

OFFICIAL STATEMENT

New Issue
Book-Entry Only

Moody's Rating: "Aa2"

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the City, interest on the Bonds (i) will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax, except as described under the heading "Tax Matters" herein.

\$8,220,000
GILES COUNTY, TENNESSEE
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026
(ULT) (BANK QUALIFIED)

Dated: Date of Issuance

Due: April 1, as shown below

Giles County, Tennessee (the "County") will issue its \$8,220,000 General Obligation Public Improvement Bonds, Series 2026 (the "Bonds") in fully registered form, without coupons, and, when issued, the Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases of beneficial ownership interest in the Bonds will be made in book-entry form only, in denominations of \$5,000 or multiples thereof through DTC Participants. Interest on the Bonds will be payable semiannually on April 1 and October 1 of each year, commencing October 1, 2026, calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of principal of and interest on the Bonds are to be made to purchasers by DTC through the Participants (as such term is herein defined). Purchasers will not receive physical delivery of Bonds purchased by them. See "The Bonds-Book-Entry-Only System." Principal of and interest on the Bonds are payable by the County to the 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 April 1, 2035, at a price of par plus accrued interest to the redemption date. The Bonds are payable on April 1 of each year as follows:

<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number</u>	<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number</u>
2027	\$285,000	5.000%	2.600%	375568SL7	2037	\$415,000	4.000%	3.300% c	375568SW3
2028	270,000	5.000	2.650	375568SM5	2038	430,000	4.000	3.400 c	375568SX1
2029	280,000	5.000	2.700	375568SN3	2039	445,000	4.000	3.450 c	375568SY9
2030	295,000	5.000	2.750	375568SP8	2040	465,000	4.000	3.550 c	375568SZ6
2031	310,000	5.000	2.800	375568SQ6	2041	485,000	4.000	3.600 c	375568TA0
2032	325,000	5.000	2.850	375568SR4	2042	505,000	4.000	3.650 c	375568TB8
2033	345,000	5.000	3.000	375568SS2	2043	525,000	4.000	3.700 c	375568TC6
2034	360,000	5.000	3.050	375568ST0	2044	545,000	4.000	3.750 c	375568TD4
2035	380,000	5.000	3.100	375568SU7	2045	565,000	4.000	3.800 c	375568TE2
2036	400,000	4.000	3.200c	375568SV5	2046	590,000	4.000	3.850 c	375568TF9

C = Yield to April 1, 2035, Par Call Date note

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 Chris Williams, 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 30, 2026.

April 13, 2026

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 Giles 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).

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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**Giles County, Tennessee
222 West Madison Street
Pulaski, Tennessee 38478**

Officials

Graham Stowe
County Executive

Board of Commissioners

David Adams
Evan Baddour
Carman Brown
Rose Brown
Brad Butler
Rick Carpenter
Erin Curry

Matthew Hopkins
Gayle Jones
Terry Jones
James Lathrop
Annelle Guthrie
Shelly Goolsby
Judy Pruett

Roger Reedy
Matt Rubelsky
Caleb Savage
Joseph Sutton
David Wamble
Tracy Wilburn
Joyce Woodard

County Officials

County Clerk
Trustee

Carol Wade
Tony Risner

Counsel for the County

Chris Williams, Esq.
Pulaski, Tennessee

Bond Counsel

Bass, Berry & Sims PLC
Nashville, Tennessee

Registration and Paying Agent

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

Municipal Advisor

Stephens Inc.
Nashville, Tennessee

Underwriter

FHN Financial Capital Markets
Memphis, Tennessee

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Summary Statement

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

ISSUER	Giles County, Tennessee (the "County").
ISSUES	\$8,220,000 General Obligation Public Improvement Bonds, Series 2026 (the "Bonds").
PURPOSE	The Bonds are being issued to finance the (i) construction, renovation, improvement and equipping of the County Courthouse and other County office buildings and facilities; and (ii) acquisition of all property, real and personal, related to the foregoing; and (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing; (collectively, the "Projects") and (iv) reimbursement to the appropriate fund of the County for prior expenditures of the Projects; and (v) payment of costs incident to the issuance and sale of the bonds.
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 April 1 and October 1, commencing October 1, 2026.
PRINCIPAL DUE	April 1, 2027 through April 1, 2046, inclusive.
SETTLEMENT DATE	April 30, 2026.
OPTIONAL REDEMPTION	The Bonds, shall be subject to redemption at the option of the County at any time on or after April 1, 2035, at a price of par plus accrued interest to the redemption date.

RATING “Aa2” by Moody’s Investor’s Service (“Moody’s”) based on documents and other information provided by the County. The rating reflects only the view of Moody’s 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 Moody’s. See "Rating" herein

TAX MATTERS In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the City, interest on the Bonds (i) is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax, except as described under the heading “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..... FHN Financial Capital Markets, Memphis, Tennessee.

Official Statement

Giles County, Tennessee

\$8,220,000 General Obligation Public Improvement Bonds, Series 2026 (ULT) (Bank Qualified)

Introduction

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Giles County, Tennessee (the "County") of \$8,220,000 General Obligation Public Improvement Bonds, Series 2026 (the "Bonds").

The Bonds are issuable under and in full compliance with the constitution and statutes of the State of Tennessee and pursuant to Resolution adopted by the Board of County Commissioners of the County on February 17, 2026 (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 Executive'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 (i) construction, renovation, improvement and equipping of the County Courthouse and other County office buildings and facilities; and (ii) acquisition of all property, real and personal, related to the foregoing; and (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing; (collectively, the "Projects") (iv) reimbursement to the appropriate fund of the County for prior expenditures of the Projects; and (v) payment of costs incident to the issuance and sale of the bonds.

The Bonds will be issued as fully registered book-entry Bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated their date of issuance. Interest on the Bonds, at the rates per annum set forth on the cover page and calculated on the basis of a 360-day year, consisting of twelve 30-day months, will be payable semiannually on April 1 and October 1 of each year (herein an "Interest Payment Date"), commencing October 1, 2026.

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

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 the following Standard & Poor’s rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of 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 April 1, 2035 shall mature without option of prior redemption, and Bonds maturing April 1, 2036 and thereafter, shall be subject to redemption prior to maturity at the option of the Municipality on April 1, 2035 and thereafter, as a whole or in part, at any time at the redemption price of par plus accrued interest to the redemption date.

Notice of Redemption

Notice of call for redemption shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. 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.

<u>Sources of Funds</u>	
Par Amount	\$8,220,000.00
Reoffering Premium	443,382.75
Total Sources	<u>\$8,663,382.75</u>
<u>Uses of Funds</u>	
Deposit to Project Fund	\$8,504,554.50
Costs of Issuance ⁽¹⁾	158,828.25
Total Uses	<u>\$8,663,382.75</u>

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

Rating

The Bonds have been assigned a rating of "Aa2" by Moody's Investor's Service ("Moody's") based on documents and other information provided by the County. The rating reflects only the view of Moody's 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 Moody's.

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, 2026 (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”).

The County failed to timely post its annual report for the fiscal year ended June 30, 2024. The County corrected the mistake on March 18, 2026. With that exception, the County is not aware of any failure to comply with its continuing disclosure undertakings in the last five years.

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 Chris Williams, 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 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 treated as an item of preference 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, or
- a borrower of money to purchase or carry the Bonds

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

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

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

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

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

Information Reporting and Backup Withholding. Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient

not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

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

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

FHN Financial Capital Markets, Memphis, Tennessee, 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 \$8,587,326.38, which is par, plus original issue premium of \$443,382.75, less \$76,056.37 in 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 Executive

I, Graham Stowe, do hereby certify that I am the duly qualified and acting County Executive of Giles County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated April 13, 2026 issued in connection with the sale of the County's \$8,220,000 General Obligation Public Improvement Bonds, Series 2026 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 30th day of April, 2026.

/s/ Graham Stowe
County Executive

I, Carol Wade, do hereby certify that I am the duly qualified and acting County Clerk of Giles County, Tennessee, and as such official, I do hereby certify that Graham Stowe is the duly qualified and acting County Executive 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 Giles County, Tennessee as of the date subscribed to the foregoing certificate.

/s/ Carol Wade
County Clerk

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APPENDIX A

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

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(Form of Opinion of Bond Counsel)

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

April 30, 2026

We have acted as bond counsel to Giles County, Tennessee (the "Issuer") in connection with the issuance of \$8,220,000 General Obligation Public Improvement Bonds, Series 2026, dated the date hereof (the "Bonds"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

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

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

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

2. The resolution of the Board of County Commissioners of the Issuer authorizing the Bonds has been duly and lawfully adopted, is in full force and effect and is the valid and binding agreement of the Issuer, enforceable in accordance with its terms.

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

4. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax; 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.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolution authorizing the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

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

Yours truly,

APPENDIX B

Demographic and General Financial Information
Related to the County

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GILES COUNTY, TENNESSEE DEMOGRAPHIC AND GENERAL FINANCIAL INFORMATION

Giles County is located near the center of the southern boundary of Tennessee. Pulaski, the county seat, is 70 miles south of Nashville and 40 miles north of Huntsville, Alabama. The County was established in 1809 and consists of approximately 619 square miles with the five incorporated communities of Ardmore with an estimated population of 1,236, Elkton with 530, Lynnville with 321, Minor Hill with 520, and Pulaski having 8,241. The County's economy is diversified, with commercial, industrial, service: and agricultural employment. The principal agricultural crops are corn, soybeans, and cotton.

Demographic Data

Population

According to U.S. Census Bureau estimates, Giles County's population was 30,971 in 2024 reflecting a 5 % increase since the 2010 Census and a 2% increase since the 2020 Census.

COUNTY-WIDE POPULATION

	<u>County</u>	<u>Tennessee</u>
1970 U.S. Census	22,138	3,926,018
1980 U.S. Census	24,625	4,600,252
1990 U.S. Census	25,803	4,890,626
2000 U.S. Census	29,453	5,703,719
2010 U.S. Census	29,409	6,355,518
2020 U.S. Census	30,344	6,927,736
2021 U.S. Census Estimate	30,411	6,966,687
2022 U.S. Census Estimate	30,560	7,063,325
2023 U.S. Census Estimate	30,815	7,153,029
2024 U.S. Census Estimate	30,971	7,251,291

Source: U.S. Census Bureau

Income and Housing

The per capita personal income and median housing values for Giles County over the last 10 years are as follows:

	<u>Giles County</u>	<u>Tennessee</u>	<u>% of State</u>
2015 Per Capita Personal Income	\$34,339	\$41,937	81.9%
2016 Per Capita Personal Income	\$35,518	\$42,938	82.7%
2017 Per Capita Personal Income	\$36,481	\$44,407	82.2%
2018 Per Capita Personal Income	\$36,898	\$46,449	79.4%
2019 Per Capita Personal Income	\$37,988	\$48,903	77.7%
2020 Per Capita Personal Income	\$40,335	\$51,945	77.6%
2021 Per Capita Personal Income	\$44,082	\$57,491	76.7%
2022 Per Capita Personal Income	\$44,988	\$59,099	76.1%
2023 Per Capita Personal Income	\$48,303	\$62,039	77.9%
2024 Per Capita Personal Income	\$50,868	\$64,908	78.4%

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

Median Housing Values

	Giles County	Tennessee	% of State
2015 Median Housing Value	\$141,500	\$175,000	80.9%
2016 Median Housing Value	\$140,000	\$185,000	75.7%
2017 Median Housing Value	\$139,800	\$196,800	71.0%
2018 Median Housing Value	\$139,900	\$210,000	66.6%
2019 Median Housing Value	\$155,000	\$226,000	68.6%
2020 Median Housing Value	\$172,450	\$244,900	70.4%
2021 Median Housing Value	\$199,500	\$283,410	70.4%
2022 Median Housing Value	\$224,900	\$325,000	69.2%
2023 Median Housing Value	\$220,000	\$339,900	64.7%
2024 Median Housing Value	\$234,000	\$353,000	66.3%

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

Economic Data

Recent Developments

In 2025 and 2026, Giles County and the City of Pulaski were awarded approximately \$964,000 in state economic development grants to support downtown revitalization efforts. This includes a \$500,000 Historic Development Grant for restoration of the Giles County Courthouse and a \$464,000 Downtown Improvement Grant to fund façade and commercial property upgrades across the downtown square. The courthouse project is expected to advance into construction in 2026.

In 2021, PES Energize was awarded a \$23.1mm grant for fiber broadband expansion as part of a \$446,770,282 grant package for expansion of internet across Tennessee. County officials also elected to commit funds toward the project bringing the total budget to approximately \$33mm. The expansion project is expected to bring high-speed internet to over 3,000 additional county residents.

In 2021, Frito-Lay announced a \$100mm investment in its Giles County operations, expanding both manufacturing and storage capacity. The expansion was expected to result in over 100 additional jobs in the County.

Windsor Molds, a leading automotive plastic molding company, announced in 2020 that they would be investing over \$3.5mm in a 37,500-square foot expansion of their Giles County operations, bringing an additional 40 jobs to the area.

Major Employers

CURRENT LIST OF TOP EMPLOYERS

Employer	Employees	Product/Service
Giles County Board of Education	650	Education
Frito-Lay, Inc.	585	Snack Manufacturer
Marelli Automotive Lighting	400	Automotive Lights
Adient	268	Automotive Seating
Walmart Stores, Inc.	250	Retail
Magotteaux, Inc.	234	Advanced Manufacturing
Windsor Mold USA Inc.	192	Automotive Parts Molding
Giles County Government	190	Government Services
Saargummi Tennessee, Inc.	188	Automotive Product Manufacturer
Hillside Hospital, LLC	180	Healthcare

Source: Tennessee Department of Economic and Community Development.

Labor Force, Employment and Unemployment Data

The labor force within the County has declined from 14,605 in 2015 to 13,216 in December of 2025, reflecting a 10% decrease. As of December 2025, the County's unemployment rate was 4.5% compared to the State average of 3.6% and the U.S. average of 4.4%.

Year	Employment	Unemployment	Total Labor Force	Unemployment Percent		
				County	State	U.S.
2015	13,889	716	14,605	4.9%	5.5%	5.3%
2016	12,803	617	13,420	4.6%	4.7%	4.9%
2017	13,107	532	13,639	3.9%	3.7%	4.4%
2018	12,912	552	13,464	4.1%	3.5%	3.9%
2019	12,759	573	13,332	4.3%	3.3%	3.7%
2020	11,825	1,227	13,052	9.4%	7.5%	8.1%
2021	12,368	665	13,033	5.1%	4.5%	5.4%
2022	12,737	489	13,226	3.7%	3.4%	3.7%
2023	12,547	482	13,029	3.7%	3.2%	3.6%
2024	12,341	514	12,855	4.0%	3.4%	4.0%
December-25	12,621	595	13,216	4.5%	3.6%	4.4%

Source: Bureau of Labor Statistics

Location and Transportation

The County is located near the center of the southern boundary of Tennessee. Pulaski, the county seat, is 70 miles south of Nashville and 40 miles north of Huntsville, Alabama. Interstate 65 runs north and south through the County. U.S. 31, 31A and 64 and State Route 11, also serve the County. Rail Transport, in addition to the good highway system, the CSX Transportation and TN Southern Railroads run through the County.

Air Transport

The nearby Pulaski Abernathy Field handles corporate jets and pleasure craft. The Airport features a 5,000-foot runway and AWOS-III (Automated Weather Observation Station). The Nashville Metropolitan Airport, the nearest commercial airport, is just 70 miles away in Nashville and is served by over twenty airlines operating to over 120 markets averaging more than 600 flights daily.

Water Transport

Forty miles south of the County, in Decatur, Alabama, is an inland port on the Tennessee River which offers access to the Ohio River, Tennessee River, Mississippi River, and the Gulf of Mexico and beyond.

Health Care

Southern Tennessee Regional Health System Pulaski is part of the Southern Tennessee Regional Health System, a regional network of hospitals and healthcare services serving communities in southern Tennessee. Southern Tennessee Regional Health System Pulaski was formerly known as Hillside Hospital, which was acquired by LifePoint Hospitals of Brentwood, Tennessee and rebranded along with four other rural hospitals in south central Tennessee. The Hospital has 95 beds serving the County with 24-hour physician staffed ER, outpatient surgery, chemotherapy, occupational, speech and physical therapy, maternity ward and a six-bed ICU. The hospital employs approximately 190 employees.

Higher Education

The Tennessee College of Applied Technology - Pulaski is part of the statewide vocational technical program. The school curriculum offers preparatory training in general industrial skills, and its primary objectives are to provide local industry with trained workers and specialized training or retraining needed by existing and prospective employees.

In 2021, Martin Methodist College agreed to join the University of Tennessee System forming the University of Tennessee Southern. Martin Methodist College was originally founded in 1870. The UT Southern campus has approximately 1,100 enrolled students.

Public Education

The Giles County School System is a county system administered by an appointed Director of Schools and a school board elected by popular vote. The County School System provides public education for grades kindergarten through twelfth grade as prescribed by the State. The enrollment of the County School System is presented below.

AVERAGE DAILY MEMBERSHIP	
School Year	Giles County Schools
2015-2016	3,861
2016-2017	3,811
2017-2018	3,699
2018-2019	3,595
2019-2020	3,608
2020-2021	3,484
2021-2022	3,500
2022-2023	3,409
2023-2024	3,481
2024-2025	3,432

Source: Tennessee Department of Education.

Retirement Commitments

See page 55, Note H in Appendix C.

Other Post-employment Benefits (“OPEB”)

See page 68, Note I in Appendix C.

Government

Giles County government operates under the general laws and uniform structure for counties in Tennessee with a County Mayor, Highway Superintendent, Superintendent of Education, various county officials and a county legislative body.

As prescribed by state law, each county in Tennessee is required to hold an election every four years for the county legislative body members and other officials as required by the state constitution.

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. A property reappraisal was performed in 2022 and is reflected in the FY 2023 tax bills.

SELECTED FINANCIAL INFORMATION REGARDING THE COUNTY

General

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

Revenues available to pay principal and interest on the Bonds are accounted for in the Debt Service Fund, and are derived from the collection of ad valorem taxes levied on all taxable property within the boundaries of the County. Primarily, amounts on deposit in the Debt Service Fund are used exclusively to pay the principal of and interest on the Bonds and other general obligation debt of the County. Included as Appendix C to this Official Statement are the General Purpose Financial Statements and notes thereto for the fiscal year ended June 30, 2025. Potential purchasers should read Appendix C in its entirety for more complete information concerning the County's financial position.

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

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

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

FOR ADDITIONAL INFORMATION REGARDING THESE FUNDS, SEE NOTES TO THE ANNUAL FINANCIAL REPORT OF THE COUNTY FOR THE FISCAL YEAR ENDED JUNE 30, 2025, IN APPENDIX C HERETO.

SUMMARY OF OUTSTANDING COUNTY-WIDE DEBT
(As of June 30, 2025)

Original Issue Amount	Issue	Date Issued	Maturity Date	Interest Rate	Principal Outstanding June 30, 2025
Bonds					
7,990,000	General Obligation School Bonds, Series 2024	03/28/24	04/01/34	4.00% - 5.00%	7,280,000
8,220,000	GO Public Improvement Bonds, Series 2026	04/30/26	04/01/46	4.00% - 5.00%	8,220,000
Total Bonds					<u>\$ 15,500,000</u>
Total Current Outstanding Debt					<u><u>\$ 15,500,000</u></u>

COUNTY-WIDE DEBT STATEMENT
(Principal Outstanding as of June 30, 2025)

Outstanding Debt		
Total Current Outstanding Debt		\$ 15,500,000
Gross Direct Debt		\$ 15,500,000
Less: General Debt Service Fund Balance as of June 30, 2025		(954,848)
Net Direct Debt		<u>\$ 14,545,152</u>
Net Overlapping Debt (as of June 30, 2025)		
Ardmore (Portion in Giles County)		\$0
Elkton		0
Lynnville(Estimate)		0
Minor Hill		0
Pulaski(Estimate)		0
Total Net Overlapping Debt		<u>\$0</u>
Overall Net Debt		<u><u>\$14,545,152</u></u>

(1) As of 6/30/2025 and Adjusted for GO Public Improvement Bonds, Series 2026.

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, for the year ending June 30, 2025, Giles County Department of Finance, and information from various cities.

COUNTY-WIDE DEBT RECORD

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

COUNTY-WIDE POPULATION

	<u>County</u>	<u>Tennessee</u>
1970 U.S. Census	22,138	3,926,018
1980 U.S. Census	24,625	4,600,252
1990 U.S. Census	25,803	4,890,626
2000 U.S. Census	29,453	5,703,719
2010 U.S. Census	29,409	6,355,518
2020 U.S. Census	30,344	6,927,736
2021 U.S. Census Estimate	30,411	6,966,687
2022 U.S. Census Estimate	30,560	7,063,325
2023 U.S. Census Estimate	30,815	7,153,029
2024 U.S. Census Estimate	30,971	7,251,291

Source: U.S. Census Bureau

COUNTY-WIDE PER CAPITA DEBT RATIOS

Outstanding Debt	\$500.47
Gross Direct Debt	\$500.47
Net Direct Debt	\$469.64
Total Net Overlapping Debt	\$0.00
Overall Net Debt	\$469.64

COUNTY-WIDE DEBT RATIOS

	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
Property Values	\$943,631,370	\$4,527,101,794
Outstanding Debt to	1.64%	0.34%
Gross Direct Debt to	1.64%	0.34%
Net Direct Debt to	1.54%	0.32%
Total Net Overlapping Debt to	0.00%	0.00%
Overall Net Debt to	1.54%	0.32%

COUNTY-WIDE DEBT TREND

Fiscal Year Ending	<u>06/30/25</u>	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>
Bonds	\$7,280,000	\$7,990,000	\$0	\$0	\$0
Total Debt Outstanding	\$7,280,000	\$7,990,000	\$0	\$0	\$0

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, for the years ending June 30, 2021 to 2025.

COUNTY-WIDE DEBT SERVICE REQUIREMENTS

(As of June 30, 2025)

Yr. No.	Year Ended June 30	Public				Plus: GO Public			
		Outstanding Principal (As of 6/30/2025)	Improvement Bonds, Series 2026	Total Principal Requirements	Percent Principal Retired	Outstanding Interest (As of 6/30/2025)	Improvement Bonds, Series 2026	Total Interest Requirements	Total Debt Service Requirements
1	2026	660,000		660,000		345,050		345,050	1,005,050
2	2027	695,000	285,000	980,000		312,050	328,518	640,568	1,620,568
3	2028	730,000	270,000	1,000,000		277,300	343,050	620,350	1,620,350
4	2029	765,000	280,000	1,045,000		240,800	329,550	570,350	1,615,350
5	2030	805,000	295,000	1,100,000	30.87%	202,550	315,550	518,100	1,618,100
6	2031	845,000	310,000	1,155,000		162,300	300,800	463,100	1,618,100
7	2032	885,000	325,000	1,210,000		120,050	285,300	405,350	1,615,350
8	2033	930,000	345,000	1,275,000		75,800	269,050	344,850	1,619,850
9	2034	965,000	360,000	1,325,000		38,600	251,800	290,400	1,615,400
10	2035		380,000	380,000	65.35%		233,800	233,800	613,800
11	2036		400,000	400,000			214,800	214,800	614,800
12	2037		415,000	415,000			198,800	198,800	613,800
13	2038		430,000	430,000			182,200	182,200	612,200
14	2039		445,000	445,000			165,000	165,000	610,000
15	2040		465,000	465,000	79.26%		147,200	147,200	612,200
16	2041		485,000	485,000			128,600	128,600	613,600
17	2042		505,000	505,000			109,200	109,200	614,200
18	2043		525,000	525,000			89,000	89,000	614,000
19	2044		545,000	545,000			68,000	68,000	613,000
20	2045		565,000	565,000	96.19%		46,200	46,200	611,200
21	2046		590,000	590,000	100.00%		23,600	23,600	613,600
		<u>\$7,280,000</u>	<u>\$8,220,000</u>	<u>\$15,500,000</u>		<u>\$1,774,500</u>	<u>\$4,030,018</u>	<u>\$5,804,518</u>	<u>\$21,304,518</u>

(1) As of 6/30/2025 and adjusted for GO Public Improvement Bonds, Series 2026.

Source: Annual Financial Report prepared by The Comptroller of the Treasury, Division of County Audit, for the year ending June 30, 2025.

COUNTY-WIDE PROPERTY VALUATION AND PROPERTY TAX

Fiscal Year Tax Year	(Reappraisal)				
	2024-2025 2024	2023-2024 2023	2022-2023 2022	2021-2022 2021	2020-2021 2020
ESTIMATED ACTUAL VALUES					
Residential & Farm	\$3,655,631,675	\$2,692,356,800	\$2,633,182,900	\$2,270,551,325	\$1,888,672,201
Commercial & Industrial	499,373,869	367,844,900	355,298,000	379,692,862	326,824,778
Personal Tangible Property	299,945,139	303,028,750	291,459,690	278,263,793	256,598,901
Public Utilities	72,151,111	90,518,105	82,666,690	59,566,818	64,959,927
Total Estimated Actual Values	\$4,527,101,794	\$3,453,748,555	\$3,362,607,280	\$2,988,074,798	\$2,537,055,807
Annual Percentage Change	31.08%	2.71%	12.53%	17.78%	1.02%
Estimated Per Capita Amount	\$146,172	\$112,080	\$110,033	\$98,256	\$83,610
ASSESSED VALUES					
Residential & Farm (at 25%)	\$688,735,845	\$673,122,500	\$658,326,880	\$426,779,600	\$417,426,025
Commercial & Industrial (at 40%)	150,511,280	147,137,960	142,119,200	114,181,240	115,565,240
Personal Tangible Property (at 30%)	72,890,285	90,908,662	87,437,952	69,728,322	69,059,395
Public Utilities (at 30%-55%)	31,493,960	39,511,153	36,084,010	26,000,916	28,355,008
Total Assessed Values	\$943,631,370	\$950,680,275	\$923,968,042	\$636,690,078	\$630,405,668
Annual Percentage Change	-0.74%	2.89%	45.12%	1.00%	0.55%
Estimated Per Capita Amount	\$30,468	\$30,851	\$30,235	\$20,936	\$20,775
Appraisal Ratio	75.35%	100.00%	100.00%	75.18%	88.40%
Assessed Values to Actual Values	20.84%	27.53%	27.48%	21.31%	24.85%
Total Property Tax Rate	\$1.9863	\$1.9863	\$1.9863	\$2.8247	\$2.8247
Taxes Levied	\$18,743,350	\$18,883,362	\$18,352,777	\$17,984,585	\$17,807,069
Collections					
Current Fiscal Year	\$18,476,986	\$18,556,211	\$17,841,148	\$17,596,017	\$17,320,663
Percent Collected Current FY	98.58%	98.27%	97.21%	97.84%	97.27%

Sources: State Board of Equalization, 2020 - 2024 Tax Aggregate Report of Tennessee and Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit.

