll	\$ 15,330,037	\$ 14,510,210	\$ 14,270,258	\$ 14,067,577	\$ 14,125,683	\$ 13,732,244	\$ 13,407,982	\$ 13,092,764	\$ 13,043,332	\$ 12,926,932
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41%)	1.09%	17.31%	(0.93%)	(10.05%)	(30.66%)	(22.91%)	(131.41%)	(37.26%)	(36.26%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%

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

Primary Government

For the Fiscal Year Ended June 30**Marion County Plan**

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 19,909	\$ 19,438	\$ 22,162	\$ 25,065	\$ 30,941	\$ 27,804	\$ 16,643
Interest	6,771	8,711	9,033	9,611	7,921	6,535	7,659
Differences Between Actual and Expected Experience	0	(37,646)	(17,621)	35,047	2,794	(15,649)	7,153
Changes in Assumptions or Other Inputs	(12,431)	13,278	14,339	25,801	(78,584)	(86,714)	65,715
Benefit Payments	0	(1,923)	(1,406)	(11,771)	(21,808)	(9,762)	(4,261)
Net Change in Total OPEB Liability	\$ 14,249	\$ 1,858	\$ 26,507	\$ 83,753	\$ (58,736)	\$ (77,786)	\$ 92,909
Total OPEB Liability, Beginning	211,967	226,216	228,074	254,581	338,334	279,598	201,812
Total OPEB Liability, Ending	\$ 226,216	\$ 228,074	\$ 254,581	\$ 338,334	\$ 279,598	\$ 201,812	\$ 294,721

Covered Employee Payroll	\$ 4,590,400	\$ 4,893,419	\$ 4,886,658	\$ 5,128,636	\$ 5,398,350	\$ 6,307,294	\$ 6,404,975
Net OPEB Liability as a Percentage of Covered Employee Payroll	4.93%	4.66%	5.21%	6.60%	5.18%	3.20%	4.60%

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

Note 2: Changes in assumptions.

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

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

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

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

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

Note 4: The Marion County Highway Department opted out of providing insurance to retirees effective June 30, 2022.

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

Discretely Presented Marion County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	\$ 263,146	\$ 243,395	\$ 219,129	\$ 213,591	\$ 278,166	\$ 372,246	\$ 283,265
Interest	138,598	164,224	135,456	147,871	109,206	135,162	211,747
Differences Between Actual and Expected Experience	0	(1,119,453)	663,958	(59,239)	(96,164)	51,698	(220,908)
Changes in Assumptions or Other Inputs	(207,554)	146,166	(329,677)	539,854	1,093,192	(626,209)	530,845
Benefit Payments	(297,066)	(318,772)	(245,890)	(178,153)	(177,364)	(147,374)	(92,319)
Net Change in Total OPEB Liability	\$ (102,876)	\$ (884,440)	\$ 442,976	\$ 663,924	\$ 1,207,036	\$ (214,477)	\$ 712,630
Total OPEB Liability, Beginning	4,631,907	4,529,031	3,644,591	4,087,567	4,751,491	5,958,527	5,744,050
Total OPEB Liability, Ending	\$ 4,529,031	\$ 3,644,591	\$ 4,087,567	\$ 4,751,491	\$ 5,958,527	\$ 5,744,050	\$ 6,456,680
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,572,792	\$ 1,222,093	\$ 1,436,207	\$ 1,575,940	\$ 2,068,400	\$ 2,109,340	\$ 2,552,136
Employer Proportionate Share of the Total OPEB Liability	2,956,239	2,422,498	2,651,360	3,175,551	3,890,127	3,634,710	3,904,544
Covered Employee Payroll	\$ 18,435,435	\$ 19,972,929	\$ 20,287,586	\$ 20,205,983	\$ 21,405,684	\$ 22,117,353	\$ 23,925,745
Net OPEB Liability as a Percentage of Covered Employee Payroll	24.57%	18.25%	20.15%	23.52%	27.84%	25.97%	26.99%

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

Note 2: Changes in assumptions.

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

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

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

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

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2024 were calculated based on the June 30, 2022, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection.

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

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

DEBT SERVICE FUNDS

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

General Debt Service Fund – The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

MARION COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total
ASSETS					
Cash	\$ 0	\$ 0	\$ 0	\$ 77,635	\$ 77,635
Equity in Pooled Cash and Investments	7,102	2,149,190	262,214	0	2,418,506
Accounts Receivable	0	0	0	228	228
Due from Other Governments	0	187,614	555	0	188,169
Property Taxes Receivable	0	0	0	0	0
Allowance for Uncollectible Property Taxes	0	0	0	0	0
Notes Receivable - Long-term	0	0	0	0	0
Total Assets	<u>\$ 7,102</u>	<u>\$ 2,336,804</u>	<u>\$ 262,769</u>	<u>\$ 77,863</u>	<u>\$ 2,684,538</u>
LIABILITIES					
Accounts Payable	\$ 0	\$ 30,423	\$ 0	\$ 0	\$ 30,423
Accrued Payroll	0	5,800	88	0	5,888
Due to Other Funds	0	0	0	728	728
Due to Litigants, Heirs, and Others	0	0	34,547	0	34,547
Total Liabilities	<u>\$ 0</u>	<u>\$ 36,223</u>	<u>\$ 34,635</u>	<u>\$ 728</u>	<u>\$ 71,586</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Deferred Delinquent Property Taxes	0	0	0	0	0
Other Deferred/Unavailable Revenue	0	93,480	0	0	93,480
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 93,480</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 93,480</u>

(Continued)

MARION COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds (Cont.)

FUND BALANCES

Restricted:

Restricted for General Government

Restricted for Finance

Restricted for Public Safety

Restricted for Public Health and Welfare

Restricted for Debt Service

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Special Revenue Funds

Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total
\$ 7,102	\$ 0	\$ 0	\$ 0	\$ 7,102
0	0	0	77,135	77,135
0	0	228,134	0	228,134
0	2,207,101	0	0	2,207,101
0	0	0	0	0
<u>\$ 7,102</u>	<u>\$ 2,207,101</u>	<u>\$ 228,134</u>	<u>\$ 77,135</u>	<u>\$ 2,519,472</u>
<u>\$ 7,102</u>	<u>\$ 2,336,804</u>	<u>\$ 262,769</u>	<u>\$ 77,863</u>	<u>\$ 2,684,538</u>

(Continued)

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

	Debt Service Fund		Total General Debt Service Funds
ASSETS			
Cash	\$	0	\$ 77,635
Equity in Pooled Cash and Investments		2,557,990	4,976,496
Accounts Receivable		0	228
Due from Other Governments		0	188,169
Property Taxes Receivable		782,756	782,756
Allowance for Uncollectible Property Taxes		(25,297)	(25,297)
Notes Receivable - Long-term		1,537,754	1,537,754
Total Assets	\$	4,853,203	\$ 7,537,741
LIABILITIES			
Accounts Payable	\$	0	\$ 30,423
Accrued Payroll		0	5,888
Due to Other Funds		0	728
Due to Litigants, Heirs, and Others		0	34,547
Total Liabilities	\$	0	\$ 71,586
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	\$	736,979	\$ 736,979
Deferred Delinquent Property Taxes		18,615	18,615
Other Deferred/Unavailable Revenue		0	93,480
Total Deferred Inflows of Resources	\$	755,594	\$ 849,074

(Continued)

MARION COUNTY, TENNESSEE**Combining Balance Sheet**

Nonmajor Governmental Funds (Cont.)

FUND BALANCES

Restricted:

Restricted for General Government

Restricted for Finance

Restricted for Public Safety

Restricted for Public Health and Welfare

Restricted for Debt Service

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Debt Service Fund		Total Nonmajor Governmental Funds
General		
Debt		
Service		
\$	0	\$ 7,102
	0	77,135
	0	228,134
	0	2,207,101
	4,097,609	4,097,609
\$	4,097,609	\$ 6,617,081
\$	4,853,203	\$ 7,537,741

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total
Revenues					
Local Taxes	\$ 8,738	\$ 1,089,153	\$ 0	\$ 0	\$ 1,097,891
Fines, Forfeitures, and Penalties	0	0	48,822	0	48,822
Charges for Current Services	0	57,801	0	564,513	622,314
Other Local Revenues	0	1,718	0	0	1,718
State of Tennessee	0	193,342	0	0	193,342
Other Governments and Citizens Groups	0	0	750	0	750
Total Revenues	<u>\$ 8,738</u>	<u>\$ 1,342,014</u>	<u>\$ 49,572</u>	<u>\$ 564,513</u>	<u>\$ 1,964,837</u>
Expenditures					
Current:					
General Government	\$ 15,739	\$ 0	\$ 0	\$ 0	\$ 15,739
Finance	0	0	0	600,396	600,396
Public Safety	0	0	13,425	0	13,425
Public Health and Welfare	0	733,407	0	0	733,407
Other Operations	92	13,345	72	0	13,509
Debt Service:					
Principal on Debt	0	0	0	0	0
Interest on Debt	0	0	0	0	0
Other Debt Service	0	0	0	0	0
Total Expenditures	<u>\$ 15,831</u>	<u>\$ 746,752</u>	<u>\$ 13,497</u>	<u>\$ 600,396</u>	<u>\$ 1,376,476</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (7,093)</u>	<u>\$ 595,262</u>	<u>\$ 36,075</u>	<u>\$ (35,883)</u>	<u>\$ 588,361</u>

(Continued)

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	\$ 0	\$ 0	\$ 4,300	\$ 0	\$ 4,300
Transfers In	0	0	0	0	0
Transfers Out	0	0	(20,000)	0	(20,000)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (15,700)</u>	<u>\$ 0</u>	<u>\$ (15,700)</u>
Net Change in Fund Balances	\$ (7,093)	\$ 595,262	\$ 20,375	\$ (35,883)	\$ 572,661
Fund Balance, July 1, 2023	<u>14,195</u>	<u>1,611,839</u>	<u>207,759</u>	<u>113,018</u>	<u>1,946,811</u>
Fund Balance, June 30, 2024	<u>\$ 7,102</u>	<u>\$ 2,207,101</u>	<u>\$ 228,134</u>	<u>\$ 77,135</u>	<u>\$ 2,519,472</u>

(Continued)

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

	Debt Service Fund		Total Nonmajor Governmental Funds
	General Debt Service		
Revenues			
Local Taxes	\$ 598,166	\$	1,696,057
Fines, Forfeitures, and Penalties	0		48,822
Charges for Current Services	0		622,314
Other Local Revenues	0		1,718
State of Tennessee	0		193,342
Other Governments and Citizens Groups	24,929		25,679
Total Revenues	<u>\$ 623,095</u>	<u>\$</u>	<u>2,587,932</u>
Expenditures			
Current:			
General Government	\$ 0	\$	15,739
Finance	0		600,396
Public Safety	0		13,425
Public Health and Welfare	0		733,407
Other Operations	11,815		25,324
Debt Service:			
Principal on Debt	450,000		450,000
Interest on Debt	107,185		107,185
Other Debt Service	650		650
Total Expenditures	<u>\$ 569,650</u>	<u>\$</u>	<u>1,946,126</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 53,445</u>	<u>\$</u>	<u>641,806</u>

(Continued)

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

	Debt Service Fund		Total
	General	Debt	Nonmajor
	Service		Governmental
			Funds
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	\$	0	\$ 4,300
Transfers In		1,588,261	1,588,261
Transfers Out		0	(20,000)
Total Other Financing Sources (Uses)	<u>\$</u>	<u>1,588,261</u>	<u>\$ 1,572,561</u>
Net Change in Fund Balances	\$	1,641,706	\$ 2,214,367
Fund Balance, July 1, 2023		<u>2,455,903</u>	<u>4,402,714</u>
Fund Balance, June 30, 2024	<u>\$</u>	<u>4,097,609</u>	<u>\$ 6,617,081</u>

MARION COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Courthouse and Jail Maintenance Fund
For the Year Ended June 30, 2024

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 8,738	\$ 7,000	\$ 7,000	\$ 1,738
Total Revenues	\$ 8,738	\$ 7,000	\$ 7,000	\$ 1,738
Expenditures				
General Government				
County Buildings	\$ 15,739	\$ 15,000	\$ 15,800	\$ 61
Other Operations				
Other Charges	92	100	100	8
Total Expenditures	\$ 15,831	\$ 15,100	\$ 15,900	\$ 69
Excess (Deficiency) of Revenues Over Expenditures	\$ (7,093)	\$ (8,100)	\$ (8,900)	\$ 1,807
Net Change in Fund Balance	\$ (7,093)	\$ (8,100)	\$ (8,900)	\$ 1,807
Fund Balance, July 1, 2023	14,195	12,622	12,622	1,573
Fund Balance, June 30, 2024	\$ 7,102	\$ 4,522	\$ 3,722	\$ 3,380

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 1,089,153	\$ 450,000	\$ 450,000	\$ 639,153
Charges for Current Services	57,801	50,000	50,000	7,801
Other Local Revenues	1,718	1,000	1,000	718
State of Tennessee	193,342	130,000	130,000	63,342
Total Revenues	<u>\$ 1,342,014</u>	<u>\$ 631,000</u>	<u>\$ 631,000</u>	<u>\$ 711,014</u>
Expenditures				
Public Health and Welfare				
Convenience Centers	\$ 733,407	\$ 874,567	\$ 874,567	\$ 141,160
Other Operations				
Other Charges	13,345	12,000	12,000	(1,345)
Total Expenditures	<u>\$ 746,752</u>	<u>\$ 886,567</u>	<u>\$ 886,567</u>	<u>\$ 139,815</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 595,262</u>	<u>\$ (255,567)</u>	<u>\$ (255,567)</u>	<u>\$ 850,829</u>
Other Financing Sources (Uses)				
Transfers In	\$ 0	\$ 10,000	\$ 10,000	\$ (10,000)
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ (10,000)</u>
Net Change in Fund Balance	\$ 595,262	\$ (245,567)	\$ (245,567)	\$ 840,829
Fund Balance, July 1, 2023	<u>1,611,839</u>	<u>1,352,960</u>	<u>1,352,960</u>	<u>258,879</u>
Fund Balance, June 30, 2024	<u><u>\$ 2,207,101</u></u>	<u><u>\$ 1,107,393</u></u>	<u><u>\$ 1,107,393</u></u>	<u><u>\$ 1,099,708</u></u>

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Fines, Forfeitures, and Penalties	\$ 48,822	\$ 10,000	\$ 10,000	\$ 38,822
Other Local Revenues	0	100	100	(100)
Other Governments and Citizens Groups	750	0	0	750
Total Revenues	\$ 49,572	\$ 10,100	\$ 10,100	\$ 39,472
Expenditures				
Public Safety				
Drug Enforcement	\$ 13,425	\$ 122,050	\$ 102,050	\$ 88,625
Other Operations				
Other Charges	72	225	225	153
Total Expenditures	\$ 13,497	\$ 122,275	\$ 102,275	\$ 88,778
Excess (Deficiency) of Revenues Over Expenditures	\$ 36,075	\$ (112,175)	\$ (92,175)	\$ 128,250
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	\$ 4,300	0	0	4,300
Transfers Out	(20,000)	0	(20,000)	0
Total Other Financing Sources	\$ (15,700)	0	(20,000)	4,300
Net Change in Fund Balance	\$ 20,375	\$ (112,175)	\$ (112,175)	\$ 132,550
Fund Balance, July 1, 2023	207,759	207,024	207,024	735
Fund Balance, June 30, 2024	\$ 228,134	\$ 94,849	\$ 94,849	\$ 133,285

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 598,166	\$ 531,250	\$ 531,250	\$ 66,916
Other Governments and Citizens Groups	24,929	0	24,422	507
Total Revenues	<u>\$ 623,095</u>	<u>\$ 531,250</u>	<u>\$ 555,672</u>	<u>\$ 67,423</u>
Expenditures				
Other Operations				
Other Charges	\$ 11,815	\$ 15,000	\$ 15,000	\$ 3,185
Principal on Debt				
General Government	450,000	400,000	450,000	0
Interest on Debt				
General Government	107,185	82,257	107,186	1
Other Debt Service				
General Government	650	1,000	1,000	350
Total Expenditures	<u>\$ 569,650</u>	<u>\$ 498,257</u>	<u>\$ 573,186</u>	<u>\$ 3,536</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 53,445</u>	<u>\$ 32,993</u>	<u>\$ (17,514)</u>	<u>\$ 70,959</u>
Other Financing Sources (Uses)				
Transfers In	\$ 1,588,261	0	\$ 1,588,261	0
Total Other Financing Sources	<u>\$ 1,588,261</u>	<u>0</u>	<u>\$ 1,588,261</u>	<u>0</u>
Net Change in Fund Balance	\$ 1,641,706	\$ 32,993	\$ 1,570,747	\$ 70,959
Fund Balance, July 1, 2023	<u>2,455,903</u>	<u>2,926,322</u>	<u>2,926,322</u>	<u>(470,419)</u>
Fund Balance, June 30, 2024	<u><u>\$ 4,097,609</u></u>	<u><u>\$ 2,959,315</u></u>	<u><u>\$ 4,497,069</u></u>	<u><u>\$ (399,460)</u></u>

MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

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

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the retirement of bonds issued for the construction and renovation of the county’s rural schools.

