

**CITY OF MARYVILLE, TENNESSEE**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**For the Fiscal Year Ended June 30, 2023**

Prepared By:

Sherri Phillips  
City Director of Financial Services

CITY OF MARYVILLE, TENNESSEE

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## **INTRODUCTORY SECTION**



November 3, 2023

Honorable Mayor, City Council and Citizens of the City of Maryville, Tennessee

We are pleased to present the annual comprehensive report for the fiscal year ended June 30, 2023.

This report was prepared in accordance with the Maryville City Charter and state statutes. It provides detailed information as to how the City receives, spends and accounts for its revenues, along with key indicators of financial strength. The City is responsible for the accuracy of the data and for the fairness and completeness of the presentation. We believe this document contains all information necessary to gain an understanding of the City's financial activities in fiscal year 2023. We encourage readers to consider this transmittal letter in conjunction with the financial statements and Management's Discussion and Analysis ("MD&A"). The MD&A is a narrative introduction, overview and analysis of the financial statements.

### **Demographics**

Located approximately 15 miles south of Knoxville, Tennessee, the City of Maryville consists of 17.23 square miles and is the county seat of Blount County. The Townsend entrance to the Great Smoky Mountains National Park is a 20-minute drive while the tourism destinations of Gatlinburg, Pigeon Forge and Dollywood are in adjacent Sevier County. The City is also home to Maryville College, a private, four-year, undergraduate liberal arts institution.

With a population of 31,907 residents per the 2020 census, the City population has grown by approximately 17.7% in the last decade. The statistical section of this report contains more detailed demographic information.

### **Governmental Structure**

The governing authority consists of a five-member City Council elected at-large, with City Council selecting two of its own members to serve as Mayor and Vice-Mayor. The City Manager reports to the City Council and manages the daily operations of five appointed operating department managing directors.

The City provides traditional government services, including police and fire protection, codes enforcement, street maintenance and refuse collection. In addition, the City provides water distribution services to 17,004 customers and wastewater collection services to 15,646 customers. Electric service is provided to another 22,859 customers. The service areas for Water, Wastewater and Electric utilities extend beyond the municipal boundaries of the City. The City also participates in inter-governmental agreements to fund a public library, parks & recreation commission and fine arts activities.

Maryville City Schools currently serves 5,630 students in seven schools. The Schools are funded in part by annual transfers from the General Fund. In FY 2023 the City contributed \$9,422,500 to fund school operations. In addition, principal and interest for school related debt is paid from the City's Debt Service Fund.

## **Economic Condition and Outlook**

The economic indicators for the City of Maryville and the region are positive and unemployment rates are low. Supply chain and labor challenges continued in FY23. However, conditions for the City remained positive. Revenue for the year ended June 30, 2023, exceeded the amount budgeted. Positives include:

- The City continued investing in the City parks and infrastructure updating trails, ball courts and sidewalks. These updates prove to be instrumental to our residents who use the park systems extensively for exercise, sports, gatherings, etc.
- The City and Blount County benefit from a stable employer base. Denso Manufacturing Tennessee, Inc., the largest employer in the City with 5,000 full time employees, has been a leading source of jobs since 1988. The County's third largest employer, Blount Memorial Hospital, with 2,688 full time employees, is also located primarily within the City of Maryville.
- The unemployment rate for Blount County remains at 3.5% as of June 2023.
- The assessed property value is \$1,139.7 million.
- Total General Fund FY 23 revenues increased by \$5 million to \$56.8 million. The majority of this increase includes \$1 million was from property taxes, \$1 million was attributed to local sales tax and \$0.2 million in state sales tax.

## **Long-term Financial Planning**

Long-term planning includes both our operations and capital needs. As part of our budget process, we prepared a five-year operating forecast for the general fund, debt service fund and utility funds. We also maintain a six-year capital projects forecast to establish priorities within realistic funding availability.

## **Major Initiatives**

### Maryville City Schools

Listed below are the FY23 significant projects for the school district:

1. Maryville Junior High Expansion
  - a. Expansion of the Junior High School included an additional structure of up to 14 classrooms and additional parking.

### General Government

The City of Maryville has the following significant infrastructure projects in 2023:

1. The City completed the Laurel Branch Park site development/grading project. This project continues to result in land sales revenue and opportunity for future commercial/residential growth.
2. The City completed a major project to improve the Best Street Recycling Center which has been much appreciated by all city residents.
3. The City completed the Sandy Springs Park project which included ADA compliance, updated parking structure, updates to the Greenway Trail and the basketball courts.
4. The City continues to make significant improvements to City Parks.
5. The City purchased twenty-one new vehicles at a cost of \$2,541,105, continuing our commitment to keep our fleet of vehicles current.

### Water and Wastewater System Improvements

The Water and Sewer Department projects in FY 2023 included:

1. System rehabilitation projects of \$2,941,642
2. Water line relocations of \$953,107
3. Water meters and service line replacement of \$1,078,925
4. Construction project at Regional WasteWater Treatment Plant began in FY23, \$5,515,777
5. Sewer pump stations of \$611,600

### Electric System Improvements

The Electric Department projects in FY 2023 included:

1. Electric meter purchase of \$302,744
2. Overhead maintenance of \$574,283
3. City street lighting (including US 321 Lighting project & Sandy Springs Park updates) \$485,186

## **Financial Information**

### Internal Controls

City management maintains internal accounting controls to ensure that the City's assets are protected from loss, theft, or misuse and that adequate accounting records allows financial statements to conform with generally accepted accounting principles. Since the costs of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable, rather than absolute assurances that the financial statements will be free from material misstatements.