COUNTY-WIDE TOP TAXPAYERS

<u>Business</u>	<u>Assessed Value</u>	<u>Assessed Value as a % of Total Assessment</u>
Frito-Lay	\$11,260,612	1.19%
Texas Eastern Transmission	\$9,716,919	1.03%
Automotive Lighting North	9,594,096	1.02%
Wakefield Realty	7,256,730	0.77%
Magotteaux Pulaski Inc	7,052,144	0.75%
National Health Investors	5,884,292	0.62%
Csx Transportation	5,735,309	0.61%
Saargummi TN	4,740,040	0.50%
Marelli North America	4,558,238	0.48%
FCA US LLC	4,385,843	0.46%

Source: County Officials.

COUNTY-WIDE FUND BALANCES

<u>Fiscal Years Ending</u>	<u>06/30/25</u>	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>
GOVERNMENTAL FUNDS					
General Government Fund	\$11,171,116	\$11,444,416	\$16,835,226	\$16,723,322	\$10,949,357
Highway/Public Works Fund	2,901,794	2,758,796	2,074,239	2,103,258	1,956,012
Debt Service Fund	954,848	646,960	482,983	472,403	1,829,666
Special Revenue Funds	168,848	156,406	165,591	219,720	80,424
General Capital Projects Fund	6,331,223	9,586,990	4,828,162	5,634,134	4,425,144
Giles County Schools	12,517,126	13,571,543	10,375,165	13,005,101	10,008,116
Educational Capital Projects Fund	5,804,784	10,696,332	11,527,737	7,817,783	6,692,561
Total Governmental Funds	39,849,739	48,861,443	46,289,103	45,975,721	35,941,280

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, for the years ending June 30, 2021 - 2025 and County officials.

COUNTY-WIDE LOCAL SALES TAX

<u>Fiscal Years Ending</u>	<u>06/30/25</u>	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>
Rate (Percent of retail sales)	2.50%	2.50%	2.50%	2.50%	2.50%
Distribution					
General Fund	\$500,000	\$500,000	\$500,000	\$0	\$0
General Capital Projects Fund	1,073,286	794,887	853,044	1,223,539	1,015,345
General Purpose Schools Fund	6,662,854	6,332,808	6,132,075	5,959,548	5,235,227
Total Amount Collected	\$8,236,140	\$7,627,695	\$7,485,119	\$7,183,087	\$6,250,572
% Increase	7.98%	1.90%	4.20%	14.92%	19.33%

Sources: Annual Financial Reports prepared by The Comptroller of the Treasury, Division of County Audit, for the years ending June 30, 2021 - 2025 and County officials.

APPENDIX C

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

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ANNUAL FINANCIAL REPORT

Giles County, Tennessee

For the Year Ended June 30, 2025

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

JEFF BAILEY, CPA, CGFM, CFE
Audit Manager

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

GILES COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

Our report on the financial statements of Giles County is unmodified.

Our audit resulted in two findings and recommendations, which we have reviewed with Giles 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:

OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR

- ◆ The school department entered into a lease agreement in violation of the Financial Management Act of 1981.
- ◆ The office failed to file grant documentation timely.



INTRODUCTORY SECTION

GILES COUNTY OFFICIALS

June 30, 2025

Officials

Graham Stowe, County Executive
Gene Barnickle, Highway Commissioner
Vickie Beard, Director of Schools
Tony Risner, Trustee
Tommy Hyatt, Assessor of Property
Carol Wade, County Clerk
Natalie Oakley, Circuit and General Sessions Courts Clerk
Crystal Greene, Clerk and Master
Tammy Helton, Register of Deeds
Joe Purvis, Sheriff
Elizabeth Moore-Sumners, Finance Director

Board of County Commissioners

Graham Stowe, County Executive, Chairman
James Lathrop
Erin Curry
Joyce Woodard
Terry Jones
David Wamble
Tracy Wilburn
David Adams
Annelle Guthrie
Tim Risner
Matthew Hopkins

Caleb Savage
Roger Reedy
Brad Butler
Gayle Jones
Matt Rubelsky
Rose Brown
Joseph Sutton
Evan Baddour
Shelly Goolsby
Judy Pruett
Carman Brown

Board of Education

Knox Vanderpool, Chairman
LeAnn Gordon
Chris McAlister
Scooter Sumners

Willa Smith
Mary McCloud
Richie Brewer

Financial Management Committee

Graham Stowe, County Executive, Chairman
Vickie Beard, Director of Schools
Gene Barnickle, Highway Commissioner
Matthew Hopkins
Matt Rubelsky
David Wamble
Tracy Wilburn

Audit Committee

Evan Baddour, Chairman
David Adams
Carman Brown
Erin Curry
Matthew Hopkins
Matt Rubelsky
David Wamble

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

Giles County Executive and
Board of County Commissioners
Giles County, Tennessee

To the County Executive and Board of County Commissioners:

Report on the Audit for the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Giles County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Giles County, Tennessee, as of June 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Internal School Fund of the Giles County School Department (a discretely presented component unit), which represent 1.71 percent, 2.1 percent, and 3.68 percent, respectively, of the assets, net position, and revenues of the discretely presented school department component unit. Those amounts were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for the Giles County School Department's Internal School Fund is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Giles County, Tennessee, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Changes in Accounting Principle

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

Emphasis of Matter

We draw attention to Note I.D.11. to the financial statements, which describes restatements to the beginning Governmental Activities net position totaling (\$20,279) for the primary government and (\$168,101) for the discretely presented Giles County School Department. These restatements were necessary because of the transitional requirements of GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Giles 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 Giles 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 Giles 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 OPEB liability and related ratios as listed under Required Supplementary Information in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Giles County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Other Capital Projects Fund, combining and individual fund financial statements of the Giles 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 Other Capital Projects Fund, combining and individual fund financial statements of the Giles 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 19, 2025, on our consideration of Giles 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 Giles 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 Giles County's internal control over financial reporting and compliance.

Very truly yours,


Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 19, 2025

JEM/gc

BASIC FINANCIAL STATEMENTS SECTION

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

	Primary Government	Component Unit
	Governmental Activities	Giles County School Department
ASSETS		
Cash	\$ 0	\$ 1,168,606
Equity in Pooled Cash and Investments	20,268,309	14,812,725
Inventories	0	121,287
Accounts Receivable	5,060,952	2,579
Allowance for Uncollectible	(3,686,258)	0
Due from Other Governments	1,813,560	2,933,385
Property Taxes Receivable	11,408,330	6,603,248
Allowance for Uncollectible Property Taxes	(172,904)	(100,078)
Lease Receivable - Current	61,557	0
Lease Receivable - Long-term	86,748	0
Net Pension Asset - Teacher Retirement Plan	0	252,906
Net Pension Asset - Teacher Legacy Pension Plan	0	6,346,897
Restricted Assets - Amounts Accumulated for Pension Benefits	0	814,045
Capital Assets:		
Assets Not Depreciated:		
Land	367,929	621,198
Construction in Progress	4,679,563	7,744,425
Assets Net of Accumulated Depreciation/Amortization:		
Buildings and Improvements	4,038,383	22,987,800
Infrastructure	15,806,011	0
Other Capital Assets	3,793,356	4,093,343
Intangible Right-to-Use Assets	475,852	0
Total Assets	<u>\$ 64,001,388</u>	<u>\$ 68,402,366</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Changes in Experience	\$ 1,315,412	\$ 2,598,817
Pension Changes in Assumptions	0	100,500
Pension Changes in Proportion	0	184,838
Pension Contributions After Measurement Date	832,893	1,509,727
OPEB Changes in Experience	2,511	575,121
OPEB Changes in Proportion	0	31,983
OPEB Changes in Assumptions	129,525	571,217
OPEB Benefits Paid After Measurement Date	13,830	352,579
Total Deferred Outflows of Resources	<u>\$ 2,294,171</u>	<u>\$ 5,924,782</u>

(Continued)

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

	Primary Government Governmental Activities	Component Unit Giles County School Department
LIABILITIES		
Accounts Payable	\$ 485,061	\$ 7,551
Accrued Interest Payable	86,263	0
Payroll Deductions Payable	163,290	955,800
Other Withholding Taxes	0	15,531
Noncurrent Liabilities:		
Due Within One Year - Debt	660,000	0
Due Within One Year - Other	514,029	659,920
Due in More Than One Year - Debt	7,323,603	0
Due in More Than One Year - Other	1,169,737	6,883,177
Total Liabilities	<u>\$ 10,401,983</u>	<u>\$ 8,521,979</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Current Property Taxes	\$ 10,918,694	\$ 6,319,842
Deferred Leases Receivable	140,028	0
Pension Changes in Experience	0	77,700
Pension Changes on Investment Earnings	405,842	1,551,944
Pension Changes in Proportion	0	331,045
OPEB Changes in Experience	129,613	909,878
OPEB Changes in Proportion	0	458,624
OPEB Changes in Assumptions	143,846	463,069
Total Deferred Inflows of Resources	<u>\$ 11,738,023</u>	<u>\$ 10,112,102</u>
NET POSITION		
Net Investment in Capital Assets	\$ 29,161,094	\$ 35,446,766
Restricted for:		
General Government	1,744,293	0
Finance	139,246	0
Administration of Justice	99,859	0
Public Safety	166,443	0
Public Health and Welfare	389,078	0
Capital Projects	1,861,064	0
Highway/Public Works	3,153,332	0
Education	0	2,762,409
Pensions	0	7,413,848
Unrestricted	7,441,144	10,070,044
Total Net Position	<u>\$ 44,155,553</u>	<u>\$ 55,693,067</u>

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

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

Functions/Programs					Net (Expense) Revenue and Changes in Net Position	
	Expenses	Program Revenues			Primary Governmental Activities	Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Giles County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 1,805,093	\$ 317,346	\$ 77,791	\$ 0	\$ (1,409,956)	\$ 0
Finance	2,131,996	1,149,969	34,142	0	(947,885)	0
Administration of Justice	1,779,758	415,308	74,346	0	(1,290,104)	0
Public Safety	9,505,844	672,284	944,392	0	(7,889,168)	0
Public Health and Welfare	7,287,662	2,557,881	1,558,916	0	(3,170,865)	0
Social, Cultural, and Recreational Services	633,680	14,772	86,699	0	(532,209)	0
Agriculture and Natural Resources	312,740	0	21,000	0	(291,740)	0
Highways	7,149,188	1,358	2,913,872	938,467	(3,295,491)	0
Education	0	0	986,389	0	986,389	0
Interest on Long-term Debt	265,163	0	0	0	(265,163)	0
Total Governmental Activities	<u>\$ 30,871,124</u>	<u>\$ 5,128,918</u>	<u>\$ 6,697,547</u>	<u>\$ 938,467</u>	<u>\$ (18,106,192)</u>	<u>\$ 0</u>
Total Primary Government	<u>\$ 30,871,124</u>	<u>\$ 5,128,918</u>	<u>\$ 6,697,547</u>	<u>\$ 938,467</u>	<u>\$ (18,106,192)</u>	<u>\$ 0</u>
Component Unit:						
Giles County School Department	<u>\$ 52,370,398</u>	<u>\$ 2,239,652</u>	<u>\$ 7,391,539</u>	<u>\$ 1,187,582</u>	<u>\$ 0</u>	<u>\$ (41,551,625)</u>
Total Component Unit	<u>\$ 52,370,398</u>	<u>\$ 2,239,652</u>	<u>\$ 7,391,539</u>	<u>\$ 1,187,582</u>	<u>\$ 0</u>	<u>\$ (41,551,625)</u>

(Continued)

GILES COUNTY, TENNESSEE
Statement of Activities (cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 12,168,658	\$ 7,191,538
Local Option Sales Tax					1,643,286	6,679,879
Hotel/Motel Tax					233,507	0
Litigation Tax - General					89,466	0
Litigation Tax - Jail, Workhouse, or Courthouse					162,041	0
Business Tax					420,258	0
Wholesale Beer Tax					169,613	0
Other Local Taxes					28,937	0
Grants and Contributions Not Restricted to Specific Programs					944,605	29,174,379
Unrestricted Investment Income					1,662,261	109,295
Miscellaneous					144,557	63,276
Total General Revenues					<u>\$ 17,667,189</u>	<u>\$ 43,218,367</u>
Change in Net Position					\$ (439,003)	\$ 1,666,742
Net Position, July 1, 2024					44,614,835	54,194,426
Restatement - See Note I.D.11.					<u>(20,279)</u>	<u>(168,101)</u>
Net Position, June 30, 2025					<u><u>\$ 44,155,553</u></u>	<u><u>\$ 55,693,067</u></u>

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

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 10,369,501	\$ 2,651,712	\$ 3,900,463	\$ 3,346,633	\$ 20,268,309
Accounts Receivable	4,997,735	7,729	0	55,488	5,060,952
Allowance for Uncollectibles	(3,686,258)	0	0	0	(3,686,258)
Due from Other Governments	569,705	517,235	262,760	463,860	1,813,560
Property Taxes Receivable	9,189,414	2,218,916	0	0	11,408,330
Allowance for Uncollectible Property Taxes	(139,274)	(33,630)	0	0	(172,904)
Leases Receivable - Current	61,557	0	0	0	61,557
Leases Receivable - Long-term	86,748	0	0	0	86,748
Total Assets	<u>\$ 21,449,128</u>	<u>\$ 5,361,962</u>	<u>\$ 4,163,223</u>	<u>\$ 3,865,981</u>	<u>\$ 34,840,294</u>
LIABILITIES					
Accounts Payable	\$ 40,776	\$ 0	\$ 0	\$ 444,285	\$ 485,061
Payroll Deductions Payable	136,085	25,940	0	0	162,025
Other Withholding Taxes	1,219	0	0	0	1,219
Due to State of Tennessee	0	46	0	0	46
Total Liabilities	<u>\$ 178,080</u>	<u>\$ 25,986</u>	<u>\$ 0</u>	<u>\$ 444,285</u>	<u>\$ 648,351</u>

(Continued)

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	\$ 8,795,012	\$ 2,123,682	\$ 0	\$ 0	\$ 10,918,694
Deferred Delinquent Property Taxes	229,849	55,500	0	0	285,349
Deferred Leases Receivable	140,028	0	0	0	140,028
Other Deferred/Unavailable Revenue	935,043	255,000	130,000	0	1,320,043
Total Deferred Inflows of Resources	<u>\$ 10,099,932</u>	<u>\$ 2,434,182</u>	<u>\$ 130,000</u>	<u>\$ 0</u>	<u>\$ 12,664,114</u>
FUND BALANCES					
Restricted:					
Restricted for General Government	\$ 1,744,293	\$ 0	\$ 0	\$ 0	\$ 1,744,293
Restricted for Finance	139,246	0	0	0	139,246
Restricted for Administration of Justice	72,195	0	0	27,664	99,859
Restricted for Public Safety	25,259	0	0	141,184	166,443
Restricted for Public Health and Welfare	389,078	0	0	0	389,078
Restricted for Highways/Public Works	0	2,901,794	0	0	2,901,794
Restricted for Capital Outlay	0	0	1,857,284	3,780	1,861,064
Committed:					
Committed for Agriculture and Natural Resources	295,671	0	0	0	295,671
Committed for Capital Outlay	0	0	2,175,939	2,294,220	4,470,159
Committed for Debt Service	0	0	0	954,848	954,848
Assigned:					
Assigned for General Government	268,242	0	0	0	268,242
Unassigned	8,237,132	0	0	0	8,237,132
Total Fund Balances	<u>\$ 11,171,116</u>	<u>\$ 2,901,794</u>	<u>\$ 4,033,223</u>	<u>\$ 3,421,696</u>	<u>\$ 21,527,829</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,449,128</u>	<u>\$ 5,361,962</u>	<u>\$ 4,163,223</u>	<u>\$ 3,865,981</u>	<u>\$ 34,840,294</u>

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

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

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	21,527,829
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	367,929	
Add: construction in progress		4,679,563	
Add: buildings and improvements net of accumulated depreciation		4,038,383	
Add: infrastructure net of accumulated depreciation		15,806,011	
Add: other capital assets net of accumulated depreciation		3,793,356	
Add: intangible right-to-use assets net of accumulated amortization		<u>475,852</u>	29,161,094
(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	\$	(7,280,000)	
Less: unamortized premium on debt		(703,603)	
Less: accrued interest on bonds		(86,263)	
Less: compensated absences payable		(500,199)	
Less: net pension liability		(770,852)	
Less: net OPEB liability		<u>(412,715)</u>	(9,753,632)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pension	\$	2,148,305	
Add: deferred outflows of resources related to OPEB		145,866	
Less: deferred inflows of resources related to pension		(405,842)	
Less: deferred inflows of resources related to OPEB		<u>(273,459)</u>	1,614,870
(4) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,605,392</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>44,155,553</u></u>

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

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

	Major Funds				Nonmajor Funds	
		Highway / Public Works	Formerly Major General Capital Projects	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
	General					
Revenues						
Local Taxes	\$ 11,887,256	\$ 2,385,501	\$ 0	\$ 1,073,289	\$ 0	\$ 15,346,046
Licenses and Permits	20,760	0	0	0	0	20,760
Fines, Forfeitures, and Penalties	47,946	0	0	0	67,140	115,086
Charges for Current Services	2,630,164	0	0	0	19,360	2,649,524
Other Local Revenues	1,520,864	6,006	0	0	499,469	2,026,339
Fees Received From County Officials	1,614,525	0	0	0	0	1,614,525
State of Tennessee	2,002,511	3,825,318	0	0	0	5,827,829
Federal Government	467,349	0	0	0	968,205	1,435,554
Other Governments and Citizens Groups	186,461	48,434	0	0	988,564	1,223,459
Total Revenues	\$ 20,377,836	\$ 6,265,259	\$ 0	\$ 1,073,289	\$ 2,542,738	\$ 30,259,122
Expenditures						
Current:						
General Government	\$ 1,505,743	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,505,743
Finance	1,914,426	0	0	0	810	1,915,236
Administration of Justice	1,540,531	0	0	0	39,294	1,579,825
Public Safety	7,719,196	0	0	0	35,144	7,754,340
Public Health and Welfare	5,605,694	0	0	0	0	5,605,694
Social, Cultural, and Recreational Services	360,178	0	0	0	0	360,178
Agriculture and Natural Resources	277,127	0	0	0	0	277,127
Other Operations	1,693,403	0	0	0	970,380	2,663,783
Highways	0	6,129,461	0	0	0	6,129,461

(Continued)

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

	Major Funds				Nonmajor Funds	
		Highway / Public Works	Formerly Major General Capital Projects	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
	General					
Expenditures (Cont.)						
Debt Service:						
Principal on Debt	\$ 0	\$ 0	\$ 0	\$ 0	\$ 710,000	\$ 710,000
Interest on Debt	0	0	0	0	383,721	383,721
Other Debt Service	0	0	0	0	5,156	5,156
Capital Projects	86,581	0	0	2,650,945	1,756,014	4,493,540
Total Expenditures	<u>\$ 20,702,879</u>	<u>\$ 6,129,461</u>	<u>\$ 0</u>	<u>\$ 2,650,945</u>	<u>\$ 3,900,519</u>	<u>\$ 33,383,804</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (325,043)</u>	<u>\$ 135,798</u>	<u>\$ 0</u>	<u>\$ (1,577,656)</u>	<u>\$ (1,357,781)</u>	<u>\$ (3,124,682)</u>
Other Financing Sources (Uses)						
Insurance Recovery	\$ 51,743	\$ 7,200	\$ 0	\$ 0	\$ 0	\$ 58,943
Total Other Financing Sources (Uses)	<u>\$ 51,743</u>	<u>\$ 7,200</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 58,943</u>
Net Change in Fund Balances	\$ (273,300)	\$ 142,998	\$ 0	\$ (1,577,656)	\$ (1,357,781)	\$ (3,065,739)
Change to or Within the Reporting Entity	0	0	(3,976,111)	0	3,976,111	0
Fund Balance, July 1, 2024	<u>11,444,416</u>	<u>2,758,796</u>	<u>3,976,111</u>	<u>5,610,879</u>	<u>803,366</u>	<u>24,593,568</u>
Fund Balance, June 30, 2025	<u><u>\$ 11,171,116</u></u>	<u><u>\$ 2,901,794</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 4,033,223</u></u>	<u><u>\$ 3,421,696</u></u>	<u><u>\$ 21,527,829</u></u>

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

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ (3,065,739)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 5,561,195	
Less: current-year depreciation and amortization expense	<u>(3,301,212)</u>	2,259,983
(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		(45,017)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2024	\$ (1,413,641)	
Add: deferred delinquent property taxes and other deferred June 30, 2025	<u>1,605,392</u>	191,751
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal paid on bonds	\$ 710,000	
Add: change in premium on debt issuances	<u>108,891</u>	818,891
(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	\$ 9,667	
Change in compensated absences payable	30,355	
Change in net pension asset/liability	(6,885)	
Change in net OPEB liability	(84,141)	
Change in deferred outflows of resources related to pension	(304,738)	
Change in deferred outflows of resources related to OPEB	23,492	
Change in deferred inflows of resources related to pension	(343,620)	
Change in deferred inflows of resources related to OPEB	<u>76,998</u>	<u>(598,872)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (439,003)</u>

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

GILES COUNTY, TENNESSEE
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Fund
For the Year Ended June 30, 2025

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 11,887,256	\$ 11,729,797	\$ 11,729,797	\$ 157,459
Licenses and Permits	20,760	21,200	21,200	(440)
Fines, Forfeitures, and Penalties	47,946	52,250	52,250	(4,304)
Charges for Current Services	2,630,164	2,793,450	2,964,875	(334,711)
Other Local Revenues	1,520,864	1,224,050	1,239,325	281,539
Fees Received From County Officials	1,614,525	1,540,973	1,540,973	73,552
State of Tennessee	2,002,511	1,933,584	2,181,067	(178,556)
Federal Government	467,349	526,500	1,475,800	(1,008,451)
Other Governments and Citizens Groups	186,461	265,500	271,700	(85,239)
Total Revenues	<u>\$ 20,377,836</u>	<u>\$ 20,087,304</u>	<u>\$ 21,476,987</u>	<u>\$ (1,099,151)</u>
Expenditures				
General Government				
County Commission	\$ 70,773	\$ 79,631	\$ 79,631	\$ 8,858
County Mayor/Executive	306,718	305,869	340,869	34,151
County Attorney	34,534	65,000	65,000	30,466
Election Commission	317,565	332,109	332,109	14,544
Register of Deeds	210,183	222,485	222,485	12,302
Planning	3,678	5,383	5,383	1,705
County Buildings	562,292	481,744	892,285	329,993
Finance				
Accounting and Budgeting	566,710	597,954	615,707	48,997
Property Assessor's Office	509,603	523,650	521,850	12,247
County Trustee's Office	282,789	288,560	288,560	5,771
County Clerk's Office	555,324	624,852	649,317	93,993
Administration of Justice				
Circuit Court	707,018	772,577	790,441	83,423
General Sessions Court	257,511	252,382	257,632	121
Chancery Court	275,386	273,325	285,825	10,439
Judicial Commissioners	46,881	46,196	46,892	11
Courtroom Security	253,735	281,864	256,564	2,829
Public Safety				
Sheriff's Department	3,696,891	3,510,745	3,733,961	37,070
Traffic Control	2,178	8,500	3,000	822

(Continued)

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Expenditures (Cont.)				
Public Safety (Cont.)				
Administration of the Sexual Offender Registry	\$ 17,854	\$ 21,882	\$ 21,882	\$ 4,028
Jail	3,079,712	2,749,734	3,114,314	34,602
Juvenile Services	80,212	85,141	85,141	4,929
Rescue Squad	289,433	289,433	289,433	0
Other Emergency Management	401,130	421,797	446,606	45,476
County Coroner/Medical Examiner	151,786	107,472	172,472	20,686
Public Health and Welfare				
Local Health Center	56,303	69,650	69,650	13,347
Rabies and Animal Control	127,575	144,416	148,791	21,216
Ambulance/Emergency Medical Services	4,281,840	4,173,978	4,558,846	277,006
Alcohol and Drug Programs	0	0	140,165	140,165
Other Local Welfare Services	15,454	4,000	18,500	3,046
Sanitation Management	311,859	323,127	323,127	11,268
Sanitation Education/Information	46,849	52,200	52,200	5,351
Waste Pickup	54,980	54,980	54,980	0
Convenience Centers	462,427	536,537	529,901	67,474
Other Public Health and Welfare	248,407	355,740	355,740	107,333
Social, Cultural, and Recreational Services				
Senior Citizens Assistance	20,000	0	20,000	0
Libraries	191,891	191,891	191,891	0
Parks and Fair Boards	58,204	64,816	71,816	13,612
Other Social, Cultural, and Recreational	90,083	90,968	95,917	5,834
Agriculture and Natural Resources				
Agricultural Extension Service	164,463	185,756	182,205	17,742
Forest Service	2,033	2,200	2,200	167
Soil Conservation	110,631	110,807	110,807	176
Other Operations				
Industrial Development	114,262	69,262	157,497	43,235
Other Economic and Community Development	32,875	8,175	32,875	0
Airport	74,022	70,000	74,100	78
Veterans' Services	18,691	23,163	23,163	4,472
Other Charges	1,084,976	992,082	1,094,152	9,176
Contributions to Other Agencies	119,469	122,000	122,000	2,531

(Continued)

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Expenditures (Cont.)				
Other Operations (Cont.)				
Employee Benefits	\$ 19,473	\$ 26,967	\$ 22,271	\$ 2,798
American Rescue Plan Act Grant #1	23,628	100,000	384,189	360,561
American Rescue Plan Act Grant #2	42,525	383,200	510,900	468,375
American Rescue Plan Act Grant #3	163,482	0	282,808	119,326
Capital Projects				
Public Safety Projects	86,581	0	278,150	191,569
Total Expenditures	<u>\$ 20,702,879</u>	<u>\$ 20,504,200</u>	<u>\$ 23,426,200</u>	<u>\$ 2,723,321</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (325,043)</u>	<u>\$ (416,896)</u>	<u>\$ (1,949,213)</u>	<u>\$ 1,624,170</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 51,743	\$ 0	\$ 0	\$ 51,743
Total Other Financing Sources	<u>\$ 51,743</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 51,743</u>
Net Change in Fund Balance	\$ (273,300)	\$ (416,896)	\$ (1,949,213)	\$ 1,675,913
Fund Balance, July 1, 2024	<u>11,444,416</u>	<u>10,768,298</u>	<u>11,444,416</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 11,171,116</u></u>	<u><u>\$ 10,351,402</u></u>	<u><u>\$ 9,495,203</u></u>	<u><u>\$ 1,675,913</u></u>

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

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 2,385,501	\$ 2,354,345	\$ 2,354,345	\$ 31,156
Other Local Revenues	6,006	2,050	2,050	3,956
State of Tennessee	3,825,318	4,105,200	4,105,200	(279,882)
Other Governments and Citizens Groups	48,434	35,000	35,000	13,434
Total Revenues	<u>\$ 6,265,259</u>	<u>\$ 6,496,595</u>	<u>\$ 6,496,595</u>	<u>\$ (231,336)</u>
Expenditures				
Highways				
Administration	\$ 320,779	\$ 257,484	\$ 340,233	\$ 19,454
Highway and Bridge Maintenance	3,458,290	4,134,943	4,022,275	563,985
Operation and Maintenance of Equipment	798,854	900,405	979,216	180,362
Other Charges	215,405	240,000	240,000	24,595
Capital Outlay	1,336,133	1,840,095	1,791,203	455,070
Total Expenditures	<u>\$ 6,129,461</u>	<u>\$ 7,372,927</u>	<u>\$ 7,372,927</u>	<u>\$ 1,243,466</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 135,798</u>	<u>\$ (876,332)</u>	<u>\$ (876,332)</u>	<u>\$ 1,012,130</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 7,200	\$ 0	\$ 0	\$ 7,200
Total Other Financing Sources	<u>\$ 7,200</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,200</u>
Net Change in Fund Balance	\$ 142,998	\$ (876,332)	\$ (876,332)	\$ 1,019,330
Fund Balance, July 1, 2024	<u>2,758,796</u>	<u>2,306,267</u>	<u>2,758,796</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,901,794</u></u>	<u><u>\$ 1,429,935</u></u>	<u><u>\$ 1,882,464</u></u>	<u><u>\$ 1,019,330</u></u>

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

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

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 2,192,876
Accounts Receivable	168
Due from Other Governments	<u>880,618</u>
Total Assets	<u>\$ 3,073,662</u>
LIABILITIES	
Due to Other Taxing Units	<u>\$ 880,618</u>
Total Liabilities	<u>\$ 880,618</u>
NET POSITION	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 2,193,044</u>
Total Net Position	<u><u>\$ 2,193,044</u></u>

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

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

	<u>Custodial Funds</u>
ADDITIONS	
Sales Tax Collections for Other Governments	\$ 5,159,696
Fines/Fees and Other Collections	<u>9,208,972</u>
Total Additions	<u>\$ 14,368,668</u>
DEDUCTIONS	
Payment of Sales Tax Collections to Other Governments	\$ 5,108,278
Payments to State	5,410,452
Payments to Cities, Individuals, and Others	<u>4,039,603</u>
Total Deductions	<u>\$ 14,558,333</u>
Net Increase (Decrease) in Fiduciary in Net Position	\$ (189,665)
Net Position, July 1, 2024	<u>2,382,709</u>
Net Position, June 30, 2025	<u><u>\$ 2,193,044</u></u>

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

GILES COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Giles 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 Giles County:

A. *Reporting Entity*

Giles County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Giles County (the primary government) and its component units. The financial statements of the Giles County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this 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 Giles County School Department operates the public school system in the county, and the voters of Giles 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 Giles County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Giles County, and the Giles 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 Giles County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Giles County Emergency Communications District
P.O. Box 307
Pulaski, TN 38478

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. However, the primary government of Giles County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Giles 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.