Education Debt Service Fund – The Education Debt Service Fund is used to account for the accumulation of resources for, and the contribution to the primary government of, education related long-term debt principal, interest, and related costs.

CAPITAL PROJECTS FUNDS

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

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for debt issued by Marion County that is subsequently contributed to the discretely presented Marion County School Department. This fund is also used to account for revenues collected as lease payments on county-owned buildings to be used for future capital outlays.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for various capital outlays of the county.

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 1,462,950	\$ 1,327,500	\$ 1,327,500	\$ 135,450
Other Local Revenues	0	5	5	(5)
Other Governments and Citizens Groups	1,250,000	1,000	1,000	1,249,000
Total Revenues	<u>\$ 2,712,950</u>	<u>\$ 1,328,505</u>	<u>\$ 1,328,505</u>	<u>\$ 1,384,445</u>
Expenditures				
Principal on Debt				
Education	\$ 2,615,000	\$ 2,615,000	\$ 2,615,000	\$ 0
Interest on Debt				
Education	1,061,664	1,061,663	1,061,664	0
Other Debt Service				
Education	30,539	37,000	37,000	6,461
Total Expenditures	<u>\$ 3,707,203</u>	<u>\$ 3,713,663</u>	<u>\$ 3,713,664</u>	<u>\$ 6,461</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (994,253)</u>	<u>\$ (2,385,158)</u>	<u>\$ (2,385,159)</u>	<u>\$ 1,390,906</u>
Net Change in Fund Balance	\$ (994,253)	\$ (2,385,158)	\$ (2,385,159)	\$ 1,390,906
Fund Balance, July 1, 2023	<u>7,813,468</u>	<u>6,500,524</u>	<u>6,500,524</u>	<u>1,312,944</u>
Fund Balance, June 30, 2024	<u><u>\$ 6,819,215</u></u>	<u><u>\$ 4,115,366</u></u>	<u><u>\$ 4,115,365</u></u>	<u><u>\$ 2,703,850</u></u>

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

			Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual		Original	Final	
Revenues					
Local Taxes	\$ 2,899,337	\$	1,575,000	\$ 1,575,000	\$ 1,324,337
Other Local Revenues	4,408		12,000	12,000	(7,592)
Total Revenues	<u>\$ 2,903,745</u>	<u>\$</u>	<u>1,587,000</u>	<u>\$ 1,587,000</u>	<u>\$ 1,316,745</u>
Expenditures					
Other Operations					
Other Charges	\$ 28,954	\$	24,500	\$ 27,500	\$ (1,454)
Principal on Debt					
Education	1,035,000		1,035,000	1,035,000	0
Interest on Debt					
Education	284,681		284,682	284,682	1
Other Debt Service					
Education	300		500	500	200
Total Expenditures	<u>\$ 1,348,935</u>	<u>\$</u>	<u>1,344,682</u>	<u>\$ 1,347,682</u>	<u>\$ (1,253)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,554,810</u>	<u>\$</u>	<u>242,318</u>	<u>\$ 239,318</u>	<u>\$ 1,315,492</u>
Net Change in Fund Balance	\$ 1,554,810	\$	242,318	\$ 239,318	\$ 1,315,492
Fund Balance, July 1, 2023	<u>8,370,067</u>		<u>7,651,871</u>	<u>7,651,871</u>	<u>718,196</u>
Fund Balance, June 30, 2024	<u><u>\$ 9,924,877</u></u>	<u><u>\$</u></u>	<u><u>7,894,189</u></u>	<u><u>\$ 7,891,189</u></u>	<u><u>\$ 2,033,688</u></u>

MARION COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
 Education Capital Projects Fund
For the Year Ended June 30, 2024

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Other Local Revenues	\$ 222,770	\$ 222,250	\$ 222,250	\$ 520
Total Revenues	\$ 222,770	\$ 222,250	\$ 222,250	\$ 520
Expenditures				
Other Operations				
Other Charges	\$ 2,228	\$ 3,000	\$ 3,000	\$ 772
Total Expenditures	\$ 2,228	\$ 3,000	\$ 3,000	\$ 772
Excess (Deficiency) of Revenues Over Expenditures	\$ 220,542	\$ 219,250	\$ 219,250	\$ 1,292
Net Change in Fund Balance	\$ 220,542	\$ 219,250	\$ 219,250	\$ 1,292
Fund Balance, July 1, 2023	1,851,207	1,814,282	1,814,282	36,925
Fund Balance, June 30, 2024	\$ 2,071,749	\$ 2,033,532	\$ 2,033,532	\$ 38,217

MARION COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Capital Projects Fund
For the Year Ended June 30, 2024

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 1,027,874	\$ 956,500	\$ 956,500	\$ 71,374
State of Tennessee	29,708	50,000	79,708	(50,000)
Federal Government	2,904,816	0	2,904,816	0
Total Revenues	\$ 3,962,398	\$ 1,006,500	\$ 3,941,024	\$ 21,374
Expenditures				
General Government				
County Buildings	\$ 711,622	\$ 36,000	\$ 739,360	\$ 27,738
Other Operations				
Airport	2,904,816	0	2,904,816	0
Other Charges	20,291	25,000	25,000	4,709
Total Expenditures	\$ 3,636,729	\$ 61,000	\$ 3,669,176	\$ 32,447
Excess (Deficiency) of Revenues Over Expenditures	\$ 325,669	\$ 945,500	\$ 271,848	\$ 53,821
Other Financing Sources (Uses)				
Transfers Out	\$ (508,791)	0	\$ (508,791)	0
Total Other Financing Sources	\$ (508,791)	0	\$ (508,791)	0
Net Change in Fund Balance	\$ (183,122)	\$ 945,500	\$ (236,943)	\$ 53,821
Fund Balance, July 1, 2023	9,631,529	9,602,108	9,602,108	29,421
Fund Balance, June 30, 2024	\$ 9,448,407	\$ 10,547,608	\$ 9,365,165	\$ 83,242

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.

Special School District Fund – The Special School District Fund is used to account for property taxes levied on residents of Richard City. These property taxes are remitted to the Richard City Schools on a monthly basis.

City School ADA – Richard City Fund – The City School ADA – Richard City Fund is used to account for the Richard City School System’s share of education revenues collected by the county, which must be apportioned between the school systems on an average daily attendance basis. These collections are remitted to the Richard City Schools on a monthly basis.

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

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

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

	Custodial Funds					
	Cities - Sales Tax	Special School District	City School ADA - Richard City	Constitu - tional Officers - Custodial	Judicial District Drug	Total
ASSETS						
Cash	\$ 0	\$ 0	\$ 0	\$ 1,607,776	\$ 0	\$ 1,607,776
Equity in Pooled Cash and Investments	0	74	27,926	0	211,073	239,073
Accounts Receivable	0	0	771	4,734	0	5,505
Due from Other Governments	961,884	0	51,811	0	17,505	1,031,200
Property Taxes Receivable	0	47,808	311,284	0	0	359,092
Allowance for Uncollectible Property Taxes	0	(1,297)	(11,075)	0	0	(12,372)
Total Assets	\$ 961,884	\$ 46,585	\$ 380,717	\$ 1,612,510	\$ 228,578	\$ 3,230,274
LIABILITIES						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,056	\$ 2,056
Accrued Payroll	0	0	0	0	5,403	5,403
Due to Other Taxing Units	961,884	46,585	81,304	0	0	1,089,773
Total Liabilities	\$ 961,884	\$ 46,585	\$ 81,304	\$ 0	\$ 7,459	\$ 1,097,232
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 299,413	\$ 0	\$ 0	\$ 299,413
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 299,413	\$ 0	\$ 0	\$ 299,413
NET POSITION						
Restricted for Individuals, Organizations, and Other Governments	\$ 0	\$ 0	\$ 0	\$ 1,612,510	\$ 221,119	\$ 1,833,629
Total Net Position	\$ 0	\$ 0	\$ 0	\$ 1,612,510	\$ 221,119	\$ 1,833,629

Exhibit I-2

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

	Custodial Funds					
	Cities -	Special	City	Constitu -	Judicial	
	Sales	School	School	tional	District	
	Tax	District	ADA -	Officers -	Drug	Total
			Richard City	Custodial		
Additions						
Sales Tax Collections for Other Governments	\$ 5,436,359	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,436,359
ADA - Educational Funds Collected for Cities	0	22,992	615,821	0	0	638,813
Fines/Fees and Other Collections	0	0	0	8,449,330	0	8,449,330
Drug Task Force Collections	0	0	0	0	378,251	378,251
Total Additions	\$ 5,436,359	\$ 22,992	\$ 615,821	\$ 8,449,330	\$ 378,251	\$ 14,902,753
Deductions						
Payment of Sales Tax Collections for Other Governments	\$ 5,436,359	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,436,359
Payments to City School Systems	0	22,992	615,821	0	0	638,813
Payments to State	0	0	0	5,254,034	0	5,254,034
Payments to County/City	0	0	0	899,399	0	899,399
Payments to Individuals and Others	0	0	0	2,190,280	0	2,190,280
Payment of Drug Task Force Expenses	0	0	0	0	438,179	438,179
Total Deductions	\$ 5,436,359	\$ 22,992	\$ 615,821	\$ 8,343,713	\$ 438,179	\$ 14,857,064
Change in Net Position	\$ 0	\$ 0	\$ 0	\$ 105,617	\$ (59,928)	\$ 45,689
Net Position July 1, 2023	0	0	0	1,506,893	281,047	1,787,940
Net Position June 30, 2024	\$ 0	\$ 0	\$ 0	\$ 1,612,510	\$ 221,119	\$ 1,833,629

MARION COUNTY SCHOOL DEPARTMENT

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

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

Private Purpose Trust Fund – The Private Purpose Trust Fund is used to account for two scholarships. One is for graduates of Whitwell Middle School who become graduates of Whitwell High School, and one is for graduating seniors planning to major in education.

MARION COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Marion County School Department

For the Year Ended June 30, 2024

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	\$ 28,886,757	\$ 15,385	\$ 5,863,107	\$ 760,961	\$ (22,247,304)
Support Services	15,465,773	0	3,401,788	0	(12,063,985)
Operation of Non-instructional Services	6,385,292	274,494	4,058,710	0	(2,052,088)
Total Governmental Activities	<u>\$ 50,737,822</u>	<u>\$ 289,879</u>	<u>\$ 13,323,605</u>	<u>\$ 760,961</u>	<u>\$ (36,363,377)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 6,413,693
Local Option Sales Taxes					6,263,370
Hotel/Motel Tax					353,879
Wholesale Beer Tax					83,460
Mixed Drink Tax					27,545
Grants and Contributions Not Restricted to Specific Programs					29,720,490
Unrestricted Investment Earnings					517,328
Miscellaneous					99,728
Total General Revenues					<u>\$ 43,479,493</u>
Insurance Recovery					<u>\$ 78,788</u>
Change in Net Position					\$ 7,194,904
Net Position, July 1, 2023					<u>93,256,858</u>
Net Position, June 30, 2024					<u><u>\$ 100,451,762</u></u>

Exhibit J-2

MARION COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Marion County School Department

June 30, 2024

	Major Funds				Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Capital Projects -	Internal School	Total Governmental Funds
ASSETS						
Cash	\$ 0	\$ 0	\$ 144,314	\$ 0	\$ 1,338,660	\$ 1,482,974
Equity in Pooled Cash and Investments	15,855,832	37,401	3,811,325	2,275,886	0	21,980,444
Inventories	0	0	80,818	0	0	80,818
Accounts Receivable	22,010	0	986	0	0	22,996
Due from Other Governments	2,289,368	194,774	209,097	0	0	2,693,239
Due from Other Funds	147,415	0	0	0	0	147,415
Property Taxes Receivable	6,916,640	0	0	0	0	6,916,640
Allowance for Uncollectible Property Taxes	(248,711)	0	0	0	0	(248,711)
Restricted Assets	425,886	0	0	0	0	425,886
Total Assets	<u>\$ 25,408,440</u>	<u>\$ 232,175</u>	<u>\$ 4,246,540</u>	<u>\$ 2,275,886</u>	<u>\$ 1,338,660</u>	<u>\$ 33,501,701</u>
LIABILITIES						
Accounts Payable	\$ 247,465	\$ 0	\$ 10,190	\$ 9,598	\$ 0	\$ 267,253
Accrued Payroll	431,608	34,760	0	0	0	466,368
Payroll Deductions Payable	6,010	0	6,423	0	0	12,433
Contracts Payable	0	0	0	678,784	0	678,784
Retainage Payable	0	0	0	35,726	0	35,726
Due to Other Funds	0	147,415	0	0	0	147,415
Due to Primary Government	2,537	0	0	0	0	2,537
Total Liabilities	<u>\$ 687,620</u>	<u>\$ 182,175</u>	<u>\$ 16,613</u>	<u>\$ 724,108</u>	<u>\$ 0</u>	<u>\$ 1,610,516</u>

(Continued)

Exhibit J-2

MARION COUNTY, TENNESSEE

Balance Sheet - Governmental Funds

Discretely Presented Marion County School Department (Cont.)

	Major Funds				Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Capital Projects -	Internal School	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 6,437,494	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,437,494
Deferred Delinquent Property Taxes	209,450	0	0	0	0	209,450
Other Deferred/Unavailable Revenue	557,734	0	0	0	0	557,734
Total Deferred Inflows of Resources	<u>\$ 7,204,678</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,204,678</u>
FUND BALANCES						
Nonspendable:						
Inventory	\$ 0	\$ 0	\$ 80,818	\$ 0	\$ 0	\$ 80,818
Restricted:						
Restricted for Education	23,725	0	4,149,109	1,551,778	1,338,660	7,063,272
Restricted for Instruction	2,454	0	0	0	0	2,454
Restricted for Hybrid Retirement Stabilization Funds	425,886	0	0	0	0	425,886
Committed:						
Committed for Education	0	50,000	0	0	0	50,000
Unassigned	17,064,077	0	0	0	0	17,064,077
Total Fund Balances	<u>\$ 17,516,142</u>	<u>\$ 50,000</u>	<u>\$ 4,229,927</u>	<u>\$ 1,551,778</u>	<u>\$ 1,338,660</u>	<u>\$ 24,686,507</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 25,408,440</u>	<u>\$ 232,175</u>	<u>\$ 4,246,540</u>	<u>\$ 2,275,886</u>	<u>\$ 1,338,660</u>	<u>\$ 33,501,701</u>

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

Discretely Presented Marion County School Department

June 30, 2024

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$ 24,686,507
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 2,051,696	
Add: construction in progress	34,001,112	
Add: buildings and improvements net of accumulated depreciation	28,589,530	
Add: other capital assets net of accumulated depreciation	<u>4,013,506</u>	68,655,844
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: pension liability - agent plan	\$ (597,434)	
Less: OPEB liability	<u>(3,904,544)</u>	(4,501,978)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 6,368,948	
Less: deferred inflows of resources related to pensions	(405,536)	
Add: deferred outflows of resources related to OPEB	1,266,544	
Less: deferred inflows of resources related to OPEB	<u>(1,167,916)</u>	6,062,040
(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	\$ 95,339	
Add: net pension asset - teacher legacy pension plan	<u>4,686,826</u>	4,782,165
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>767,184</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 100,451,762</u></u>