### Budgetary Controls

Sound financial management and legal compliance adhere to budget controls. The Maryville City Charter and state statutes require the City to operate under an annual balanced budget adopted by local ordinance. Within each fund, expenditures may not legally exceed appropriations at the department level.

In accordance with Article IX Section 3 of the Maryville City Charter, the City Manager shall submit the proposed budget to City Council at least forty-five days before the beginning of the fiscal year. The City Council reviews the budget, holds a required public hearing, and adopts the annual budget with two required readings prior to the beginning of the fiscal year. Coordination of the budget process and ongoing management of the adopted budget is delegated by the City Manager to the Department of Financial Services.

## **Other Information**

### Independent Audit

The financial statements are prepared in compliance with governmental-reporting standards issued by the Governmental Accounting Standards Board, guidelines issued by the Government Finance Officers Association of the United States and Canada, and generally accepted accounting principles applicable to government entities. The Maryville City Charter and state statutes require an annual audit by independent Certified Public Accountants. The accounting firm of Pugh CPAs serves as independent auditor to the City of Maryville. The auditor's report on the combined financial statements and combining and individual fund statements and schedules is included in the financial section of this report.



Awards

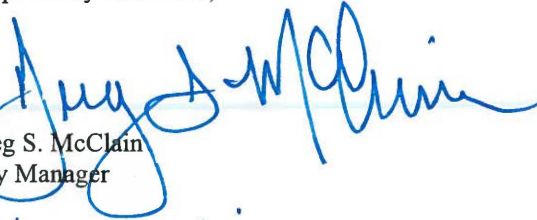
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Maryville for its annual comprehensive financial report for the fiscal year ended June 30, 2022. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.


Acknowledgements

This document is made possible by the commitment of the staff of the Department of Financial Services. We recognize and appreciate the willingness of each City department that provided information for this document. We also wish to express our sincere appreciation to the staff of Pugh CPAs, for their technical expertise and to City Council for their support and leadership in planning and conducting the City's financial activities.

Respectfully submitted,



Greg S. McClain  
City Manager



Sherri Phillips  
Director of Finance



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Maryville  
Tennessee**

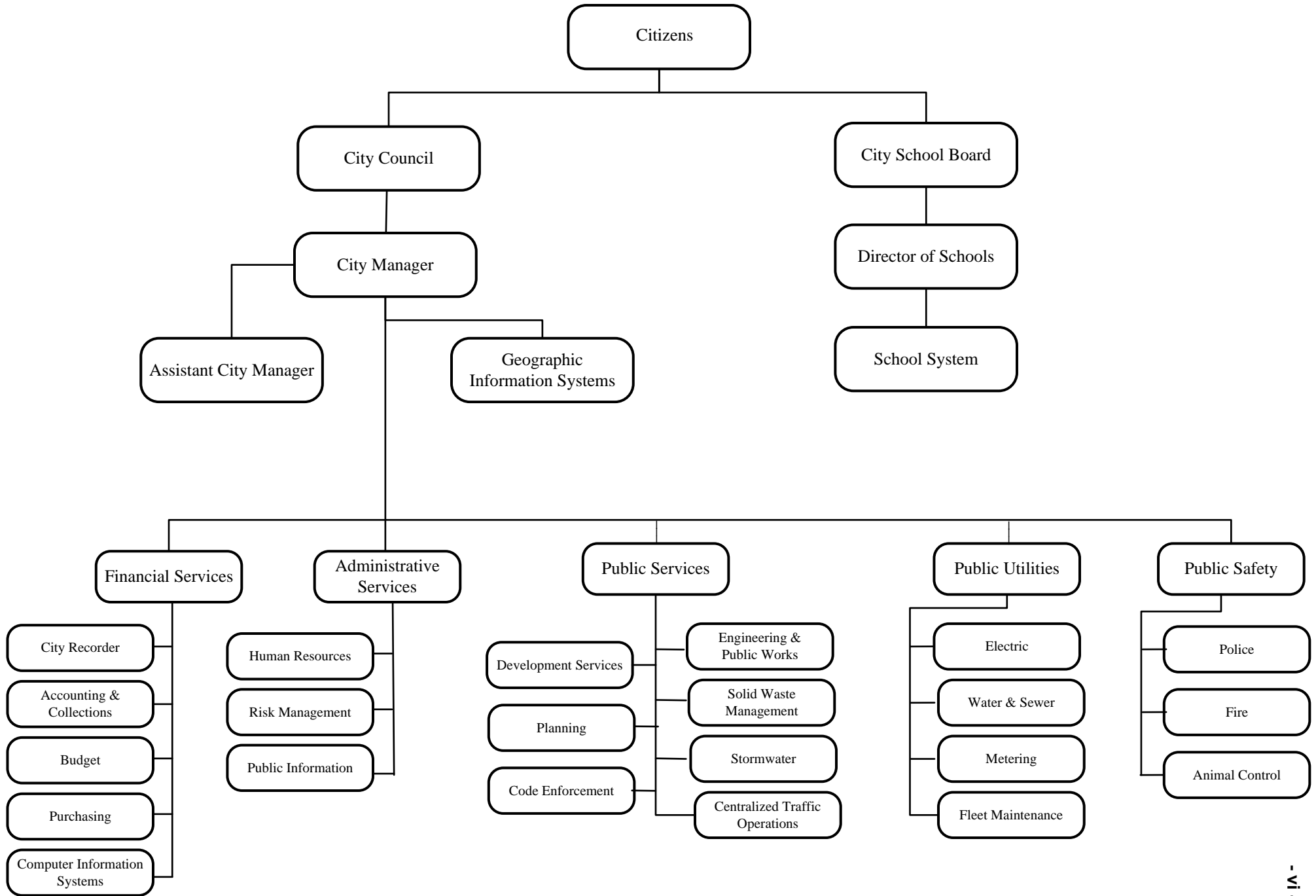
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