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

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are

collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Giles County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Giles 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.

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.

Other Capital Projects Fund – This fund accounts for various capital projects and capital outlay for the county. Local taxes are the foundational revenue of this fund.

Additionally, Giles County reports the following fund types:

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

Custodial Funds – These funds account for amounts collected in a custodial capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in Giles County.

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

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

Other Education Capital Projects Fund – This fund is used to account for financial resources to be used for building construction and renovations.

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

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

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

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

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 Giles County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Fund. Giles 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. Giles County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

2. Receivables and Payables

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

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

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

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

Lease receivables and deferred inflows of resources are recognized in the governmental funds and government-wide financial statements. At the commencement of a lease, a lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable and deferred inflow are reduced by the principal portion of lease payments received. Interest received from the lessee is recognized as revenue when received. Any accumulated interest on June 30 will result in

accrued interest receivable in the governmental funds and government-wide financial statements.

3. Inventories

Inventories of the Giles 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 Giles 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 Giles County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Giles 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, infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of \$25,000 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.

Assets	Years
Buildings and Improvements	5 - 40
Other Capital Assets	3 - 20
Infrastructure:	
Roads	10 - 25
Bridges	40

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

7. Compensated Absences

Primary Government

It is the county's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Unused vacation leave is limited to a maximum payout of 80 hours at separation from service with any excess hours rolling to the employee's sick leave balance. All vacation and compensatory time are accrued when incurred in the government-wide financial statements. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since Giles County does not have a policy to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for vacation pay, compensatory time, and sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the county's policies.

Discretely Presented Giles County School Department

It is the policy of the school department to permit certain classes of employees to accumulate a limited amount of earned but unused personal and vacation leave. It is the school department's policy to permit employees to accumulate a unlimited amount of earned but unused sick pay benefits. All vacation and compensatory time are accrued when incurred in the government-wide financial statements. Only a portion of the unpaid accumulated sick leave is accrued. The criteria for accrual includes a "more likely than not," to be used or paid. Since the school department does not have a policy to pay any amounts when employees separate from service with the government, only the portion of sick leave "more likely than not" expected to be used is accrued in the government-wide financial statements. Sick leave expected to be credited to TCRS service is not accrued. A liability for personnel, vacation,

and sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements and payable under the school department's policies

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, other postemployment benefits, and pension liabilities, 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, equity is classified as net position and displayed in three components:

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

The government-wide Statement of Net Position reports \$7,553,315 of restricted net position, of which \$1,598,955 is restricted by enabling legislation.

As of June 30, 2025, Giles County had \$7,280,000 in outstanding debt for capital purposes for the discretely presented Giles County School Department. This debt is a liability of Giles County, but the capital assets acquired are reported in the financial statements of the school

department. Therefore, Giles 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 unrestricted amounts would be reduced first 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 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.

10. Minimum Fund Balance Policy

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

General Fund – 25 percent of prior-year expenditures

11. Restatements

With the implementation of GASB Statement 101, *Compensated Absences*, Giles County must recognize a restatement to the beginning net position in the Government-wide financial statements for the primary government and the discretely presented Giles County School Department to record compensated absences liabilities. A restatement of (\$20,279) has been presented to reflect the beginning balance of the primary government and (\$168,101) for the discretely presented Giles County School Department.

The following table reflects the restatement amounts necessary to implement this standard:

	Government Wide - Governmental Activities	
	Discretely Presented	
	Primary Government	School Department
Net Position, as previously reported	\$ 44,614,835	\$ 54,194,426
Adjustments for GASB 101 Implementation:		
Compensated Absences Liability	(20,279)	(168,101)
Net Change in Beginning Net Position	\$ (20,279)	\$ (168,101)
Net Position, June 30, 2024 Restated	\$ 44,594,556	\$ 54,026,325

12. Changes To or Within the Financial Reporting Entity

Changes in Major Fund Classification (Column A)

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

The General Capital Projects Fund no longer met the quantitative threshold and is presented as a nonmajor governmental fund. The prior-year amount has been restated to reflect the fund within the Nonmajor Governmental Funds column.

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

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

	7-1-24 As Previously Reported	Change To or Within the Financial Reporting Entity (A)	7-1-24 As Restated
Primary Government			
Governmental Funds			
Major Fund:			
General Capital Projects	\$ 3,976,111	\$ (3,976,111)	\$ 0
Nonmajor Funds	803,366	3,976,111	4,779,477
Total Governmental Funds	<u>\$ 4,779,477</u>	<u>\$ 0</u>	<u>\$ 4,779,477</u>
Discretely Presented			
Giles County School Department			
Major Fund:			
School Federal Projects	\$ 650,000	\$ (650,000)	\$ 0
Nonmajor Funds	3,029,390	650,000	3,679,390
Total Governmental Funds Discretely Presented Giles County School Department	<u>\$ 3,679,390</u>	<u>\$ 0</u>	<u>\$ 3,679,390</u>

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Giles County's participation in the Public Employee Pension Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Giles 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 Giles 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 Giles County. For this purpose, Giles County recognizes benefit payments when due and payable in accordance with benefit terms. Giles County's OPEB plan is not administered through a trust.

Discretely Presented Giles County School Department

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the discretely presented Giles 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 Giles County School Department

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

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

Primary Government

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

Discretely Presented Giles County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are

at the department level (examples of General Fund major categories: County Commission, County Mayor/Executive, County Attorney, Election Commission, 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.

IV. DETAILED NOTES ON ALL FUNDS

A. *Deposits and Investments*

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

Deposits

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

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

In addition, counties may invest in FDIC insured certificates of deposit. The deposit is first made in a bank or savings and loan association, selected by the government entity, with a branch in the state of Tennessee that is authorized to accept county deposits (the depository bank). The depository bank then arranges for the transfer of the moneys into one or more federally insured banks or savings and loan associations, wherever located (secondary depositories), for the account of the county. In turn, the depository bank receives funds from customers of the secondary depositories equal to or greater than the amount initially invested by the county. The balance of county funds with each secondary depository must not exceed FDIC insurance limits so that all funds are fully insured. Under this program, the trustee must provide the depository bank with a listing of all banks and savings and loan associations holding county funds under the same federal employer identification number (FEIN). To prevent deposits from exceeding FDIC coverage, the depository bank is prohibited from using any of those listed banks or savings and loan associations as secondary depositories. The use of this program must be approved by the county investment committee or finance committee as appropriate for the specific county. Further, the investment committee or finance committee must establish policies and procedures for the investments, including the establishment of controls to ensure that full FDIC insurance coverage is obtained. Service providers

used by depositories must be approved by the state treasurer upon concurrence by the commissioner of financial institutions and finance and administration. There are currently only two eligible programs that have been approved by the state treasurer: the Certificate of Deposit Account Registry Service (CDARS) and the Insured Cash Sweep (ICS), which operate through IntraFi Network, LLC.

Investments

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

Investment Balances. As of June 30, 2025, Giles County had the following investments carried at amortized cost using a Stable Net Asset Value or fair value within the fair value hierarchy established by generally accepted accounting principles. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Giles County and the discretely presented Giles County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Amortized Cost
State Treasurer's Investment Pool	1 to 45	\$ 31,698,331

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. Giles 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. Giles County has no investment policy that would further limit its investment choices. As of June 30, 2025, Giles County's investment in the State Treasurer's Investment Pool was unrated.

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

TCRS Stabilization Trust

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

On June 30, 2025, the Giles 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	\$ 252,354
Developed Market International Equity	N/A	N/A	113,966
Emerging Market International Equity	N/A	N/A	32,562
NAV - Private Equity and Strategic Lending	N/A	N/A	162,809
U.S. Fixed Income	N/A	N/A	162,809
Real Estate	N/A	N/A	81,405
Short-term Securities	N/A	N/A	8,140
Total			<u>\$ 814,045</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 [Tennessee Department of Treasury website](#).

B. Lease Receivable

On October 17, 2022, Giles County entered into a lease agreement for the use of the first floor of office space of the Annex Building. The lease is for five years, and the county will receive monthly payments of \$5,606. An initial lease receivable was recorded during the prior fiscal year. Giles County recognized \$58,707 in lease revenue and \$8,565 in interest revenue during the current fiscal year related to this lease. The lease has an annual interest rate of 4.75 percent. As of June 30, 2025, the lease receivable balance was \$148,305.

The future receipts of the lease receivable include:

Year Ending June 30	Annex Building		
	Principal	Interest	Total
2026	\$ 61,557	\$ 5,715	\$ 67,272
2027	64,544	2,728	67,272
2028	22,204	220	22,424
Total	<u>\$ 148,305</u>	<u>\$ 8,663</u>	<u>\$ 156,968</u>

C. *Capital Assets*

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

Primary Government

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 367,929	\$ 0	\$ 0	\$ 367,929
Construction in Progress	1,706,808	2,972,755	0	4,679,563
Total Capital Assets Not Depreciated	<u>\$ 2,074,737</u>	<u>\$ 2,972,755</u>	<u>\$ 0</u>	<u>\$ 5,047,492</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 11,041,718	\$ 105,500	\$ 0	\$ 11,147,218
Infrastructure	55,397,469	1,067,767	0	56,465,236
Other Capital Assets	10,613,011	1,415,173	(817,920)	11,210,264
Total Capital Assets Depreciated	<u>\$ 77,052,198</u>	<u>\$ 2,588,440</u>	<u>\$ (817,920)</u>	<u>\$ 78,822,718</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 6,782,057	\$ 326,778	\$ 0	\$ 7,108,835
Infrastructure	38,686,469	1,972,756	0	40,659,225
Other Capital Assets	7,327,407	862,404	(772,903)	7,416,908
Total Accumulated Depreciation	<u>\$ 52,795,933</u>	<u>\$ 3,161,938</u>	<u>\$ (772,903)</u>	<u>\$ 55,184,968</u>
Total Capital Assets Depreciated, Net	<u>\$ 24,256,265</u>	<u>\$ (573,498)</u>	<u>\$ (45,017)</u>	<u>\$ 23,637,750</u>
Intangible Right-to-Use Assets:				
SBITA	\$ 696,369	\$ 0	\$ 0	\$ 696,369
Less: Accumulated Amortization - SBITA	(81,243)	(139,274)	0	(220,517)
Net Intangible Right-to-Use Assets	<u>\$ 615,126</u>	<u>\$ (139,274)</u>	<u>\$ 0</u>	<u>\$ 475,852</u>
Governmental Activities Capital Assets, Net	<u>\$ 26,946,128</u>	<u>\$ 2,259,983</u>	<u>\$ (45,017)</u>	<u>\$ 29,161,094</u>

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

Governmental Activities:

General Government	\$	105,881
Finance		10,474
Public Safety		621,447
Public Health and Welfare		205,188
Social, Cultural, and Recreational Services		6,361
Agriculture and Natural Resources		9,714
Highways/Public Works		2,342,147

Total Depreciation and Amortization Expense - Governmental Activities	\$	3,301,212
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Discretely Presented Giles County School Department

Governmental Activities:

	Balance 7-1-24	Increases	Decreases	Balance 6-30-25
Capital Assets Not Depreciated:				
Land	\$ 621,198	\$ 0	\$ 0	\$ 621,198
Construction in Progress	10,862,070	8,229,886	(11,347,531)	7,744,425
Total Capital Assets Not Depreciated	\$ 11,483,268	\$ 8,229,886	\$ (11,347,531)	\$ 8,365,623
Capital Assets Depreciated:				
Buildings and Improvements	\$ 37,248,466	\$ 11,395,604	\$ 0	\$ 48,644,070
Other Capital Assets	9,582,816	1,617,673	(407,582)	10,792,907
Total Capital Assets Depreciated	\$ 46,831,282	\$ 13,013,277	\$ (407,582)	\$ 59,436,977
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 24,479,407	\$ 1,176,863	\$ 0	\$ 25,656,270
Other Capital Assets	6,567,984	539,162	(407,582)	6,699,564
Total Accumulated Depreciation	\$ 31,047,391	\$ 1,716,025	\$ (407,582)	\$ 32,355,834
Total Capital Assets Depreciated, Net	\$ 15,783,891	\$ 11,297,252	\$ 0	\$ 27,081,143
Governmental Activities Capital Assets, Net	\$ 27,267,159	\$ 19,527,138	\$ (11,347,531)	\$ 35,446,766

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

Governmental Activities:

Instruction	\$	1,243,086
Support Services		408,370
Operation of Non-instructional Services		<u>64,569</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>1,716,025</u></u>

D. Construction Commitments

On June 30, 2025, the county had an uncompleted construction contract of approximately \$2,310,000 in the Other Capital Projects Fund for upgrades to the county's communication network. Funding for these future expenditures is expected to be received from future revenues and available fund balance.

On June 30, 2025, the school department had uncompleted construction contracts of approximately \$4,282,046 in the Other Education Capital Projects Fund for renovations of Bridgeforth Middle School and Pulaski Elementary School. Funding has been received for these future expenditures.

E. Interfund Transfers**Discretely Presented Giles County School Department**

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

Transfers Out	Transfers In		Purpose
	Other Education Capital Projects Fund	General Purpose School Fund	
General Purpose School Fund	\$ 3,500,000	\$ 0	Capital projects
Nonmajor governmental funds	0	941,564	ESSER projects
Total	<u>\$ 3,500,000</u>	<u>\$ 941,564</u>	

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.

F. Long-term Debt**Primary Government****General Obligation Bonds**

General Obligation Bonds – Giles 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. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for an original term of up to 10 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The bond included in long-term debt as of June 30, 2025, will be retired from the General Debt Service Fund.

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

Type	Interest Rate		Final Maturity		Original Amount of Issue	Balance 6-30-25
General Obligation Bonds	4 to 5	%	4-1-34	\$	7,990,000	\$ 7,280,000

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 660,000	\$ 345,050	\$ 1,005,050
2027	695,000	312,050	1,007,050
2028	730,000	277,300	1,007,300
2029	765,000	240,800	1,005,800
2030	805,000	202,550	1,007,550
2031-2034	3,625,000	396,750	4,021,750
Total	\$ 7,280,000	\$ 1,774,500	\$ 9,054,500

There is \$954,848 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$240 based on the 2020 federal census. Total debt per capita, including bonds and unamortized debt premiums, totaled \$263 based on the 2020 federal census.

Changes in Long-term Debt

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

Governmental Activities:

	Bonds
Balance, July 1, 2024	\$ 7,990,000
Reductions	(710,000)
Balance, June 30, 2025	\$ 7,280,000
Balance Due Within One Year	\$ 660,000

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2025	\$ 7,280,000
Less: Balances Due Within One Year - Debt	(660,000)
Add: Unamortized Premium on Debt	703,603
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	\$ 7,323,603

G. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences*	Pension Liability - Agent Plan	Other Postemployment Benefits
Balance, July 1, 2024	\$ 530,554	\$ 763,967	\$ 328,574
Additions	0	4,661,010	90,230
Reductions	(30,355)	(4,654,125)	(6,089)
Balance, June 30, 2025	<u>\$ 500,199</u>	<u>\$ 770,852</u>	<u>\$ 412,715</u>
Balance Due Within One Year	<u>\$ 500,199</u>	<u>\$ 0</u>	<u>\$ 13,830</u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 1,683,766
Less: Balance Due Within One Year - Other	<u>(514,029)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,169,737</u>

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

Discretely Presented Giles County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences*	Pension Liability - Agent Plan	Other Postemployment Benefits
Balance, July 1, 2024	\$ 319,529	\$ 399,376	\$ 6,397,390
Additions	0	3,252,068	736,817
Reductions	(12,188)	(3,132,599)	(417,296)
Balance, June 30, 2025	\$ 307,341	\$ 518,845	\$ 6,716,911
Balance Due Within One Year	\$ 307,341	\$ 0	\$ 352,579

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2025	\$ 7,543,097
Less: Balance Due Within One Year - Other	<u>(659,920)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 6,883,177</u>

Compensated absences, other post-employment benefits, and pension liability will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

H. On-Behalf Payments**Discretely Presented Giles County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Giles County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state's Annual Comprehensive Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2025, were \$191,165. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION***A. Risk Management*****Primary Government**

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

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

Giles 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 Giles County School Department

The discretely presented Giles County School Department is exposed to various risks related to liability, property, and casualty losses. The school department decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The school department joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The school department 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.

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

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

B. Accounting Changes

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

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

C. Contingent Liabilities

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

Giles County was named in a class action lawsuit in the United States District Court concerning violations in their probation services. The final Consent Decree became effective January 13, 2022, and required \$2,000,000 in damages plus any costs of claims administration, monitoring, and any other implementation costs. As a result, Giles County established the Probation Settlement Fund to pay costs associated with the final Consent Decree.

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

D. Changes in Administration

On August 31, 2024, Barry Hyatt left the office of Highway Commissioner and was succeeded by Gene Barnickle.

On October 28, 2024, Kyle Helton left the Office of Sheriff and was succeeded by Joe Purvis.

E. Joint Ventures

The Economic Development Commission for Pulaski-Giles County, Tennessee, Inc., is a joint venture between Giles County and the City of Pulaski and is governed by a 14-member board. The purpose of the board is to promote and facilitate the economic development of the City of Pulaski and Giles County, Tennessee. Giles County and the City of Pulaski provide the majority of funding for the board. Each of these entities is required to fund 40 percent of the board's annual operating budget. Giles County contributed \$69,262 to the operations of the Economic Development Commission during the year ended June 30, 2025.

The Twenty-second Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-second Judicial District, Lawrence, Giles, Maury, and Wayne counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Giles County did not contribute any funds to the DTF for the year ended June 30, 2025.

Giles County does not retain an equity interest in any of the above-noted joint ventures. Complete financial statements for the Economic Development Commission and the Twenty-second Judicial District DTF can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Economic Development Commission
203 South First Street
P.O. Box 633
Pulaski, TN 38478

Office of District Attorney General
Twenty-second Judicial District Drug Task Force
P.O. Box 852
Lawrenceburg, TN 38464

F. Jointly Governed Organizations

The Industrial Development Board of Giles County and the city of Pulaski was created by Giles County and the city of Pulaski. The Industrial Development Board comprises eight members. The county and the city each appoint four members. However, the county does not have any ongoing financial interest or responsibility for the entity. Giles County contributed \$52,469 to the Industrial Development Board for the year ended June 30, 2025.

The Tennessee Southern Railroad Authority (TSRA) was created by the county in conjunction with Lawrence and Maury counties, and its board comprises the county mayors/executives and a representative appointed by the respective county commissions from each of the three counties and a representative from the cities of Mt. Pleasant and Lawrenceburg. However, Giles County does not have any ongoing financial interest or responsibility for the entity. The majority of TSRA's funding is received from various grants from the Tennessee Department of Transportation. Giles County made no appropriations to the Tennessee Southern Railroad Authority for the year ended June 30, 2025.

G. Commitments

Giles County and the city of Pulaski jointly own Abernathy Field Airport; however, the day-to-day operation of the airport is administered by the city of Pulaski. The financial activity of the airport is reported in the General Fund financial statements of the city of Pulaski. Giles County is committed to contributing one-half of the operating expenses of the Abernathy Field Airport. Giles County contributed \$74,022 to airport operations during the year ended June 30, 2025.

On October 20, 1997, the county commission adopted a resolution "to participate and fund the county's share or one-half of the costs and expenses associated with the development of the new industrial park" Based on this resolution, the county will participate with the city of Pulaski to develop an industrial park. A written contract documenting this arrangement has been approved by a county commission resolution. As of June 30, 2025, there was no outstanding debt for the development of the industrial park. There were no contributions made to the city of Pulaski during the year ended June 30, 2025.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Giles County and non-certified employees of the discretely presented Giles 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 59.77 percent, and the non-certified employees of the discretely presented school department comprise 40.23 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 [Tennessee Department of Treasury website](#).

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

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

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	312
Inactive Employees Entitled to But Not Yet Receiving Benefits	622
Active Employees	453
Total	<u><u>1,387</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. Giles County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions for Giles County were \$1,331,276 based on a rate of 7.18 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Giles County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability. Employer contributions to separately finance specific liabilities were \$2,344 for the year ended June 30, 2025. The contributions to separately finance specific liabilities were related to employees who have returned to work under a TCRS Return to Work program which requires employer contributions.

Net Pension Liability (Asset)

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

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

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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	4.88	31
International Equity	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 Giles 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, 2023	\$ 59,417,064	\$ 58,253,721	\$ 1,163,343
Changes for the Year:			
Service Cost	\$ 1,610,348	\$ 0	\$ 1,610,348
Interest	4,020,133	0	4,020,133
Differences Between Expected and Actual Experience	2,225,626	0	2,225,626
Contributions-Employer	0	1,260,877	(1,260,877)
Contributions-Employees	0	880,655	(880,655)
Net Investment Income	0	5,645,192	(5,645,192)
Benefit Payments, Including Refunds of Employee Contributions	(2,939,758)	(2,939,758)	0
Administrative Expense	0	(56,971)	56,971
Net Changes	\$ 4,916,349	\$ 4,789,995	\$ 126,354
Balance, June 30, 2024	\$ 64,333,413	\$ 63,043,716	\$ 1,289,697

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	59.77%	\$ 38,452,081	\$ 37,681,229	\$ 770,852
School Department	40.23%	25,881,332	25,362,487	518,845
Total		\$ 64,333,413	\$ 63,043,716	\$ 1,289,697

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

	1% Decrease	Current Discount Rate	1% Increase
Giles County	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 9,873,569	\$ 1,289,697	\$ (5,745,112)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, Giles County recognized pension expense (negative pension expense) of \$2,359,865.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Giles 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	\$ 2,200,789	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	679,007
Contributions Subsequent to the Measurement Date of June 30, 2024 (1)	1,331,276	N/A
Total	<u>\$ 3,532,065</u>	<u>\$ 679,007</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 2,148,305	\$ 405,842
School Department	1,383,760	273,165
Total	<u>\$ 3,532,065</u>	<u>\$ 679,007</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
2026	\$ 174,440
2027	1,484,620
2028	211,111
2029	(348,389)
2030	0
Thereafter	0

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

Discretely Presented Giles County School Department - Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Giles County and non-certified employees of the discretely presented Giles 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 59.77 percent, and the non-certified employees of the discretely presented school department comprise 40.23 percent of the plan based on contribution data.

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

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary

annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2025, to the Teacher Retirement Plan were \$257,871, which is three percent of covered payroll. In addition, employer contributions of \$85,957, which is one percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). On June 30, 2025, the school department reported a liability (asset) of (\$252,906) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.354902 percent. The proportion as of June 30, 2023, was 0.317434 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the Giles County School Department recognized pension expense (negative pension expense) of \$212,936.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 20,891	\$ 77,700
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	42,661
Changes in Assumptions	100,500	0
Changes in Proportion of Net Pension Liability (Asset)	39,621	28,213
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	257,871	N/A
Total	<u>\$ 418,883</u>	<u>\$ 148,574</u>

The school department's employer contributions of \$257,871, 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ (23,098)
2027	35,926
2028	(14,116)
2029	(13,882)
2030	6,860
Thereafter	20,748

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

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

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

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

The actuarial assumptions used in the June 30, 2024, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016, through June

30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset)	\$ 666,995	\$ (252,906)	\$ (937,505)
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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 Giles County School Department – Certified Employees - Teacher Legacy Pension Plan

General Information About the Pension Plan

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental

entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Giles County School Department for the year ended June 30, 2025, to the Teacher Legacy Pension Plan were \$753,473, which is 6.36 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability. Employer contributions to separately finance specific liabilities were \$10,120 for the year ended June 30, 2025. The contributions to separately finance specific liabilities were related to employees who have returned to work under a TCRS Return to Work program which requires employer contributions.

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

Pension Liability (Assets). On June 30, 2025, the school department reported a liability (asset) of (\$6,346,897) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, the school department's proportion was 0.368393 percent. The proportion measured on June 30, 2023, was 0.345610 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2025, the school department recognized pension expense (negative pension expense) of \$1,312,688.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,692,549	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,236,118
Changes in Proportion of Net Pension Liability (Asset)	145,217	302,832
LEA's Contributions Subsequent to the Measurement Date of June 30, 2024	753,473	N/A
Total	\$ 2,591,239	\$ 1,538,950

The school department's employer contributions of \$753,473 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ (747,628)
2027	2,342,188
2028	(644,920)
2029	(650,824)
2030	0
Thereafter	0

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
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Net Pension Liability (Asset)	\$ 8,062,759	\$ (6,346,897)	\$ (18,297,740)
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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

Giles County offers its employees a deferred compensation plan established pursuant to IRC Section 457, and the Giles County School Department offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering

and funding these programs are the responsibility of plan participants. The Section 403(b) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 403(b) and 457 establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$435,074 and teachers contributed \$205,657 to this deferred compensation pension plan.

I. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

Retirees of Giles County are provided healthcare under the Local Government Plan (LGP) until they reach Medicare eligibility. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. Both the certified and noncertified employees of the 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's and the school department's total OPEB liability for each plan was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2024, actuarial valuation of 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	3.93%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 10.68% for pre-65 retirees in the 2024 calendar year, and decreasing annually over a 13-year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.93 percent, based on an average rating of AA/Aa as shown on the Bond Buyers 20-Year Municipal GO AA index closest to but not later than the measurement date.

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2022, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (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 3.65 percent as of the beginning of the measurement period to 3.93 percent as of the measurement date of June 30, 2024. This change in assumption decreased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2024 plan year was revised from 10.31 percent to 10.68 percent.

Local Government OPEB Plan (Primary Government)

Plan Description. Employees of Giles 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. Giles 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 receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Giles 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, 2024, the following employees were covered by the benefit terms:

Inactive Employees Currently Receiving Benefits	2
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees Eligible for Benefits	<u>187</u>
Total	<u><u>189</u></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, 2025, the county paid \$13,830 to the LGP for OPEB benefits as they came due.

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

	<u>Giles County</u>
Balance July 1, 2023	\$ 328,574
Changes for the Year:	
Service Cost	29,837
Interest	12,972
Difference between Expected and Actual Experience	2,911
Changes in Assumptions	44,510
Benefit Payments	(6,089)
Net Changes	<u>\$ 84,141</u>
Balance June 30, 2024	<u><u>\$ 412,715</u></u>

OPEB Expense (Negative OPEB Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the county recognized OPEB expense (negative OPEB expense) of (\$2,519). On June 30, 2025, 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 Expected and Actual Experience	\$ 2,511	\$ 129,613
Changes of Assumptions	129,525	143,846
Benefits Paid After the Measurement Date of June 30, 2024	13,830	N/A
Total	<u>\$ 145,866</u>	<u>\$ 273,459</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	Giles County
2026	\$ (45,328)
2027	(39,255)
2028	(33,961)
2029	(32,055)
2030	(274)
Thereafter	9,450

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

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

Discount Rate	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Total OPEB Liability	\$ 445,364	\$ 412,715	\$ 382,326

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

Healthcare Cost Trend Rate			
	1%	Current	1%
	Decrease 9.68 to 3.5%	Trend Rate 10.68 to 4.5%	Increase 11.68 to 5.5%
Total OPEB Liability	\$ 370,294	\$ 412,715	\$ 462,592

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

Plan Description. Employees of the Giles 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 Giles 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. After participating in the insurance program for at least one year prior to retiring with at least 15 years of total service at the Giles County School Department, retirees are eligible to receive a monthly direct subsidy toward the cost of their insurance premiums after age 53 with 30 years of service or after age 60 with 20 years of service. The monthly subsidy for certified teachers is \$297 and for support staff is \$541, based on the insurance plan selected by the retiree. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service.

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

Inactive Employees Currently Receiving Benefits	40
Inactive Employees Entitled To But Not Yet Receiving Benefits	1
Active Employees Eligible for Benefits	<u>271</u>
Total	<u><u>312</u></u>

A state insurance committee, created in accordance with *TCA* 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$352,579 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
	Giles County	State of	
	School Department 67.03%	TN 32.97%	
Balance July 1, 2023	\$ 6,397,390	\$ 3,057,591	\$ 9,454,981
Changes for the Year:			
Service Cost	\$ 229,140	\$ 112,707	\$ 341,847
Interest	233,229	114,718	347,947
Difference between Expected and Actual Experience	206,694	101,666	308,360
Changes in Assumptions	67,754	33,326	101,080
Change in Proportion	(60,128)	60,128	0
Benefit Payments	(357,168)	(175,680)	(532,848)
Net Changes	\$ 319,521	\$ 246,865	\$ 566,386
Balance June 30, 2024	\$ 6,716,911	\$ 3,304,456	\$ 10,021,367

The Giles 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 Giles 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 \$216,901 in revenue for subsidies provided by non-employer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Giles County School Department's proportionate share of the collective OPEB liability was 67.03 percent and the State of Tennessee's share was 32.97 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, the school department recognized OPEB expense of \$315,405, including the state's share of the expense. On June 30, 2025, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience	\$ 575,121	\$ 909,878
Changes in Proportion	31,983	458,624
Changes of Assumptions	571,217	463,069
Benefits Paid After the Measurement Date of June 30, 2024	352,579	0
Total	\$ 1,530,900	\$ 1,831,571

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

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

Year Ending June 30	School Department
2026	\$ (360,378)
2027	(315,132)
2028	(102,423)
2029	42,331
2030	59,697
Thereafter	22,655

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

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

Discount Rate	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Proportionate Share of the Collective Total OPEB Liability	\$ 7,148,235	\$ 6,716,911	\$ 6,305,374

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

Healthcare Cost Trend Rate	1% Decrease 9.68 to 3.5%	Current Trend Rates 10.68 to 4.5%	1% Increase 11.68 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	\$ 6,164,350	\$ 6,716,911	\$ 7,343,839

J. Office of Central Accounting, Budgeting, and Purchasing

Giles County operates under provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing for all county departments. The act also provides for the creation of a finance department operated under the direction of the finance director.

K Purchasing Laws

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by her to serve as the county purchasing agent. The finance director has appointed a deputy to serve as county purchasing agent. All purchase orders are issued by the finance department. Purchases exceeding \$50,000 are required to be competitively bid.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

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

Primary Government

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service Cost	\$ 982,440	\$ 1,030,238	\$ 1,076,819	\$ 1,092,492	\$ 1,109,522	\$ 1,224,048	\$ 1,236,172	\$ 1,346,657	\$ 1,498,945	\$ 1,610,348
Interest	2,565,618	2,704,157	2,809,854	2,909,654	3,042,567	3,193,068	3,332,567	3,537,125	3,827,426	4,020,133
Differences Between Actual and Expected Experience	5,047	(555,100)	(356,998)	(172,056)	(26,396)	(39,636)	(347,294)	1,763,226	181,531	2,225,626
Changes in Assumptions	0	0	1,004,588	0	0	0	4,660,083	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,712,421)	(1,794,996)	(1,838,170)	(1,924,832)	(2,102,854)	(2,225,815)	(2,705,157)	(2,408,057)	(2,589,006)	(2,939,758)
Net Change in Total Pension Liability	\$ 1,840,684	\$ 1,384,299	\$ 2,696,093	\$ 1,905,258	\$ 2,022,839	\$ 2,151,665	\$ 6,176,371	\$ 4,238,951	\$ 2,918,896	\$ 4,916,349
Total Pension Liability, Beginning	34,082,008	35,922,692	37,306,991	40,003,084	41,908,342	43,931,181	46,082,846	52,259,217	56,498,168	59,417,064
Total Pension Liability, Ending (a)	\$ 35,922,692	\$ 37,306,991	\$ 40,003,084	\$ 41,908,342	\$ 43,931,181	\$ 46,082,846	\$ 52,259,217	\$ 56,498,168	\$ 59,417,064	\$ 64,333,413
Plan Fiduciary Net Position										
Contributions - Employer	\$ 488,022	\$ 497,517	\$ 494,211	\$ 508,783	\$ 539,193	\$ 539,269	\$ 544,330	\$ 595,120	\$ 1,061,948	\$ 1,260,877
Contributions - Employee	580,117	595,120	594,687	608,883	644,970	662,500	668,715	749,074	844,958	880,655
Net Investment Income	1,146,737	999,481	4,297,919	3,437,212	3,272,111	2,291,940	12,177,252	(2,221,309)	3,692,029	5,645,192
Benefit Payments, Including Refunds of Employee Contributions	(1,712,421)	(1,794,996)	(1,838,170)	(1,924,832)	(2,102,854)	(2,225,815)	(2,705,157)	(2,408,057)	(2,589,006)	(2,939,758)
Administrative Expense	(21,498)	(32,166)	(35,224)	(39,338)	(38,188)	(37,555)	(36,741)	(42,396)	(45,804)	(56,971)
Other	0	5,961	2,005	0	0	0	0	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 480,957	\$ 270,917	\$ 3,515,428	\$ 2,590,708	\$ 2,315,232	\$ 1,230,339	\$ 10,648,399	\$ (3,327,568)	\$ 2,964,125	\$ 4,789,995
Plan Fiduciary Net Position, Beginning	37,565,184	38,046,141	38,317,058	41,832,486	44,423,194	46,738,426	47,968,765	58,617,164	55,289,596	58,253,721
Plan Fiduciary Net Position, Ending (b)	\$ 38,046,141	\$ 38,317,058	\$ 41,832,486	\$ 44,423,194	\$ 46,738,426	\$ 47,968,765	\$ 58,617,164	\$ 55,289,596	\$ 58,253,721	\$ 63,043,716
Net Pension Liability (Asset), Ending (a - b)	\$ (2,123,449)	\$ (1,010,067)	\$ (1,829,402)	\$ (2,514,852)	\$ (2,807,245)	\$ (1,885,919)	\$ (6,357,947)	\$ 1,208,572	\$ 1,163,343	\$ 1,289,697
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.91%	102.71%	104.57%	106.00%	106.39%	104.09%	112.17%	97.86%	98.04%	98.00%
Covered Payroll	\$ 11,675,167	\$ 11,940,989	\$ 11,901,562	\$ 12,171,868	\$ 12,899,358	\$ 13,249,951	\$ 13,374,235	\$ 14,622,122	\$ 15,275,960	\$ 17,548,377
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(18.19)%	(8.46)%	(15.37)%	(20.66)%	(21.76)%	(14.23)%	(47.54)%	8.27%	7.62%	7.35%

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 the non-certified employees of the discretely presented school department.

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

Primary Government

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 497,517	\$ 494,211	\$ 508,783	\$ 539,193	\$ 539,269	\$ 544,330	\$ 595,120	\$ 1,061,948	\$ 1,260,031	\$ 1,331,276
Less: Contributions in Relation to the Actuarially Determined Contribution	(497,517)	(494,211)	(508,783)	(539,193)	(539,269)	(544,330)	(595,120)	(1,061,948)	(1,260,031)	(1,331,276)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 11,940,989	\$ 11,901,562	\$ 12,171,868	\$ 12,899,358	\$ 13,249,951	\$ 13,374,235	\$ 14,622,122	\$ 15,275,960	\$ 17,548,377	\$ 18,541,448
Contributions as a Percentage of Covered Payroll	4.17%	4.15%	4.18%	4.18%	4.07%	4.07%	4.07%	6.95%	7.18%	7.18%

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 the non-certified employees of the discretely presented school department.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 59,717	\$ 104,782	\$ 151,405	\$ 81,032	\$ 94,513	\$ 102,398	\$ 111,745	\$ 181,209	\$ 245,947	\$ 257,871
Less: Contributions in Relation to the Contractually Required Contribution	(59,717)	(104,782)	(151,405)	(81,032)	(94,513)	(102,398)	(111,745)	(181,209)	(245,947)	(257,871)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,492,919	\$ 2,619,564	\$ 3,785,109	\$ 4,176,882	\$ 4,655,748	\$ 5,069,233	\$ 5,559,394	\$ 6,313,966	\$ 8,337,191	\$ 8,595,700
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

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

2019: Pension - 1.94%, SRT - 2.02%

2020: Pension - 2.03%, SRT - 1.97%

2021: Pension - 2.02%, SRT - 1.98%

2022: Pension - 2.01%, SRT - 1.99%

2023: Pension - 2.87%, SRT - 1.13%

2024: Pension - 2.95%, SRT - 1.05%

2025: Pension - 3.00%, SRT - 1.00%

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

Discretely Presented Giles County School Department

For the Fiscal Year Ended June 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 1,241,432	\$ 1,195,473	\$ 1,132,204	\$ 1,271,070	\$ 1,266,832	\$ 1,252,042	\$ 1,192,767	\$ 974,603	\$ 826,214	\$ 753,473
Less: Contributions in Relation to the Contractually Required Contribution	(1,241,432)	(1,195,473)	(1,132,204)	(1,271,070)	(1,266,832)	(1,252,042)	(1,192,767)	(974,603)	(826,214)	(753,473)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 13,732,673	\$ 13,224,273	\$ 12,469,176	\$ 12,151,686	\$ 11,917,520	\$ 12,191,248	\$ 11,580,275	\$ 11,218,007	\$ 12,133,197	\$ 11,847,060
Contributions as a Percentage of Covered Payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.81%	6.36%

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

Discretely Presented Giles County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.348523%	0.339297%	0.399117%	0.433141%	0.394716%	0.368946%	0.351243%	0.325553%	0.317434%	0.354902%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (14,021)	\$ (35,322)	\$ (105,300)	\$ (196,441)	\$ (222,812)	\$ (209,798)	\$ (380,471)	\$ (98,618)	\$ (134,603)	\$ (252,906)
Covered Payroll	\$ 724,130	\$ 1,492,919	\$ 2,619,564	\$ 3,785,109	\$ 4,176,882	\$ 4,655,748	\$ 5,069,233	\$ 5,559,394	\$ 6,313,966	\$ 8,337,191
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%	(4.51)%	(7.51)%	(1.77)%	(2.13)%	(3.03)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%	106.49%

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

Discretely Presented Giles County School Department

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School Department's Proportion of the Net Pension Liability (Asset)	0.372792%	0.380427%	0.374100%	0.356093%	0.362398%	0.358071%	0.371439%	0.351883%	0.345610%	0.368393%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 152,708	\$ 2,377,458	\$ (122,399)	\$ (1,253,060)	\$ (3,726,104)	\$ (2,730,554)	\$ (16,021,047)	\$ (4,315,517)	\$ (4,074,656)	\$ (6,346,897)
Covered Payroll	\$ 13,955,478	\$ 13,732,673	\$ 13,224,273	\$ 12,469,176	\$ 12,151,686	\$ 11,917,520	\$ 12,191,248	\$ 11,580,275	\$ 11,218,007	\$ 12,133,197
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%	(22.91)%	(131.41)%	(37.27)%	(36.32)%	(52.31)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%	105.76%

GILES 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

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 34,111	\$ 31,473	\$ 39,122	\$ 39,913	\$ 51,182	\$ 36,480	\$ 20,959	\$ 29,837
Interest	14,391	17,772	18,582	17,538	13,267	9,273	9,113	12,972
Differences Between Actual and Expected Experience	0	(61,424)	(90,888)	(6,706)	(71,535)	(77,517)	(15,629)	2,911
Changes in Assumptions or Other Inputs	(24,839)	31,780	27,842	47,694	(142,395)	(116,199)	84,452	44,510
Benefit Payments	(13,222)	(16,137)	(10,230)	(7,961)	(10,142)	(3,458)	(13,447)	(6,089)
Net Change in Total OPEB Liability	\$ 10,441	\$ 3,464	\$ (15,572)	\$ 90,478	\$ (159,623)	\$ (151,421)	\$ 85,448	\$ 84,141
Total OPEB Liability, Beginning	465,359	475,800	479,264	463,692	554,170	394,547	243,126	328,574
Total OPEB Liability, Ending	\$ 475,800	\$ 479,264	\$ 463,692	\$ 554,170	\$ 394,547	\$ 243,126	\$ 328,574	\$ 412,715
Covered Employee Payroll	\$ 7,776,614	\$ 7,931,089	\$ 8,478,917	\$ 8,814,521	\$ 8,957,764	\$ 9,612,113	\$ 10,030,173	\$ 10,483,803
Net OPEB Liability as a Percentage of Covered Employee Payroll	6.12%	6.04%	5.47%	6.29%	4.40%	2.53%	3.28%	3.94%

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

Note 2: Changes in assumptions:

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

2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%

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

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%
For the 2025 plan year - from 10.31% to 10.68%

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

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

Discretely Presented Giles County School Department

For the Fiscal Year Ended June 30

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 522,102	\$ 481,933	\$ 467,372	\$ 396,629	\$ 368,911	\$ 413,903	\$ 321,213	\$ 341,847
Interest	326,901	386,944	361,996	328,999	180,001	193,433	313,616	347,947
Changes in Benefit Terms	0	1,079,737	(173,437)	0	314,090	0	0	0
Differences Between Actual and Expected Experience	0	(2,434,031)	67,712	(2,195,384)	431,556	660,574	(47,859)	308,360
Changes in Assumptions or Other Inputs	(458,844)	331,943	(671,178)	739,184	(83,242)	(768,030)	602,161	101,080
Benefit Payments	(643,246)	(708,784)	(700,063)	(514,947)	(423,069)	(468,988)	(539,596)	(532,848)
Net Change in Total OPEB Liability	\$ (253,087)	\$ (862,258)	\$ (647,598)	\$ (1,245,519)	\$ 788,247	\$ 30,892	\$ 649,535	\$ 566,386
Total OPEB Liability, Beginning	10,994,769	10,741,682	9,879,424	9,231,826	7,986,307	8,774,554	8,805,446	9,454,981
Total OPEB Liability, Ending	\$ 10,741,682	\$ 9,879,424	\$ 9,231,826	\$ 7,986,307	\$ 8,774,554	\$ 8,805,446	\$ 9,454,981	\$ 10,021,367
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,831,357	\$ 2,449,524	\$ 2,390,739	\$ 2,281,147	\$ 2,629,192	\$ 2,750,489	\$ 3,057,591	\$ 3,304,456
Employer Proportionate Share of the Total OPEB Liability	7,910,325	7,429,900	6,841,087	5,705,160	6,145,362	6,054,957	6,397,390	6,716,911
Covered Employee Payroll	\$ 20,372,680	\$ 20,494,220	\$ 20,799,119	\$ 20,415,281	\$ 22,210,635	\$ 21,814,099	\$ 22,488,548	\$ 27,262,052
Employer Proportionate Share of the Total OPEB Liability as a Percentage of Covered Employee Payroll	38.83%	36.25%	32.89%	27.95%	27.67%	27.76%	28.45%	24.64%

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

Note 2: Changes in assumptions:

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

2017	3.56%
2018	3.62%
2019	3.51%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%

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

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%
For the 2025 plan year - from 10.31% to 10.68%

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

GILES COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2025 were calculated based on the June 30, 2023, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

Probation Settlement Fund – The Probation Settlement Fund is used to account for revenues held for the probation lawsuit remediation.

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.

GENERAL DEBT SERVICE FUND

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

CAPITAL PROJECTS FUND

The General Capital Projects Fund is 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.

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

	Special Revenue Funds			Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Drug Control	Probation Settlement	Total	General Debt Service	General Capital Projects	
ASSETS						
Equity in Pooled Cash and Investments	\$ 141,184	\$ 27,664	\$ 168,848	\$ 922,645	\$ 2,255,140	\$ 3,346,633
Accounts Receivable	0	0	0	32,203	23,285	55,488
Due from Other Governments	0	0	0	0	463,860	463,860
Total Assets	<u>\$ 141,184</u>	<u>\$ 27,664</u>	<u>\$ 168,848</u>	<u>\$ 954,848</u>	<u>\$ 2,742,285</u>	<u>\$ 3,865,981</u>
LIABILITIES						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 444,285	\$ 444,285
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 444,285</u>	<u>\$ 444,285</u>
FUND BALANCES						
Restricted:						
Restricted for Administration of Justice	\$ 0	\$ 27,664	\$ 27,664	\$ 0	\$ 0	\$ 27,664
Restricted for Public Safety	141,184	0	141,184	0	0	141,184
Restricted for Capital Outlay	0	0	0	0	3,780	3,780
Committed:						
Committed for Capital Outlay	0	0	0	0	2,294,220	2,294,220
Committed for Debt Service	0	0	0	954,848	0	954,848
Total Fund Balances	<u>\$ 141,184</u>	<u>\$ 27,664</u>	<u>\$ 168,848</u>	<u>\$ 954,848</u>	<u>\$ 2,298,000</u>	<u>\$ 3,421,696</u>
Total Liabilities and Fund Balances	<u>\$ 141,184</u>	<u>\$ 27,664</u>	<u>\$ 168,848</u>	<u>\$ 954,848</u>	<u>\$ 2,742,285</u>	<u>\$ 3,865,981</u>

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

	Special Revenue Funds				Debt Service Fund
	Drug Control	Probation Settlement	Constitu - tional Officers - Fees	Total	General Debt Service
Revenues					
Fines, Forfeitures, and Penalties	\$ 67,140	\$ 0	\$ 0	\$ 67,140	\$ 0
Charges for Current Services	0	0	19,360	19,360	0
Other Local Revenues	1,190	0	0	1,190	420,376
Federal Government	0	0	0	0	0
Other Governments and Citizens Groups	0	0	0	0	986,389
Total Revenues	<u>\$ 68,330</u>	<u>\$ 0</u>	<u>\$ 19,360</u>	<u>\$ 87,690</u>	<u>\$ 1,406,765</u>
Expenditures					
Current:					
Finance	\$ 0	\$ 0	\$ 810	\$ 810	\$ 0
Administration of Justice	0	20,744	18,550	39,294	0
Public Safety	35,144	0	0	35,144	0
Other Operations	0	0	0	0	0
Debt Service:					
Principal on Debt	0	0	0	0	710,000
Interest on Debt	0	0	0	0	383,721
Other Debt Service	0	0	0	0	5,156
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 35,144</u>	<u>\$ 20,744</u>	<u>\$ 19,360</u>	<u>\$ 75,248</u>	<u>\$ 1,098,877</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 33,186</u>	<u>\$ (20,744)</u>	<u>\$ 0</u>	<u>\$ 12,442</u>	<u>\$ 307,888</u>
Net Change in Fund Balances	\$ 33,186	(20,744)	0	12,442	307,888
Change to or Within the Reporting Entity	0	0	0	0	0
Fund Balance, July 1, 2024	<u>107,998</u>	<u>48,408</u>	<u>0</u>	<u>156,406</u>	<u>646,960</u>
Fund Balance, June 30, 2025	<u>\$ 141,184</u>	<u>\$ 27,664</u>	<u>\$ 0</u>	<u>\$ 168,848</u>	<u>\$ 954,848</u>

(Continued)

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

	Capital Projects Fund		Total Nonmajor Governmental Funds
	<i>Formerly Major General Capital Projects</i>		
Revenues			
Fines, Forfeitures, and Penalties	\$ 0	\$	67,140
Charges for Current Services	0		19,360
Other Local Revenues	77,903		499,469
Federal Government	968,205		968,205
Other Governments and Citizens Groups	2,175		988,564
Total Revenues	<u>\$ 1,048,283</u>	\$	<u>2,542,738</u>
Expenditures			
Current:			
Finance	\$ 0	\$	810
Administration of Justice	0		39,294
Public Safety	0		35,144
Other Operations	970,380		970,380
Debt Service:			
Principal on Debt	0		710,000
Interest on Debt	0		383,721
Other Debt Service	0		5,156
Capital Projects	<u>\$ 1,756,014</u>	\$	<u>1,756,014</u>
Total Expenditures	<u>\$ 2,726,394</u>	\$	<u>3,900,519</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,678,111)</u>	\$	<u>(1,357,781)</u>
Net Change in Fund Balances	\$ (1,678,111)	\$	(1,357,781)
Change to or Within the Reporting Entity	3,976,111		3,976,111
Fund Balance, July 1, 2024	<u>0</u>		<u>803,366</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,298,000</u></u>	\$	<u><u>3,421,696</u></u>

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Fines, Forfeitures, and Penalties	\$ 67,140	\$ 10,000	\$ 10,000	\$ 57,140
Other Local Revenues	1,190	0	0	1,190
State of Tennessee	0	200	200	(200)
Total Revenues	<u>\$ 68,330</u>	<u>\$ 10,200</u>	<u>\$ 10,200</u>	<u>\$ 58,130</u>
Expenditures				
Public Safety				
Drug Enforcement	\$ 35,144	\$ 46,950	\$ 46,950	\$ 11,806
Total Expenditures	<u>\$ 35,144</u>	<u>\$ 46,950</u>	<u>\$ 46,950</u>	<u>\$ 11,806</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 33,186</u>	<u>\$ (36,750)</u>	<u>\$ (36,750)</u>	<u>\$ 69,936</u>
Net Change in Fund Balance	\$ 33,186	\$ (36,750)	\$ (36,750)	\$ 69,936
Fund Balance, July 1, 2024	<u>107,998</u>	<u>100,306</u>	<u>107,998</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 141,184</u></u>	<u><u>\$ 63,556</u></u>	<u><u>\$ 71,248</u></u>	<u><u>\$ 69,936</u></u>

GILES COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
 Probation Settlement Fund
For the Year Ended June 30, 2025

		Budgeted Amounts		Variance
	Actual	Original	Final	with Final Budget - Positive (Negative)
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Administration of Justice				
Other Administration of Justice	\$ 20,744	\$ 23,000	\$ 48,408	\$ 27,664
Total Expenditures	\$ 20,744	\$ 23,000	\$ 48,408	\$ 27,664
Excess (Deficiency) of Revenues Over Expenditures	\$ (20,744)	\$ (23,000)	\$ (48,408)	\$ 27,664
Net Change in Fund Balance	\$ (20,744)	\$ (23,000)	\$ (48,408)	\$ 27,664
Fund Balance, July 1, 2024	48,408	49,854	48,408	0
Fund Balance, June 30, 2025	\$ 27,664	\$ 26,854	\$ 0	\$ 27,664

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Other Local Revenues	\$ 420,376	\$ 0	\$ 375,000	\$ 45,376
Other Governments and Citizens Groups	986,389	986,390	986,390	(1)
Total Revenues	<u>\$ 1,406,765</u>	<u>\$ 986,390</u>	<u>\$ 1,361,390</u>	<u>\$ 45,375</u>
Expenditures				
Principal on Debt				
Education	\$ 710,000	\$ 710,000	\$ 710,000	0
Interest on Debt				
Education	383,721	383,722	383,722	1
Other Debt Service				
General Government	5,156	0	6,421	1,265
Total Expenditures	<u>\$ 1,098,877</u>	<u>\$ 1,093,722</u>	<u>\$ 1,100,143</u>	<u>\$ 1,266</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 307,888</u>	<u>\$ (107,332)</u>	<u>\$ 261,247</u>	<u>\$ 46,641</u>
Net Change in Fund Balance	\$ 307,888	\$ (107,332)	\$ 261,247	\$ 46,641
Fund Balance, July 1, 2024	646,960	581,085	646,960	0
Fund Balance, June 30, 2025	<u><u>\$ 954,848</u></u>	<u><u>\$ 473,753</u></u>	<u><u>\$ 908,207</u></u>	<u><u>\$ 46,641</u></u>

GILES COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Capital Projects Fund
For the Year Ended June 30, 2025

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Revenues				
Other Local Revenues	\$ 77,903	\$ 0	\$ 0	\$ 77,903
Federal Government	968,205	0	4,739,891	(3,771,686)
Other Governments and Citizens Groups	2,175	0	222,222	(220,047)
Total Revenues	<u>\$ 1,048,283</u>	<u>\$ 0</u>	<u>\$ 4,962,113</u>	<u>\$ (3,913,830)</u>
Expenditures				
Other Operations				
American Rescue Plan Act Grant #4	\$ 948,630	\$ 0	\$ 2,739,891	\$ 1,791,261
American Rescue Plan Act Grant #5	21,750	0	2,222,222	2,200,472
Capital Projects				
Public Utility Projects	643,078	1,791,722	1,791,722	1,148,644
Other General Government Projects	1,112,936	2,210,168	2,184,389	1,071,453
Total Expenditures	<u>\$ 2,726,394</u>	<u>\$ 4,001,890</u>	<u>\$ 8,938,224</u>	<u>\$ 6,211,830</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,678,111)</u>	<u>\$ (4,001,890)</u>	<u>\$ (3,976,111)</u>	<u>\$ 2,298,000</u>
Net Change in Fund Balance	\$ (1,678,111)	\$ (4,001,890)	\$ (3,976,111)	\$ 2,298,000
Changes to or Within the Financial Reporting Entity	3,976,111	0	0	3,976,111
Fund Balance, July 1, 2024	<u>0</u>	<u>4,001,890</u>	<u>3,976,111</u>	<u>(3,976,111)</u>
Fund Balance, June 30, 2025	<u><u>\$ 2,298,000</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 2,298,000</u></u>

MAJOR GOVERNMENTAL FUND

CAPITAL PROJECTS FUND

The Other Capital Projects Fund is used to account for other general capital expenditures of the county.