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

Discretely Presented Marion County School Department

For the Year Ended June 30, 2024

	Major Funds				Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Capital Projects -	Internal School	Total Governmental Funds
Revenues						
Local Taxes	\$ 13,035,407	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,035,407
Licenses and Permits	1,932	0	0	0	0	1,932
Charges for Current Services	91,503	0	198,376	0	0	289,879
Other Local Revenues	135,729	0	3,940	477,780	2,198,220	2,815,669
State of Tennessee	31,069,586	0	26,776	0	0	31,096,362
Federal Government	101,526	6,357,867	3,582,184	0	0	10,041,577
Other Governments and Citizens Groups	760,961	0	0	0	0	760,961
Total Revenues	<u>\$ 45,196,644</u>	<u>\$ 6,357,867</u>	<u>\$ 3,811,276</u>	<u>\$ 477,780</u>	<u>\$ 2,198,220</u>	<u>\$ 58,041,787</u>
Expenditures						
Current:						
Instruction	\$ 21,903,814	\$ 3,437,477	\$ 0	\$ 0	\$ 0	\$ 25,341,291
Support Services	14,231,565	1,375,573	0	0	0	15,607,138
Operation of Non-Instructional Services	467,540	0	3,869,607	0	2,015,564	6,352,711
Capital Outlay	980,174	1,401,423	0	0	0	2,381,597
Debt Service:						
Other Debt Service	1,250,000	0	0	0	0	1,250,000
Capital Projects	0	0	0	20,305,687	0	20,305,687
Total Expenditures	<u>\$ 38,833,093</u>	<u>\$ 6,214,473</u>	<u>\$ 3,869,607</u>	<u>\$ 20,305,687</u>	<u>\$ 2,015,564</u>	<u>\$ 71,238,424</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 6,363,551</u>	<u>\$ 143,394</u>	<u>\$ (58,331)</u>	<u>\$ (19,827,907)</u>	<u>\$ 182,656</u>	<u>\$ (13,196,637)</u>

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

	Major Funds				Nonmajor Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Other Capital Projects -	Internal School	Total Governmental Funds
Other Financing Sources (Uses)						
Insurance Recovery	\$ 78,788	\$ 0	\$ 0	\$ 0	\$ 0	\$ 78,788
Transfers In	143,394	0	0	0	0	143,394
Transfers Out	0	(143,394)	0	0	0	(143,394)
Total Other Financing Sources (Uses)	<u>\$ 222,182</u>	<u>\$ (143,394)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 78,788</u>
Net Change in Fund Balances	\$ 6,585,733	\$ 0	\$ (58,331)	\$ (19,827,907)	\$ 182,656	\$ (13,117,849)
Fund Balance, July 1, 2023	<u>10,930,409</u>	<u>50,000</u>	<u>4,288,258</u>	<u>21,379,685</u>	<u>1,156,004</u>	<u>37,804,356</u>
Fund Balance, June 30, 2024	<u>\$ 17,516,142</u>	<u>\$ 50,000</u>	<u>\$ 4,229,927</u>	<u>\$ 1,551,778</u>	<u>\$ 1,338,660</u>	<u>\$ 24,686,507</u>

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

Discretely Presented Marion County School Department

For the Year Ended June 30, 2024

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ (13,117,849)
(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	\$ 22,579,896	
Less: current-year depreciation expense	<u>(1,662,525)</u>	20,917,371
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value on capital assets disposed		(52,013)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2024	\$ 767,184	
Less: deferred delinquent property taxes and other deferred June 30, 2023	<u>(652,674)</u>	114,510
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in net pension liability/asset - agent plan	\$ (591,787)	
Change in net pension asset - teacher retirement plan	24,085	
Change in net pension asset - teacher legacy pension plan	(172,774)	
Change in deferred outflows related to pensions	(326,221)	
Change in deferred inflows related to pensions	642,109	
Change in OPEB liability	(269,834)	
Change in deferred outflows related to OPEB	54,802	
Change in deferred inflows related to OPEB	<u>(27,495)</u>	<u>(667,115)</u>
Change in net position of governmental activities (Exhibit B)		<u><u>\$ 7,194,904</u></u>

MARION COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**Discretely Presented Marion County School Department
General Purpose School Fund**For the Year Ended June 30, 2024**

			Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual		Original	Final	
Revenues					
Local Taxes	\$ 13,035,407	\$	9,566,732	\$ 9,761,716	\$ 3,273,691
Licenses and Permits	1,932		2,289	2,289	(357)
Charges for Current Services	91,503		159,550	159,550	(68,047)
Other Local Revenues	135,729		72,000	72,000	63,729
State of Tennessee	31,069,586		32,304,134	33,467,126	(2,397,540)
Federal Government	101,526		0	104,468	(2,942)
Other Governments and Citizens Groups	760,961		0	760,961	0
Total Revenues	<u>\$ 45,196,644</u>	<u>\$</u>	<u>42,104,705</u>	<u>\$ 44,328,110</u>	<u>\$ 868,534</u>
Expenditures					
Instruction					
Regular Instruction Program	\$ 16,387,823	\$	16,819,390	\$ 17,277,343	\$ 889,520
Special Education Program	2,585,512		2,811,642	2,802,995	217,483
Career and Technical Education Program	2,930,479		5,285,363	5,191,359	2,260,880
Support Services					
Attendance	160,557		167,075	167,075	6,518
Health Services	434,648		460,076	478,383	43,735
Other Student Support	806,773		876,606	968,056	161,283
Regular Instruction Program	1,229,720		1,320,388	1,320,388	90,668
Special Education Program	602,370		593,579	663,521	61,151
Career and Technical Education Program	277,371		174,953	304,057	26,686
Technology	1,306,637		684,458	1,445,419	138,782
Other Programs	49,532		0	49,532	0
Board of Education	546,810		704,769	704,769	157,959
Director of Schools	389,404		425,996	431,038	41,634
Office of the Principal	2,606,606		2,663,628	2,693,472	86,866
Fiscal Services	402,111		449,217	449,217	47,106
Human Services/Personnel	186,395		172,634	198,767	12,372
Operation of Plant	2,929,831		3,407,432	3,407,432	477,601
Maintenance of Plant	923,817		918,081	1,149,824	226,007
Transportation	1,378,983		1,508,717	1,586,984	208,001
Operation of Non-Instructional Services					
Community Services	83,248		156,390	156,390	73,142
Early Childhood Education	384,292		384,786	384,786	494
Capital Outlay					
Regular Capital Outlay	980,174		1,019,525	3,520,303	2,540,129
Other Debt Service					
Education	1,250,000		1,250,000	1,250,000	0
Total Expenditures	<u>\$ 38,833,093</u>	<u>\$</u>	<u>42,254,705</u>	<u>\$ 46,601,110</u>	<u>\$ 7,768,017</u>

(Continued)

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,363,551	\$ (150,000)	\$ (2,273,000)	\$ 8,636,551
Other Financing Sources (Uses)				
Insurance Recovery	\$ 78,788	\$ 0	\$ 0	\$ 78,788
Transfers In	143,394	150,000	150,000	(6,606)
Total Other Financing Sources	\$ 222,182	\$ 150,000	\$ 150,000	\$ 72,182
Net Change in Fund Balance	\$ 6,585,733	\$ 0	\$ (2,123,000)	\$ 8,708,733
Fund Balance, July 1, 2023	10,930,409	9,955,866	9,955,866	974,543
Fund Balance, June 30, 2024	\$ 17,516,142	\$ 9,955,866	\$ 7,832,866	\$ 9,683,276

MARION COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**Discretely Presented Marion County School Department
School Federal Projects Fund**For the Year Ended June 30, 2024**

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Federal Government	\$ 6,357,867	\$ 2,557,952	\$ 7,559,630	\$ (1,201,763)
Total Revenues	\$ 6,357,867	\$ 2,557,952	\$ 7,559,630	\$ (1,201,763)
Expenditures				
Instruction				
Regular Instruction Program	\$ 2,617,656	\$ 974,544	\$ 2,923,215	\$ 305,559
Special Education Program	751,223	528,030	950,965	199,742
Career and Technical Education Program	68,598	56,028	68,790	192
Support Services				
Other Student Support	265,327	163,400	407,981	142,654
Regular Instruction Program	529,693	337,045	849,061	319,368
Special Education Program	441,651	428,333	506,044	64,393
Technology	96,692	0	96,692	0
Fiscal Services	0	0	3,820	3,820
Transportation	42,210	50,136	64,136	21,926
Capital Outlay				
Regular Capital Outlay	1,401,423	0	1,518,561	117,138
Total Expenditures	\$ 6,214,473	\$ 2,537,516	\$ 7,389,265	\$ 1,174,792
Excess (Deficiency) of Revenues Over Expenditures	\$ 143,394	\$ 20,436	\$ 170,365	\$ (26,971)
Other Financing Sources (Uses)				
Transfers Out	\$ (143,394)	\$ (20,436)	\$ (170,366)	\$ 26,972
Total Other Financing Sources	\$ (143,394)	\$ (20,436)	\$ (170,366)	\$ 26,972
Net Change in Fund Balance	\$ 0	\$ 0	\$ (1)	\$ 1
Fund Balance, July 1, 2023	50,000	50,000	50,000	0
Fund Balance, June 30, 2024	\$ 50,000	\$ 50,000	\$ 49,999	\$ 1

MARION COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**Discretely Presented Marion County School Department
Central Cafeteria Fund**For the Year Ended June 30, 2024**

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Charges for Current Services	\$ 198,376	\$ 175,000	\$ 175,000	\$ 23,376
Other Local Revenues	3,940	16,000	16,000	(12,060)
State of Tennessee	26,776	30,000	30,000	(3,224)
Federal Government	3,582,184	3,972,532	3,972,532	(390,348)
Total Revenues	<u>\$ 3,811,276</u>	<u>\$ 4,193,532</u>	<u>\$ 4,193,532</u>	<u>\$ (382,256)</u>
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 3,869,607	\$ 5,665,474	\$ 5,665,474	\$ 1,795,867
Total Expenditures	<u>\$ 3,869,607</u>	<u>\$ 5,665,474</u>	<u>\$ 5,665,474</u>	<u>\$ 1,795,867</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (58,331)</u>	<u>\$ (1,471,942)</u>	<u>\$ (1,471,942)</u>	<u>\$ 1,413,611</u>
Net Change in Fund Balance	\$ (58,331)	\$ (1,471,942)	\$ (1,471,942)	\$ 1,413,611
Fund Balance, July 1, 2023	4,288,258	4,162,615	4,162,615	125,643
Fund Balance, June 30, 2024	<u><u>\$ 4,229,927</u></u>	<u><u>\$ 2,690,673</u></u>	<u><u>\$ 2,690,673</u></u>	<u><u>\$ 1,539,254</u></u>

MARION COUNTY, TENNESSEE**Statement of Fiduciary Net Position**

Discretely Presented Marion County School Department

Fiduciary Fund

June 30, 2024

	Other Trust Fund
	<u>Private Purpose Trust Fund</u>
ASSETS	
Current Assets:	
Cash in Bank	\$ 53,275
Equity in Pooled Cash and Investments	20,948
Investments	<u>591,714</u>
Total Assets	<u>\$ 665,937</u>
NET POSITION	
Funds Held in Trust for Scholarships	<u>\$ 665,937</u>
Total Net Position	<u><u>\$ 665,937</u></u>

MARION COUNTY, TENNESSEE

Statement of Changes in Fiduciary Net Position

Discretely Presented Marion County School Department

Fiduciary Fund

For the Year Ended June 30, 2024

	Other Trust Fund
	Private Purpose Trust Fund
ADDITIONS	
Contributions and Gifts	\$ 1,250
Investment Income	23,132
Total Additions	<u>\$ 24,382</u>
DEDUCTIONS	
Scholarship Disbursements	<u>\$ 10,500</u>
Total Deductions	<u>\$ 10,500</u>
Change in Net Position	\$ 13,882
Net Position, July 1, 2023	<u>652,055</u>
Net Position, June 30, 2024	<u>\$ 665,937</u>

MISCELLANEOUS SCHEDULES

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-23	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-24
BONDS PAYABLE								
Payable through General Debt Service Fund								
General Obligation Bonds, Series 2010	\$ 3,675,000	2.5 to 4 %	3-31-10	4-1-30	\$ 1,300,000	\$ 0	\$ 150,000	\$ 1,150,000
General Obligation Refunding Bonds, 2015A Series	3,345,000	2 to 2.35	2-25-15	4-1-29	1,535,000	0	250,000	1,285,000
Total Payable through General Debt Service Fund					<u>\$ 2,835,000</u>	<u>\$ 0</u>	<u>\$ 400,000</u>	<u>\$ 2,435,000</u>
Contributions Due by the Marion County E911 to the General Debt Service Fund								
General Obligation Bonds, Series 2023	1,630,000	2.0 to 2.35	11-27-23	4-1-44	\$ 0	\$ 1,630,000	\$ 50,000	\$ 1,580,000
Total Payable through General Debt Service Fund					<u>\$ 0</u>	<u>\$ 1,630,000</u>	<u>\$ 50,000</u>	<u>\$ 1,580,000</u>
Payable through Rural Debt Service Fund								
Rural School General Obligation Refunding Bonds, 2015 Series	1,805,000	1.58	2-25-15	4-1-25	\$ 415,000	\$ 0	\$ 205,000	\$ 210,000
Rural School General Obligation Refunding Bonds, 2020 Series	4,315,000	0.29	8-12-20	4-1-24	1,130,000	0	1,130,000	0
General Obligation County District School Bonds, 2022 Series	23,615,000	1.76	1-15-22	6-1-40	22,640,000	0	1,015,000	21,625,000
General Obligation County District School Bonds, 2022A Series	8,430,000	3.62	12-19-22	6-1-42	7,975,000	0	265,000	7,710,000
Total Payable through Rural Debt Service Fund					<u>\$ 32,160,000</u>	<u>\$ 0</u>	<u>\$ 2,615,000</u>	<u>\$ 29,545,000</u>
Payable through Education Debt Service Fund								
General Obligation Refunding Bonds, 2014 Series	15,485,000	2.68	10-15-14	6-1-31	\$ 9,420,000	\$ 0	\$ 1,035,000	\$ 8,385,000
Total Payable through Education Debt Service Fund					<u>\$ 9,420,000</u>	<u>\$ 0</u>	<u>\$ 1,035,000</u>	<u>\$ 8,385,000</u>
Total Bonds Payable					<u>\$ 44,415,000</u>	<u>\$ 1,630,000</u>	<u>\$ 4,100,000</u>	<u>\$ 41,945,000</u>

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Changes in Long-term Bonds, Notes, and Other Loans (Cont.)**

Description of Indebtedness	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date	Outstanding 7-1-23	Issued During Period	Paid and/or		Outstanding 6-30-24
								Matured During Period		
NOTES PAYABLE										
Payable through Highway/Public Works Fund										
Kenworth Dump Trucks	\$ 550,000	3.09	%	7-10-17	4-19-24	\$ 81,477	\$ 0	\$ 81,477	\$ 0	
Highway Department Equipment	550,000	4.99		11-2-23	11-2-31	0	550,000	0		550,000
Gradall Excavator	295,000	2.23		6-15-21	6-15-26	180,886	0	58,962		121,924
Total Payable through Highway/Public Works Fund						<u>\$ 262,363</u>	<u>\$ 550,000</u>	<u>\$ 140,439</u>	<u>\$ 671,924</u>	
Total Notes Payable						<u>\$ 262,363</u>	<u>\$ 550,000</u>	<u>\$ 140,439</u>	<u>\$ 671,924</u>	
OTHER LOANS PAYABLE										
Payable through General Fund										
Body-Worn Cameras	112,016	0.00		9-30-20	9-30-24	<u>\$ 36,408</u>	<u>\$ 0</u>	<u>\$ 18,204</u>	<u>\$ 18,204</u>	
Total Other Loans Payable						<u>\$ 36,408</u>	<u>\$ 0</u>	<u>\$ 18,204</u>	<u>\$ 18,204</u>	

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2025	\$ 3,065,000	\$ 1,337,532	\$ 4,402,532
2026	2,970,000	1,222,444	4,192,444
2027	3,115,000	1,108,181	4,223,181
2028	3,235,000	1,031,963	4,266,963
2029	3,335,000	945,177	4,280,177
2030	3,205,000	809,575	4,014,575
2031	3,090,000	683,625	3,773,625
2032	1,810,000	575,525	2,385,525
2033	1,875,000	512,025	2,387,025
2034	1,925,000	460,125	2,385,125
2035	1,980,000	407,225	2,387,225
2036	2,030,000	352,525	2,382,525
2037	2,085,000	296,225	2,381,225
2038	2,140,000	237,975	2,377,975
2039	2,200,000	183,075	2,383,075
2040	2,260,000	126,475	2,386,475
2041	685,000	66,075	751,075
2042	715,000	38,425	753,425
2043	110,000	9,563	119,563
2044	115,000	4,887	119,887
Total	<u>\$ 41,945,000</u>	<u>\$ 10,408,622</u>	<u>\$ 52,353,622</u>