**City of Maryville, Tennessee**  
 Organization Chart as of June 30, 2023



**CITY OF MARYVILLE, TENNESSEE**  
**PRINCIPAL ELECTED AND APPOINTED OFFICIALS**  
**June 30, 2023**

**I. City Council**

- A. Andy White ..... Mayor
- B. Fred Metz ..... Vice-Mayor
- C. Sarah Herron ..... Member
- D. Tommy Hunt ..... Member
- E. Drew Miles ..... Member

**II. City School Board**

- A. Nick Black ..... Chairman
- B. Julie Elder ..... Vice-Chairman
- C. Chad Hampton ..... Member
- D. Candy Morgan ..... Member
- E. Bethany Pope ..... Member

**III. City Administration**

- A. Greg McClain ..... City Manager
- B. Roger Campbell ..... Assistant City Manager
- C. Sherri Phillips ..... Managing Director of Financial Services, Recorder, and CMFO
- D. Tony Crisp ..... Managing Director of Public Safety
- E. Angela Luckie ..... Managing Director of Public Services
- F. Baron Swafford ..... Managing Director of Public Utilities

**IV. City School Administration**

- A. Dr. Mike Winstead ..... Director of Maryville City Schools
- B. Amy Vagnier ..... Assistant Director of Maryville City Schools

**V. Judicial/Legal Services**

- A. William Yarborough ..... City Judge
- B. Tracy Jenkins ..... City Prosecuting Attorney
- C. Melanie E. Davis ..... City Attorney (1)

(1) Per contractual agreement

**FINANCIAL SECTION**



**PUGH & COMPANY, P.C.**  
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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of City Council,  
and City Manager of City of Maryville  
Maryville, Tennessee

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, budgetary comparisons for the general fund and general purpose school fund, and the aggregate remaining fund information of City of Maryville, Tennessee (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison statements for the general fund and the general purpose school fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **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 the City, 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.

#### **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 the City'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.



An independently owned member  
**RSM US Alliance**



**TSCPA**  
Members of the Tennessee Society  
Of Certified Public Accountants

### ***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 GAAS 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 the City'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 the City's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages xi - xviii and the required supplementary information on pages 56 - 63 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 the City's basic financial statements. The information included in the other supplementary information section, as listed in the table contents, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* on pages 121 -122 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 other supplementary information section and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical information sections, as listed in the table of contents, 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 Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2023 on our consideration of the City'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 to 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 the City'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 the City of Maryville's internal control over financial reporting and compliance.

*Pugh & Company, P.C.*

Certified Public Accountants  
Knoxville, Tennessee  
November 3, 2023





## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Maryville's Annual Comprehensive Financial Report presents an overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

### Financial Highlights

- The City's net position at June 30, 2023 is \$347,411,653, an increase of \$43,701,514 over prior year as restated. Of this amount, \$68,737,510 is the unrestricted net position.
- The City's General Fund reported total fund balance of \$21,894,231 at June 30, 2023, an increase of \$1,894,053 over prior year as restated. This fund balance is 38.6% of total general fund revenue.
- The City's General Purpose School Fund reported a fund balance of \$12,949,454, an increase of \$629,985 from last fiscal year. Fund balance is 22.4% of total revenue. Tennessee State Law requires schools to maintain a minimum fund balance of 3% of total revenue (TCA 49-3-352).
- As of June 30, 2023, the City's governmental funds reported combined ending fund balances of \$60,498,783, a decrease of \$228,545 from prior year. In addition to the two funds noted above, the capital projects funds had a decrease of \$1,122,386 and the other governmental funds had a net decrease of \$2.3 million.

### Overview of the Financial Statements

The City's basic audited financial statements comprise three components: (1) Government-wide financial statements; (2) Fund financial statements; and (3) Notes to the financial statements. This section also contains other supplementary information in addition to the basic financial statements themselves.

#### *Government-wide Financial Statements*

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business reporting. All governmental and business-type activities are combined to arrive at a total for the Primary Government. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The statement of net position presents information on all the City's assets plus deferred outflows and liabilities plus deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in the financial position of the City. It is important to note that this statement combines the governmental fund's current financial resources (short-term) with capital assets and long-term liabilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. The format of this statement is quite different from a traditional "income statement". The format is intended to portray the extent to which governmental activities are funded by taxes and the extent to which business-type activities are supported by the revenues they generate. The statement presents all underlying events giving rise to the changes in net position, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

Each of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include police and fire services, public works, development services, schools, and general government activities. The business-type activities of the City include Water & Wastewater and Electric utilities.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Maryville, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City of Maryville can be divided into two categories: governmental funds and proprietary funds. The City of Maryville does not have any funds of the fiduciary fund type.

### *Governmental Funds*

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

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

The City maintains several individual governmental funds organized according to their type: General, Special Revenue, Capital Projects and Debt Service. Information is presented separately in the governmental balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, General Purpose School, Debt Service and Capital Projects, which are all considered as Major Funds. Data from the remaining governmental funds are combined into a single aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the combining statements elsewhere in the report.

The City adopts an annual appropriated budget for its general, special revenue and debt service funds. A budgetary comparison statement has been provided for the General Fund and General Purpose School Fund.