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 1,073,289	\$ 849,435	\$ 849,435	\$ 223,854
Total Revenues	<u>\$ 1,073,289</u>	<u>\$ 849,435</u>	<u>\$ 849,435</u>	<u>\$ 223,854</u>
Expenditures				
Capital Projects				
Public Safety Projects	\$ 2,640,000	\$ 990,000	\$ 4,950,000	\$ 2,310,000
Other General Government Projects	10,945	15,000	15,000	4,055
Total Expenditures	<u>\$ 2,650,945</u>	<u>\$ 1,005,000</u>	<u>\$ 4,965,000</u>	<u>\$ 2,314,055</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,577,656)</u>	<u>\$ (155,565)</u>	<u>\$ (4,115,565)</u>	<u>\$ 2,537,909</u>
Net Change in Fund Balance	\$ (1,577,656)	\$ (155,565)	\$ (4,115,565)	\$ 2,537,909
Fund Balance, July 1, 2024	<u>5,610,879</u>	<u>1,700,250</u>	<u>5,610,879</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 4,033,223</u></u>	<u><u>\$ 1,544,685</u></u>	<u><u>\$ 1,495,314</u></u>	<u><u>\$ 2,537,909</u></u>

CUSTODIAL FUNDS

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

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

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.

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

	Custodial Funds		
	Cities -	Constitu -	
	Sales	tional	
	Tax	Officers -	
		Custodial	Total
ASSETS			
Cash	\$ 0	\$ 2,192,876	\$ 2,192,876
Accounts Receivable	0	168	168
Due from Other Governments	880,618	0	880,618
Total Assets	<u>\$ 880,618</u>	<u>\$ 2,193,044</u>	<u>\$ 3,073,662</u>
LIABILITIES			
Due to Other Taxing Units	\$ 880,618	\$ 0	\$ 880,618
Total Liabilities	<u>\$ 880,618</u>	<u>\$ 0</u>	<u>\$ 880,618</u>
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 0</u>	<u>\$ 2,193,044</u>	<u>\$ 2,193,044</u>
Total Net Position	<u><u>\$ 0</u></u>	<u><u>\$ 2,193,044</u></u>	<u><u>\$ 2,193,044</u></u>

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

	Custodial Funds		
	Cities - Sales Tax	Constitu - tional Officers - Custodial	Total
ADDITIONS			
Sales Tax Collections for Other Governments	\$ 5,159,696	\$ 0	\$ 5,159,696
Fines/Fees and Other Collections	0	9,208,972	9,208,972
Total Additions	\$ 5,159,696	\$ 9,208,972	\$ 14,368,668
DEDUCTIONS			
Payment of Sales Tax Collections for Other Governments	\$ 5,108,278	\$ 0	\$ 5,108,278
Payments to State	0	5,410,452	5,410,452
Payments to Cities, Individuals, and Others	51,418	3,988,185	4,039,603
Total Deductions	\$ 5,159,696	\$ 9,398,637	\$ 14,558,333
Change in Net Position	\$ 0	\$ (189,665)	\$ (189,665)
Net Position July 1, 2024	0	2,382,709	2,382,709
Net Position June 30, 2025	\$ 0	\$ 2,193,044	\$ 2,193,044

GILES COUNTY SCHOOL DEPARTMENT

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

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

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

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

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

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

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

GILES COUNTY, TENNESSEE**Statement of Activities**

Discretely Presented Giles County School Department

For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities:					
Instruction	\$ 29,260,844	\$ 500	\$ 2,358,829	\$ 460,574	\$ (26,440,941)
Support Services	16,725,395	82,900	1,285,580	727,008	(14,629,907)
Operation of Non-instructional Services	6,384,159	2,156,252	3,747,130	0	(480,777)
Total Governmental Activities	<u>\$ 52,370,398</u>	<u>\$ 2,239,652</u>	<u>\$ 7,391,539</u>	<u>\$ 1,187,582</u>	<u>\$ (41,551,625)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 7,191,538
Local Option Sales Tax					6,679,879
Grants and Contributions Not Restricted to Specific Programs					29,174,379
Unrestricted Investment Earnings					109,295
Miscellaneous					63,276
Total General Revenues					<u>\$ 43,218,367</u>
Change in Net Position					\$ 1,666,742
Net Position, July 1, 2024					54,194,426
Restatement - See Note I.D.11.					<u>(168,101)</u>
Net Position, June 30, 2025					<u>\$ 55,693,067</u>

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

Discretely Presented Giles County School Department

June 30, 2025

	Major Funds		Nonmajor Funds	
	General Purpose School	Other Education Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 0	\$ 0	\$ 1,168,606	\$ 1,168,606
Equity in Pooled Cash and Investments	7,413,401	5,613,554	1,785,770	14,812,725
Inventories	0	0	121,287	121,287
Accounts Receivable	231	0	2,348	2,579
Due from Other Governments	2,279,842	0	653,543	2,933,385
Property Taxes Receivable	6,603,248	0	0	6,603,248
Allowance for Uncollectible Property Taxes	(100,078)	0	0	(100,078)
Restricted Assets	814,045	0	0	814,045
Total Assets	\$ 17,010,689	\$ 5,613,554	\$ 3,731,554	\$ 26,355,797
LIABILITIES				
Accounts Payable	\$ 7,551	\$ 0	\$ 0	\$ 7,551
Payroll Deductions Payable	825,008	0	130,592	955,600
Other Withholding Taxes	15,261	0	270	15,531
Other Current Liabilities	150	0	50	200
Total Liabilities	\$ 847,970	\$ 0	\$ 130,912	\$ 978,882

(Continued)

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

Discretely Presented Giles County School Department (Cont.)

	Major Funds		Nonmajor Funds	
	General Purpose School	Other Education Capital Projects	Other Governmental Funds	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 6,319,842	\$ 0	\$ 0	\$ 6,319,842
Deferred Delinquent Property Taxes	165,163	0	0	165,163
Other Deferred/Unavailable Revenue	570,000	0	0	570,000
Total Deferred Inflows of Resources	<u>\$ 7,055,005</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,055,005</u>
FUND BALANCES				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 121,287	\$ 121,287
Restricted:				
Restricted for Education	2,997	0	2,638,125	2,641,122
Restricted for Hybrid Retirement Stabilization Funds	814,045	0	0	814,045
Committed:				
Committed for Education	0	0	650,000	650,000
Committed for Capital Outlay	0	5,613,554	191,230	5,804,784
Assigned:				
Assigned for Education	1,031,906	0	0	1,031,906
Unassigned	7,258,766	0	0	7,258,766
Total Fund Balances	<u>\$ 9,107,714</u>	<u>\$ 5,613,554</u>	<u>\$ 3,600,642</u>	<u>\$ 18,321,910</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,010,689</u>	<u>\$ 5,613,554</u>	<u>\$ 3,731,554</u>	<u>\$ 26,355,797</u>

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

Discretely Presented Giles County School Department

June 30, 2025

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$ 18,321,910
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 621,198	
Add: construction in progress	7,744,425	
Add: buildings and improvements net of accumulated depreciation	22,987,800	
Add: other capital assets net of accumulated depreciation	<u>4,093,343</u>	35,446,766
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (307,341)	
Less: net pension liability - agent plan	(518,845)	
Less: net OPEB liability	<u>(6,716,911)</u>	(7,543,097)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 4,393,882	
Add: deferred outflows of resources related to OPEB	1,530,900	
Less: deferred inflows of resources related to pensions	(1,960,689)	
Less: deferred inflows of resources related to OPEB	<u>(1,831,571)</u>	2,132,522
(4) Net pension assets of the teacher retirement and teacher legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - teacher retirement plan	\$ 252,906	
Add: net pension asset - teacher legacy pension plan	<u>6,346,897</u>	6,599,803
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>735,163</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 55,693,067</u></u>

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

Discretely Presented Giles County School Department

For the Year Ended June 30, 2025

	Major Funds			Nonmajor Funds	
	General Purpose School	Formerly Major School Federal Projects	Other Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Revenues					
Local Taxes	\$ 13,858,177	\$ 0	\$ 0	\$ 0	\$ 13,858,177
Licenses and Permits	2,014	0	0	0	2,014
Charges for Current Services	89,004	0	0	163,859	252,863
Other Local Revenues	142,688	0	0	2,026,474	2,169,162
State of Tennessee	29,337,634	0	0	20,873	29,358,507
Federal Government	120,162	0	0	7,329,553	7,449,715
Other Governments and Citizens Groups	685,160	0	0	3,000	688,160
Total Revenues	<u>\$ 44,234,839</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,543,759</u>	<u>\$ 53,778,598</u>
Expenditures					
Current:					
Instruction	\$ 23,548,840	\$ 0	\$ 0	\$ 2,747,928	\$ 26,296,768
Support Services	17,333,182	0	0	362,298	17,695,480
Operation of Non-Instructional Services	954,392	0	0	5,362,501	6,316,893
Capital Outlay	10,582	0	0	54,726	65,308
Debt Service:					
Other Debt Service	986,389	0	0	0	986,389

(Continued)

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

Discretely Presented Giles County School Department (Cont.)

	Major Funds			Nonmajor Funds	
	General Purpose School	Formerly Major School Federal Projects	Other Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Expenditures (Cont.)					
Capital Projects	\$ 0	\$ 0	\$ 8,232,041	\$ 159,507	\$ 8,391,548
Total Expenditures	\$ 42,833,385	\$ 0	\$ 8,232,041	\$ 8,686,960	\$ 59,752,386
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,401,454	\$ 0	\$ (8,232,041)	\$ 856,799	\$ (5,973,788)
Other Financing Sources (Uses)					
Insurance Recovery	\$ 21,806	\$ 0	\$ 0	\$ 6,017	\$ 27,823
Transfers In	941,564	0	3,500,000	0	4,441,564
Transfers Out	(3,500,000)	0	0	(941,564)	(4,441,564)
Total Other Financing Sources (Uses)	\$ (2,536,630)	\$ 0	\$ 3,500,000	\$ (935,547)	\$ 27,823
Net Change in Fund Balances	\$ (1,135,176)	\$ 0	\$ (4,732,041)	\$ (78,748)	\$ (5,945,965)
Change to or Within the Reporting Entity	0	(650,000)	0	650,000	0
Fund Balance, July 1, 2024	10,242,890	650,000	10,345,595	3,029,390	24,267,875
Fund Balance, June 30, 2025	\$ 9,107,714	\$ 0	\$ 5,613,554	\$ 3,600,642	\$ 18,321,910

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

Discretely Presented Giles County School Department

For the Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ (5,945,965)
(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	\$ 9,895,632	
Less: current-year depreciation expense	<u>(1,716,025)</u>	8,179,607
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2024	\$ (693,522)	
Add: deferred delinquent property taxes and other deferred June 30, 2025	<u>735,163</u>	41,641
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ 12,188	
Change in net pension asset/liability - agent plan	(119,469)	
Change in net OPEB liability	(319,521)	
Change in deferred outflows of resources related to pensions	(1,515,952)	
Change in deferred outflows of resources related to OPEB	(52,862)	
Change in deferred inflows of resources related to pensions	(1,629,927)	
Change in deferred inflows of resources related to OPEB	626,458	
Change in net pension asset - teacher retirement plan	118,303	
Change in net pension asset - teacher legacy pension plan	<u>2,272,241</u>	<u>(608,541)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,666,742</u>

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

Discretely Presented Giles County School Department

June 30, 2025

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Internal School	Total	Education Capital Projects	
ASSETS						
Cash	\$ 0	\$ 5	\$ 1,168,601	\$ 1,168,606	\$ 0	\$ 1,168,606
Equity in Pooled Cash and Investments	525,621	1,068,919	0	1,594,540	191,230	1,785,770
Inventories	0	121,287	0	121,287	0	121,287
Accounts Receivable	0	2,348	0	2,348	0	2,348
Due from Other Governments	204,616	448,927	0	653,543	0	653,543
Total Assets	\$ 730,237	\$ 1,641,486	\$ 1,168,601	\$ 3,540,324	\$ 191,230	\$ 3,731,554
LIABILITIES						
Payroll Deductions Payable	\$ 79,520	\$ 51,072	\$ 0	\$ 130,592	\$ 0	\$ 130,592
Other Withholding Taxes	270	0	0	270	0	270
Other Current Liabilities	50	0	0	50	0	50
Total Liabilities	\$ 79,840	\$ 51,072	\$ 0	\$ 130,912	\$ 0	\$ 130,912
FUND BALANCES						
Nonspendable:						
Inventory	\$ 0	\$ 121,287	\$ 0	\$ 121,287	\$ 0	\$ 121,287
Restricted:						
Restricted for Education	397	1,469,127	1,168,601	2,638,125	0	2,638,125
Committed:						
Committed for Education	650,000	0	0	650,000	0	650,000
Committed for Capital Outlay	0	0	0	0	191,230	191,230
Total Fund Balances	\$ 650,397	\$ 1,590,414	\$ 1,168,601	\$ 3,409,412	\$ 191,230	\$ 3,600,642
Total Liabilities and Fund Balances	\$ 730,237	\$ 1,641,486	\$ 1,168,601	\$ 3,540,324	\$ 191,230	\$ 3,731,554

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

Discretely Presented Giles County School Department

For the Year Ended June 30, 2025

	Special Revenue Funds				Capital Projects Fund	
	<i>Formerly Major School Federal Projects</i>	<i>Central Cafeteria</i>	<i>Internal School</i>	<i>Total</i>	<i>Education Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
Revenues						
Charges for Current Services	\$ 0	\$ 163,859	\$ 0	\$ 163,859	\$ 0	\$ 163,859
Other Local Revenues	0	39,685	1,986,789	2,026,474	0	2,026,474
State of Tennessee	0	20,873	0	20,873	0	20,873
Federal Government	4,114,512	3,215,041	0	7,329,553	0	7,329,553
Other Governments and Citizens Groups	0	3,000	0	3,000	0	3,000
Total Revenues	<u>\$ 4,114,512</u>	<u>\$ 3,442,458</u>	<u>\$ 1,986,789</u>	<u>\$ 9,543,759</u>	<u>\$ 0</u>	<u>\$ 9,543,759</u>
Expenditures						
Current:						
Instruction	\$ 2,747,928	\$ 0	\$ 0	\$ 2,747,928	\$ 0	\$ 2,747,928
Support Services	362,298	0	0	362,298	0	362,298
Operation of Non-Instructional Services	7,599	3,439,226	1,915,676	5,362,501	0	5,362,501
Capital Outlay	54,726	0	0	54,726	0	54,726
Capital Projects	0	0	0	0	159,507	159,507
Total Expenditures	<u>\$ 3,172,551</u>	<u>\$ 3,439,226</u>	<u>\$ 1,915,676</u>	<u>\$ 8,527,453</u>	<u>\$ 159,507</u>	<u>\$ 8,686,960</u>

(Continued)

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

Discretely Presented Giles County School Department (Cont.)

	Special Revenue Funds				Capital Projects Fund	
	<i>Formerly Major School Federal Projects</i>	<i>Central Cafeteria</i>	<i>Internal School</i>	<i>Total</i>	<i>Education Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
Excess (Deficiency) of Revenues Over Expenditures	\$ 941,961	\$ 3,232	\$ 71,113	\$ 1,016,306	\$ (159,507)	\$ 856,799
Other Financing Sources (Uses)						
Insurance Recovery	\$ 0	\$ 6,017	\$ 0	\$ 6,017	\$ 0	\$ 6,017
Transfers Out	(941,564)	0	0	(941,564)	0	(941,564)
Total Other Financing Sources (Uses)	\$ (941,564)	\$ 6,017	\$ 0	\$ (935,547)	\$ 0	\$ (935,547)
Net Change in Fund Balances	\$ 397	\$ 9,249	\$ 71,113	\$ 80,759	\$ (159,507)	\$ (78,748)
Change to or Within the Reporting Entity	650,000	0	0	650,000	0	650,000
Fund Balance, July 1, 2024	0	1,581,165	1,097,488	2,678,653	350,737	3,029,390
Fund Balance, June 30, 2025	\$ 650,397	\$ 1,590,414	\$ 1,168,601	\$ 3,409,412	\$ 191,230	\$ 3,600,642

GILES COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Giles County School Department
General Purpose School Fund
For the Year Ended June 30, 2025

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Local Taxes	\$ 13,858,177	\$ 10,644,035	\$ 10,644,035	\$ 3,214,142
Licenses and Permits	2,014	2,100	2,100	(86)
Charges for Current Services	89,004	87,600	87,600	1,404
Other Local Revenues	142,688	52,000	61,000	81,688
State of Tennessee	29,337,634	27,349,841	30,324,679	(987,045)
Federal Government	120,162	135,000	213,587	(93,425)
Other Governments and Citizens Groups	685,160	202,000	699,954	(14,794)
Total Revenues	<u>\$ 44,234,839</u>	<u>\$ 38,472,576</u>	<u>\$ 42,032,955</u>	<u>\$ 2,201,884</u>
Expenditures				
Instruction				
Regular Instruction Program	\$ 17,912,615	\$ 17,671,212	\$ 18,634,509	\$ 721,894
Special Education Program	3,840,620	3,683,552	3,980,666	140,046
Career and Technical Education Program	1,795,605	1,493,126	2,556,400	760,795
Support Services				
Attendance	180,627	183,981	184,281	3,654
Health Services	711,439	649,428	734,917	23,478
Other Student Support	1,116,768	997,519	1,191,463	74,695
Regular Instruction Program	1,181,159	1,270,790	1,267,790	86,631
Special Education Program	851,950	822,494	938,456	86,506
Career and Technical Education Program	170,841	192,961	196,561	25,720
Technology	1,002,607	631,689	1,096,845	94,238
Other Programs	191,165	0	191,165	0
Board of Education	1,037,513	1,024,595	1,088,989	51,476
Director of Schools	411,940	422,700	425,000	13,060
Office of the Principal	3,035,781	3,035,066	3,046,066	10,285
Operation of Plant	2,742,330	2,783,788	2,780,088	37,758
Maintenance of Plant	897,181	960,431	1,114,099	216,918
Transportation	3,801,881	2,505,427	4,082,110	280,229
Operation of Non-Instructional Services				
Community Services	230,770	250,000	249,999	19,229
Early Childhood Education	723,622	711,508	762,642	39,020

(Continued)

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

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Expenditures (Cont.)				
Capital Outlay				
Regular Capital Outlay	\$ 10,582	\$ 0	\$ 769,661	\$ 759,079
Other Debt Service				
Education	986,389	986,390	986,390	1
Total Expenditures	<u>\$ 42,833,385</u>	<u>\$ 40,276,657</u>	<u>\$ 46,278,097</u>	<u>\$ 3,444,712</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,401,454</u>	<u>\$ (1,804,081)</u>	<u>\$ (4,245,142)</u>	<u>\$ 5,646,596</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 21,806	\$ 0	\$ 21,806	\$ 0
Transfers In	941,564	0	941,563	1
Transfers Out	(3,500,000)	0	(3,500,000)	0
Total Other Financing Sources	<u>\$ (2,536,630)</u>	<u>\$ 0</u>	<u>\$ (2,536,631)</u>	<u>\$ 1</u>
Net Change in Fund Balance	\$ (1,135,176)	\$ (1,804,081)	\$ (6,781,773)	\$ 5,646,597
Fund Balance, July 1, 2024	<u>10,242,890</u>	<u>9,033,548</u>	<u>10,242,890</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 9,107,714</u></u>	<u><u>\$ 7,229,467</u></u>	<u><u>\$ 3,461,117</u></u>	<u><u>\$ 5,646,597</u></u>

GILES COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**Discretely Presented Giles County School Department
School Federal Projects Fund**For the Year Ended June 30, 2025**

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Federal Government	\$ 4,114,512	\$ 3,871,165	\$ 4,355,693	\$ (241,181)
Total Revenues	\$ 4,114,512	\$ 3,871,165	\$ 4,355,693	\$ (241,181)
Expenditures				
Instruction				
Regular Instruction Program	\$ 1,612,397	\$ 1,479,428	\$ 1,724,572	\$ 112,175
Special Education Program	1,011,302	1,013,724	1,039,161	27,859
Career and Technical Education Program	124,229	119,628	124,229	0
Support Services				
Other Student Support	46,321	35,837	57,375	11,054
Regular Instruction Program	216,485	186,405	268,578	52,093
Special Education Program	64,051	68,335	79,323	15,272
Career and Technical Education Program	3,524	6,000	3,524	0
Technology	11,470	12,000	11,484	14
Operation of Plant	20,447	160,300	43,058	22,611
Transportation	0	727,508	500	500
Operation of Non-Instructional Services				
Food Service	7,599	8,000	7,599	0
Capital Outlay				
Regular Capital Outlay	54,726	54,000	54,726	0
Total Expenditures	\$ 3,172,551	\$ 3,871,165	\$ 3,414,129	\$ 241,578
Excess (Deficiency) of Revenues Over Expenditures	\$ 941,961	\$ 0	\$ 941,564	\$ 397
Other Financing Sources (Uses)				
Transfers Out	\$ (941,564)	\$ 0	\$ (941,564)	\$ 0
Total Other Financing Sources	\$ (941,564)	\$ 0	\$ (941,564)	\$ 0
Net Change in Fund Balance	\$ 397	\$ 0	\$ 0	\$ 397
Changes to or Within the Financial Reporting Entity	650,000	0	0	650,000
Fund Balance, July 1, 2024	0	650,000	650,000	(650,000)
Fund Balance, June 30, 2025	\$ 650,397	\$ 650,000	\$ 650,000	\$ 397

GILES COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Giles County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2025

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Revenues				
Charges for Current Services	\$ 163,859	\$ 155,000	\$ 155,000	\$ 8,859
Other Local Revenues	39,685	72,500	72,500	(32,815)
State of Tennessee	20,873	21,500	21,500	(627)
Federal Government	3,215,041	2,420,400	2,420,400	794,641
Other Governments and Citizens Groups	3,000	0	3,000	0
Total Revenues	<u>\$ 3,442,458</u>	<u>\$ 2,669,400</u>	<u>\$ 2,672,400</u>	<u>\$ 770,058</u>
Expenditures				
Operation of Non-Instructional Services				
Food Service	\$ 3,439,226	\$ 3,454,653	\$ 3,569,708	\$ 130,482
Total Expenditures	<u>\$ 3,439,226</u>	<u>\$ 3,454,653</u>	<u>\$ 3,569,708</u>	<u>\$ 130,482</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 3,232</u>	<u>\$ (785,253)</u>	<u>\$ (897,308)</u>	<u>\$ 900,540</u>
Other Financing Sources (Uses)				
Insurance Recovery	\$ 6,017	\$ 0	\$ 6,017	\$ 0
Total Other Financing Sources	<u>\$ 6,017</u>	<u>\$ 0</u>	<u>\$ 6,017</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 9,249	\$ (785,253)	\$ (891,291)	\$ 900,540
Fund Balance, July 1, 2024	<u>1,581,165</u>	<u>1,583,235</u>	<u>1,581,165</u>	<u>0</u>
Fund Balance, June 30, 2025	<u><u>\$ 1,590,414</u></u>	<u><u>\$ 797,982</u></u>	<u><u>\$ 689,874</u></u>	<u><u>\$ 900,540</u></u>

GILES COUNTY, TENNESSEE**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget**Discretely Presented Giles County School Department
Education Capital Projects Fund**For the Year Ended June 30, 2025**

		Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Actual	Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Capital Projects				
Education Capital Projects	\$ 159,507	\$ 144,827	\$ 350,737	\$ 191,230
Total Expenditures	\$ 159,507	\$ 144,827	\$ 350,737	\$ 191,230
Excess (Deficiency) of Revenues Over Expenditures	\$ (159,507)	\$ (144,827)	\$ (350,737)	\$ 191,230
Net Change in Fund Balance	\$ (159,507)	\$ (144,827)	\$ (350,737)	\$ 191,230
Fund Balance, July 1, 2024	350,737	144,827	350,737	0
Fund Balance, June 30, 2025	\$ 191,230	\$ 0	\$ 0	\$ 191,230

GILES COUNTY, TENNESSEE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Giles County School Department
Other Education Capital Projects Fund
For the Year Ended June 30, 2025

		Budgeted Amounts		Variance
	Actual	Original	Final	with Final Budget - Positive (Negative)
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Capital Projects				
Education Capital Projects	\$ 8,232,041	\$ 14,454,641	\$ 13,845,595	\$ 5,613,554
Total Expenditures	\$ 8,232,041	\$ 14,454,641	\$ 13,845,595	\$ 5,613,554
Excess (Deficiency) of Revenues Over Expenditures	\$ (8,232,041)	\$ (14,454,641)	\$ (13,845,595)	\$ 5,613,554
Other Financing Sources (Uses)				
Transfers In	\$ 3,500,000	\$ 0	\$ 3,500,000	\$ 0
Total Other Financing Sources	\$ 3,500,000	\$ 0	\$ 3,500,000	\$ 0
Net Change in Fund Balance	\$ (4,732,041)	\$ (14,454,641)	\$ (10,345,595)	\$ 5,613,554
Fund Balance, July 1, 2024	10,345,595	14,454,641	10,345,595	0
Fund Balance, June 30, 2025	\$ 5,613,554	\$ 0	\$ 0	\$ 5,613,554