Year Ending June 30	Notes		
	Principal	Interest	Total
2025	\$ 129,038	\$ 30,239	\$ 159,277
2026	130,386	25,389	155,775
2027	68,750	20,584	89,334
2028	68,750	17,153	85,903
2029	68,750	13,760	82,510
2030	68,750	10,292	79,042
2031	68,750	6,861	75,611
2032	68,750	3,431	72,181
Total	<u>\$ 671,924</u>	<u>\$ 127,709</u>	<u>\$ 799,633</u>

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2025	\$ 18,204	\$ 0	\$ 18,204
Total	<u>\$ 18,204</u>	<u>\$ 0</u>	<u>\$ 18,204</u>

MARION COUNTY, TENNESSEE**Schedule of Investments**

Discretely Presented Marion County School Department

June 30, 2024

Fund and Type	Amount
Private Purpose Trust Fund	
Corporate Bonds - Walmart Inc.	\$ 98,565
Corporate Bonds - Toyota Motor	46,882
Corporate Bonds - Loews	73,099
Corporate Bonds - Apple	136,228
Corporate Bonds - Proctor & Gamble Co.	94,498
Corporate Bonds - Johnson & Johnson	94,512
Corporate Bonds - US Bancorp	<u>47,930</u>
Total Investments	<u><u>\$ 591,714</u></u>

MARION COUNTY, TENNESSEE**Schedule of Notes Receivable**

Primary Government

June 30, 2024

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-24
PRIMARY GOVERNMENT						
Other Capital Projects Fund						
Bank Stabilization Project	Town of Orme	\$ 118,750	2-1-22	7-1-42	0 %	\$ 106,875
General Debt Service Fund						
Emergency Service Radio Towers	Marion County Emergency Communications District	1,588,261	11-27-23	4-1-44	0	<u>1,537,754</u>
Total Notes Receivable Primary Government						<u><u>\$ 1,644,629</u></u>

MARION COUNTY, TENNESSEE**Schedule of Transfers**

Primary Government and Discretely Presented Marion County School Department

For the Year Ended June 30, 2024

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	Highway/Public Works	General maintenance/construction	\$ 10,000
"	General Debt Service	Note receivable for E-911	1,588,261
Other Capital Projects	General	Waterline construction	108,791
"	Highway/Public Works	Road paving	400,000
Drug Control	General	Equipment purchases	<u>20,000</u>
Total Transfers Primary Government			<u><u>\$ 2,127,052</u></u>
DISCRETELY PRESENTED MARION COUNTY SCHOOL DEPARTMENT			
School Federal Projects	General Purpose School	Indirect costs	<u>\$ 143,394</u>
Total Transfers Discretely Presented Marion County School Department			<u><u>\$ 143,394</u></u>

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

Primary Government and Discretely Presented Marion County School Department

For the Year Ended June 30, 2024

Official	Salary	Authorization	Bond	Surety
County Mayor		Section 8-24-102, <i>TCA</i>	\$ (1)	Local Government Insurance Pool
Base salary	\$ 104,776			
Local salary supplement	11,474			
Total compensation	<u>\$ 116,250</u>			
Highway Supervisor		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary	\$ 99,787			
Local salary supplement	1,800			
Total compensation	<u>\$ 101,587</u>			
Director of Schools		State Board of Education and County Board of Education	100,000	RLI Insurance Company
Base salary	\$ 189,090			
Chief executive officer training supplement	1,000			
Total compensation	<u>\$ 190,090</u>			
Trustee		Section 8-24-102, <i>TCA</i>	2,009,922	RLI Insurance Company
Base salary/Total compensation	<u>\$ 90,715</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 90,715</u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 90,715</u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 90,715</u>			
Clerk and Master		Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	(1)	Local Government Insurance Pool
Base salary	\$ 90,715			
Special commissioner fees	11,709			
Total compensation	<u>\$ 102,424</u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 90,715</u>			
Sheriff		Section 8-24-102, <i>TCA</i>	(1)	Local Government Insurance Pool
Base salary/Total compensation	<u>\$ 99,787</u>			
Employee Blanket Bonds:				
Employee Fidelity - County Departments			400,000	Local Government Insurance Pool
Employee Fidelity - Highway Department			400,000	"
Employee Fidelity - School Department			150,000	Liberty Mutual Insurance

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

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types

For the Year Ended June 30, 2024

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 7,412,669	\$ 0	\$ 0	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	212,890	0	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	121,489	0	0	0	0	0
Interest and Penalty	44,330	0	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	26,751	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	41,156	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	73,142	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	0	0	1,089,153	0	0	0
Litigation Tax - General	102,654	0	0	0	0	0
Litigation Tax - Special Purpose	786	8,738	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	17,129	0	0	0	0	0
Business Tax	554,800	0	0	0	0	0
Mixed Drink Tax	44,051	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Total Local Taxes	\$ 8,651,847	\$ 8,738	\$ 1,089,153	\$ 0	\$ 0	0
Licenses and Permits						
Licenses						
Cable TV Franchise	\$ 67,454	\$ 0	\$ 0	\$ 0	\$ 0	0
Permits						
Beer Permits	2,326	0	0	0	0	0
Building Permits	252,072	0	0	0	0	0
Total Licenses and Permits	\$ 321,852	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	\$ 1,536	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	3,076	0	0	0	0	0
Drug Control Fines	0	0	0	7,156	0	0
Jail Fees	336	0	0	0	0	0
DUI Treatment Fines	104	0	0	0	0	0
Criminal Court						
Data Entry Fee - Criminal Court	714	0	0	0	0	0
General Sessions Court						
Fines	32,487	0	0	0	0	0
Officers Costs	28,082	0	0	0	0	0
Game and Fish Fines	333	0	0	0	0	0
Drug Court Fees	632	0	0	0	0	0
Jail Fees	3,091	0	0	0	0	0
DUI Treatment Fines	7,410	0	0	0	0	0
Data Entry Fee - General Sessions Court	16,410	0	0	0	0	0
Juvenile Court						
Fines	86	0	0	0	0	0
Chancery Court						
Data Entry Fee - Chancery Court	3,943	0	0	0	0	0
Other Courts - In-county						
Officers Costs	18	0	0	0	0	0
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	7,955	0	0	41,666	0	0
Total Fines, Forfeitures, and Penalties	\$ 106,213	\$ 0	\$ 0	\$ 48,822	\$ 0	0

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees
Charges for Current Services						
General Service Charges						
Solid Waste Disposal Fee	\$ 0	\$ 0	\$ 11,276	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	0	26,292	0	0	0
Other General Service Charges	0	0	0	0	0	0
Fees						
Airport Fees	61,705	0	0	0	0	0
Copy Fees	499	0	0	0	0	0
Telephone Commissions	51,675	0	0	0	0	0
Additional Fees - Titling and Registration	36,766	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	564,513
Data Processing Fee - Register	10,245	0	0	0	0	0
Data Processing Fee - Sheriff	2,158	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,600	0	0	0	0	0
Data Processing Fee - County Clerk	870	0	0	0	0	0
Education Charges						
Other Charges for Services	0	0	20,233	0	0	0
Total Charges for Current Services	\$ 167,518	\$ 0	\$ 57,801	\$ 0	\$ 0	564,513
Other Local Revenues						
Recurring Items						
Investment Income	\$ 1,234,209	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals/PPP	15,266	0	0	0	0	0
Commissary Sales	32,494	0	0	0	0	0
Sale of Gasoline	71,359	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0
Miscellaneous Refunds	27,917	0	1,718	0	0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Other Special Revenue	
Other Local Revenues (Cont.)						
Nonrecurring Items						
Sale of Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Sale of Property	11,210	0	0	0	0	0
Damages Recovered from Individuals	1,531	0	0	0	0	0
Performance Bond Forfeitures	19,238	0	0	0	0	0
Total Other Local Revenues	\$ 1,413,224	\$ 0	\$ 1,718	\$ 0	\$ 0	0
Fees Received From County Officials						
Excess Fees						
Trustee	\$ 417,415	\$ 0	\$ 0	\$ 0	\$ 0	0
Fees In-Lieu-of Salary						
Circuit Court Clerk	173,722	0	0	0	0	0
General Sessions Court Clerk	238,733	0	0	0	0	0
Clerk and Master	132,477	0	0	0	0	0
Register	159,685	0	0	0	0	0
Sheriff	8,121	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,130,153	\$ 0	\$ 0	\$ 0	\$ 0	0
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 4,500	\$ 0	\$ 0	\$ 0	\$ 0	0
Airport Maintenance Program	20,000	0	0	0	0	0
Public Safety Grants						
Law Enforcement Training Programs	24,800	0	0	0	0	0
School Resource Officer Grants	750,000	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Other Special Revenue	
State of Tennessee (Cont.)						
Health and Welfare Grants						
Health Department Programs	\$ 168,818	\$ 0	\$ 0	\$ 0	\$ 0	0
Public Works Grants						
State Aid Program	0	0	0	0	0	0
Litter Program	45,238	0	0	0	0	0
Other State Revenues						
Income Tax	214,983	0	0	0	0	0
Beer Tax	18,498	0	0	0	0	0
Vehicle Certificate of Title Fees	4,960	0	0	0	0	0
Alcoholic Beverage Tax	90,899	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	141,766	0	0	0	0	0
State Revenue Sharing - T.V.A.	386,684	0	193,342	0	0	0
State Revenue Sharing - Telecommunications	34,185	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	29,789	0	0	0	0	0
Contracted Prisoner Boarding	90,623	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
T.B.I. - Equipment Reimbursement	2,132	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	527,569	0	0	0	0	0
Other State Revenues	47,110	0	0	0	0	0
Total State of Tennessee	\$ 2,617,718	\$ 0	\$ 193,342	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Drug Control	Other Special Revenue	
Federal Government						
Federal Through State						
Homeland Security Grants	\$ 3,894	\$ 0	\$ 0	\$ 0	\$ 0	0
American Rescue Plan Act Grant #1	0	0	0	0	5,614,846	0
Other Federal through State	3,319,550	0	0	0	0	0
Direct Federal Revenue						
Other Direct Federal Revenue	323,230	0	0	0	0	0
Total Federal Government	<u>\$ 3,646,674</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,614,846</u>	<u>\$ 0</u>
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 32,755	\$ 0	\$ 0	\$ 750	\$ 0	0
Contracted Services	300,640	0	0	0	0	0
Other						
Opioid Settlement Funds - Past Remediation	145,610	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 479,005</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 750</u>	<u>\$ 0</u>	<u>0</u>
Total	<u>\$ 18,534,204</u>	<u>\$ 8,738</u>	<u>\$ 1,342,014</u>	<u>\$ 49,572</u>	<u>\$ 5,614,846</u>	<u>\$ 564,513</u>

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Funds			Capital Projects Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Education Capital Projects
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 0	\$ 550,536	\$ 1,355,545	\$ 0	\$ 0
Trustee's Collections - Prior Year	0	20,488	43,683	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	0	11,186	26,435	0	0
Interest and Penalty	0	3,867	8,565	0	0
Payments in-Lieu-of Taxes - T.V.A.	0	2,696	6,186	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	3,961	8,955	0	0
Payments in-Lieu-of Taxes - Other	0	5,432	13,581	0	0
County Local Option Taxes					
Local Option Sales Tax	0	0	0	2,899,337	0
Litigation Tax - General	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0
Mineral Severance Tax	88,823	0	0	0	0
Total Local Taxes	\$ 88,823	\$ 598,166	\$ 1,462,950	\$ 2,899,337	\$ 0
Licenses and Permits					
Licenses					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Permits					
Beer Permits	0	0	0	0	0
Building Permits	0	0	0	0	0
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Fund	Debt Service Funds			Capital Projects Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Education Capital Projects
Fines, Forfeitures, and Penalties					
Circuit Court					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	0	0	0	0	0
Drug Control Fines	0	0	0	0	0
Jail Fees	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0
Criminal Court					
Data Entry Fee - Criminal Court	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 Court Fees	0	0	0	0	0
Jail Fees	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0
Juvenile Court					
Fines	0	0	0	0	0
Chancery Court					
Data Entry Fee - Chancery Court	0	0	0	0	0
Other Courts - In-county					
Officers Costs	0	0	0	0	0
Other Fines, Forfeitures, and Penalties					
Proceeds from Confiscated Property	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Funds			Capital Projects Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Education Capital Projects
Charges for Current Services					
General Service Charges					
Solid Waste Disposal Fee	\$ 0	\$ 0	\$ 0	\$ 0	0
Surcharge - Waste Tire Disposal	0	0	0	0	0
Other General Service Charges	303,479	0	0	0	0
Fees					
Airport Fees	0	0	0	0	0
Copy Fees	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	0	0	0
Data Processing Fee - Register	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
Education Charges					
Other Charges for Services	0	0	0	0	0
Total Charges for Current Services	\$ 303,479	\$ 0	\$ 0	\$ 0	0
Other Local Revenues					
Recurring Items					
Investment Income	\$ 0	\$ 0	\$ 0	4,408	\$ 1,520
Lease/Rentals/PPP	0	0	0	0	221,250
Commissary Sales	0	0	0	0	0
Sale of Gasoline	28,786	0	0	0	0
Sale of Recycled Materials	1,063	0	0	0	0
Miscellaneous Refunds	15,636	0	0	0	0

(Continued)

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

	Special Revenue Fund	Debt Service Funds			Capital Projects Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Education Capital Projects
Other Local Revenues (Cont.)					
Nonrecurring Items					
Sale of Equipment	\$ 2,185	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Property	0	0	0	0	0
Damages Recovered from Individuals	0	0	0	0	0
Performance Bond Forfeitures	0	0	0	0	0
Total Other Local Revenues	\$ 47,670	\$ 0	\$ 0	\$ 4,408	\$ 222,770
Fees Received From County Officials					
Excess Fees					
Trustee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fees In-Lieu-of Salary					
Circuit Court Clerk	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0
Clerk and Master	0	0	0	0	0
Register	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
Airport Maintenance 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

(Continued)

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

	Special Revenue Fund	Debt Service Funds			Capital Projects Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Education Capital Projects
State of Tennessee (Cont.)					
Health and Welfare Grants					
Health Department Programs	\$ 0	\$ 0	\$ 0	\$ 0	0
Public Works Grants					
State Aid Program	2,271,052	0	0	0	0
Litter Program	0	0	0	0	0
Other State Revenues					
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 - T.V.A.	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	2,625,319	0	0	0	0
Hybrid/Electric Vehicle Registration Fee	10,510	0	0	0	0
Petroleum Special Tax	19,108	0	0	0	0
T.B.I. - Equipment Reimbursement	0	0	0	0	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	\$ 4,925,989	\$ 0	\$ 0	\$ 0	0

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types (Cont.)

	Special Revenue Fund	Debt Service Funds			Capital Projects Funds
	Highway / Public Works	General Debt Service	Rural Debt Service	Education Debt Service	Education Capital Projects
Federal Government					
Federal Through State					
Homeland Security Grants	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
American Rescue Plan Act Grant #1	0	0	0	0	0
Other Federal through State	0	0	0	0	0
Direct Federal Revenue					
Other Direct Federal Revenue	0	0	0	0	0
Total Federal Government	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Governments and Citizens Groups					
Other Governments					
Contributions	\$ 0	\$ 24,929	\$ 1,250,000	\$ 0	\$ 0
Contracted Services	0	0	0	0	0
Other					
Opioid Settlement Funds - Past Remediation	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 24,929</u>	<u>\$ 1,250,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 5,365,961</u>	<u>\$ 623,095</u>	<u>\$ 2,712,950</u>	<u>\$ 2,903,745</u>	<u>\$ 222,770</u>

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types (Cont.)