### *Proprietary Funds*

The City maintains two types of proprietary funds. Enterprise funds are used to account for quasi-business functions where revenues typically are generated from charges or fees rather than taxes. The City uses enterprise funds to account for its Electric and Water and Wastewater. The City uses Internal Service funds to account for its group self-insurance, worker's compensation, fleet, information technology services and facility management. The internal services funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is presented in the form of combining statements elsewhere in this report.

## **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Government-Wide Financial Analysis

As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. The City's net position is \$347,411,451 at the close of the most recent fiscal year. Compared to the prior year, after restatement, the City's net position increased \$43,701,514 or 14%, of which governmental activities provided \$26,322,610 and business-type activities provided \$17,378,904.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
<b>Assets:</b>						
Current and Other Assets	\$ 111,336,109	\$ 110,157,792	\$ 35,984,598	\$ 32,733,138	\$ 147,320,707	\$ 142,890,930
Pension Asset	10,231,800	41,497,671	552,414	4,081,691	10,784,214	45,579,362
Capital Assets, Net	184,759,974	168,855,178	168,097,663	157,485,135	352,857,637	326,340,313
Total Assets	306,327,883	320,510,641	204,634,675	194,299,964	510,962,558	514,810,605
<b>Deferred Outflows of Resources:</b>						
Pension and OPEB Deferrals	18,427,441	20,859,797	2,743,013	2,788,883	21,170,454	23,648,680
Deferred Charges on Refunding	194,924	223,106	503,002	646,717	697,926	869,823
Total Deferred Outflows of Resources	18,622,365	21,082,903	3,246,015	3,435,600	21,868,380	24,518,503
<b>Liabilities:</b>						
Long-term Liabilities	59,348,206	63,961,018	41,141,824	44,532,065	100,490,030	108,493,083
OPEB Liabilities	17,821,800	25,765,342	1,488,884	2,127,603	19,310,684	27,892,945
Other Liabilities	12,356,658	12,470,146	8,485,955	8,463,504	20,842,613	20,933,650
Total Liabilities	89,526,664	102,196,506	51,116,663	55,123,172	140,643,327	157,319,678
<b>Deferred Inflows of Resources:</b>						
Deferred Revenue	25,926,995	25,534,763	0	0	25,926,995	25,534,763
Pension and OPEB Deferrals	14,399,590	44,492,065	1,251,355	5,206,779	15,650,945	49,698,844
Grants Received in Advance	0	520,345	2,330,692	1,583,505	2,330,692	2,103,850
Deferred Lease Revenue	452,038	466,961	415,490	434,522	867,528	901,483
Total Deferred Inflows of Resources	40,778,623	71,014,134	3,997,537	7,224,806	44,776,160	78,238,940
<b>Net Position:</b>						
Net Investment in Capital Assets	128,435,940	106,590,033	128,468,647	113,906,031	256,904,587	220,496,064
Restricted	21,177,791	48,511,110	591,765	5,809,617	21,769,556	54,320,727
Unrestricted	45,031,230	13,281,761	23,706,078	15,671,938	68,737,308	28,953,699
Total Net Position	\$ 194,644,961	\$ 168,382,904	\$ 152,766,490	\$ 135,387,586	\$ 347,411,451	\$ 303,770,490

The decrease in assets is primarily due to the decrease in the pension asset of the governmental activities of \$31.3 million and the pension asset of the business-type activities of \$3.5 million, offset by an increase in governmental activities capital assets of \$15.9 million and an increase in business-type activities capital assets of \$10.6 million.

Long-term liabilities decreased primarily due to normal principal payments of \$8 million on debt. OPEB liabilities decreased due primarily to experience gains.

The largest portion of the City's net position (74%) at June 30, 2023 reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related outstanding debt used to acquire these assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not easily or quickly available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are not planned to be used to liquidate these liabilities. Governmental Activities experienced an increase of 20% year over year for Net Investment in Capital Assets due primarily to repayment of debt. Business-Type Activities experienced an increase of 13% year over year for Net Investment in Capital Assets. An additional portion of the City's net position (6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is \$68.7 million, an increase of \$39.7 million. Of this amount, \$45 million is in the Governmental Activities and \$23.7 million is available for Business-Type Activities.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 9,861,050	\$ 8,104,709	\$ 100,344,548	\$ 92,122,008	\$ 110,205,598	\$ 100,226,717
Operating Grants and Contributions	34,973,302	39,150,856	0	0	34,973,302	39,150,856
Capital Grants and Contributions	3,084,371	2,619,381	6,959,864	3,168,161	10,044,235	5,787,542
<b>General Revenues:</b>						
Sales Tax	33,421,219	31,242,353	0	0	33,421,219	31,242,353
State Income and Excise Taxes	310,447	307,475	0	0	310,447	307,475
Property Taxes	38,825,439	37,185,247	0	0	38,825,439	37,185,247
Business Taxes	1,229,776	968,582	0	0	1,229,776	968,582
Miscellaneous Taxes	5,020,478	4,899,471	0	0	5,020,478	4,899,471
In-Lieu of Taxes	2,364,391	2,079,267	0	0	2,364,391	2,079,267
Investment Earnings	2,822,265	281,042	973,786	62,895	3,796,051	343,937
Miscellaneous Revenues	1,197,670	6,950,024	1,025,437	0	2,223,107	6,950,024
<b>Total Revenues</b>	<b>133,110,408</b>	<b>133,788,407</b>	<b>109,303,635</b>	<b>95,353,064</b>	<b>242,414,043</b>	<b>229,141,471</b>
<b>Expenses</b>						
General Government	3,697,966	3,046,161	0	0	3,697,966	3,046,161
Public Safety	11,301,683	10,361,432	0	0	11,301,683	10,361,432
Public Services	15,293,229	13,697,998	0	0	15,293,229	13,697,998
Culture and Recreation	2,654,429	1,895,655	0	0	2,654,429	1,895,655
Economic Development	1,977,360	440,323	0	0	1,977,360	440,323
Education	71,864,839	61,622,450	0	0	71,864,839	61,622,450
Interest on Long-Term Debt	1,699,382	1,853,630	0	0	1,699,382	1,853,630
Other Debt Service	20,395	19,140	0	0	20,395	19,140
Electric	0	0	73,961,636	67,765,097	73,961,636	67,765,097
Water and Sewer	0	0	16,241,610	15,170,688	16,241,610	15,170,688
<b>Total Expenses</b>	<b>108,509,283</b>	<b>92,936,789</b>	<b>90,203,246</b>	<b>82,935,785</b>	<b>198,712,529</b>	<b>175,872,574</b>
Change in Net Position Before Transfers	24,601,125	40,851,618	19,100,389	12,417,279	43,701,514	53,268,897
Transfers-In Lieu of Tax Payments	1,721,485	1,701,710	(1,721,485)	(1,701,710)	0	0
Change in Net Position	26,322,610	42,553,328	17,378,904	10,715,569	43,701,514	53,268,897
Net Position at Beginning of Year	168,382,904	125,731,925	135,387,586	124,579,260	303,770,490	250,311,185
Restatement	(60,553)	97,651	0	92,757	(60,553)	190,408
Net Position at End of Year	<u>\$ 194,644,961</u>	<u>\$ 168,382,904</u>	<u>\$ 152,766,490</u>	<u>\$ 135,387,586</u>	<u>\$ 347,411,451</u>	<u>\$ 303,770,490</u>