MISCELLANEOUS SCHEDULES

GILES COUNTY, TENNESSEE
Schedule of Changes in Long-term Bonds
For the Year Ended June 30, 2025

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-24	Paid and/or Matured During Period	Outstanding 6-30-25
BONDS PAYABLE							
Payable through General Debt Service Fund							
General Obligation School Bonds, Series 2024	\$ 7,990,000	4 to 5 %	3-28-24	4-1-34	\$ 7,990,000	\$ 710,000	\$ 7,280,000
Total Bonds Payable					\$ 7,990,000	\$ 710,000	\$ 7,280,000

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2026	\$ 660,000	\$ 345,050	\$ 1,005,050
2027	695,000	312,050	1,007,050
2028	730,000	277,300	1,007,300
2029	765,000	240,800	1,005,800
2030	805,000	202,550	1,007,550
2031	845,000	162,300	1,007,300
2032	885,000	120,050	1,005,050
2033	930,000	75,800	1,005,800
2034	965,000	38,600	1,003,600
Total	\$ 7,280,000	\$ 1,774,500	\$ 9,054,500

GILES COUNTY, TENNESSEE
Schedule of Changes in Leases Receivable
For the Year Ended June 30, 2025

Description	Debtor	Original Amount of Lease	Date of Issue	Date of Maturity	Interest Rate		Balance 7-1-24	Deductions	Balance 6-30-25
General Fund									
Annex Building Lease	Truist Bank	\$ 300,060	10-17-22	10-17-27	4.75	%	\$ 207,012	\$ 58,707	\$ 148,305
Total Leases Receivable							\$ 207,012	\$ 58,707	\$ 148,305

GILES COUNTY, TENNESSEE**Schedule of Transfers**

Discretely Presented Giles County School Department

For the Year Ended June 30, 2025

From Fund	To Fund	Purpose	Amount
General Purpose School	Other Education Capital Projects	Capital projects	\$ 3,500,000
School Federal Projects	General Purpose School	ESSER projects	<u>941,564</u>
Total Transfers Discretely Presented Giles County School Department			<u><u>\$ 4,441,564</u></u>

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

Primary Government and Discretely Presented Giles County School Department

For the Year Ended June 30, 2025

Official	Salary	Authorization	Bond	Surety
County Executive		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 110,015</u>			
Highway Commissioner - Barry Hyatt (7/1/24 - 8/31/24)		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 17,463</u>			
Highway Commissioner - Gene Barnickle (9/1/24 - 6/30/25)		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 87,313</u>			
Total Highway Commissioner compensation	<u>\$ 104,776</u>			
Director of Schools		State Board of Education and County Board of Education	(1)	Local Government Property and Casualty Fund
Base salary	\$ 126,289			
Chief executive officers training supplement	1,000			
Total compensation	<u>\$ 127,289</u>			
Trustee		Section 8-24-102, <i>TCA</i>	\$ 2,000,000	Auto-Owners Mutual Insurance Company
Base salary/Total compensation	<u>\$ 95,251</u>			
Assessor of Property		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 95,251</u>			
County Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 95,251			
Certified public administrator supplement	177			
Total compensation	<u>\$ 95,428</u>			
Circuit and General Sessions Courts Clerk		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 95,251			
Certified public administrator supplement	177			
Total compensation	<u>\$ 95,428</u>			

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Salaries and Official Bonds of Principal Officials (Cont.)**

Official	Salary	Authorization	Bond	Surety
Clerk and Master		Section 8-24-102, <i>TCA</i> and	(1)	Local Government Property and Casualty Fund
Base salary	\$ 95,251	Chancery Court Judge		
Certified public administrator supplement	177			
Special commissioner fees	18,550			
Total compensation	<u>\$ 113,978</u>			
Register of Deeds		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 95,251			
Certified public administrator supplement	177			
Total compensation	<u>\$ 95,428</u>			
Sheriff - Kyle Helton (7/1/24 - 10/28/24)		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 34,160			
Law enforcement retention bonus	800			
Total compensation	<u>\$ 34,960</u>			
Sheriff - Joe Purvis (10/29/24 - 6/30/25)		Section 8-24-102, <i>TCA</i>	(1)	Local Government Property and Casualty Fund
Base salary	\$ 70,616			
Law enforcement training supplement	800			
Total compensation	<u>\$ 71,416</u>			
Total Sheriff compensation	<u>\$ 106,376</u>			
Administrator of Elections		Section 2-12-208, <i>TCA</i>		
Base salary/Total compensation	<u>\$ 85,726</u>			
Finance Director		County Commission	(1)	Local Government Property and Casualty Fund
Base salary/Total compensation	<u>\$ 105,302</u>			
Employee Blanket Bonds:				
Public Employee Dishonesty - County Departments			400,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Department			500,000	"

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

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Drug Control	Constitutional - Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Local Taxes						
County Property Taxes						
Current Property Tax	\$ 9,426,865	\$ 0	\$ 0	\$ 2,276,254	\$ 0	\$ 0
Trustee's Collections - Prior Year	229,189	0	0	55,341	0	0
Trustee's Collections - Bankruptcy	119	0	0	29	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	61,084	0	0	14,750	0	0
Interest and Penalty	50,340	0	0	12,156	0	0
Payments in-Lieu-of Taxes - Local Utilities	297,592	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	103	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	500,000	0	0	0	0	0
Hotel/Motel Tax	233,507	0	0	0	0	0
Litigation Tax - General	89,466	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	162,041	0	0	0	0	0
Business Tax	420,258	0	0	0	0	0
Mixed Drink Tax	1,895	0	0	0	0	0
Mineral Severance Tax	0	0	0	26,971	0	0
Statutory Local Taxes						
Bank Excise Tax	245,113	0	0	0	0	0
Wholesale Beer Tax	169,613	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Local Taxes (Cont.)						
Statutory Local Taxes (Cont.)						
Other Statutory Local Taxes	\$ 71	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Local Taxes	\$ 11,887,256	\$ 0	\$ 0	\$ 2,385,501	\$ 0	\$ 0
Licenses and Permits						
Licenses						
Animal Registration	\$ 2,136	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Animal Vaccination	224	0	0	0	0	0
Cable TV Franchise	14,227	0	0	0	0	0
Permits						
Beer Permits	4,173	0	0	0	0	0
Total Licenses and Permits	\$ 20,760	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Officers Costs	\$ 7,813	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Drug Control Fines	895	13,297	0	0	0	0
Drug Court Fees	1,439	0	0	0	0	0
Jail Fees	12	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Fines, Forfeitures, and Penalties (Cont.)						
Circuit Court (Cont.)						
DUI Treatment Fines	\$ 1,330	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - Circuit Court	950	0	0	0	0	0
Courtroom Security Fee	17	0	0	0	0	0
General Sessions Court						
Fines	1,278	0	0	0	0	0
Fines for Littering	48	0	0	0	0	0
Officers Costs	21,019	0	0	0	0	0
Game and Fish Fines	214	0	0	0	0	0
Drug Court Fees	200	0	0	0	0	0
Jail Fees	24	0	0	0	0	0
DUI Treatment Fines	190	0	0	0	0	0
Data Entry Fee - General Sessions Court	9,644	0	0	0	0	0
Chancery Court						
Officers Costs	663	0	0	0	0	0
Data Entry Fee - Chancery Court	2,210	0	0	0	0	0
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	0	53,843	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 47,946	\$ 67,140	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Charges for Current Services						
General Service Charges						
Surcharge - Waste Tire Disposal	\$ 6,524	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Patient Charges	2,492,437	0	0	0	0	0
Service Charges	150	0	0	0	0	0
Fees						
Copy Fees	514	0	0	0	0	0
Archives and Records Management Fee	14,772	0	0	0	0	0
Greenbelt Late Application Fee	200	0	0	0	0	0
Telephone Commissions	60,557	0	0	0	0	0
Additional Fees - Titling and Registration	29,091	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	19,360	0	0	0
Data Processing Fee - Register	9,698	0	0	0	0	0
Data Processing Fee - Sheriff	1,165	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	4,510	0	0	0	0	0
Data Processing Fee - County Clerk	4,176	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	6,370	0	0	0	0	0
Total Charges for Current Services	\$ 2,630,164	\$ 0	\$ 19,360	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
			Constitu -	Highway /	General	General
	General	Drug Control	tional Officers - Fees	Public Works	Debt Service	Capital Projects
Other Local Revenues						
Recurring Items						
Investment Income	\$ 1,244,814	\$ 0	\$ 0	\$ 0	\$ 417,447	\$ 0
Lease/Rentals/PPP	121,752	0	0	0	0	0
Lease/PPP Interest	8,565	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	480	0	0
Commissary Sales	18,109	0	0	0	0	0
Sale of Recycled Materials	38,500	0	0	878	0	0
Rebates	279	0	0	0	0	0
Miscellaneous Refunds	15,496	1,190	0	396	0	0
Nonrecurring Items						
Sale of Equipment	22,264	0	0	4,252	0	77,903
Sale of Property	38,500	0	0	0	0	0
Damages Recovered from Individuals	100	0	0	0	0	0
Contributions and Gifts	7,973	0	0	0	0	0
Performance Bond Forfeitures	4,512	0	0	0	0	0
Other Local Revenues						
Other Local Revenues	0	0	0	0	2,929	0
Total Other Local Revenues	\$ 1,520,864	\$ 1,190	\$ 0	\$ 6,006	\$ 420,376	\$ 77,903

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	\$ 450,110	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	54,402	0	0	0	0	0
General Sessions Court Clerk	180,558	0	0	0	0	0
Clerk and Master	96,043	0	0	0	0	0
Register	158,417	0	0	0	0	0
Sheriff	15,933	0	0	0	0	0
Trustee	659,062	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 1,614,525</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
State of Tennessee						
General Government Grants						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety Grants						
Law Enforcement Training Programs	60,000	0	0	0	0	0
School Resource Officer Grants	600,000	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	191,080	0	0	0	0	0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
State of Tennessee (Cont.)						
Public Works Grants						
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 938,467	\$ 0	\$ 0
Litter Program	54,979	0	0	0	0	0
Other State Revenues						
Beer Tax	17,752	0	0	0	0	0
Vehicle Certificate of Title Fees	8,014	0	0	0	0	0
Alcoholic Beverage Tax	103,947	0	0	0	0	0
Opioid Settlement Funds - TN Abatement Council	110,318	0	0	0	0	0
State Revenue Sharing - Telecommunications	51,171	0	0	0	0	0
State Shared Sports Gaming Privilege Tax	42,684	0	0	0	0	0
Contracted Prisoner Boarding	469,733	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	2,832,602	0	0
Hybrid/Electric Vehicle Registration Fee	0	0	0	34,142	0	0
Petroleum Special Tax	0	0	0	20,107	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	200,421	0	0	0	0	0
Other State Revenues	68,248	0	0	0	0	0
Total State of Tennessee	\$ 2,002,511	\$ 0	\$ 0	\$ 3,825,318	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects
Federal Government						
Federal Through State						
Homeland Security Grants	\$ 113,545	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
American Rescue Plan Act Grant #1	23,629	0	0	0	0	0
American Rescue Plan Act Grant #2	30,057	0	0	0	0	0
American Rescue Plan Act Grant #3	163,482	0	0	0	0	0
American Rescue Plan Act Grant #4	0	0	0	0	0	948,630
American Rescue Plan Act Grant #5	0	0	0	0	0	19,575
Other Federal through State	132,836	0	0	0	0	0
Direct Federal Revenue						
Other Direct Federal Revenue	3,800	0	0	0	0	0
Total Federal Government	<u>\$ 467,349</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 968,205</u>
Other Governments and Citizens Groups						
Other Governments						
Paving and Maintenance	\$ 0	\$ 0	\$ 0	\$ 48,434	\$ 0	\$ 0
Contributions	111,500	0	0	0	986,389	2,175
Contracted Services	7,050	0	0	0	0	0
Other						
Opioid Settlement Funds - Past Remediation	67,911	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 186,461</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 48,434</u>	<u>\$ 986,389</u>	<u>\$ 2,175</u>
Total	<u>\$ 20,377,836</u>	<u>\$ 68,330</u>	<u>\$ 19,360</u>	<u>\$ 6,265,259</u>	<u>\$ 1,406,765</u>	<u>\$ 1,048,283</u>

(Continued)

GILES 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	\$ 0	\$ 11,703,119
Trustee's Collections - Prior Year	0	284,530
Trustee's Collections - Bankruptcy	2	150
Circuit Clerk/Clerk and Master Collections - Prior Years	0	75,834
Interest and Penalty	1	62,497
Payments in-Lieu-of Taxes - Local Utilities	0	297,592
Payments in-Lieu-of Taxes - Other	0	103
County Local Option Taxes		
Local Option Sales Tax	1,073,286	1,573,286
Hotel/Motel Tax	0	233,507
Litigation Tax - General	0	89,466
Litigation Tax - Jail, Workhouse, or Courthouse	0	162,041
Business Tax	0	420,258
Mixed Drink Tax	0	1,895
Mineral Severance Tax	0	26,971
Statutory Local Taxes		
Bank Excise Tax	0	245,113
Wholesale Beer Tax	0	169,613

(Continued)

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

	Capital Projects Fund		
	Other Capital Projects		Total
Local Taxes (Cont.)			
Statutory Local Taxes (Cont.)			
Other Statutory Local Taxes	\$	0	\$ 71
Total Local Taxes	\$	1,073,289	\$ 15,346,046
Licenses and Permits			
Licenses			
Animal Registration	\$	0	\$ 2,136
Animal Vaccination		0	224
Cable TV Franchise		0	14,227
Permits			
Beer Permits		0	4,173
Total Licenses and Permits	\$	0	\$ 20,760
Fines, Forfeitures, and Penalties			
Circuit Court			
Officers Costs	\$	0	\$ 7,813
Drug Control Fines		0	14,192
Drug Court Fees		0	1,439
Jail Fees		0	12

(Continued)

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

	Capital Projects Fund		
	Other Capital Projects		Total
Fines, Forfeitures, and Penalties (Cont.)			
Circuit Court (Cont.)			
DUI Treatment Fines	\$	0	\$ 1,330
Data Entry Fee - Circuit Court		0	950
Courtroom Security Fee		0	17
General Sessions Court			
Fines		0	1,278
Fines for Littering		0	48
Officers Costs		0	21,019
Game and Fish Fines		0	214
Drug Court Fees		0	200
Jail Fees		0	24
DUI Treatment Fines		0	190
Data Entry Fee - General Sessions Court		0	9,644
Chancery Court			
Officers Costs		0	663
Data Entry Fee - Chancery Court		0	2,210
Other Fines, Forfeitures, and Penalties			
Proceeds from Confiscated Property		0	53,843
Total Fines, Forfeitures, and Penalties	\$	0	\$ 115,086

(Continued)

GILES 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			
Surcharge - Waste Tire Disposal	\$ 0	\$	6,524
Patient Charges	0		2,492,437
Service Charges	0		150
Fees			
Copy Fees	0		514
Archives and Records Management Fee	0		14,772
Greenbelt Late Application Fee	0		200
Telephone Commissions	0		60,557
Additional Fees - Titling and Registration	0		29,091
Constitutional Officers' Fees and Commissions	0		19,360
Data Processing Fee - Register	0		9,698
Data Processing Fee - Sheriff	0		1,165
Sexual Offender Registration Fee - Sheriff	0		4,510
Data Processing Fee - County Clerk	0		4,176
Vehicle Insurance Coverage and Reinstatement Fees	0		6,370
Total Charges for Current Services	\$ 0	\$	2,649,524

(Continued)

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

	Capital Projects Fund		
	Other Capital Projects		Total
Other Local Revenues			
Recurring Items			
Investment Income	\$	0	\$ 1,662,261
Lease/Rentals/PPP		0	121,752
Lease/PPP Interest		0	8,565
Sale of Materials and Supplies		0	480
Commissary Sales		0	18,109
Sale of Recycled Materials		0	39,378
Rebates		0	279
Miscellaneous Refunds		0	17,082
Nonrecurring Items			
Sale of Equipment		0	104,419
Sale of Property		0	38,500
Damages Recovered from Individuals		0	100
Contributions and Gifts		0	7,973
Performance Bond Forfeitures		0	4,512
Other Local Revenues			
Other Local Revenues		0	2,929
Total Other Local Revenues	\$	0	\$ 2,026,339

(Continued)

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

	Capital Projects Fund		
	Other Capital Projects		Total
Fees Received From County Officials			
Fees In-Lieu-of Salary			
County Clerk	\$	0	\$ 450,110
Circuit Court Clerk		0	54,402
General Sessions Court Clerk		0	180,558
Clerk and Master		0	96,043
Register		0	158,417
Sheriff		0	15,933
Trustee		0	659,062
Total Fees Received From County Officials	<u>\$</u>	<u>0</u>	<u>\$ 1,614,525</u>
State of Tennessee			
General Government Grants			
Juvenile Services Program	\$	0	\$ 9,000
Public Safety Grants			
Law Enforcement Training Programs		0	60,000
School Resource Officer Grants		0	600,000
Health and Welfare Grants			
Health Department Programs		0	191,080

(Continued)

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

	Capital Projects Fund		
	Other Capital Projects		Total
State of Tennessee (Cont.)			
Public Works Grants			
State Aid Program	\$	0	\$ 938,467
Litter Program		0	54,979
Other State Revenues			
Beer Tax		0	17,752
Vehicle Certificate of Title Fees		0	8,014
Alcoholic Beverage Tax		0	103,947
Opioid Settlement Funds - TN Abatement Council		0	110,318
State Revenue Sharing - Telecommunications		0	51,171
State Shared Sports Gaming Privilege Tax		0	42,684
Contracted Prisoner Boarding		0	469,733
Gasoline and Motor Fuel Tax		0	2,832,602
Hybrid/Electric Vehicle Registration Fee		0	34,142
Petroleum Special Tax		0	20,107
Registrar's Salary Supplement		0	15,164
Other State Grants		0	200,421
Other State Revenues		0	68,248
Total State of Tennessee	\$	0	\$ 5,827,829

(Continued)

GILES 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	\$ 113,545
American Rescue Plan Act Grant #1		0	23,629
American Rescue Plan Act Grant #2		0	30,057
American Rescue Plan Act Grant #3		0	163,482
American Rescue Plan Act Grant #4		0	948,630
American Rescue Plan Act Grant #5		0	19,575
Other Federal through State		0	132,836
Direct Federal Revenue			
Other Direct Federal Revenue		0	3,800
Total Federal Government	\$	0	\$ 1,435,554
Other Governments and Citizens Groups			
Other Governments			
Paving and Maintenance	\$	0	\$ 48,434
Contributions		0	1,100,064
Contracted Services		0	7,050
Other			
Opioid Settlement Funds - Past Remediation		0	67,911
Total Other Governments and Citizens Groups	\$	0	\$ 1,223,459
Total	\$	1,073,289	\$ 30,259,122

GILES COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Giles County School Department

For the Year Ended June 30, 2025

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Local Taxes					
County Property Taxes					
Current Property Tax	\$ 6,773,867	\$ 0	\$ 0	\$ 0	\$ 6,773,867
Trustee's Collections - Prior Year	164,688	0	0	0	164,688
Trustee's Collections - Bankruptcy	87	0	0	0	87
Circuit Clerk/Clerk and Master Collections - Prior Years	43,893	0	0	0	43,893
Interest and Penalty	36,175	0	0	0	36,175
Payments in-Lieu-of Taxes - Other	148,212	0	0	0	148,212
County Local Option Taxes					
Local Option Sales Tax	6,662,854	0	0	0	6,662,854
Mixed Drink Tax	28,401	0	0	0	28,401
Total Local Taxes	<u>\$ 13,858,177</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,858,177</u>
Licenses and Permits					
Licenses					
Marriage Licenses	\$ 2,014	\$ 0	\$ 0	\$ 0	\$ 2,014
Total Licenses and Permits	<u>\$ 2,014</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,014</u>

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Charges for Current Services					
Fees					
Copy Fees	\$ 56	\$ 0	\$ 0	\$ 0	\$ 56
Education Charges					
Tuition - Out-of-state Systems	500	0	0	0	500
Lunch Payments - Adults	0	0	31,875	0	31,875
Income from Breakfast	0	0	1,260	0	1,260
A la Carte Sales	0	0	130,724	0	130,724
Receipts from Individual Schools	82,900	0	0	0	82,900
Other Charges for Services	5,548	0	0	0	5,548
Total Charges for Current Services	\$ 89,004	\$ 0	\$ 163,859	\$ 0	\$ 252,863
Other Local Revenues					
Recurring Items					
Investment Income	\$ 71,110	\$ 0	\$ 38,185	\$ 0	\$ 109,295
Sale of Materials and Supplies	10	0	0	0	10
Sale of Recycled Materials	73	0	0	0	73
Rebates	0	0	1,067	0	1,067
Miscellaneous Refunds	32,933	0	58	0	32,991

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Other Local Revenues (Cont.)					
Nonrecurring Items					
Sale of Equipment	\$ 28,048	\$ 0	\$ 375	\$ 0	\$ 28,423
Damages Recovered from Individuals	405	0	0	0	405
Contributions and Gifts	9,802	0	0	0	9,802
Other Local Revenues					
Other Local Revenues	307	0	0	1,986,789	1,987,096
Total Other Local Revenues	<u>\$ 142,688</u>	<u>\$ 0</u>	<u>\$ 39,685</u>	<u>\$ 1,986,789</u>	<u>\$ 2,169,162</u>
State of Tennessee					
General Government Grants					
On-behalf Contributions for OPEB	\$ 191,165	\$ 0	\$ 0	\$ 0	\$ 191,165
State Education Funds					
Tennessee Investment in Student Achievement	26,363,189	0	0	0	26,363,189
TISA - On-behalf Payments	45,163	0	0	0	45,163
Early Childhood Education	511,216	0	0	0	511,216
School Food Service	0	0	20,873	0	20,873
Driver Education	16,133	0	0	0	16,133
Other State Education Funds	569,318	0	0	0	569,318

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
State of Tennessee (Cont.)					
State Education Funds (Cont.)					
Paid Parental Leave	\$ 54,962	\$ 0	\$ 0	\$ 0	\$ 54,962
Career Ladder Program	43,872	0	0	0	43,872
Other Vocational	519,445	0	0	0	519,445
Other State Revenues					
State Revenue Sharing - T.V.A.	931,827	0	0	0	931,827
Other State Grants	91,344	0	0	0	91,344
Total State of Tennessee	<u>\$ 29,337,634</u>	<u>\$ 0</u>	<u>\$ 20,873</u>	<u>\$ 0</u>	<u>\$ 29,358,507</u>
Federal Government					
Federal Through State					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,045,220	\$ 0	\$ 2,045,220
USDA - Commodities	0	0	215,397	0	215,397
Breakfast	0	0	907,010	0	907,010
USDA - Other	0	0	47,414	0	47,414
Vocational Education - Basic Grants to States	0	151,577	0	0	151,577
Title I Grants to Local Education Agencies	0	1,205,725	0	0	1,205,725
Special Education - Grants to States	61,519	1,030,849	0	0	1,092,368

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Revenues -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

	Special Revenue Funds				
	General Purpose School	School Federal Projects	Central Cafeteria	Internal School	Total
Federal Government (Cont.)					
Federal Through State (Cont.)					
Special Education Preschool Grants	\$ 0	\$ 44,505	\$ 0	\$ 0	\$ 44,505
English Language Acquisition Grants	0	7,427	0	0	7,427
Rural Education	0	81,825	0	0	81,825
Eisenhower Professional Development State Grants	0	295,821	0	0	295,821
American Rescue Plan Act Grant #1	0	1,187,582	0	0	1,187,582
Other Federal through State	58,643	109,201	0	0	167,844
Total Federal Government	<u>\$ 120,162</u>	<u>\$ 4,114,512</u>	<u>\$ 3,215,041</u>	<u>\$ 0</u>	<u>\$ 7,449,715</u>
Other Governments and Citizens Groups					
Other Governments					
Contributions	\$ 685,160	\$ 0	\$ 3,000	\$ 0	\$ 688,160
Total Other Governments and Citizens Groups	<u>\$ 685,160</u>	<u>\$ 0</u>	<u>\$ 3,000</u>	<u>\$ 0</u>	<u>\$ 688,160</u>
Total	<u>\$ 44,234,839</u>	<u>\$ 4,114,512</u>	<u>\$ 3,442,458</u>	<u>\$ 1,986,789</u>	<u>\$ 53,778,598</u>

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	59,245	
Social Security		3,354	
Employer Medicare		859	
Dues and Memberships		3,421	
Other Contracted Services		3,720	
Food Supplies		150	
Other Supplies and Materials		24	
Total County Commission			\$ 70,773

County Mayor/Executive

County Official/Administrative Officer	\$	110,015	
Secretary(ies)		42,866	
Other Salaries and Wages		69,458	
Social Security		12,800	
Pensions		15,520	
Medical Insurance		25,620	
Employer Medicare		3,083	
Advertising		3,597	
Communication		1,103	
Dues and Memberships		2,118	
Other Contracted Services		19,140	
Other Supplies and Materials		1,277	
In Service/Staff Development		99	
Other Charges		22	
Total County Mayor/Executive			306,718

County Attorney

Legal Services	\$	34,534	
Total County Attorney			34,534

Election Commission

County Official/Administrative Officer	\$	85,726	
Deputy(ies)		73,500	
Election Commission		2,915	
Election Workers		48,110	
Social Security		9,872	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Pensions	\$	11,433	
Medical Insurance		18,000	
Employer Medicare		2,489	
Communication		427	
Data Processing Services		6,143	
Legal Notices, Recording, and Court Costs		4,632	
Maintenance Agreements		1,152	
Postal Charges		4,636	
Travel		166	
Other Contracted Services		37,008	
Other Supplies and Materials		6,808	
Liability Insurance		4,148	
Other Charges		400	
Total Election Commission			\$ 317,565

Register of Deeds

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		33,201	
Other Salaries and Wages		21,394	
Social Security		8,735	
Pensions		10,709	
Medical Insurance		25,620	
Employer Medicare		2,043	
Data Processing Services		8,670	
Dues and Memberships		907	
Maintenance Agreements		1,187	
Postal Charges		385	
Travel		198	
Other Supplies and Materials		1,016	
In Service/Staff Development		867	
Total Register of Deeds			210,183

Planning

Board and Committee Members Fees	\$	3,440	
Social Security		188	
Employer Medicare		50	
Total Planning			3,678

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

Custodial Personnel	\$	132,867	
Social Security		8,005	
Pensions		9,303	
Medical Insurance		34,405	
Employer Medicare		1,872	
Communication		38,151	
Consultants		59,103	
Data Processing Services		11,302	
Maintenance Agreements		10,479	
Maintenance and Repair Services - Buildings		43,354	
Maintenance and Repair Services - Equipment		14,223	
Maintenance and Repair Services - Vehicles		282	
Pest Control		5,587	
Internet Connectivity		4,293	
Rentals		460	
Disposal Fees		1,386	
Other Contracted Services		16,444	
Custodial Supplies		15,019	
Electricity		66,490	
Gasoline		704	
Natural Gas		7,151	
Water and Sewer		3,098	
Other Supplies and Materials		1,642	
Building Improvements		65,346	
Furniture and Fixtures		7,597	
Other Equipment		3,729	
Total County Buildings			\$ 562,292