	Capital Projects Fund	
	Other Capital Projects	Total
Local Taxes		
County Property Taxes		
Current Property Tax	\$ 947,527	\$ 10,266,277
Trustee's Collections - Prior Year	34,035	311,096
Circuit Clerk/Clerk and Master Collections - Prior Years	19,423	178,533
Interest and Penalty	6,458	63,220
Payments in-Lieu-of Taxes - T.V.A.	4,502	40,135
Payments in-Lieu-of Taxes - Local Utilities	6,580	60,652
Payments in-Lieu-of Taxes - Other	9,349	101,504
County Local Option Taxes		
Local Option Sales Tax	0	3,988,490
Litigation Tax - General	0	102,654
Litigation Tax - Special Purpose	0	9,524
Litigation Tax - Jail, Workhouse, or Courthouse	0	17,129
Business Tax	0	554,800
Mixed Drink Tax	0	44,051
Mineral Severance Tax	0	88,823
Total Local Taxes	<u>\$ 1,027,874</u>	<u>\$ 15,826,888</u>
Licenses and Permits		
Licenses		
Cable TV Franchise	\$ 0	\$ 67,454
Permits		
Beer Permits	0	2,326
Building Permits	0	252,072
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 321,852</u>

(Continued)

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

	Capital Projects Fund	
	Other Capital Projects	Total
Fines, Forfeitures, and Penalties		
Circuit Court		
Fines	\$ 0	\$ 1,536
Officers Costs	0	3,076
Drug Control Fines	0	7,156
Jail Fees	0	336
DUI Treatment Fines	0	104
Criminal Court		
Data Entry Fee - Criminal Court	0	714
General Sessions Court		
Fines	0	32,487
Officers Costs	0	28,082
Game and Fish Fines	0	333
Drug Court Fees	0	632
Jail Fees	0	3,091
DUI Treatment Fines	0	7,410
Data Entry Fee - General Sessions Court	0	16,410
Juvenile Court		
Fines	0	86
Chancery Court		
Data Entry Fee - Chancery Court	0	3,943
Other Courts - In-county		
Officers Costs	0	18
Other Fines, Forfeitures, and Penalties		
Proceeds from Confiscated Property	0	49,621
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 155,035

(Continued)

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

	Capital Projects Fund		
	Other Capital Projects		Total
Charges for Current Services			
General Service Charges			
Solid Waste Disposal Fee	\$	0	\$ 11,276
Surcharge - Waste Tire Disposal		0	26,292
Other General Service Charges		0	303,479
Fees			
Airport Fees		0	61,705
Copy Fees		0	499
Telephone Commissions		0	51,675
Additional Fees - Titling and Registration		0	36,766
Constitutional Officers' Fees and Commissions		0	564,513
Data Processing Fee - Register		0	10,245
Data Processing Fee - Sheriff		0	2,158
Sexual Offender Registration Fee - Sheriff		0	3,600
Data Processing Fee - County Clerk		0	870
Education Charges			
Other Charges for Services		0	20,233
Total Charges for Current Services	\$	0	\$ 1,093,311
Other Local Revenues			
Recurring Items			
Investment Income	\$	0	\$ 1,240,137
Lease/Rentals/PPP		0	236,516
Commissary Sales		0	32,494
Sale of Gasoline		0	100,145
Sale of Recycled Materials		0	1,063
Miscellaneous Refunds		0	45,271

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types (Cont.)

	Capital Projects Fund	
	Other Capital Projects	Total
Other Local Revenues (Cont.)		
Nonrecurring Items		
Sale of Equipment	\$ 0	\$ 2,185
Sale of Property	0	11,210
Damages Recovered from Individuals	0	1,531
Performance Bond Forfeitures	0	19,238
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 1,689,790</u>
Fees Received From County Officials		
Excess Fees		
Trustee	\$ 0	\$ 417,415
Fees In-Lieu-of Salary		
Circuit Court Clerk	0	173,722
General Sessions Court Clerk	0	238,733
Clerk and Master	0	132,477
Register	0	159,685
Sheriff	0	8,121
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 1,130,153</u>
State of Tennessee		
General Government Grants		
Juvenile Services Program	\$ 0	\$ 4,500
Airport Maintenance Program	0	20,000
Public Safety Grants		
Law Enforcement Training Programs	0	24,800
School Resource Officer Grants	0	750,000

(Continued)

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

	Capital Projects Fund		
	Other Capital Projects		Total
State of Tennessee (Cont.)			
Health and Welfare Grants			
Health Department Programs	\$	0	\$ 168,818
Public Works Grants			
State Aid Program		0	2,271,052
Litter Program		0	45,238
Other State Revenues			
Income Tax		0	214,983
Beer Tax		0	18,498
Vehicle Certificate of Title Fees		0	4,960
Alcoholic Beverage Tax		0	90,899
Opioid Settlement Funds - TN Abatement Council		0	141,766
State Revenue Sharing - T.V.A.		0	580,026
State Revenue Sharing - Telecommunications		0	34,185
State Shared Sports Gaming Privilege Tax		0	29,789
Contracted Prisoner Boarding		0	90,623
Gasoline and Motor Fuel Tax		0	2,625,319
Hybrid/Electric Vehicle Registration Fee		0	10,510
Petroleum Special Tax		0	19,108
T.B.I. - Equipment Reimbursement		0	2,132
Registrar's Salary Supplement		0	15,164
Other State Grants		29,708	557,277
Other State Revenues		0	47,110
Total State of Tennessee	\$	29,708	\$ 7,766,757

(Continued)

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

	Capital Projects Fund	
	Other Capital Projects	Total
Federal Government		
Federal Through State		
Homeland Security Grants	\$ 0	\$ 3,894
American Rescue Plan Act Grant #1	0	5,614,846
Other Federal through State	2,904,816	6,224,366
Direct Federal Revenue		
Other Direct Federal Revenue	0	323,230
Total Federal Government	<u>\$ 2,904,816</u>	<u>\$ 12,166,336</u>
 Other Governments and Citizens Groups		
Other Governments		
Contributions	\$ 0	\$ 1,308,434
Contracted Services	0	300,640
Other		
Opioid Settlement Funds - Past Remediation	0	145,610
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 1,754,684</u>
 Total	 <u><u>\$ 3,962,398</u></u>	 <u><u>\$ 41,904,806</u></u>

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types

Discretely Presented Marion County School Department

For the Year Ended June 30, 2024

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Other Capital Projects -	Total
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 5,916,719	\$ 0	\$ 0	\$ 0	\$ 0	5,916,719
Trustee's Collections - Prior Year	171,117	0	0	0	0	171,117
Circuit Clerk/Clerk and Master Collections - Prior Years	97,636	0	0	0	0	97,636
Interest and Penalty	33,615	0	0	0	0	33,615
Payments in-Lieu-of Taxes - T.V.A.	23,390	0	0	0	0	23,390
Payments in-Lieu-of Taxes - Local Utilities	33,068	0	0	0	0	33,068
Payments in-Lieu-of Taxes - Other	58,372	0	0	0	0	58,372
County Local Option Taxes						
Local Option Sales Tax	6,228,636	0	0	0	0	6,228,636
Hotel/Motel Tax	353,879	0	0	0	0	353,879
Mixed Drink Tax	27,545	0	0	0	0	27,545
Statutory Local Taxes						
Bank Excise Tax	7,970	0	0	0	0	7,970
Wholesale Beer Tax	83,460	0	0	0	0	83,460
Total Local Taxes	\$ 13,035,407	\$ 0	\$ 0	\$ 0	\$ 0	13,035,407
Licenses and Permits						
Licenses						
Marriage Licenses	\$ 1,932	\$ 0	\$ 0	\$ 0	\$ 0	1,932
Total Licenses and Permits	\$ 1,932	\$ 0	\$ 0	\$ 0	\$ 0	1,932
Charges for Current Services						
Education Charges						
A la Carte Sales	\$ 0	\$ 0	198,376	\$ 0	\$ 0	198,376

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types

Discretely Presented Marion County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Other Capital Projects -	Total
Charges for Current Services (Cont.)						
Education Charges (Cont.)						
Receipts from Individual Schools	\$ 15,385	\$ 0	\$ 0	\$ 0	\$ 0	15,385
Community Service Fees - Children	76,118	0	0	0	0	76,118
Total Charges for Current Services	<u>\$ 91,503</u>	<u>\$ 0</u>	<u>\$ 198,376</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>289,879</u>
Other Local Revenues						
Recurring Items						
Investment Income	\$ 35,608	\$ 0	\$ 3,940	\$ 0	\$ 477,780	517,328
Miscellaneous Refunds	97,796	0	0	0	0	97,796
Nonrecurring Items						
Sale of Property	1,250	0	0	0	0	1,250
Contributions and Gifts	900	0	0	0	0	900
Other Local Revenues						
Other Local Revenues	175	0	0	2,198,220	0	2,198,395
Total Other Local Revenues	<u>\$ 135,729</u>	<u>\$ 0</u>	<u>\$ 3,940</u>	<u>\$ 2,198,220</u>	<u>\$ 477,780</u>	<u>\$ 2,815,669</u>
State of Tennessee						
General Government Grants						
On-behalf Contributions for OPEB	\$ 49,532	\$ 0	\$ 0	\$ 0	\$ 0	49,532
State Education Funds						
Tennessee Investment in Student Achievement	27,878,729	0	0	0	0	27,878,729
TISA - On-behalf Payments	50,080	0	0	0	0	50,080
Early Childhood Education	403,295	0	0	0	0	403,295
School Food Service	0	0	26,776	0	0	26,776
Driver Education	5,096	0	0	0	0	5,096

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types

Discretely Presented Marion County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Other Capital Projects -	Total
State of Tennessee (Cont.)						
State Education Funds (Cont.)						
Other State Education Funds	\$ 390,967	\$ 0	\$ 0	\$ 0	\$ 0	\$ 390,967
Career Ladder Program	30,027	0	0	0	0	30,027
Other Vocational	1,338,288	0	0	0	0	1,338,288
Other State Revenues						
State Revenue Sharing - T.V.A.	800,988	0	0	0	0	800,988
Other State Grants	46,455	0	0	0	0	46,455
Other State Revenues	76,129	0	0	0	0	76,129
Total State of Tennessee	\$ 31,069,586	\$ 0	\$ 26,776	\$ 0	\$ 0	\$ 31,096,362
Federal Government						
Federal Through State						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,118,294	\$ 0	\$ 0	\$ 2,118,294
USDA - Commodities	0	0	221,582	0	0	221,582
Breakfast	0	0	940,974	0	0	940,974
USDA - Other	0	0	301,334	0	0	301,334
Vocational Education - Basic Grants to States	0	86,024	0	0	0	86,024
Title I Grants to Local Education Agencies	0	981,823	0	0	0	981,823
Special Education - Grants to States	0	1,226,761	0	0	0	1,226,761
Special Education Preschool Grants	0	45,406	0	0	0	45,406
Rural Education	0	73,698	0	0	0	73,698
Eisenhower Professional Development State Grants	0	80,906	0	0	0	80,906
COVID-19 Grant B	0	71,250	0	0	0	71,250
COVID-19 Grant D	0	107,604	0	0	0	107,604
American Rescue Plan Act Grant #1	0	3,611,538	0	0	0	3,611,538

(Continued)

MARION COUNTY, TENNESSEE**Schedule of Detailed Revenues -**

All Governmental Fund Types

Discretely Presented Marion County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Other Capital Projects -	Total
Federal Government (Cont.)						
Federal Through State (Cont.)						
American Rescue Plan Act Grant #2	\$ 0	\$ 4,073	\$ 0	\$ 0	\$ 0	\$ 4,073
Other Federal through State	101,526	68,784	0	0	0	170,310
Total Federal Government	\$ 101,526	\$ 6,357,867	\$ 3,582,184	\$ 0	\$ 0	\$ 10,041,577
Other Governments and Citizens Groups						
Other Governments						
Contributions	\$ 760,961	\$ 0	\$ 0	\$ 0	\$ 0	\$ 760,961
Total Other Governments and Citizens Groups	\$ 760,961	\$ 0	\$ 0	\$ 0	\$ 0	\$ 760,961
Total	\$ 45,196,644	\$ 6,357,867	\$ 3,811,276	\$ 2,198,220	\$ 477,780	\$ 58,041,787

MARION COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2024

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	34,675	
Social Security		2,653	
Dues and Memberships		2,514	
Legal Services		80,528	
Legal Notices, Recording, and Court Costs		4,958	
Travel		960	
Total County Commission			\$ 126,288

Board of Equalization

Board and Committee Members Fees	\$	1,100	
Social Security		84	
Total Board of Equalization			1,184

Beer Board

Board and Committee Members Fees	\$	2,700	
Social Security		207	
Total Beer Board			2,907

Budget and Finance Committee

Board and Committee Members Fees	\$	4,350	
Social Security		333	
Total Budget and Finance Committee			4,683

County Mayor/Executive

County Official/Administrative Officer	\$	116,250	
Accountants/Bookkeepers		46,280	
Secretary(ies)		39,798	
Clerical Personnel		39,728	
Other Salaries and Wages		870	
Social Security		18,220	
Pensions		17,320	
Employee and Dependent Insurance		24,842	
Unemployment Compensation		45	
Communication		1,992	
Data Processing Services		14,541	
Dues and Memberships		2,159	
Maintenance and Repair Services - Equipment		1,088	
Postal Charges		2,348	
Travel		3,393	
Gasoline		1,632	
Office Supplies		830	
Vehicle Parts		619	
Total County Mayor/Executive			331,955

Election Commission

County Official/Administrative Officer	\$	81,644	
Deputy(ies)		38,467	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Part-time Personnel	\$	16,447	
Overtime Pay		1,103	
Election Commission		10,511	
Election Workers		26,075	
Social Security		12,573	
Pensions		8,613	
Employee and Dependent Insurance		13,268	
Unemployment Compensation		123	
Contracts with Private Agencies		26,740	
Legal Notices, Recording, and Court Costs		2,693	
Postal Charges		985	
Rentals		800	
Travel		3,957	
Office Supplies		2,587	
Other Supplies and Materials		23,469	
Office Equipment		10,475	
Voting Machines		381,922	
Total Election Commission			\$ 662,452

Register of Deeds

County Official/Administrative Officer	\$	90,715	
Deputy(ies)		40,789	
Clerical Personnel		79,381	
Social Security		15,302	
Pensions		15,057	
Employee and Dependent Insurance		30,239	
Unemployment Compensation		63	
Data Processing Services		7,328	
Dues and Memberships		909	
Maintenance and Repair Services - Equipment		762	
Postal Charges		302	
Office Supplies		1,689	
Office Equipment		3,056	
Total Register of Deeds			285,592

Development

Contracts with Government Agencies	\$	50,000	
Total Development			50,000

Building

Supervisor/Director	\$	62,795	
Clerical Personnel		39,728	
Temporary Personnel		770	
Other Salaries and Wages		10,853	
In-service Training		25	
Social Security		7,834	
Pensions		8,148	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Building (Cont.)