## Analysis of Change in Position

### *Governmental Activities*

- Governmental activities increased the City's governmental net position by \$26.3 million.
- Revenue decreased by 1%, or \$678 thousand. Operating grants decreased by \$4.2 million, or 11% primarily related to the end of the COVID-19 pandemic grants. Sales taxes increased by \$2.2 million year over year, an increase of 7% due primarily to growth in sales. Miscellaneous revenues decreased \$5.8 million primarily due to less property sales in FY23.
- Expenses increased by 17%, or \$15.6 million, due primarily to economic conditions and increased costs of supplies, materials and labor.

### *Business-Type Activities*

- Business-type activities increased the City's business-type net position by \$17.4 million.
- The Electric Utility, the largest business-type activity of the City with FY23 operating revenues of \$77.9 million and operating expenses of \$73.9 million. These totals represent a total increase of \$5.5 million in revenues and \$6.2 million in expenses. These increases are mainly due primarily to economic conditions, increased costs of supplies, materials, labor and an increase in TVA fuel charges.
- The Water and Sewer Fund concluded FY23 with a change in net position of \$14.3 million total operating revenues increased \$2.8 million to \$22.4 million while operating expenses increased to \$15.0 million. Increase in operating expenses was primarily due to increased cost of supplies, material and labor.

## Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### *Governmental Funds*

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the City. As of June 30, 2023, unassigned fund balance of the General Fund increased \$1.9 million to \$21.9 million. Revenue increased \$4.9 million or 9.5% due primarily to continued growth from sales tax. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total revenue. Unassigned fund balance represents 38.6% of total general fund revenue.

The General Purpose School Fund is the primary operating fund for the Maryville City Schools. As of June 30, 2023, the assigned fund balance of the General Purpose School Fund was \$12.9 million. Revenue increased by 7% due to increases in sales tax and increased funding from the State. Assigned fund balance represents 22.4% of total general purpose school fund revenue. The City's contribution from General Fund for operating support of the schools was \$9,422,500.

The Debt Service Fund is used to pay principal and interest for debt issued for City and School-related projects, not including self-supporting debt issued for capital improvements of the Water & Wastewater and Electric Utilities. In FY23, the primary revenue to the Debt Service Fund is the General Fund transfer of \$7.5 million. The assigned fund balance of the Debt Service Fund as of June 30, 2023, was \$3.8 million, an increase of \$669,198 from the prior year.

The Capital Projects Fund is used to account for capital projects of the City. Expenditures increased due to an increase in capital projects as well as project costs. Fund balance decreased in FY23 by \$1,122,386. The City continued to sale land in the Laurel Branch development which contributes to the funding of capital projects.

Schedules for Other Non-Major Governmental Funds are also found in this report.

*Proprietary Funds*

The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Electric Utility as of June 30, 2023 was \$57.9 million, an increase of \$3.0 million from the prior year. Operating income decreased in FY23 by \$680,393 primarily due to increased costs of supplies, materials, labor and an increase in TVA fuel charges.

Net position of the Water and Sewer Department as of June 30, 2023, was \$94.8 million, an increase of \$14.3 million from the prior year. FY23 increases mainly due to Federal Grant dollars awarded through ARPA to complete major capital projects, sales of capital assets and capital contributions. Operation costs increased due to increased costs of supplies, materials and labor.

**General Fund Budgetary Highlights**

Amendments to the original budget appropriation included:

- Due to continued increases in costs, additional funding was required to complete capital projects and purchase equipment and meet operational requirements.
- A transfer from the General Fund to the School Construction Fund in the amount of \$2,000,000.