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	105,302
Accountants/Bookkeepers		276,631
Social Security		22,864
Pensions		27,423
Medical Insurance		47,238
Employer Medicare		5,347

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Advertising	\$	6,380	
Audit Services		13,352	
Communication		2,791	
Data Processing Services		43,643	
Maintenance Agreements		1,265	
Postal Charges		4,248	
Travel		39	
Disposal Fees		188	
Other Supplies and Materials		7,019	
In Service/Staff Development		900	
Data Processing Equipment		1,797	
Furniture and Fixtures		93	
Other Equipment		190	
Total Accounting and Budgeting			\$ 566,710

Property Assessor's Office

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		250,298	
Board and Committee Members Fees		2,250	
Social Security		20,463	
Pensions		24,810	
Medical Insurance		60,865	
Employer Medicare		4,786	
Audit Services		18,250	
Data Processing Services		12,002	
Dues and Memberships		1,970	
Maintenance Agreements		3,388	
Maintenance and Repair Services - Vehicles		1,600	
Postal Charges		2,500	
Travel		261	
Other Contracted Services		2,870	
Gasoline		2,196	
Tires and Tubes		25	
Other Supplies and Materials		4,470	
In Service/Staff Development		1,310	
Other Charges		38	
Total Property Assessor's Office			509,603

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		79,183	
Part-time Personnel		2,780	
Social Security		10,673	
Pensions		12,525	
Medical Insurance		27,000	
Employer Medicare		2,496	
Advertising		103	
Data Processing Services		13,666	
Dues and Memberships		917	
Maintenance Agreements		1,183	
Postal Charges		2,639	
Printing, Stationery, and Forms		11,203	
Travel		1,038	
Other Supplies and Materials		2,731	
In Service/Staff Development		1,698	
Furniture and Fixtures		174	
Office Equipment		17,529	
Total County Trustee's Office			\$ 282,789

County Clerk's Office

County Official/Administrative Officer	\$	95,251
Deputy(ies)		266,834
Part-time Personnel		26,852
Social Security		23,315
Pensions		26,787
Medical Insurance		57,000
Employer Medicare		5,453
Communication		824
Data Processing Services		26,270
Dues and Memberships		922
Legal Notices, Recording, and Court Costs		495
Maintenance Agreements		702
Postal Charges		14,469
Travel		1,233
Disposal Fees		188

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Other Supplies and Materials	\$	7,229	
In Service/Staff Development		1,295	
Criminal Investigation of Applicants - TBI		186	
Other Charges		19	
Total County Clerk's Office			\$ 555,324

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		364,929	
Other Salaries and Wages		7,800	
Jury and Witness Expense		6,957	
Social Security		27,999	
Pensions		33,040	
Medical Insurance		88,200	
Employer Medicare		6,548	
Communication		1,073	
Data Processing Services		34,353	
Dues and Memberships		1,152	
Maintenance Agreements		2,491	
Postal Charges		4,223	
Travel		106	
Other Contracted Services		880	
Other Supplies and Materials		11,257	
In Service/Staff Development		400	
Other Charges		19	
Data Processing Equipment		20,340	
Total Circuit Court			707,018

General Sessions Court

Judge(s)	\$	171,695	
Other Salaries and Wages		36,683	
Social Security		12,795	
Pensions		14,961	
Medical Insurance		14,250	
Employer Medicare		2,992	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Dues and Memberships	\$	1,134	
Postal Charges		73	
Other Contracted Services		1,520	
Other Supplies and Materials		860	
In Service/Staff Development		438	
Other Charges		110	
Total General Sessions Court			\$ 257,511

Chancery Court

County Official/Administrative Officer	\$	95,251	
Deputy(ies)		86,230	
Other Salaries and Wages		1,544	
Social Security		10,666	
Pensions		12,827	
Medical Insurance		32,370	
Employer Medicare		2,495	
Data Processing Services		12,376	
Dues and Memberships		1,142	
Maintenance Agreements		1,188	
Postal Charges		1,200	
Travel		207	
Other Contracted Services		100	
Other Supplies and Materials		3,269	
In Service/Staff Development		1,123	
Other Charges		35	
Data Processing Equipment		13,363	
Total Chancery Court			275,386

Judicial Commissioners

Other Salaries and Wages	\$	41,788	
Social Security		2,591	
Pensions		1,796	
Employer Medicare		606	
Dues and Memberships		100	
Total Judicial Commissioners			46,881

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Courtroom Security

Deputy(ies)	\$	194,717	
Social Security		11,763	
Pensions		13,981	
Medical Insurance		30,523	
Employer Medicare		2,751	
Total Courtroom Security			\$ 253,735

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	104,776
Supervisor/Director		37,171
Deputy(ies)		604,640
Investigator(s)		254,588
Captain(s)		119,426
Lieutenant(s)		184,925
Sergeant(s)		227,524
Accountants/Bookkeepers		83,979
Salary Supplements		71,000
Clerical Personnel		61,986
School Resource Officer		525,869
Overtime Pay		136,127
Social Security		145,613
Pensions		167,862
Medical Insurance		362,116
Employer Medicare		34,055
Communication		29,240
Consultants		2,500
Dues and Memberships		3,210
Evaluation and Testing		1,575
Licenses		65
Maintenance Agreements		23,432
Maintenance and Repair Services - Equipment		1,284
Maintenance and Repair Services - Vehicles		31,043
Postal Charges		407
Internet Connectivity		2,045
Towing Services		1,475

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Travel	\$	6,442	
Disposal Fees		1,911	
Gasoline		122,618	
Law Enforcement Supplies		1,116	
Tires and Tubes		11,296	
Uniforms		18,359	
Other Supplies and Materials		10,683	
In Service/Staff Development		37,661	
Other Charges		666	
Furniture and Fixtures		1,024	
Law Enforcement Equipment		90,433	
Motor Vehicles		173,070	
Other Equipment		3,679	
Total Sheriff's Department			\$ 3,696,891

Traffic Control

Maintenance and Repair Services - Equipment	\$	270	
Electricity		1,908	
Total Traffic Control			2,178

Administration of the Sexual Offender Registry

Clerical Personnel	\$	13,612	
Social Security		823	
Pensions		977	
Medical Insurance		2,250	
Employer Medicare		192	
Total Administration of the Sexual Offender Registry			17,854

Jail

Supervisor/Director	\$	59,656	
Deputy(ies)		50,855	
Lieutenant(s)		52,909	
Sergeant(s)		178,131	
Salary Supplements		9,000	
Guards		916,949	
Maintenance Personnel		57,351	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Overtime Pay	\$	69,313	
Other Salaries and Wages		90,836	
Social Security		89,878	
Pensions		97,205	
Medical Insurance		192,072	
Employer Medicare		21,020	
Evaluation and Testing		1,625	
Maintenance Agreements		44,634	
Maintenance and Repair Services - Buildings		41,308	
Maintenance and Repair Services - Equipment		3,229	
Maintenance and Repair Services - Vehicles		559	
Medical and Dental Services		439,229	
Travel		1,419	
Disposal Fees		1,295	
Other Contracted Services		23,923	
Custodial Supplies		11,631	
Electricity		75,588	
Food Supplies		332,725	
Natural Gas		18,486	
Prisoners Clothing		613	
Tires and Tubes		262	
Uniforms		2,721	
Water and Sewer		34,417	
Other Supplies and Materials		3,853	
In Service/Staff Development		2,447	
Heating and Air Conditioning Equipment		105,500	
Motor Vehicles		36,951	
Office Equipment		786	
Other Equipment		11,336	
Total Jail			\$ 3,079,712

Juvenile Services

Supervisor/Director	\$	55,272
Other Salaries and Wages		5,931
Social Security		3,761
Pensions		4,394

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Medical Insurance	\$	9,000	
Employer Medicare		880	
Travel		535	
Other Charges		439	
Total Juvenile Services			\$ 80,212

Rescue Squad

Contributions	\$	289,433	
Total Rescue Squad			289,433

Other Emergency Management

County Official/Administrative Officer	\$	91,541	
Assistant(s)		63,648	
Clerical Personnel		40,922	
Part-time Personnel		8,318	
Overtime Pay		920	
Social Security		12,416	
Pensions		14,744	
Medical Insurance		18,045	
Employer Medicare		2,904	
Communication		6,851	
Data Processing Services		2,500	
Dues and Memberships		415	
Maintenance Agreements		1,223	
Maintenance and Repair Services - Buildings		16,248	
Maintenance and Repair Services - Equipment		4,322	
Maintenance and Repair Services - Vehicles		7,330	
Postal Charges		100	
Internet Connectivity		2,039	
Travel		1,179	
Disposal Fees		1,223	
Other Contracted Services		22,650	
Custodial Supplies		401	
Electricity		7,004	
Gasoline		7,891	
Instructional Supplies and Materials		352	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Natural Gas	\$	938	
Propane Gas		40	
Tires and Tubes		2,994	
Uniforms		1,760	
Water and Sewer		706	
Software		1,131	
Other Supplies and Materials		20,347	
In Service/Staff Development		4,782	
Other Charges		1,459	
Communication Equipment		12,501	
Furniture and Fixtures		9,218	
Other Equipment		10,068	
Total Other Emergency Management			\$ 401,130

County Coroner/Medical Examiner

Medical and Dental Services	\$	106,575	
Other Contracted Services		45,211	
Total County Coroner/Medical Examiner			151,786

Public Health and Welfare

Local Health Center

Communication	\$	6,196	
Dues and Memberships		550	
Janitorial Services		13,119	
Maintenance and Repair Services - Buildings		1,921	
Disposal Fees		626	
Other Contracted Services		20,975	
Electricity		8,739	
Natural Gas		1,068	
Water and Sewer		723	
Other Supplies and Materials		543	
Other Charges		1,009	
Furniture and Fixtures		834	
Total Local Health Center			56,303

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control

Supervisor/Director	\$	44,061	
Part-time Personnel		55	
Other Salaries and Wages		25,094	
Social Security		4,032	
Pensions		3,193	
Medical Insurance		13,756	
Employer Medicare		943	
Communication		1,153	
Data Processing Services		391	
Licenses		370	
Maintenance and Repair Services - Buildings		2,179	
Maintenance and Repair Services - Vehicles		260	
Internet Connectivity		659	
Veterinary Services		8,681	
Other Contracted Services		5,000	
Animal Food and Supplies		2,294	
Custodial Supplies		1,616	
Drugs and Medical Supplies		5,751	
Electricity		2,385	
Gasoline		402	
Natural Gas		254	
Uniforms		880	
Water and Sewer		1,487	
Other Supplies and Materials		2,429	
In Service/Staff Development		250	
Total Rabies and Animal Control			\$ 127,575

Ambulance/Emergency Medical Services

Supervisor/Director	\$	77,648
Sergeant(s)		219,031
Medical Personnel		1,289,084
Salary Supplements		20,000
Secretary(ies)		39,627
Part-time Personnel		115,611
Overtime Pay		860,595
Social Security		158,498

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Pensions	\$	178,253	
Medical Insurance		281,916	
Employer Medicare		37,068	
Bank Charges		2,513	
Communication		12,676	
Data Processing Services		131,449	
Dues and Memberships		1,138	
Licenses		7,135	
Maintenance Agreements		32,846	
Maintenance and Repair Services - Buildings		10,695	
Maintenance and Repair Services - Equipment		7,504	
Maintenance and Repair Services - Vehicles		126,584	
Internet Connectivity		2,338	
Travel		4,195	
Tuition		2,927	
Remittance of Revenue Collected		51,440	
Disposal Fees		6,205	
Other Contracted Services		7,000	
Custodial Supplies		8,457	
Drugs and Medical Supplies		141,750	
Electricity		10,274	
Gasoline		101,257	
Natural Gas		2,128	
Propane Gas		700	
Tires and Tubes		11,112	
Uniforms		24,091	
Water and Sewer		1,646	
Software		17,126	
Other Supplies and Materials		10,107	
Refunds		12,331	
In Service/Staff Development		26,351	
Other Charges		460	
Communication Equipment		5,872	
Motor Vehicles		153,896	
Other Equipment		70,306	
Total Ambulance/Emergency Medical Services			\$ 4,281,840

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Welfare Services

Contributions	\$	12,000	
Pauper Burials		1,500	
Permits		1,100	
Other Contracted Services		854	
Total Other Local Welfare Services			\$ 15,454

Sanitation Management

Supervisor/Director	\$	70,199	
Social Security		4,298	
Pensions		5,040	
Medical Insurance		7,620	
Employer Medicare		1,005	
Advertising		740	
Travel		303	
Other Contracted Services		220,293	
Custodial Supplies		61	
Office Supplies		435	
In Service/Staff Development		1,855	
Other Charges		10	
Total Sanitation Management			311,859

Sanitation Education/Information

Truck Drivers	\$	7,858	
Social Security		487	
Employer Medicare		114	
Maintenance and Repair Services - Vehicles		94	
Instructional Supplies and Materials		23,466	
Tires and Tubes		251	
Other Supplies and Materials		14,579	
Total Sanitation Education/Information			46,849

Waste Pickup

Truck Drivers	\$	6,196	
Social Security		412	
Employer Medicare		96	
Motor Vehicles		47,082	
Other Equipment		1,194	
Total Waste Pickup			54,980

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers

Assistant(s)	\$	40,950	
Truck Drivers		81,643	
Maintenance Personnel		4,081	
Part-time Personnel		181,360	
Social Security		18,169	
Pensions		7,830	
Medical Insurance		33,120	
Employer Medicare		4,340	
Communication		1,309	
Maintenance and Repair Services - Buildings		2,979	
Maintenance and Repair Services - Equipment		4,186	
Maintenance and Repair Services - Vehicles		6,541	
Other Contracted Services		19,718	
Custodial Supplies		999	
Electricity		6,380	
Fuel Oil		34,800	
Tires and Tubes		4,805	
Water and Sewer		1,364	
Other Supplies and Materials		2,266	
Land		1,000	
Site Development		1,887	
Solid Waste Equipment		2,700	
Total Convenience Centers			\$ 462,427

Other Public Health and Welfare

Other Salaries and Wages	\$	177,563	
Social Security		10,505	
Pensions		12,362	
Life Insurance		94	
Medical Insurance		39,600	
Unemployment Compensation		87	
Employer Medicare		2,457	
Travel		3,496	
Workers' Compensation Insurance		2,243	
Total Other Public Health and Welfare			248,407

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$ 20,000	
Total Senior Citizens Assistance		\$ 20,000

Libraries

Contributions	\$ 191,891	
Total Libraries		191,891

Parks and Fair Boards

Part-time Personnel	\$ 4,881	
Social Security	303	
Employer Medicare	71	
Janitorial Services	903	
Maintenance and Repair Services - Buildings	2,680	
Maintenance and Repair Services - Equipment	7,917	
Pest Control	125	
Internet Connectivity	659	
Disposal Fees	894	
Other Contracted Services	1,000	
Custodial Supplies	41	
Electricity	15,339	
Gasoline	893	
Natural Gas	3,671	
Tires and Tubes	33	
Water and Sewer	4,778	
Chemicals	299	
Other Supplies and Materials	522	
Building and Contents Insurance	12,559	
Liability Insurance	236	
Refunds	400	
Total Parks and Fair Boards		58,204

Other Social, Cultural, and Recreational

County Official/Administrative Officer	\$ 24,691	
Part-time Personnel	18,319	
Other Salaries and Wages	11,696	
Social Security	2,593	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational (Cont.)

Pensions	\$	1,773	
Medical Insurance		2,770	
Employer Medicare		776	
Data Processing Services		760	
Maintenance Agreements		3,507	
Maintenance and Repair Services - Buildings		140	
Internet Connectivity		1,019	
Disposal Fees		493	
Other Contracted Services		400	
Custodial Supplies		627	
Electricity		6,877	
Natural Gas		1,627	
Periodicals		63	
Water and Sewer		508	
Other Supplies and Materials		2,517	
In Service/Staff Development		30	
Other Charges		86	
Furniture and Fixtures		4,351	
Office Equipment		1,201	
Other Equipment		3,259	
Total Other Social, Cultural, and Recreational			\$ 90,083

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	100,896	
Board and Committee Members Fees		630	
Social Security		39	
Employer Medicare		9	
Other Fringe Benefits		40,010	
Dues and Memberships		215	
Janitorial Services		3,518	
Maintenance Agreements		1,208	
Maintenance and Repair Services - Buildings		7,864	
Maintenance and Repair Services - Vehicles		399	
Internet Connectivity		1,260	
Travel		371	

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Disposal Fees	\$	493	
Electricity		3,710	
Food Preparation Supplies		221	
Gasoline		1,003	
Natural Gas		1,222	
Water and Sewer		859	
Other Supplies and Materials		113	
In Service/Staff Development		423	
Total Agricultural Extension Service			\$ 164,463

Forest Service

Communication	\$	33	
Contracts with Government Agencies		2,000	
Total Forest Service			2,033

Soil Conservation

Clerical Personnel	\$	41,116	
Other Salaries and Wages		38,675	
Social Security		4,890	
Pensions		5,729	
Medical Insurance		16,405	
Employer Medicare		1,144	
Dues and Memberships		575	
Other Charges		2,097	
Total Soil Conservation			110,631

Other Operations

Industrial Development

Contributions	\$	114,262	
Total Industrial Development			114,262

Other Economic and Community Development

Contributions	\$	24,700	
Dues and Memberships		8,175	
Total Other Economic and Community Development			32,875

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Airport

Contributions	\$ 74,022	
Total Airport		\$ 74,022

Veterans' Services

Supervisor/Director	\$ 15,444	
Social Security	958	
Employer Medicare	224	
Data Processing Services	449	
Travel	335	
Office Supplies	867	
In Service/Staff Development	414	
Total Veterans' Services		18,691

Other Charges

Contracts with Private Agencies	\$ 83,932	
Building and Contents Insurance	147,607	
Liability Insurance	239,196	
Refunds	20,009	
Trustee's Commission	260,327	
Vehicle and Equipment Insurance	108,423	
Workers' Compensation Insurance	220,482	
Liability Claims	5,000	
Total Other Charges		1,084,976

Contributions to Other Agencies

Contracts with Government Agencies	\$ 112,000	
Contributions	7,469	
Total Contributions to Other Agencies		119,469

Employee Benefits

Educational Incentive - Official/Admin Officer	\$ 706	
Educational Incentive - Other County Employees	1,500	
Social Security	136	
Life Insurance	3,781	
Unemployment Compensation	5,279	
Employer Medicare	32	

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Employee Benefits (Cont.)

Medical and Dental Services	\$ 7,482	
Criminal Investigation of Applicants - TBI	557	
Total Employee Benefits		\$ 19,473

American Rescue Plan Act Grant #1

Architects	\$ 8,662	
Other Equipment	14,966	
Total American Rescue Plan Act Grant #1		23,628

American Rescue Plan Act Grant #2

Architects	\$ 42,525	
Total American Rescue Plan Act Grant #2		42,525

American Rescue Plan Act Grant #3

Other Contracted Services	\$ 8,400	
Other Equipment	155,082	
Total American Rescue Plan Act Grant #3		163,482

Capital Projects

Public Safety Projects

Consultants	\$ 86,581	
Total Public Safety Projects		86,581

Total General Fund \$ 20,702,879

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$ 2,963	
Confidential Drug Enforcement Payments	2,327	
Maintenance and Repair Services - Vehicles	285	
Software	18,940	
Other Supplies and Materials	29	
In Service/Staff Development	1,240	
Law Enforcement Equipment	9,360	
Total Drug Enforcement		\$ 35,144

Total Drug Control Fund 35,144

(Continued)

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

Probation Settlement Fund

Administration of Justice

Other Administration of Justice

Legal Services	\$ 5,441	
Other Contracted Services	15,303	
Total Other Administration of Justice		<u>\$ 20,744</u>

Total Probation Settlement Fund \$ 20,744

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$ 810	
Total County Trustee's Office		\$ 810

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 18,550	
Total Chancery Court		<u>18,550</u>

Total Constitutional Officers - Fees Fund 19,360

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 104,776
Assistant(s)	83,471
Overtime Pay	1,252
Social Security	11,444
Pensions	13,606
Life Insurance	45
Medical Insurance	24,924
Unemployment Compensation	69
Employer Medicare	2,676
Communication	420
Dues and Memberships	3,781
Legal Notices, Recording, and Court Costs	30
Maintenance and Repair Services - Buildings	1,260
Pest Control	481

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Postal Charges	\$	209	
Internet Connectivity		1,019	
Drugs and Medical Supplies		63	
Electricity		9,232	
Natural Gas		5,632	
Office Supplies		4,124	
Water and Sewer		1,076	
Other Supplies and Materials		1,650	
Other Charges		156	
Building Improvements		38,673	
Furniture and Fixtures		5,771	
Office Equipment		4,939	
Total Administration			\$ 320,779

Highway and Bridge Maintenance

Supervisor/Director	\$	168,582
Equipment Operators - Heavy		138,788
Equipment Operators - Light		452,266
Truck Drivers		313,219
Laborers		125,921
Overtime Pay		41,487
Social Security		74,241
Pensions		88,820
Life Insurance		694
Medical Insurance		226,101
Unemployment Compensation		731
Employer Medicare		17,363
Laundry Service		8,414
Other Contracted Services		1,125
Asphalt - Hot Mix		470,245
Asphalt - Liquid		784,704
Concrete		412
Crushed Stone		445,523
Fertilizer, Lime, and Seed		4,536
General Construction Materials		5,186
Other Road Materials		517

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Pipe	\$	61,477	
Road Signs		26,455	
Structural Steel		1,483	
Total Highway and Bridge Maintenance			\$ 3,458,290

Operation and Maintenance of Equipment

Mechanic(s)	\$	215,662	
Overtime Pay		7,047	
Social Security		13,565	
Pensions		15,991	
Life Insurance		70	
Medical Insurance		37,125	
Unemployment Compensation		114	
Employer Medicare		3,172	
Maintenance and Repair Services - Equipment		20,527	
Disposal Fees		54	
Other Contracted Services		1,927	
Equipment and Machinery Parts		229,961	
Fuel Oil		170,772	
Garage Supplies		15,901	
Lubricants		13,246	
Tires and Tubes		52,125	
Other Equipment		1,595	
Total Operation and Maintenance of Equipment			798,854

Other Charges

Medical and Dental Services	\$	590	
Other Contracted Services		3,000	
Building and Contents Insurance		8,651	
Liability Insurance		17,223	
Refunds		5,593	
Trustee's Commission		76,043	
Vehicle and Equipment Insurance		50,747	
Workers' Compensation Insurance		53,058	
Liability Claims		500	
Total Other Charges			215,405

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay

Engineering Services	\$	50,962	
Rentals		11,932	
Highway Equipment		427,573	
State Aid Projects		813,036	
Traffic Control Equipment		32,630	
Total Capital Outlay			\$ 1,336,133

Total Highway/Public Works Fund \$ 6,129,461

General Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$	710,000	
Total Education			\$ 710,000

Interest on Debt

Education

Interest on Bonds	\$	383,721	
Total Education			383,721

Other Debt Service

General Government

Refunds	\$	421	
Trustee's Commission		4,235	
Other Debt Service		500	
Total General Government			5,156

Total General Debt Service Fund 1,098,877

General Capital Projects Fund

Other Operations

American Rescue Plan Act Grant #4

Engineering Services	\$	74,345	
Building Improvements		874,285	
Total American Rescue Plan Act Grant #4			\$ 948,630

(Continued)

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

General Capital Projects Fund (Cont.)

Other Operations (Cont.)