Employee and Dependent Insurance	\$	14,811	
Unemployment Compensation		42	
Communication		1,191	
Dues and Memberships		125	
Postal Charges		177	
Travel		921	
Gasoline		2,901	
Office Supplies		3,177	
Vehicle Parts		204	
Office Equipment		1,746	
Total Building			\$ 155,448

County Buildings

Custodial Personnel	\$	4,418	
Part-time Personnel		3,724	
Social Security		620	
Unemployment Compensation		23	
Janitorial Services		66,099	
Maintenance and Repair Services - Equipment		167,293	
Other Contracted Services		155,643	
Utilities		262,603	
Other Supplies and Materials		136,357	
Other Charges		31,651	
Building Improvements		1,965	
Heating and Air Conditioning Equipment		34,843	
Other Construction		101,560	
Total County Buildings			966,799

Other General Administration

Maintenance Personnel	\$	104,832	
Social Security		7,770	
Pensions		7,544	
Employee and Dependent Insurance		14,811	
Unemployment Compensation		39	
Communication		761	
Gasoline		4,501	
Vehicle Parts		2,218	
Motor Vehicles		27,000	
Total Other General Administration			169,476

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	90,715	
Secretary(ies)		39,728	
Clerical Personnel		74,566	
Other Salaries and Wages		6,876	
Social Security		15,451	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Pensions	\$	15,044	
Employee and Dependent Insurance		14,194	
Unemployment Compensation		63	
Audit Services		15,170	
Maintenance and Repair Services - Equipment		3,333	
Postal Charges		1,299	
Travel		2,144	
Office Supplies		4,399	
Total Property Assessor's Office			\$ 282,982

Reappraisal Program

Clerical Personnel	\$	79,456	
Social Security		5,971	
Pensions		5,718	
Employee and Dependent Insurance		7,405	
Unemployment Compensation		42	
Postal Charges		1,101	
Other Contracted Services		17,947	
Gasoline		2,304	
Vehicle Parts		396	
Total Reappraisal Program			120,340

County Trustee's Office

Pensions	\$	15,767	
Employee and Dependent Insurance		29,080	
Data Processing Services		10,742	
Dues and Memberships		759	
Postal Charges		14,233	
Office Supplies		4,969	
Office Equipment		7,209	
Total County Trustee's Office			82,759

County Clerk's Office

Pensions	\$	23,606	
Employee and Dependent Insurance		45,437	
Dues and Memberships		759	
Maintenance and Repair Services - Equipment		24,177	
Postal Charges		13,582	
Office Supplies		9,807	
Office Equipment		16,144	
Total County Clerk's Office			133,512

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	90,715	
Deputy(ies)		313,532	
Nightwatchmen		26,110	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Other Salaries and Wages	\$	2,693	
Jury and Witness Expense		7,349	
Social Security		32,784	
Pensions		30,085	
Employee and Dependent Insurance		52,585	
Unemployment Compensation		246	
Data Processing Services		29,223	
Dues and Memberships		944	
Postal Charges		4,733	
Travel		372	
Office Supplies		11,849	
Other Supplies and Materials		5,051	
Office Equipment		1,826	
Total Circuit Court			\$ 610,097

General Sessions Court

Judge(s)	\$	127,904	
Social Security		9,785	
Pensions		9,209	
Travel		1,704	
Library Books/Media		4,897	
Office Supplies		281	
Uniforms		60	
Total General Sessions Court			153,840

Chancery Court

County Official/Administrative Officer	\$	90,715	
Accountants/Bookkeepers		36,792	
Clerical Personnel		79,247	
Other Salaries and Wages		617	
Social Security		15,389	
Pensions		14,672	
Employee and Dependent Insurance		27,760	
Unemployment Compensation		84	
Data Processing Services		14,360	
Dues and Memberships		944	
Maintenance and Repair Services - Equipment		817	
Postal Charges		12,123	
Office Supplies		5,290	
Total Chancery Court			298,810

Juvenile Court

Judge(s)	\$	76,740	
Assistant(s)		41,974	
Probation Officer(s)		79,456	
Overtime Pay		13,931	
Social Security		15,395	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Pensions	\$	15,144	
Employee and Dependent Insurance		29,611	
Unemployment Compensation		63	
Maintenance and Repair Services - Equipment		283	
Postal Charges		62	
Travel		3,638	
Other Contracted Services		6,795	
Office Supplies		1,978	
Office Equipment		3,573	
Total Juvenile Court			\$ 288,643

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	99,787	
Deputy(ies)		1,092,266	
Accountants/Bookkeepers		6,874	
Salary Supplements		25,600	
Dispatchers/Radio Operators		447,344	
Clerical Personnel		72,751	
Attendants		73,813	
Part-time Personnel		922	
School Resource Officer		553,348	
Overtime Pay		304,473	
Other Salaries and Wages		112,151	
In-service Training		7,558	
Social Security		198,006	
Pensions		187,570	
Employee and Dependent Insurance		330,514	
Unemployment Compensation		1,192	
Data Processing Services		5,000	
Dues and Memberships		2,050	
Maintenance and Repair Services - Equipment		5,361	
Postal Charges		960	
Travel		9,984	
Other Contracted Services		804	
Gasoline		155,645	
Office Supplies		16,770	
Tires and Tubes		13,259	
Uniforms		15,814	
Vehicle Parts		80,176	
Other Charges		257,135	
Communication Equipment		31,494	
Law Enforcement Equipment		151,055	
Motor Vehicles		158,258	
Total Sheriff's Department			4,417,934

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry

Overtime Pay	\$	725	
Social Security		52	
Pensions		52	
Unemployment Compensation		1	
Total Administration of the Sexual Offender Registry	\$		830

Jail

Guards	\$	673,275	
Cafeteria Personnel		60,733	
Part-time Personnel		10,499	
Overtime Pay		112,839	
Other Salaries and Wages		51,829	
Social Security		67,769	
Pensions		65,266	
Employee and Dependent Insurance		121,684	
Unemployment Compensation		516	
Medical and Dental Services		299,533	
Travel		3,701	
Food Supplies		300,617	
Office Supplies		3,076	
Prisoners Clothing		3,635	
Uniforms		1,542	
Other Charges		65,360	
Total Jail			1,841,874

Correctional Incentive Program Improvements

Other Salaries and Wages	\$	38,267	
Social Security		2,936	
Unemployment Compensation		21	
Total Correctional Incentive Program Improvements			41,224

Fire Prevention and Control

Contributions	\$	2,000	
Other Contracted Services		337,700	
Total Fire Prevention and Control			339,700

Civil Defense

Supervisor/Director	\$	21,971	
Social Security		1,680	
Unemployment Compensation		21	
Dues and Memberships		310	
Maintenance and Repair Services - Vehicles		798	
Travel		700	
Other Contracted Services		650	
Diesel Fuel		1,296	
Equipment and Machinery Parts		11,674	
Other Supplies and Materials		2,272	
Office Equipment		592	
Total Civil Defense			41,964

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Rescue Squad

Contributions	\$ 23,000	
Total Rescue Squad		\$ 23,000

County Coroner/Medical Examiner

Medical Personnel	\$ 31,898	
Social Security	1,438	
Unemployment Compensation	43	
Total County Coroner/Medical Examiner		33,379

Public Health and Welfare

Local Health Center

Employee and Dependent Insurance	\$ 617	
Unemployment Compensation	21	
Contributions	162,360	
Other Contracted Services	168,063	
Total Local Health Center		331,061

Ambulance/Emergency Medical Services

Ambulance Services	\$ 192,715	
Total Ambulance/Emergency Medical Services		192,715

Alcohol and Drug Programs

Other Salaries and Wages	\$ 2,446	
Social Security	183	
Pensions	173	
Employee and Dependent Insurance	361	
Unemployment Compensation	1	
Total Alcohol and Drug Programs		3,164

Other Local Health Services

Other Contracted Services	\$ 102,925	
Total Other Local Health Services		102,925

Sanitation Education/Information

Guards	\$ 30,118	
Clerical Personnel	30,372	
Social Security	4,497	
Pensions	4,313	
Employee and Dependent Insurance	10,000	
Unemployment Compensation	32	
Gasoline	7,994	
Instructional Supplies and Materials	10,070	
Total Sanitation Education/Information		97,396

Social, Cultural, and Recreational Services

Libraries

Contributions	\$ 271,572	
Total Libraries		271,572

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards

Clerical Personnel	\$	7,021	
Custodial Personnel		45,288	
Social Security		3,998	
Pensions		505	
Employee and Dependent Insurance		899	
Unemployment Compensation		24	
Total Parks and Fair Boards			\$ 57,735

Other Social, Cultural, and Recreational

Contributions	\$	40,000	
Other Charges		16,978	
Total Other Social, Cultural, and Recreational			56,978

Agriculture and Natural Resources

Agricultural Extension Service

Contributions	\$	105,509	
Total Agricultural Extension Service			105,509

Soil Conservation

Clerical Personnel	\$	40,456	
Social Security		3,047	
Pensions		2,913	
Employee and Dependent Insurance		7,405	
Unemployment Compensation		21	
Travel		262	
Other Charges		325	
Total Soil Conservation			54,429

Other Operations

Tourism

Other Charges	\$	1,345	
Total Tourism			1,345

Industrial Development

Dues and Memberships	\$	4,326	
Other Charges		15,125	
Total Industrial Development			19,451

Other Economic and Community Development

Other Contracted Services	\$	568,919	
Other Charges		538,246	
Total Other Economic and Community Development			1,107,165

Airport

Supervisor/Director	\$	40,934	
Temporary Personnel		8,975	
Social Security		3,461	

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Airport (Cont.)

Pensions	\$	2,946	
Employee and Dependent Insurance		7,405	
Unemployment Compensation		48	
Dues and Memberships		70	
Fuel Oil		59,306	
Office Supplies		1,597	
Utilities		15,496	
Other Supplies and Materials		80	
Liability Insurance		3,463	
Other Charges		8,540	
Airport Improvement		27,660	
Other Construction		3,505,511	
Total Airport			\$ 3,685,492

Veterans' Services

Supervisor/Director	\$	18,463	
Social Security		1,417	
Unemployment Compensation		28	
Communication		479	
Travel		898	
Office Supplies		137	
Other Charges		449	
Total Veterans' Services			21,871

Other Charges

Audit Services	\$	12,400	
Lease/SBITA Payments		3,506	
Postal Charges		2,543	
Office Supplies		7,094	
Building and Contents Insurance		88,208	
Liability Insurance		87,989	
Premiums on Corporate Surety Bonds		6,250	
Refunds		1,707	
Trustee's Commission		202,292	
Vehicle and Equipment Insurance		31,870	
Workers' Compensation Insurance		83,571	
Other Charges		723,375	
Total Other Charges			1,250,805

Principal on Debt

General Government

Principal on Other Loans	\$	18,204	
Total General Government			18,204

Other Debt Service

General Government

Underwriter's Discount	\$	22,820	
Other Debt Issuance Charges		56,058	
Total General Government			78,878

Total General Fund \$ 18,924,367

(Continued)

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

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Maintenance and Repair Services - Buildings	\$ 15,739	
Total County Buildings		\$ 15,739

Other Operations

Other Charges

Trustee's Commission	\$ 92	
Total Other Charges		92

Total Courthouse and Jail Maintenance Fund \$ 15,831

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

Truck Drivers	\$ 39,334	
Part-time Personnel	211,709	
Overtime Pay	15,277	
Other Salaries and Wages	7,135	
Social Security	19,844	
Pensions	4,434	
Employee and Dependent Insurance	7,405	
Unemployment Compensation	428	
Maintenance and Repair Services - Equipment	4,400	
Disposal Fees	345,575	
Diesel Fuel	18,924	
Tires and Tubes	5,414	
Utilities	20,354	
Gravel and Chert	91	
Other Supplies and Materials	30,895	
Other Charges	2,188	
Total Convenience Centers		\$ 733,407

Other Operations

Other Charges

Trustee's Commission	\$ 13,345	
Total Other Charges		13,345

Total Solid Waste/Sanitation Fund 746,752

Drug Control Fund

Public Safety

Drug Enforcement

Accountants/Bookkeepers	\$ 4,000	
Secretary(ies)	4,000	
Social Security	612	
Pensions	576	
Unemployment Compensation	1	
Other Charges	3,206	
Law Enforcement Equipment	1,030	
Total Drug Enforcement		\$ 13,425

(Continued)

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

Drug Control Fund (Cont.)

Other Operations			
Other Charges			
Trustee's Commission	\$	72	
Total Other Charges			\$ 72
Total Drug Control Fund			\$ 13,497

Other Special Revenue Fund

Other Operations			
American Rescue Plan Act Grant #1			
Utilities	\$	5,455,683	
Total American Rescue Plan Act Grant #1			\$ 5,455,683
Total Other Special Revenue Fund			5,455,683

Constitutional Officers - Fees Fund

Finance			
County Trustee's Office			
Constitutional Officers' Operating Expenses	\$	236,019	
Total County Trustee's Office			\$ 236,019
County Clerk's Office			
Constitutional Officers' Operating Expenses	\$	364,377	
Total County Clerk's Office			364,377
Total Constitutional Officers - Fees Fund			600,396

Highway/Public Works Fund

Highways			
Administration			
County Official/Administrative Officer	\$	99,787	
Accountants/Bookkeepers		93,784	
Assessment Personnel		940	
Salary Supplements		1,800	
Overtime Pay		425	
Bonus Payments		3,542	
Social Security		12,529	
Pensions		14,352	
Employer Medicare		2,930	
Communication		2,144	
Data Processing Services		15,687	
Dues and Memberships		4,508	
Legal Notices, Recording, and Court Costs		590	
Postal Charges		377	
Travel		921	
Other Contracted Services		1,485	
Office Supplies		921	
In Service/Staff Development		790	
Other Charges		439	
Total Administration			\$ 257,951

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance

Foremen	\$	97,760	
Equipment Operators		46,269	
Equipment Operators - Light		238,564	
Truck Drivers		188,206	
Laborers		229,347	
Overtime Pay		31,455	
Bonus Payments		29,604	
Social Security		53,294	
Pensions		61,351	
Employer Medicare		12,464	
Engineering Services		5,983	
Other Contracted Services		7,738	
Asphalt - Cold Mix		8,341	
Asphalt - Hot Mix		378,005	
Asphalt - Liquid		18,019	
Crushed Stone		28,319	
Pipe		29,462	
Road Signs		6,489	
Wood Products		26	
Other Supplies and Materials		7,939	
Other Charges		3	
Total Highway and Bridge Maintenance			\$ 1,478,638

Operation and Maintenance of Equipment

Foremen	\$	33,764	
Mechanic(s)		129,365	
Overtime Pay		3,696	
Bonus Payments		6,394	
Social Security		10,655	
Pensions		12,472	
Employer Medicare		2,492	
Maintenance and Repair Services - Buildings		1,170	
Towing Services		6,155	
Other Contracted Services		11,481	
Diesel Fuel		79,286	
Equipment and Machinery Parts		52,552	
Garage Supplies		7,129	
Gasoline		50,508	
Lubricants		10,757	
Propane Gas		3,044	
Tires and Tubes		10,878	
Total Operation and Maintenance of Equipment			431,798

Other Charges

Evaluation and Testing	\$	605	
Janitorial Services		4,000	
Electricity		5,271	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Water and Sewer	\$	724	
Building and Contents Insurance		3,631	
Liability Insurance		8,158	
Trustee's Commission		27,430	
Vehicle and Equipment Insurance		23,077	
Total Other Charges			\$ 72,896

Employee Benefits

Employee and Dependent Insurance	\$	249,832	
Life Insurance		2,385	
Workers' Compensation Insurance		48,392	
Total Employee Benefits			300,609

Capital Outlay

Building Improvements	\$	3,885	
Communication Equipment		1,839	
Data Processing Equipment		26,793	
Motor Vehicles		331,134	
State Aid Projects		2,318,401	
Other Equipment		389,047	
Total Capital Outlay			3,071,099

Principal on Debt

Highways and Streets

Principal on Notes	\$	140,439	
Total Highways and Streets			140,439

Interest on Debt

Highways and Streets

Interest on Notes	\$	4,045	
Total Highways and Streets			4,045

Capital Projects

Highway and Street Capital Projects

Asphalt - Hot Mix	\$	395,361	
Asphalt - Liquid		1,500	
Total Highway and Street Capital Projects			396,861

Total Highway/Public Works Fund \$ 6,154,336

General Debt Service Fund

Other Operations

Other Charges

Trustee's Commission	\$	11,815	
Total Other Charges			\$ 11,815

(Continued)

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

General Debt Service Fund (Cont.)