**Capital Asset and Debt Administration**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Land	\$ 10,849,443	\$ 8,925,595	\$ 3,871,433	\$ 3,871,433	\$ 14,720,876	\$ 12,797,028
Right-of-Way/Easements	876,985	865,760	0	0	876,985	865,760
Construction in Progress	17,042,471	14,001,001	17,515,071	9,656,827	34,557,542	23,657,828
Buildings and Improvements	183,268,430	174,887,273	0	0	183,268,430	174,887,273
Infrastructure	49,804,393	45,358,841	0	0	49,804,393	45,358,841
Machinery, Equipment & Vehicles	30,481,930	26,136,086	0	0	30,481,930	26,136,086
Leased / Subscription Assets	2,891,698	1,245,379	0	0	2,891,698	1,245,379
Electric Plant	0	0	94,493,298	88,895,811	94,493,298	88,895,811
Water & Wastewater Plant	0	0	163,927,630	158,220,164	163,927,630	158,220,164
<b>Total Capital Assets</b>	<b>295,215,350</b>	<b>271,419,935</b>	<b>279,807,432</b>	<b>260,644,235</b>	<b>575,022,782</b>	<b>532,064,170</b>
Less: Accumulated Depreciation / Amortization	<u>110,455,376</u>	<u>102,564,757</u>	<u>109,709,769</u>	<u>103,159,100</u>	<u>220,165,145</u>	<u>205,723,857</u>
<b>Net Capital Assets</b>	<b>\$ 184,759,974</b>	<b>\$ 168,855,178</b>	<b>\$ 170,097,663</b>	<b>\$ 157,485,135</b>	<b>\$ 354,857,637</b>	<b>\$ 326,340,313</b>
Net Capital Assets - Beginning	\$ 168,855,178	\$ 155,508,979	\$ 157,485,135	\$ 156,516,975	\$ 326,340,313	\$ 312,025,954
Increase/(Decrease) in Net Capital Assets	<u>15,904,796</u>	<u>13,346,199</u>	<u>12,612,528</u>	<u>968,160</u>	<u>28,517,324</u>	<u>14,314,359</u>
<b>Net Capital Assets - Ending</b>	<b>\$ 184,759,974</b>	<b>\$ 168,855,178</b>	<b>\$ 170,097,663</b>	<b>\$ 157,485,135</b>	<b>\$ 354,857,637</b>	<b>\$ 326,340,313</b>

*Capital Assets*

The increase in the City’s investment in capital assets for its governmental and business type activities is consistent with our six-year plan for capital expenditures.

Total capital assets in the Governmental Activities category increased by \$23.8 million while accumulated depreciation also increased by \$7.9 million, thereby resulting in an increase in net capital assets of \$15.9 million. Increases in FY23 include:

- Schools \$9.4 million
- Road construction \$3.7 million
- Parks \$2.3 million
- Public Safety \$1.6 million
- Bridge Replacements \$0.7
- Equipment Purchases \$2.3 million

In the Business-Type Activities, there is a net decrease in Electric Plant assets of \$645,409. Water & Wastewater Plant assets net increased by \$11.3 million, which includes contributed capital.

*Long-Term Debt*

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
General Obligation/Rev Bonds	\$ 45,945,000	\$ 49,335,000	\$ 37,780,000	\$ 40,760,000	\$ 83,725,000	\$ 90,095,000
TN State School Bond Authority Loan	4,134,730	5,480,610	0	0	4,134,730	5,480,610
TN State Revolving Fund Loans	0	0	1,036,608	1,154,580	1,036,608	1,154,580
Lease Obligation	997,076	1,114,052	0	0	997,076	1,114,052
SBITA Obligation	678,195	181,659	0	0	678,195	181,659
Premium on Bonds	4,152,938	4,665,763	889,709	1,132,804	5,042,647	5,798,567
<b>Total Debt Payable</b>	<b>55,907,939</b>	<b>60,777,084</b>	<b>39,706,317</b>	<b>43,047,384</b>	<b>95,614,256</b>	<b>103,824,468</b>
Compensated Absences	3,440,267	3,365,593	1,435,507	1,484,681	4,875,774	4,850,274
OPEB Liability	17,821,800	25,765,342	1,488,884	2,127,603	19,310,684	27,892,945
<b>Total Long Term Obligations</b>	<b>\$ 77,170,006</b>	<b>\$ 89,908,019</b>	<b>\$ 42,630,708</b>	<b>\$ 46,659,668</b>	<b>\$ 119,800,714</b>	<b>\$ 136,567,687</b>

As of June 30, 2023, the City governmental activities had total debt outstanding of \$50.0 million, comprised of general obligation debt backed by its full faith and credit pledge excluding original issue premium. In addition, the City is obligated for another \$38.8 million in revenue debt issued for the Water & Wastewater and Electric utilities, excluding original issue premium. These revenue bonds, while carrying the credit support of the City's general obligation pledge, are repaid from net revenues of the appropriate utility.

The City has a six-year capital plan. Based on the current plan, the governmental activities are not expected to require any new debt issuance. In the business activities, neither utility expects to issue any new debt. The Water and Sewer Utility has contracted for a major renovation of the sewer treatment process that started in FY23 this is being funded with federal grants and or cash.

On April 15, 2021, Standard & Poor's affirmed the City's General Obligation long term and underlying bond rating of AA+. The City's bond rating as assigned by Moody's Investors Service remains Aa3.

The Charter of the City of Maryville limits the issuance of general obligation debt up to an amount that will not exceed fifteen percent (15%) of the total assessed value of the incorporated area. The current debt limitation for the City is \$171.2 million compared to the City's outstanding debt net of fund balance held in the Debt Service Fund of \$50.4 million. The legal debt margin is \$120.8 million.