American Rescue Plan Act Grant #5

Architects	\$ 21,750	
Total American Rescue Plan Act Grant #5		\$ 21,750

Capital Projects

Public Utility Projects

Contributions	\$ 643,078	
Total Public Utility Projects		643,078

Other General Government Projects

Consultants	\$ 228,405	
Engineering Services	40,000	
Motor Vehicles	247,267	
Other Equipment	597,264	
Total Other General Government Projects		<u>1,112,936</u>

Total General Capital Projects Fund \$ 2,726,394

Other Capital Projects Fund

Capital Projects

Public Safety Projects

Communication Equipment	\$ 2,640,000	
Total Public Safety Projects		\$ 2,640,000

Other General Government Projects

Refunds	\$ 928	
Trustee's Commission	10,017	
Total Other General Government Projects		<u>10,945</u>

Total Other Capital Projects Fund 2,650,945

Total Governmental Funds - Primary Government \$ 33,383,804

GILES COUNTY, TENNESSEE
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Giles County School Department
For the Year Ended June 30, 2025

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 11,894,367	
Career Ladder Program	21,509	
Homebound Teachers	2,730	
Salary Supplements	391,612	
Educational Assistants	528,429	
Bonus Payments	98,737	
Other Salaries and Wages	83,177	
Certified Substitute Teachers	102,967	
Non-certified Substitute Teachers	225,161	
Social Security	790,031	
Pensions	915,260	
Medical Insurance	2,064,325	
Employer Medicare	185,636	
Other Contracted Services	13,962	
Food Supplies	2,502	
Instructional Supplies and Materials	146,849	
Textbooks - Bound	148,609	
Software	210,638	
Other Supplies and Materials	40,951	
TISA - On-behalf Payments	45,163	
Total Regular Instruction Program		\$ 17,912,615

Special Education Program

Teachers	\$ 1,781,539
Career Ladder Program	5,643
Homebound Teachers	8,670
Educational Assistants	722,601
Speech Pathologist	244,015
Bonus Payments	1,000
Certified Substitute Teachers	575
Non-certified Substitute Teachers	8,235
Social Security	162,198
Pensions	191,627
Medical Insurance	433,693
Employer Medicare	38,535

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Contracts with Private Agencies	\$	241,328	
Instructional Supplies and Materials		327	
Special Education Equipment		634	
Total Special Education Program			\$ 3,840,620

Career and Technical Education Program

Teachers	\$	1,177,919	
Guidance Personnel		35,630	
Bonus Payments		400	
Certified Substitute Teachers		402	
Non-certified Substitute Teachers		13,012	
Social Security		72,858	
Pensions		88,268	
Medical Insurance		197,110	
Employer Medicare		17,042	
Maintenance Agreements		9,753	
Maintenance and Repair Services - Buildings		263	
Other Contracted Services		83,053	
Instructional Supplies and Materials		23,260	
Textbooks - Bound		3,272	
Software		29,170	
Other Supplies and Materials		8,201	
Vocational Instruction Equipment		35,992	
Total Career and Technical Education Program			1,795,605

Support Services

Attendance

Supervisor/Director	\$	92,710	
Other Salaries and Wages		39,998	
Social Security		8,090	
Pensions		10,289	
Medical Insurance		8,234	
Employer Medicare		1,892	
Dues and Memberships		150	
Travel		1,046	

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Software	\$	15,660	
In Service/Staff Development		<u>2,558</u>	
Total Attendance			\$ 180,627

Health Services

Supervisor/Director	\$	63,448	
Medical Personnel		379,716	
Bonus Payments		3,000	
Other Salaries and Wages		11,858	
Social Security		27,325	
Pensions		32,661	
Medical Insurance		76,444	
Employer Medicare		6,391	
Dues and Memberships		175	
Travel		1,461	
Other Contracted Services		70,000	
Drugs and Medical Supplies		1,671	
Other Supplies and Materials		29,358	
In Service/Staff Development		<u>7,931</u>	
Total Health Services			711,439

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		757,373	
Social Workers		52,612	
Secretary(ies)		31,210	
Clerical Personnel		34,104	
Social Security		51,874	
Pensions		61,374	
Medical Insurance		102,154	
Employer Medicare		12,132	
Travel		995	
Other Contracted Services		5,500	
Software		3,500	
In Service/Staff Development		<u>1,940</u>	
Total Other Student Support			1,116,768

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	224,033	
Career Ladder Program		2,000	
Librarians		484,388	
Education Media Personnel		79,847	
Clerical Personnel		80,679	
Bonus Payments		1,000	
Social Security		52,275	
Pensions		60,129	
Medical Insurance		146,066	
Employer Medicare		12,226	
Dues and Memberships		450	
Maintenance Agreements		10,383	
Travel		7,764	
Software		11,192	
Other Supplies and Materials		6,198	
In Service/Staff Development		2,529	
Total Regular Instruction Program			\$ 1,181,159

Special Education Program

Assistant(s)	\$	81,489	
Supervisor/Director		94,210	
Career Ladder Program		1,000	
Assessment Personnel		106,299	
Social Security		15,342	
Pensions		16,924	
Medical Insurance		16,584	
Employer Medicare		4,068	
Contracts with Private Agencies		512,025	
Dues and Memberships		150	
Other Contracted Services		1,729	
Other Supplies and Materials		1,455	
In Service/Staff Development		675	
Total Special Education Program			851,950

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	85,186	
Secretary(ies)		38,320	
Social Security		7,127	
Pensions		8,811	
Medical Insurance		19,138	
Employer Medicare		1,667	
Dues and Memberships		150	
Travel		4,609	
Gasoline		912	
Other Supplies and Materials		776	
In Service/Staff Development		4,145	
Total Career and Technical Education Program			\$ 170,841

Technology

Supervisor/Director	\$	72,100	
Data Processing Personnel		148,854	
Social Security		12,953	
Pensions		15,119	
Medical Insurance		37,428	
Employer Medicare		3,061	
Communication		503	
Internet Connectivity		589,947	
Travel		3,573	
Software		89,526	
In Service/Staff Development		2,934	
Other Equipment		26,609	
Total Technology			1,002,607

Other Programs

On-behalf Payments to OPEB	\$	191,165	
Total Other Programs			191,165

Board of Education

Secretary to Board	\$	2,025	
Board and Committee Members Fees		11,217	

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Social Security	\$	717	
Pensions		145	
Life Insurance		10,212	
Unemployment Compensation		34,099	
Employer Medicare		192	
Other Fringe Benefits		169,651	
Advertising		103	
Audit Services		19,000	
Dues and Memberships		13,468	
Lease/SBITA Payments		27,276	
Legal Services		18,897	
Maintenance and Repair Services - Buildings		69,525	
Medical and Dental Services		50	
Travel		1,164	
Other Supplies and Materials		45	
Liability Insurance		164,537	
Refunds		41,474	
Trustee's Commission		257,832	
Workers' Compensation Insurance		173,006	
In Service/Staff Development		8,764	
Criminal Investigation of Applicants - TBI		8,828	
Other Charges		1,546	
Other Equipment		3,740	
Total Board of Education			\$ 1,037,513

Director of Schools

County Official/Administrative Officer	\$	126,289
Assistant(s)		103,731
Secretary(ies)		84,889
Other Salaries and Wages		1,000
Social Security		18,858
Pensions		22,489
Medical Insurance		30,722
Employer Medicare		4,410
Advertising		100

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Communication	\$	10,767	
Dues and Memberships		2,749	
Postal Charges		1,613	
Travel		1,880	
Office Supplies		450	
Other Supplies and Materials		320	
In Service/Staff Development		856	
Other Charges		817	
Total Director of Schools			\$ 411,940

Office of the Principal

Principals	\$	750,591	
Career Ladder Program		5,000	
Assessment Personnel		88,889	
Assistant Principals		749,405	
Secretary(ies)		524,623	
Clerical Personnel		73,060	
Other Salaries and Wages		27,546	
Social Security		130,555	
Pensions		149,070	
Medical Insurance		358,294	
Employer Medicare		30,533	
Communication		41,104	
Data Processing Services		19,556	
Dues and Memberships		2,700	
Maintenance Agreements		84,148	
Office Equipment		707	
Total Office of the Principal			3,035,781

Operation of Plant

Custodial Personnel	\$	669,790	
Other Salaries and Wages		7,590	
Social Security		40,814	
Pensions		48,028	
Medical Insurance		157,382	

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Employer Medicare	\$	9,545	
Laundry Service		2,416	
Maintenance Agreements		612	
Maintenance and Repair Services - Buildings		5,150	
Pest Control		5,580	
Disposal Fees		38,470	
Other Contracted Services		83,716	
Custodial Supplies		53,729	
Electricity		975,148	
Natural Gas		91,081	
Propane Gas		28,187	
Water and Sewer		123,118	
Other Supplies and Materials		8	
Building and Contents Insurance		400,416	
Other Charges		1,550	
Total Operation of Plant			\$ 2,742,330

Maintenance of Plant

Supervisor/Director	\$	72,100
Clerical Personnel		18,718
Maintenance Personnel		277,743
Other Salaries and Wages		58,236
Social Security		25,302
Pensions		29,949
Medical Insurance		80,365
Employer Medicare		6,031
Dues and Memberships		475
Laundry Service		804
Maintenance Agreements		1,078
Maintenance and Repair Services - Buildings		50,717
Maintenance and Repair Services - Equipment		1,081
Travel		694
Other Contracted Services		21,839
Equipment and Machinery Parts		42,698
Gasoline		12,215

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

Uniforms	\$	5,316	
Software		7,902	
Other Supplies and Materials		53,916	
In Service/Staff Development		569	
Administration Equipment		91,344	
Maintenance Equipment		38,089	
Total Maintenance of Plant			\$ 897,181

Transportation

Supervisor/Director	\$	75,100
Mechanic(s)		160,670
Bus Drivers		807,215
Secretary(ies)		34,925
Other Salaries and Wages		135,044
Social Security		70,007
Pensions		77,494
Medical Insurance		402,011
Employer Medicare		16,373
Laundry Service		3,308
Maintenance Agreements		1,078
Maintenance and Repair Services - Equipment		298
Maintenance and Repair Services - Vehicles		17,372
Medical and Dental Services		6,712
Travel		1,022
Other Contracted Services		13,157
Diesel Fuel		212,305
Equipment and Machinery Parts		6,827
Gasoline		11,271
Lubricants		12,900
Tires and Tubes		27,384
Uniforms		435
Vehicle Parts		89,534
Software		15,707
Other Supplies and Materials		8,649
Vehicle and Equipment Insurance		92,080

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

In Service/Staff Development	\$	2,238	
Transportation Equipment		1,494,615	
Other Equipment		6,150	
Total Transportation			\$ 3,801,881

Operation of Non-Instructional Services

Community Services

Teachers	\$	193,893	
Educational Assistants		5,208	
Social Security		12,341	
Pensions		11,905	
Employer Medicare		2,887	
Travel		429	
Instructional Supplies and Materials		2,542	
Other Supplies and Materials		1,511	
In Service/Staff Development		30	
Other Charges		24	
Total Community Services			230,770

Early Childhood Education

Supervisor/Director	\$	31,058	
Teachers		305,366	
Clerical Personnel		41,098	
Educational Assistants		130,565	
Certified Substitute Teachers		115	
Non-certified Substitute Teachers		2,520	
Social Security		30,632	
Pensions		36,398	
Medical Insurance		96,642	
Employer Medicare		7,176	
Communication		390	
Travel		2,885	
Food Supplies		16,079	
Instructional Supplies and Materials		10,575	
Other Supplies and Materials		3,683	

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

In Service/Staff Development	\$	3,534	
Other Charges		3,196	
Other Equipment		1,710	
Total Early Childhood Education			\$ 723,622

Capital Outlay

Regular Capital Outlay

Architects	\$	10,582	
Total Regular Capital Outlay			10,582

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	986,389	
Total Education			986,389

Total General Purpose School Fund

\$ 42,833,385

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	839,853	
Educational Assistants		79,999	
Other Salaries and Wages		81,334	
Social Security		59,218	
Pensions		62,021	
Medical Insurance		147,683	
Employer Medicare		13,849	
Instructional Supplies and Materials		95,781	
Other Supplies and Materials		32,672	
Regular Instruction Equipment		199,987	
Total Regular Instruction Program			\$ 1,612,397

Special Education Program

Educational Assistants	\$	697,657	
Social Security		40,009	

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Pensions	\$	50,092	
Medical Insurance		191,002	
Employer Medicare		9,357	
Contracts with Private Agencies		22,714	
Instructional Supplies and Materials		212	
Special Education Equipment		259	
Total Special Education Program			\$ 1,011,302

Career and Technical Education Program

Instructional Supplies and Materials	\$	3,614	
Software		27,344	
Other Supplies and Materials		11,084	
Vocational Instruction Equipment		82,187	
Total Career and Technical Education Program			124,229

Support Services

Other Student Support

Other Salaries and Wages	\$	4,000	
Social Security		248	
Pensions		287	
Employer Medicare		58	
Other Contracted Services		5,000	
Other Supplies and Materials		1,297	
In Service/Staff Development		6,500	
Other Charges		28,931	
Total Other Student Support			46,321

Regular Instruction Program

Supervisor/Director	\$	83,439	
Other Salaries and Wages		10,000	
Certified Substitute Teachers		1,663	
Non-certified Substitute Teachers		4,140	
Social Security		5,825	
Pensions		6,023	
Medical Insurance		12,156	

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Employer Medicare	\$	1,362	
Communication		2,973	
Dues and Memberships		150	
Other Contracted Services		1,800	
Library Books/Media		9,962	
Other Supplies and Materials		1,779	
In Service/Staff Development		55,059	
Other Charges		11,883	
Other Equipment		8,271	
Total Regular Instruction Program			\$ 216,485

Special Education Program

Other Salaries and Wages	\$	1,500	
Social Security		93	
Pensions		95	
Employer Medicare		22	
Communication		97	
Contracts with Private Agencies		45,342	
Evaluation and Testing		4,649	
Travel		5,678	
Other Supplies and Materials		3,460	
In Service/Staff Development		2,795	
Other Equipment		320	
Total Special Education Program			64,051

Career and Technical Education Program

In Service/Staff Development	\$	3,524	
Total Career and Technical Education Program			3,524

Technology

Cabling	\$	5,484	
Other Equipment		5,986	
Total Technology			11,470

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Operation of Plant

Other Supplies and Materials	\$ 20,176	
Other Charges	271	
Total Operation of Plant		\$ 20,447

Operation of Non-Instructional Services

Food Service

Food Service Equipment	\$ 7,599	
Total Food Service		7,599

Capital Outlay

Regular Capital Outlay

Other Capital Outlay	\$ 54,726	
Total Regular Capital Outlay		54,726

Total School Federal Projects Fund		\$ 3,172,551
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Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 70,000
Clerical Personnel	51,470
Cafeteria Personnel	814,485
Part-time Personnel	154,341
Educational Incentive - Other County Employees	9,250
Other Salaries and Wages	33,768
Social Security	66,961
Pensions	71,387
Medical Insurance	251,525
Employer Medicare	15,661
Bank Charges	608
Dues and Memberships	1,743
Maintenance and Repair Services - Equipment	25,584
Transportation - Other than Students	24,641
Travel	2,032
Other Contracted Services	13,903

(Continued)

GILES COUNTY, TENNESSEE**Schedule of Detailed Expenditures -****All Governmental Fund Types**

Discretely Presented Giles County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Food Supplies	\$ 1,410,674	
Uniforms	3,080	
USDA - Commodities	215,397	
Other Supplies and Materials	81,573	
Refunds	37	
In Service/Staff Development	800	
Food Service Equipment	120,141	
Office Equipment	165	
Total Food Service		<u>\$ 3,439,226</u>

Total Central Cafeteria Fund		\$ 3,439,226
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Internal School Fund

Operation of Non-Instructional Services

Community Services

Other Charges	\$ 1,915,676	
Total Community Services		<u>\$ 1,915,676</u>

Total Internal School Fund		1,915,676
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Education Capital Projects Fund

Capital Projects

Education Capital Projects

Consultants	\$ 11,500	
Other Contracted Services	6,530	
Building Improvements	28,917	
Motor Vehicles	112,560	
Total Education Capital Projects		<u>\$ 159,507</u>

Total Education Capital Projects Fund		159,507
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Other Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 44,082	
Building Improvements	8,187,959	
Total Education Capital Projects		<u>\$ 8,232,041</u>

Total Other Education Capital Projects Fund		<u>8,232,041</u>
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Total Governmental Funds - Giles County School Department		<u><u>\$ 59,752,386</u></u>
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SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Giles County Executive and
Board of County Commissioners
Giles County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Giles County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Giles County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 19, 2025. Our report includes a reference to other auditors who audited the financial statements of the Internal School Fund of Giles County School Department (a discretely presented component unit), as described in our report on Giles County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Giles 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 Giles County's internal control. Accordingly, we do not express an opinion on the effectiveness of Giles County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Giles County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2025-001 and 2025-002.

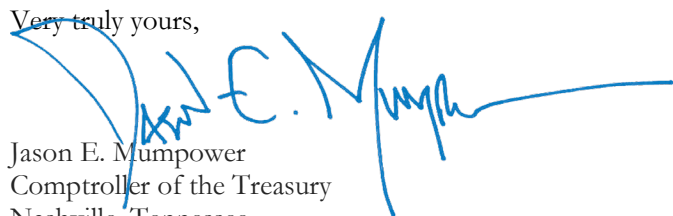
Giles County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Giles County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Giles 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 Giles 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 19, 2025

JEM/gc



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Giles County Executive and
Board of County Commissioners
Giles County, Tennessee

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Giles 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 Giles County's major federal programs for the year ended June 30, 2025. Giles 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, Giles County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits (*Government Auditing Standards*) issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance.) Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Giles 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 Giles 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 Giles 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 Giles 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 Giles 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 Giles 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 Giles 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 Giles County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Giles County, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Giles County's basic financial statements. We issued our report thereon dated November 19, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,


Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

November 19, 2025

JEM/gc

GILES COUNTY, TENNESSEE, AND THE GILES COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2)
For the Year Ended June 30, 2025

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (4)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(3)	\$ 0	\$ 215,397 (5)
National School Lunch Program (Commodities - Cash Assistance)	10.555	(3)	0	15,712 (5)
Soil and Water Conservation	10.902	(3)	0	12,000
Passed-through State Department of Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	(3)	0	907,010
National School Lunch Program	10.555	(3)	0	2,029,508 (5)
Fresh Fruit and Vegetable Program	10.582	(3)	0	47,414
Passed-through State Department of Health:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG2583854 (6)	0	54,667
Total U.S. Department of Agriculture				<u>\$ 3,281,708</u>
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
COVID 19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	33004-43524	0	\$ 163,482
Total U.S. Department of Housing and Urban Development				<u>\$ 163,482</u>
U.S. Department of Transportation:				
Passed-through State Department of Safety and Homeland Security:				
Highway Safety Cluster: (4)				
State and Community Highway Safety	20.600	Z24THS111	0	\$ 3,325
Alcohol Open Container Requirements	20.607	Z25THS116	0	48,008
Total U.S. Department of Transportation				<u>\$ 51,333</u>
U.S. Department of Treasury:				
Passed-through State Department of Education:				
COVID 19 - Coronavirus State and Local Fiscal Recovery	21.027	(3)	0	\$ 58,643 (5)
Passed-through State Department of Environment and Conservation:				
COVID 19 - Coronavirus State and Local Fiscal Recovery	21.027	(3) (7)	948,630	948,630 (5)
Passed-through State Department of Health:				
COVID 19 - Coronavirus State and Local Fiscal Recovery	21.027	(3)	0	30,057 (5)
Passed-through State Department of Economic and Community Development:				
COVID 19 - Coronavirus Capital Projects Fund	21.029	33023-62425 (7)	19,575	19,575
Total U.S. Department of Treasury				<u>\$ 1,056,905</u>
U.S. Department of Education:				
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	(3)	0	\$ 1,535,974
Special Education Cluster (IDEA): (4)				
Special Education - Grants to States	84.027	(3)	0	1,092,368
Special Education - Preschool Grants	84.173	(3)	0	44,505
Career and Technical Education - Basic Grants to States	84.048	(3)	0	151,577
Rural Education	84.358	(3)	0	90,305
Supporting Effective Instruction State Grants	84.367	(3)	0	49,083
Student Support and Academic Enrichment Program	84.424	(3)	0	15,725
COVID 19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund (ESSER ARP)	84.425U	(3)	0	1,187,582
Passed-through Lawrence County, Tennessee, Board of Education:				
English Language Acquisition State Grants	84.365	(3)	0	7,427
Total U.S. Department of Education				<u>\$ 4,174,546</u>

(Continued)

GILES COUNTY, TENNESSEE, AND THE GILES COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Election Assistance Commission: Passed-through Tennessee Secretary of State: HAVA Election Security Grants	90.404	(3)	\$ 0	\$ 14,836
Total U.S. Department of Election Assistance Commission				<u>\$ 14,836</u>
U.S. Department of Health and Human Services: Passed-through State Department of Education: COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	(3)	0	\$ 1,088
Passed-through State Department of Health: COVID 19 - Immunization Cooperative Agreements	93.268	(3)	0	7,810
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	(3)	0	15,819
Total U.S. Department of Health and Human Services				<u>\$ 24,717</u>
U.S. Department of Homeland Security: Passed-through State Department of Military: Hazard Mitigation Grant	97.039	(3)	0	\$ 77,923
Emergency Management Performance Grants	97.042	34101-33923	0	23,999
Homeland Security Grant Program	97.067	34101-16023	0	11,623
Total U.S. Department of Homeland Security				<u>\$ 113,545</u>
Total Expenditures of Federal Grants				<u>\$ 8,881,072</u>
State Grants		Contract Number		
Health Department Programs - State Department of Health	N/A	GG2583854 (6)	\$	191,080
Conservation Technical Assistance - State Department of Agriculture	N/A	(3)		9,000
Early Childhood Education - State Department of Education	N/A	(3)		463,579
Archives Development Grant - Tennessee State Library and Archives	N/A	30501-01525-05		4,949
Special Education Preschool Grant - State Department of Education	N/A	(3)		47,637
Public School Security Grant - State Department of Education	N/A	(3)		91,344
Lottery for Education Afterschool Program - State Department of Education	N/A	(3)		231,069
State and Local Cybersecurity Grant Program - State Department of Finance and Administration	N/A	(3)		6,370
Litter Program - State Department of Transportation	N/A	(3)		51,162
Learning Camps Transportation - State Department of Education	N/A	(3)		33,106
Summer Learning Camps - State Department of Education	N/A	(3)		297,632
Innovative School Model - State Department of Education	N/A	(3)		519,445
Mental Health Transport Grant - State Department of Finance and Administration	N/A	(3)		20,973
HAVA Election Security Grants - Tennessee Secretary of State	N/A	(3)		2,968
Ambulance Service Equipment Grant - State Department of Health	N/A	34307-33125		54,356
Approach Safety Enhancements - City of Pulaski	N/A	(3)		10,000
Hazard Mitigation Grant - State Department of Military	N/A	(3)		4,329
Tennessee Law Enforcement Training, Hiring, and Recruitment Program - State Department of Commerce and Insurance	N/A	(3)		13,500
Tennessee Law Enforcement Training Academy Cost Sharing Grant - State Department of Commerce and Insurance	N/A	(3)		15,000
School Resource Officer Program - State Department of Safety and Homeland Security	N/A	(3)		600,000
Courtroom Security Grant - State Administrative Office of the Courts	N/A	(3)		65,346
Litter Removal Grant - State Department of Transportation	N/A	(3)		54,979
Juvenile Justice and Delinquency Prevention - State Department of Children's Services	N/A	(3)		9,000
Total State Grants			\$	<u>2,796,824</u>

(Continued)

GILES COUNTY, TENNESSEE, AND THE GILES COUNTY SCHOOL DEPARTMENT
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)

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) Giles County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.

(3) Information not available.

(4) Child Nutrition Cluster total \$3,215,041; Highway Safety Cluster total \$3,325; Special Education Cluster (IDEA) total \$1,136,873.

(5) Total for ALN 10.555 is \$2,260,617; Total for ALN 21.027 is \$1,037,330.

(6) Programs with passed-through entity identifying number GG2583854 are part of a multi-service contract.

(7) SUBRECIPIENT AMOUNTS

The following amounts were paid to subrecipients from the federal grants noted below:

Subrecipient	ALN	Amount Provided to Subrecipients
Fairview Utility District	21.027	\$ 480,963
Minor Hill Utility District	21.027	434,307
South Giles Utility District	21.027	33,360
Giles County Public Library	21.029	19,575
Total amounts provided to subrecipients		<u>\$ 968,205</u>

GILES COUNTY, TENNESSEE
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2025

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Giles County, Tennessee, for the year ended June 30, 2025.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	ALN	Current Status
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OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR

2024	183	2024-001	The School Federal Projects Fund had a cash overdraft of \$210,984 on June 30, 2024.	N/A	Corrected
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OFFICE OF DIRECTOR OF SCHOOLS

2024	183	2024-002	The office used a signature stamp to sign some time sheets.	N/A	Corrected
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OFFICE OF ASSESSOR OF PROPERTY

2024	184	2024-003	The office used a signature stamp to sign some time sheets.	N/A	Corrected
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Prior-year Federal Awards Findings

There were no prior-year federal award findings to report.

GILES COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Giles 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 Number: 21.027 Coronavirus State and Local Fiscal Recovery
 - * Assistance Listing Numbers: 84.027 Special Education Cluster: Special Education -
and 84.173 Grants to States and Special Education -
Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following the findings and recommendations. 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.

OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR

FINDING 2025-001

THE SCHOOL DEPARTMENT ENTERED INTO A LEASE AGREEMENT IN VIOLATION OF THE FINANCIAL MANAGEMENT ACT OF 1981 (Noncompliance Under *Government Auditing Standards*)

On October 22, 2024, the director of schools entered into a lease agreement totaling \$150,000 for the lease of office space without the participation of the county's finance director. Giles County operates under the County Financial Management System of 1981, which establishes a finance department overseen by a director of finance to administer the county's accounting, budgeting, and purchasing functions. Section 5-21-118(a), *Tennessee Code Annotated (TCA)*, establishes the finance director or an appointed deputy to serve as the county purchasing agent. Section 5-21-118(b)(1), *TCA*, states in part "rental of machinery, buildings, or equipment" are the responsibility of the director of finance, and Section 5-21-119(5)(F), *TCA*, states that the purchasing agent shall "issue purchase orders and contracts." Furthermore, the Tennessee Attorney General has opined (Opinion 89-76) that in counties operating under the provisions of the County Financial Management System of 1981, the board of education is authorized to determine the need for contract services and define the requirements; however, any resulting contract, except for employment contracts with necessary personnel, would be issued by the purchasing agent.

This deficiency is the result of a failure to follow the finance department's purchasing policies and state statutes and is the result of a lack of management oversight.

RECOMMENDATION

All accounting, purchasing, and budget functions of the county should be administered by the finance department in compliance with provisions of the Financial Management Acts of 1981.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We concur with this finding. See corrective action plan.

FINDING 2025-002

THE OFFICE FAILED TO FILE GRANT DOCUMENTATION TIMELY (Noncompliance Under *Government Auditing Standards*)

Funds related to a supporting postsecondary access in rural counties grant totaling \$25,677 were required to be returned to the grantor, Tennessee Higher Education Commission. The finance director advised auditors the refund resulted from expenditure reports not being submitted timely.

RECOMMENDATION

Officials should take steps to ensure grants are properly monitored, and documentation is filed correctly and timely.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We concur with this finding. See corrective action plan.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2025.

GILES COUNTY, TENNESSEE
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2025

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF DIRECTOR OF SCHOOLS

2025-001	The school department entered into a lease agreement in violation of the Financial Management Act of 1981.	200
2025-002	The office failed to file grant documentation timely.	201



100 B Disk Drive Pulaski, TN 38478 Phone: 931.363.4558 Fax: 931.363-8975

Dr. Vickie Beard, Director of Schools

Knox Vanderpool, Chair, District 7

Richie Brewer, Vice Chair, District 5

Chris McAlister, District 1

Mary McCloud, District 2

LeAnn Gordon, District 3

Scooter Sumners, District 4

Willa Smith, District 6

Corrective Action Plan

FINDING: 2025-001 THE SCHOOL DEPARTMENT ENTERED INTO A LEASE
AGREEMENT IN VIOLATION OF THE FINANCIAL MANAGEMENT ACT OF 1981

Response and Corrective Action Plan Prepared by:
Beth Moore-Sumners, Director of Finance

Person Responsible for Implementing the Corrective Action:
Beth Moore-Sumners, Director of Finance

Anticipated Completion Date of Corrective Action:
Date: This has already been corrected.

Repeat Finding:
No

Planned Corrective Action:
We will follow all Financial Management Policies and guidelines going forward.

Signature: Vickie M Beard



100 B Disk Drive Pulaski, TN 38478 Phone: 931.363.4558 Fax: 931.363-8975

Dr. Vickie Beard, Director of Schools

Knox Vanderpool, Chair, District 7

Richie Brewer, Vice Chair, District 5

Chris McAlister, District 1

Mary McCloud, District 2

LeAnn Gordon, District 3

Scooter Sumners, District 4

Willa Smith, District 6

Corrective Action Plan

FINDING: 2025-002 THE OFFICE FAILED TO FILE GRANT DOCUMENTATION
TIMELY

Response and Corrective Action Plan Prepared by:
Beth Moore-Sumners, Director of Finance

Person Responsible for Implementing the Corrective Action:
Beth Moore-Sumners, Director of Finance

Anticipated Completion Date of Corrective Action:
Date: This has already been corrected.

Repeat Finding:
No

Planned Corrective Action:
We will follow all Financial Management policies and guidelines going forward
and will establish stricter internal controls to ensure greater oversight.

Signature: Vickie M. Beard

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APPENDIX D

Form of Continuing Disclosure Agreement

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GILES COUNTY, TENNESSEE

\$8,220,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this 30th day of April, 2026 by Giles County, Tennessee (the “Issuer”) in connection with the issuance of its \$8,220,000 General Obligation Public Improvement Bonds, Series 2026 (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 April 13, 2026, 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 17, 2026.

“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.

GILES COUNTY, TENNESSEE

By: _____
County Executive