Principal on Debt			
General Government			
Principal on Bonds	\$ 450,000		
Total General Government		\$ 450,000	
Interest on Debt			
General Government			
Interest on Bonds	\$ 107,185		
Total General Government		107,185	
Other Debt Service			
General Government			
Other Charges	\$ 650		
Total General Government		650	
Total General Debt Service Fund			\$ 569,650

Rural Debt Service Fund

Principal on Debt			
Education			
Principal on Bonds	\$ 2,615,000		
Total Education		\$ 2,615,000	
Interest on Debt			
Education			
Interest on Bonds	\$ 1,061,664		
Total Education		1,061,664	
Other Debt Service			
Education			
Trustee's Commission	\$ 28,889		
Other Charges	1,650		
Total Education		30,539	
Total Rural Debt Service Fund			3,707,203

Education Debt Service Fund

Other Operations			
Other Charges			
Trustee's Commission	\$ 28,954		
Total Other Charges		\$ 28,954	
Principal on Debt			
Education			
Principal on Bonds	\$ 1,035,000		
Total Education		1,035,000	

(Continued)

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

Education Debt Service Fund (Cont.)			
Interest on Debt			
Education			
Interest on Bonds	\$ 284,681		
Total Education		\$ 284,681	
Other Debt Service			
Education			
Other Charges	\$ 300		
Total Education		300	
Total Education Debt Service Fund			\$ 1,348,935
Education Capital Projects Fund			
Other Operations			
Other Charges			
Trustee's Commission	\$ 2,228		
Total Other Charges		\$ 2,228	
Total Education Capital Projects Fund			2,228
Other Capital Projects Fund			
General Government			
County Buildings			
Other Charges	\$ 711,622		
Total County Buildings		\$ 711,622	
Other Operations			
Airport			
Other Construction	\$ 2,904,816		
Total Airport		2,904,816	
Other Charges			
Trustee's Commission	\$ 20,291		
Total Other Charges		20,291	
Total Other Capital Projects Fund			3,636,729
Total Governmental Funds - Primary Government			<u>\$ 41,175,607</u>

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

Discretely Presented Marion County School Department

For the Year Ended June 30, 2024**General Purpose School Fund**

Instruction

Regular Instruction Program

Teachers	\$ 11,222,737	
Career Ladder Program	13,000	
Homebound Teachers	21,100	
Educational Assistants	589,897	
Certified Substitute Teachers	57,075	
Non-certified Substitute Teachers	264,076	
Social Security	713,533	
Pensions	847,194	
Medical Insurance	2,060,804	
Employer Medicare	168,868	
Other Contracted Services	103,742	
Instructional Supplies and Materials	58,122	
Textbooks - Bound	115,404	
Other Supplies and Materials	102,191	
TISA - On-behalf Payments	50,080	
Total Regular Instruction Program		\$ 16,387,823

Special Education Program

Teachers	\$ 1,426,511	
Career Ladder Program	2,970	
Homebound Teachers	5,998	
Educational Assistants	339,027	
Speech Pathologist	120,773	
Certified Substitute Teachers	11,850	
Non-certified Substitute Teachers	48,150	
Social Security	114,003	
Pensions	132,194	
Medical Insurance	344,410	
Employer Medicare	27,274	
Instructional Supplies and Materials	5,221	
Other Supplies and Materials	6,671	
Other Charges	460	
Total Special Education Program		2,585,512

Career and Technical Education Program

Teachers	\$ 1,131,921	
Career Ladder Program	1,000	
Certified Substitute Teachers	315	
Non-certified Substitute Teachers	32,895	
Social Security	68,465	
Pensions	84,789	
Medical Insurance	215,628	
Employer Medicare	16,012	
Other Contracted Services	5,726	
Instructional Supplies and Materials	82,398	
Textbooks - Electronic	22,646	

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Textbooks - Bound	\$	9,495	
Software		603,288	
Other Supplies and Materials		55,234	
Other Charges		21,498	
Vocational Instruction Equipment		579,169	
Total Career and Technical Education Program			\$ 2,930,479

Support Services

Attendance

Supervisor/Director	\$	77,007	
Career Ladder Program		1,350	
Other Salaries and Wages		33,498	
Social Security		6,804	
Pensions		7,617	
Medical Insurance		11,437	
Employer Medicare		1,591	
Travel		1,553	
Other Contracted Services		6	
Software		17,068	
Other Supplies and Materials		52	
In Service/Staff Development		2,574	
Total Attendance			160,557

Health Services

Supervisor/Director	\$	70,817	
Medical Personnel		196,945	
Other Salaries and Wages		50,829	
Social Security		18,733	
Pensions		19,478	
Medical Insurance		45,933	
Employer Medicare		4,381	
Maintenance and Repair Services - Equipment		401	
Travel		3,289	
Other Contracted Services		9,008	
Drugs and Medical Supplies		3,320	
Other Supplies and Materials		560	
In Service/Staff Development		7,137	
Other Charges		261	
Health Equipment		3,556	
Total Health Services			434,648

Other Student Support

Career Ladder Program	\$	1,000	
Guidance Personnel		562,568	
Social Security		33,770	
Pensions		38,990	

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Medical Insurance	\$	92,809	
Employer Medicare		7,898	
Contracts with Government Agencies		9,986	
Evaluation and Testing		17,785	
Travel		482	
Other Contracted Services		36,499	
In Service/Staff Development		1,822	
Other Equipment		3,164	
Total Other Student Support			\$ 806,773

Regular Instruction Program

Supervisor/Director	\$	307,255	
Career Ladder Program		2,000	
Librarians		530,875	
Secretary(ies)		17,880	
Social Security		50,197	
Pensions		57,777	
Medical Insurance		115,196	
Employer Medicare		12,160	
Travel		5,418	
Other Contracted Services		314	
Library Books/Media		37,580	
Other Supplies and Materials		2,010	
In Service/Staff Development		80,010	
Other Charges		9,998	
Other Equipment		1,050	
Total Regular Instruction Program			1,229,720

Special Education Program

Supervisor/Director	\$	94,185	
Career Ladder Program		2,000	
Secretary(ies)		35,760	
Social Security		8,153	
Pensions		9,125	
Medical Insurance		16,944	
Employer Medicare		1,907	
Contracts with Private Agencies		399,694	
Travel		10,370	
Other Supplies and Materials		12,868	
In Service/Staff Development		7,367	
Other Charges		615	
Other Equipment		3,382	
Total Special Education Program			602,370

Career and Technical Education Program

Supervisor/Director	\$	85,680	
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(Continued)

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

Discretely Presented Marion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

Secretary(ies)	\$	35,142	
Other Salaries and Wages		70,604	
Social Security		11,515	
Pensions		13,173	
Medical Insurance		35,418	
Employer Medicare		2,693	
Other Supplies and Materials		375	
In Service/Staff Development		22,223	
Other Charges		548	
Total Career and Technical Education Program			\$ 277,371

Technology

Supervisor/Director	\$	75,584	
Other Salaries and Wages		187,904	
Social Security		15,307	
Pensions		18,126	
Medical Insurance		38,440	
Employer Medicare		3,684	
Internet Connectivity		807,532	
Travel		481	
Other Contracted Services		6,989	
Cabling		407	
Software		21,831	
Other Supplies and Materials		24,506	
In Service/Staff Development		3,326	
Other Equipment		102,520	
Total Technology			1,306,637

Other Programs

On-behalf Payments to OPEB	\$	49,532	
Total Other Programs			49,532

Board of Education

Board and Committee Members Fees	\$	17,385	
Social Security		1,078	
Unemployment Compensation		4,899	
Employer Medicare		252	
Audit Services		17,000	
Dues and Memberships		10,352	
Legal Services		110,044	
Travel		14,945	
Premiums on Corporate Surety Bonds		1,243	
Trustee's Commission		253,735	
Workers' Compensation Insurance		107,261	
Criminal Investigation of Applicants - TBI		1,375	
Other Charges		7,241	
Total Board of Education			546,810

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

County Official/Administrative Officer	\$	189,090	
Career Ladder Program		1,000	
Secretary(ies)		46,240	
Clerical Personnel		17,880	
Social Security		14,016	
Pensions		17,557	
Medical Insurance		28,105	
Employer Medicare		3,631	
Communication		38,439	
Dues and Memberships		3,556	
Maintenance and Repair Services - Equipment		958	
Postal Charges		10	
Travel		3,858	
Other Contracted Services		16,073	
Office Supplies		4,735	
In Service/Staff Development		1,957	
Other Charges		2,299	
Total Director of Schools			\$ 389,404

Office of the Principal

Principals	\$	882,670	
Career Ladder Program		4,000	
Assistant Principals		518,644	
Secretary(ies)		519,075	
Other Salaries and Wages		8,928	
Social Security		114,801	
Pensions		135,116	
Medical Insurance		348,299	
Employer Medicare		26,866	
Other Contracted Services		47,447	
Other Charges		760	
Total Office of the Principal			2,606,606

Fiscal Services

Supervisor/Director	\$	76,375	
Accountants/Bookkeepers		127,360	
Other Salaries and Wages		84,677	
Social Security		13,549	
Pensions		16,581	
Medical Insurance		45,933	
Employer Medicare		4,012	
Data Processing Services		23,943	
Dues and Memberships		359	
Travel		33	
Other Contracted Services		540	
Office Supplies		1,752	

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

In Service/Staff Development	\$	6,989	
Other Charges		8	
Total Fiscal Services			\$ 402,111

Human Services/Personnel

Supervisor/Director	\$	69,224	
Secretary(ies)		19,040	
Other Salaries and Wages		53,958	
Social Security		8,094	
Pensions		10,242	
Medical Insurance		17,614	
Employer Medicare		1,893	
Travel		519	
Other Contracted Services		2,018	
Office Supplies		1,260	
In Service/Staff Development		2,264	
Other Charges		269	
Total Human Services/Personnel			186,395

Operation of Plant

Custodial Personnel	\$	808,746	
Social Security		49,717	
Pensions		53,720	
Medical Insurance		187,136	
Employer Medicare		11,627	
Disposal Fees		34,189	
Other Contracted Services		25,966	
Custodial Supplies		199,690	
Electricity		950,103	
Natural Gas		108,784	
Water and Sewer		101,225	
Other Supplies and Materials		27,581	
Building and Contents Insurance		369,772	
Other Charges		1,575	
Total Operation of Plant			2,929,831

Maintenance of Plant

Supervisor/Director	\$	68,550	
Secretary(ies)		19,040	
Maintenance Personnel		371,960	
Social Security		27,595	
Pensions		33,088	
Medical Insurance		106,121	
Employer Medicare		6,454	
Maintenance and Repair Services - Buildings		20,414	
Maintenance and Repair Services - Equipment		68,939	

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Maintenance and Repair Services - Vehicles	\$	9,633	
Other Contracted Services		25,493	
Other Supplies and Materials		135,072	
In Service/Staff Development		980	
Other Charges		573	
Administration Equipment		29,905	
Total Maintenance of Plant			\$ 923,817

Transportation

Supervisor/Director	\$	13,590	
Bus Drivers		10,962	
Other Salaries and Wages		45,052	
Social Security		4,276	
Pensions		3,811	
Medical Insurance		5,507	
Employer Medicare		1,000	
Contracts with Parents		895	
Contracts with Vehicle Owners		1,286,988	
Maintenance and Repair Services - Vehicles		2,052	
Other Contracted Services		1,593	
Other Supplies and Materials		1,307	
In Service/Staff Development		1,950	
Total Transportation			1,378,983

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	72,901	
Social Security		3,904	
Pensions		4,433	
Employer Medicare		1,026	
Other Supplies and Materials		974	
Other Charges		10	
Total Community Services			83,248

Early Childhood Education

Teachers	\$	219,015	
Educational Assistants		95,004	
Social Security		18,172	
Pensions		22,293	
Medical Insurance		23,727	
Employer Medicare		4,250	
Other Fringe Benefits		785	
Instructional Supplies and Materials		1,046	
Total Early Childhood Education			384,292

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

General Purpose School Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 889,320	
Other Capital Outlay	90,854	
Total Regular Capital Outlay		\$ 980,174

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$ 1,250,000	
Total Education		1,250,000

Total General Purpose School Fund \$ 38,833,093

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 358,595	
Educational Assistants	180,513	
Other Salaries and Wages	6,990	
Non-certified Substitute Teachers	7,920	
Social Security	32,570	
Pensions	38,167	
Medical Insurance	110,849	
Employer Medicare	7,617	
Other Fringe Benefits	1,309	
Other Contracted Services	10,865	
Instructional Supplies and Materials	152,404	
Other Supplies and Materials	9,312	
Regular Instruction Equipment	1,700,545	
Total Regular Instruction Program		\$ 2,617,656

Special Education Program

Educational Assistants	\$ 454,914	
Speech Pathologist	3,672	
Social Security	26,038	
Pensions	32,754	
Medical Insurance	178,002	
Employer Medicare	6,285	
Other Fringe Benefits	1,147	
Instructional Supplies and Materials	6,904	
Other Supplies and Materials	28,270	
Special Education Equipment	13,237	
Total Special Education Program		751,223

Career and Technical Education Program

Instructional Supplies and Materials	\$ 26,785	
Other Supplies and Materials	7,008	
Vocational Instruction Equipment	34,805	
Total Career and Technical Education Program		68,598

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services

Other Student Support

Other Salaries and Wages	\$	89,624	
Social Security		5,254	
Pensions		6,151	
Medical Insurance		9,657	
Employer Medicare		1,229	
Other Fringe Benefits		224	
Evaluation and Testing		70,194	
Travel		2,199	
Other Contracted Services		55,523	
Other Supplies and Materials		8,516	
In Service/Staff Development		8,987	
Other Charges		7,769	
Total Other Student Support			\$ 265,327

Regular Instruction Program

Supervisor/Director	\$	66,210	
Secretary(ies)		34,890	
Other Salaries and Wages		127,887	
Social Security		13,343	
Pensions		15,730	
Medical Insurance		42,465	
Employer Medicare		3,121	
Other Fringe Benefits		572	
Other Contracted Services		196,266	
Other Supplies and Materials		1,643	
In Service/Staff Development		25,279	
Other Equipment		2,287	
Total Regular Instruction Program			529,693

Special Education Program

Psychological Personnel	\$	229,755	
Other Salaries and Wages		108,625	
Social Security		20,131	
Pensions		23,168	
Medical Insurance		38,794	
Employer Medicare		4,708	
Other Fringe Benefits		720	
Lease/SBITA Payments		3,492	
Other Supplies and Materials		7,739	
In Service/Staff Development		4,519	
Total Special Education Program			441,651

Technology

Software	\$	73,524	
Other Equipment		23,168	
Total Technology			96,692

(Continued)

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

Discretely Presented Marion County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation

Other Salaries and Wages	\$	26,079	
Social Security		1,602	
Pensions		1,021	
Medical Insurance		8,472	
Employer Medicare		375	
Other Fringe Benefits		49	
Maintenance and Repair Services - Vehicles		3,143	
Gasoline		<u>1,469</u>	
Total Transportation			\$ 42,210

Capital Outlay

Regular Capital Outlay

Other Contracted Services	\$	9,937	
Plant Operation Equipment		<u>1,391,486</u>	
Total Regular Capital Outlay			<u>1,401,423</u>

Total School Federal Projects Fund			\$ 6,214,473
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Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	89,668	
Cafeteria Personnel		1,158,879	
Other Salaries and Wages		46,704	
Social Security		77,056	
Pensions		70,245	
Medical Insurance		262,648	
Employer Medicare		18,179	
Other Fringe Benefits		28,676	
Communication		6,375	
Maintenance and Repair Services - Equipment		91,161	
Travel		3,056	
Other Contracted Services		43,076	
Food Preparation Supplies		117,001	
Food Supplies		1,523,016	
USDA - Commodities		221,582	
Trustee's Commission		39	
In Service/Staff Development		9,007	
Other Charges		8,790	
Food Service Equipment		<u>94,449</u>	
Total Food Service			<u>\$ 3,869,607</u>

Total Central Cafeteria Fund			3,869,607
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(Continued)

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

Discretely Presented Marion County School Department (Cont.)

Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges

\$ 2,015,564

Total Community Services

\$ 2,015,564

Total Internal School Fund

\$ 2,015,564

Other Capital Projects #1 Fund

Capital Projects

Education Capital Projects

Supervisor/Director

\$ 75,000

Social Security

4,601

Pensions

5,400

Medical Insurance

8,472

Employer Medicare

1,076

Engineering Services

376,106

Other Contracted Services

24,565

Building Construction

19,428,092

Building Improvements

335,108

Communication Equipment

710

Furniture and Fixtures

29,057

Other Capital Outlay

17,500

Total Education Capital Projects

\$ 20,305,687

Total Other Capital Projects #1 Fund

20,305,687

Total Governmental Funds - Marion County School Department

\$ 71,238,424

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*

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marion County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Marion County's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 1, 2024. Our report includes a reference to other auditors who audited the financial statements of the Marion County Conservation Commission (the sole business-type activity and a major enterprise fund of the primary government) and the Internal School Fund (special revenue fund of the discretely presented Marion County School Department) as described in our report on Marion County's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Marion 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 Marion County's internal control. Accordingly, we do not express an opinion on the effectiveness of Marion County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal

control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marion 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: 2024-001 and 2024-002.