The OPEB Liability is the actuarial accrued liability less the amount funded in a trust fund for which the City would be obligated. The City has not established a trust fund for the OPEB Liability. The annual change in the OPEB obligation is equivalent to the annual OPEB cost, which is the OPEB expense for the year on the accrual basis of accounting, less estimated retiree claims currently paid by the City on a pay-as-you-go basis. The City's OPEB obligation, including Schools, at June 30, 2023 was \$19.3 million, a decrease of \$8.6 million compared to the prior year.

See Notes 6 and 7 of the Notes to Financial Statements for more detailed information regarding capital assets and long-term liabilities.

## The FY 2024 Adopted Budget

- The FY2024 Adopted Budget includes a five-year projection for the general fund and debt service fund and a six-year projection for each capital fund. These projections include transfers from the General Fund of \$3,950,000 per year for capital projects and \$2,100,000 for equipment replacement with a balanced budget and no use of bond funding.
- The General Fund Appropriation Budget is \$57,637,211, an increase of \$1,002,017 or 3.4%, from the final FY23 Amended Budget of \$58,639,228.
- FY24 is a reappraisal year resulting in an increase in most property assessments and a decrease in the Certified Tax Rate. The adopted property tax rate of \$1.50 per \$100 of assessed valuation. For a residence valued at \$150,000 in tax year 2022, City property taxes were \$851, or \$71 per month. For tax year 2023, the same property value would result in City property taxes of \$562, or \$47 per month.
- The FY24 Budget funds 339 full-time positions city-wide (general government services and utilities), an increase of 5 positions from the previous year, which consist of 2 full-time positions in General Fund, both in Public Services and 3 new utility positions with 2 in Electric and 1 in Water & Sewer.
- A cost-of-living increase has been provided for all employees of 2.5% and step raises for eligible employees. City and employee funding of employee medical expenses were maintained at the same level as the prior with small adjustments to benefits.
- The General Fund support for the School's operating budget was maintained at \$9,455,000.
- This budget provides \$2,161,000 for new capital projects including, improvements to parks and traffic signal improvements.
- Water & Sewer capital projects totaling \$15,179,572 are scheduled for FY24 with a focus on system rehabilitation/relocation, equipment replacement and plant facility improvements.
- The capital plan for the Electric Department includes ongoing system rehabilitation and maintenance, substation upgrades, development projects, equipment replacement, and overhead and underground construction. The FY24 capital budget for the Electric Department is \$4,829,357.



## **BASIC FINANCIAL STATEMENTS**

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 73,927,861	\$ 26,878,923	\$ 100,806,784
Cash and Cash Equivalents: Restricted	0	39,351	39,351
Receivables			
Taxes, Net	26,377,834	0	26,377,834
Accounts, Net	1,911,278	5,845,364	7,756,642
Leases	574,365	532,092	1,106,457
Internal Balances	35,145	(35,145)	0
Due from Other Governments	7,849,102	0	7,849,102
Inventories	201,010	2,691,690	2,892,700
Net Pension Asset	10,231,800	552,414	10,784,214
TCRS Stabilization Trust	459,514	0	459,514
Other Assets	0	32,323	32,323
Capital Assets			
Nondepreciable	28,768,899	21,386,504	50,155,403
Depreciable, Net of Accumulated Depreciation	155,991,075	146,711,159	302,702,234
Total Capital Assets, Net of Depreciation	184,759,974	168,097,663	352,857,637
<b>Total Assets</b>	306,327,883	204,634,675	510,962,558
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Bond Refunding Costs	194,924	503,002	697,926
Deferred Pension Outflows	15,929,067	2,661,096	18,590,163
Deferred Other-Postemployment Benefits Outflows	2,498,374	81,917	2,580,291
<b>Total Deferred Outflows of Resources</b>	18,622,365	3,246,015	21,868,380
<b>LIABILITIES</b>			
Accounts Payable	3,351,788	7,685,001	11,036,789
Accrued Liabilities	8,861,399	696,824	9,558,223
Accrued Interest Payable	143,471	104,130	247,601
Noncurrent Liabilities Due in More than One Year			
Other Post-Employment Benefit Liability	17,821,800	1,488,884	19,310,684
Long-Term Liabilities			
Due Within One Year	7,177,154	4,199,644	11,376,798
Due in More Than One Year	52,171,052	36,942,180	89,113,232
<b>Total Liabilities</b>	89,526,664	51,116,663	140,643,327
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Revenue	25,926,995	0	25,926,995
Deferred Pension Inflows	1,726,872	40,352	1,767,224
Deferred Other-Postemployment Benefits Inflows	12,672,718	1,211,003	13,883,721
Grants Received in Advance	0	2,330,692	2,330,692
Deferred Lease Revenue	452,038	415,490	867,528
<b>Total Deferred Inflows of Resources</b>	40,778,623	3,997,537	44,776,160
<b>NET POSITION</b>			
Net Investment in Capital Assets	128,435,940	128,468,647	256,904,587
Restricted for			
Special Revenue			
General Purpose School Fund	459,514	0	459,514
State Street Aid	1,333,148	0	1,333,148
Maryville City Schools Cafeteria	3,082,363	0	3,082,363
Maryville City Schools Continuing Care Program	1,151,223	0	1,151,223
Internal School	2,768,062	0	2,768,062
Special Projects	14,222	0	14,222
Stormwater	1,811,999	0	1,811,999
Drug	194,479	0	194,479
GIS	130,981	0	130,981
Restricted Cash and Investments	0	39,351	39,351
Pensions	10,231,800	552,414	10,784,214
Unrestricted	45,031,230	23,706,078	68,737,308
<b>Total Net Position</b>	\$ 194,644,961	\$ 152,766,490	\$ 347,411,451