Marion County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Marion County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Marion 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 Marion 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

November 1, 2024

JEM/gc



JASON E. MUMPOWER
Comptroller

**Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

Marion County Mayor and
Board of County Commissioners
Marion 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 Marion 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 Marion County's major federal programs for the year ended June 30, 2024. Marion 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, Marion County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Marion 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 Marion 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 Marion 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 Marion 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 Marion 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 Marion 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 Marion 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 Marion County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal

control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marion County, Tennessee, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Marion County's basic financial statements. We issued our report thereon dated November 1, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 1, 2024

JEM/gc

MARION COUNTY, TENNESSEE, AND THE MARION COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7)
For the Year-Ended June 30, 2024

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Local Food for Schools Cooperative Agreement Program	10.185	N/A	\$ 80,000
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	N/A	940,974
National School Lunch Program	10.555	N/A	2,247,868 (6)
Fresh Fruit and Vegetable Program	10.582	N/A	83,102
COVID 19 - Pandemic EBT Administrative Costs	10.649	N/A	3,256
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	221,582 (6)
Rebate of Storage and Distribution Fees	10.555	N/A	5,401 (6)
Total U.S. Department of Agriculture			<u>\$ 3,582,183</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	33004-38423	\$ 318,030
Total U.S. Department of Housing and Urban Development			<u>\$ 318,030</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Airport Improvement Program	20.106	(8)	\$ 6,152,726
Passed-through State Department of Safety and Homeland Security:			
Alcohol Open Container Requirements	20.607	(9)	38,400
Total U.S. Department of Transportation			<u>\$ 6,191,126</u>
U.S. Department of Treasury:			
Direct Program:			
COVID 19 - Coronavirus State and Local Recovery Funds	21.027	N/A	\$ 5,614,846 (6)
Passed-through State Department of Education:			
COVID 19 - Coronavirus State and Local Recovery Funds	21.027	N/A	101,526 (6)
Passed-through State Department of Economic and Community Development:			
COVID 19 - Coronavirus State and Local Recovery Funds	21.027	20-1892-0-1-806	29,708 (6)
Total U.S. Department of Treasury			<u>\$ 5,746,080</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	\$ 981,823
Special Education Cluster: (5)			
Special Education-Grants to States	84.027	N/A	1,226,761 (6)
COVID 19 - Special Education-Grants to States	84.027	N/A	4,073 (6)
Special Education - Preschool Grants	84.173	N/A	45,406
Vocational Education-Basic Grants to States	84.048	N/A	86,024
Rural Education	84.358	N/A	73,698
Supporting Effective Instruction State Grant	84.367	N/A	80,906
Student Support and Academic Enrichment Program	84.424	N/A	41,150
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund - Rethink K-12 Education Models Grant	84.425B	N/A	107,604 (6)
COVID 19 - Education Stabilization Fund Program – Elementary and Secondary			
School Emergency Relief Fund (ESSER II)	84.425D	N/A	71,250 (6)
COVID 19 - American Rescue Plan - Education Stabilization Fund Program –			
Elementary and Secondary School Emergency Relief Fund (ESSER-ARP)	84.425U	N/A	3,611,538 (6)
Total U.S. Department of Education			<u>\$ 6,330,233</u>
U.S. Election Assistance Commission:			
Passed-through Secretary of State:			
2018 HAVA Election Security Grants	90.404	30501-01623-58	\$ 318,256
Total U.S. Election Assistance Commission			<u>\$ 318,256</u>

(Continued)

MARION COUNTY, TENNESSEE, AND THE MARION COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Immunization Cooperative Agreements	93.268	GG-22-73739-01	\$ 71,640
Passed-through State Department of Education:			
Public Health Emergency Response: Cooperative Agreement for Emergency			
Response: Public Health Crisis Response	93.354	(4)	27,634
Total U.S. Department of Health and Human Services			<u>\$ 99,274</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Transportation:			
Homeland Security Grant Program	97.067	34101-21522	\$ 3,894
Total U.S. Department of Homeland Security			<u>\$ 3,894</u>
Total Expenditures of Federal Grants			<u>\$ 22,589,076</u>
State Grants		Contract Number	
Farmer's Market Grant - State Department of Agriculture	N/A	(4)	\$ 1,500
Juvenile Services Program - State Department of Children's Services	N/A	35910-03597	4,500
Innovative School Models - State Department of Education	N/A	N/A	1,338,288
Public School Security Grant - State Department of Education	N/A	N/A	46,455
Special Education Preschool Grant - State Department of Education	N/A	N/A	18,509
Summer Learning Camps - State Department of Education	N/A	N/A	312,700
Summer Learning Transportation - State Department of Education	N/A	N/A	78,267
Voluntary Pre-K for Tennessee - State Department of Education	N/A	N/A	384,786
Violent Crime Intervention Fund - State Department of Finance and Administration	N/A	(4)	99,892
Local Health Services Grant - State Department of Health	N/A	GG-24-80320-01	168,818
Mental Health Transport Grant - State Department of Mental Health and Substance Abuse Services	N/A	(4)	13,523
Statewide School Resource Officer Grant - State Department of Safety and Homeland Security	N/A	34901-01482	750,000
Airport Maintenance Grant - State Department of Transportation	N/A	40100-51008	20,000
Litter Program - State Department of Transportation	N/A	Z23LIT058	45,238
HAVA Election Security Grants - State Secretary of State	N/A	30501-01623-58	63,666
Total State Grants			<u>\$ 3,346,142</u>

ALN = Assistance Listing Number

N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.

(2) Marion County elected not to use the 10% de minimus cost rate permitted in the Uniform Guidance.

(3) No amounts (\$0) were passed-through to subrecipients.

(4) Information not available.

(5) Child Nutrition Cluster total \$3,498,927; Special Education Cluster total \$1,276,240.

(6) Total for ALN 10.555 is \$2,474,851; Total for ALN 21.027 is \$5,746,080; Total for ALN 84.027 is \$1,230,834;
Total for ALN 84.425 is \$3,790,392.

(7) 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	84.010A	\$ 149,889
Rural Education	84.358A	178
Supporting Effective Instruction State Grant	84.367A	1,775
Student Support and Academic Enrichment Program	84.424A	355
Total amounts consolidated for administration purposes		<u>\$ 152,197</u>

(8) 58-555-0139-22: \$56,480; 58-555-0140-22: \$2,977; 58-555-0143-22: \$6,093,269

(9) Z-23-THS-167: \$7,928; Z-24-THS-175: \$30,472

MARION COUNTY, TENNESSEE
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2024

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Marion County, Tennessee, for the year ended June 30, 2024.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
OFFICE OF COUNTY MAYOR					
2023	220	2023-001	The General Fund required material audit adjustments for proper financial statement presentation.	N/A	Corrected
2023	221	2023-002	The office had deficiencies in budget operations.	N/A	Not Corrected - See Explanation on Corrective Action Plan
OFFICE OF HIGHWAY SUPERVISOR					
2023	222	2023-003	An investigation revealed various deficiencies at the Marion County Highway Department.	N/A	N/A
OFFICE OF DIRECTOR OF SCHOOLS					
2023	222	2023-004	The school department employed a contractor without requiring an adequate bond in accordance with state statute.	N/A	Not Corrected - See Explanation on Corrective Action Plan

Prior-year Federal Awards Findings

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

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

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Marion County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * Assistance Listing Numbers: 10.553, 10.555, and 10.582 Child Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Fresh Fruit and Vegetable Program
 - * Assistance Listing Number: 20.106 Airport Improvement Program
 - * Assistance Listing Numbers: 21.027 COVID 19 - Coronavirus State and Local Fiscal Recovery Funds
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action 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 COUNTY MAYOR

FINDING 2024-001

THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

(Noncompliance Under *Government Auditing Standards*)

Our examination revealed the following deficiencies in budget operations. These deficiencies exist because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures, a lack of management oversight, and management's failure to correct the finding noted in the prior-year audit report. The deficiencies in budget operations include:

- A. Expenditures exceeded appropriations approved by the county commission in major appropriation categories (the legal level of control) in several funds administered by the office as reflected in the following table:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
General Fund	
Other Operations - Other Economic and Community Development	\$ 101,559
Solid Waste/Sanitation Fund	
Other Operations - Other Charges	1,345
Education Debt Service Fund	
Other Operations - Other Charges	1,454

- B. Salaries exceeded appropriations in 11 of 88 salary line-items of the General Fund by amounts ranging from \$3 to \$19,796. The budget resolution approved by the county commission states that the salary, wages, or remuneration of each officer, employee, or agency of the county will not exceed appropriations that accompany the resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the county commission.

Section 5-9-401, *Tennessee Code Annotated*, states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, and agencies of the county governments shall be appropriated to such use by the county legislative bodies."

RECOMMENDATION

Expenditures should be held within appropriations approved by the county commission.

MANAGEMENT’S RESPONSE – COUNTY MAYOR

I concur with this finding.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2024-002

THE SCHOOL DEPARTMENT EMPLOYED A CONTRACTOR WITHOUT REQUIRING APPROPRIATE BONDS IN ACCORDANCE WITH STATE STATUTE

(Noncompliance Under *Government Auditing Standards*)

During the year, the school department began an HVAC replacement project at one of the county’s schools totaling \$159,333. The project was performed by a contractor who did not provide appropriate bonds. Section 12-4-201, *Tennessee Code Annotated*, requires contractors to provide appropriate bonds, which shall be no less than twenty-five (25%) percent of the contract price, for all contracts that exceed \$100,000. The use of a contractor that was not bonded placed the school department at risk of significant financial loss. This deficiency was the result of a lack of management oversight and the failure to follow state statutes. Further, the deficiency in the Office of Director of Schools was a result of management’s failure to correct the finding noted in the prior year audit report and management’s failure to implement their corrective action plan.

RECOMMENDATION

The school department should ensure that contractors provide appropriate bonds and should only employ appropriately bonded contractors for construction projects exceeding \$100,000, as required by state statute.

MANAGEMENT’S RESPONSE – DIRECTOR OF SCHOOLS

I concur with this finding. This was viewed as two separate projects because work was performed at two different locations. Based on it being viewed as two separate projects, and the cost would have been less than the state statute requirement, it was decided that we would not require the contractor to be bonded.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2024.

MARION COUNTY, TENNESSEE
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2024

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF COUNTY MAYOR

2024-001	The office had deficiencies in budget operations.	213
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OFFICE OF DIRECTOR OF SCHOOLS

2024-002	The school department employed a contractor without requiring appropriate bonds in accordance with state statute.	214
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DAVID JACKSON

COUNTY MAYOR, MARION COUNTY
P.O. BOX 789
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FAX (423) 942-1327
djackson@marioncountyttn.net



Corrective Action Plan

FINDING 2024-001: THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

Response and Corrective Action Plan Prepared by:
Annabelle Westmoreland, Finance Director

Person Responsible for Implementing the Corrective Action:
Annabelle Westmoreland, Finance Director

Anticipated Completion Date of Corrective Action:
October 31, 2024

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
Did not take proper measures to ensure spending was within the approved budget.

Planned Corrective Action:
All general ledger accounts will be balanced, and budget amendments will be approved when necessary.

Signature: _____

County Mayor

Marion County Board of Education
204 Betsy Pack Drive
Jasper, Tennessee 37347

Mark A. Griffith
Director of Schools

Telephone (423) 942-3434
Fax (423) 942-4211

Corrective Action Plan

**FINDING 2024-002: THE SCHOOL DEPARTMENT EMPLOYED A
CONTRACTOR WITHOUT REQUIRING
APPROPRIATE BONDS IN ACCORDANCE WITH
STATE STATUTE**

Response and Corrective Action Plan Prepared by:
Dr. Mark Griffith, Director of Schools

Person Responsible for Implementing the Corrective Action:
Dr. Mark Griffith, Director of Schools

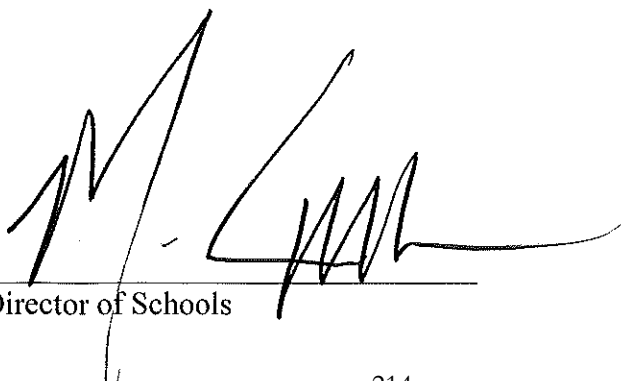
Anticipated Completion Date of Corrective Action:
October 28, 2024

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
This was viewed as two separate projects because work was performed at two different locations. Based on it being viewed as two separate projects, and the cost would have been less than the state statute requirement, it was decided that we would not require the Contractor to be bonded.

Planned Corrective Action:
In the future, a bond will be required in accordance with state statute for projects exceeding the limit required.

Signature:



Director of Schools

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 Marion County.

MARION COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Marion County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Marion County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

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APPENDIX D

Form of Continuing Disclosure Agreement

MARION COUNTY, TENNESSEE

\$6,000,000* GENERAL OBLIGATION BONDS, SERIES 2025

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this ____ day of _____, 2025 by Marion County, Tennessee (the “Issuer”) in connection with the issuance of its \$6,000,000* General Obligation Bonds, Series 2025 (the “Bonds”). The Issuer hereby covenants and agrees as follows:

SECTION 1. Purpose of and Authority for the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Registered Owners and the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12(b)(5) (the “Rule”) of the Securities and Exchange Commission (the “SEC”). This Disclosure Agreement is being executed and delivered by the Issuer under the authority of the Resolution.

SECTION 2. Definitions. In addition to the terms otherwise defined herein, the following capitalized terms shall have the following meanings:

“Beneficial Owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the Issuer as its fiscal year for financial reporting purposes, and shall initially mean the period beginning on July 1 of each calendar year and ending June 30 of the following calendar year.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Official Statement” shall mean the Official Statement of the Issuer, dated _____, 2025, relating to the Bonds.

“Participating Underwriters” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Registered Owner” means any person who is identified as a holder of Bonds on the registration records maintained by or on behalf of the Issuer with respect to the Bonds.

“Resolution” shall mean the bond Resolution adopted by the Board of Commissioners of the Issuer on February 24, 2025.

“State” shall mean the State of Tennessee.

“State Repository” shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule.

SECTION 3. Continuing Disclosure. The Issuer hereby agrees to provide or cause to be provided the information set forth below:

(a) *Annual Financial Information*. For Fiscal Years ending on or after June 30, 2025, the Issuer shall provide annual financial information and operating data within 12 months after the end of the Fiscal Year. The annual financial information and operating data shall include:

(i) The Issuer's audited financial statements, prepared in accordance with generally accepted accounting principles, or, if the Issuer's audited financial statements are not available, then the Issuer's unaudited financial statements; and

(ii) To the extent not included in the audited financial statements, operating data of the type included under the following headings of the Official Statement, which data may be presented in a manner other than as set in the Official Statement:

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

(b) *Audited Financial Statements*. For Fiscal Years ending on or after June 30, 2025, the Issuer shall provide audited financial statements, prepared in accordance with generally accepted accounting principles, if and when available, if such audited financial statements are not included with the annual financial information described in subsection (a) above.

(c) *Event Notices*. The Issuer will provide notice of the following events relating to the Bonds in a timely manner, not in excess of ten business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;

- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances (including disclosure as to whether the Bonds have been defeased to their maturity or to a preceding call date);
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation* of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

* As used in subsections (xv) and (xvi), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(d) *Notice of Failure to File Annual Financial Information.* The Issuer will provide timely notice of its failure to provide the annual financial information described in subsection (a) above within the time frame prescribed by subsection (a).

(e) *Notice of Amendment of Disclosure Agreement.* The Issuer will provide timely notice of an amendment to this Disclosure Agreement pursuant to the terms of Section 5(a) below.

SECTION 4. Methods of Providing Information.

(a) All disclosures required by Section 3 shall be transmitted to the MSRB using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated dissemination agent.

(c) All transmissions to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(d) Any required disclosure may be incorporated by reference to other documents filed with the MSRB in the manner required by subsection (a) above. The Issuer shall clearly identify each such other document so incorporated by reference.

(e) All disclosures transmitted to the MSRB hereunder shall be simultaneously transmitted to any State Repository.

SECTION 5. Amendment.

This Disclosure Agreement may be amended or modified so long as: (i) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body; (ii) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (iii) this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iv) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the Issuer (such as 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.

(b) In the event of any amendment or modification to the financial information or operating data required to be filed pursuant to Section 3(a) above, the Issuer shall describe such amendment in the next filing pursuant to Section 3(a), and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, the next filing pursuant to Section 3(a) or 3(b), as applicable, shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any disclosure required hereunder, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure.

SECTION 8. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Registered Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Registered Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 11. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

MARION COUNTY, TENNESSEE

By: _____
County Mayor