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 3,697,966	\$ 727,804	\$ 850	\$ 0	\$ (2,969,312)	\$ 0	\$ (2,969,312)
Public Safety	11,301,683	56,422	52,696	0	(11,192,565)	0	(11,192,565)
Public Services	15,293,229	3,056,729	0	3,084,371	(9,152,129)	0	(9,152,129)
Culture and Recreation	2,654,429	0	0	0	(2,654,429)	0	(2,654,429)
Economic Development	1,977,360	0	0	0	(1,977,360)	0	(1,977,360)
Education	71,864,839	6,020,095	34,919,756	0	(30,924,988)	0	(30,924,988)
Debt Service:							
Interest on Long-Term Debt	1,699,382	0	0	0	(1,699,382)	0	(1,699,382)
Other Debt Service	20,395	0	0	0	(20,395)	0	(20,395)
<b>Total Governmental Activities</b>	<b>108,509,283</b>	<b>9,861,050</b>	<b>34,973,302</b>	<b>3,084,371</b>	<b>(60,590,560)</b>	<b>0</b>	<b>(60,590,560)</b>
<b>Business-Type Activities</b>							
Electric	73,961,636	77,933,762	0	0	0	3,972,126	3,972,126
Water and Sewer	16,241,610	22,410,786	0	6,959,864	0	13,129,040	13,129,040
<b>Total Business-Type Activities</b>	<b>90,203,246</b>	<b>100,344,548</b>	<b>0</b>	<b>6,959,864</b>	<b>0</b>	<b>17,101,166</b>	<b>17,101,166</b>
<b>Total Government</b>	<b>\$ 198,712,529</b>	<b>\$ 110,205,598</b>	<b>\$ 34,973,302</b>	<b>\$ 10,044,235</b>	<b>(60,590,560)</b>	<b>17,101,166</b>	<b>(43,489,394)</b>
<b>General Revenues:</b>							
					33,421,219	0	33,421,219
					310,447	0	310,447
					38,825,439	0	38,825,439
					1,229,776	0	1,229,776
					5,020,478	0	5,020,478
					2,364,391	0	2,364,391
					2,822,265	973,786	3,796,051
					1,197,670	1,025,437	2,223,107
<b>Transfers - In-Lieu-of-Tax Payments</b>					1,721,485	(1,721,485)	0
<b>Total General Revenues and Transfers</b>					<b>86,913,170</b>	<b>277,738</b>	<b>87,190,908</b>
<b>Change in Net Position</b>					<b>26,322,610</b>	<b>17,378,904</b>	<b>43,701,514</b>
<b>Net Position - Beginning, as Previously Reported</b>					<b>168,382,904</b>	<b>135,387,586</b>	<b>303,770,490</b>
<b>Restatement - See Note 18</b>					<b>(60,553)</b>	<b>0</b>	<b>(60,553)</b>
<b>Adjusted Net Position - Beginning</b>					<b>168,322,351</b>	<b>135,387,586</b>	<b>303,709,937</b>
<b>Net Position - Ending</b>					<b>\$ 194,644,961</b>	<b>\$ 152,766,490</b>	<b>\$ 347,411,451</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**June 30, 2023**

	General	General Purpose School	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 18,612,565	\$ 17,337,362	\$ 3,833,466	\$ 6,092,866	\$ 16,160,644	\$ 62,036,903
Receivables:						
Taxes, Net	26,377,834	0	0	0	0	26,377,834
Accounts	872,635	20,026	0	0	178,905	1,071,566
Leases	574,365	0	0	0	0	574,365
Due from Other Governments	5,142,290	1,487,726	0	0	1,219,086	7,849,102
TCRS Stabilization Trust	0	459,514	0	0	0	459,514
Due from Other Funds	0	2,527,205	0	0	0	2,527,205
<b>Total Assets</b>	<b>\$ 51,579,689</b>	<b>\$ 21,831,833</b>	<b>\$ 3,833,466</b>	<b>\$ 6,092,866</b>	<b>\$ 17,558,635</b>	<b>\$ 100,896,489</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 502,597	\$ 23,965	\$ 0	\$ 341,542	\$ 1,375,974	\$ 2,244,078
Due to Other Funds	2,414,852	0	0	0	112,353	2,527,205
Accrued Payroll	0	5,099,535	0	0	0	5,099,535
Other Liabilities	2,985	3,758,879	0	0	0	3,761,864
<b>Total Liabilities</b>	<b>2,920,434</b>	<b>8,882,379</b>	<b>0</b>	<b>341,542</b>	<b>1,488,327</b>	<b>13,632,682</b>
<b>Deferred Inflow of Resources</b>						
Deferred Revenue	26,312,986	0	0	0	0	26,312,986
Deferred Lease Revenue	452,038	0	0	0	0	452,038
<b>Total Deferred Inflow of Resources</b>	<b>26,765,024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>26,765,024</b>
<b>Fund Balances</b>						
Restricted	0	459,514	0	0	10,500,410	10,959,924
Assigned	0	12,489,940	3,833,466	5,751,324	5,569,898	27,644,628
Unassigned	21,894,231	0	0	0	0	21,894,231
<b>Total Fund Balances</b>	<b>21,894,231</b>	<b>12,949,454</b>	<b>3,833,466</b>	<b>5,751,324</b>	<b>16,070,308</b>	<b>60,498,783</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 51,579,689</b>	<b>\$ 21,831,833</b>	<b>\$ 3,833,466</b>	<b>\$ 6,092,866</b>	<b>\$ 17,558,635</b>	<b>\$ 100,896,489</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

Amounts reported for governmental activities in the statement of net position are different because:

Ending Fund Balance - Governmental Funds	\$	60,498,783
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Capital Assets	\$	292,809,055
Less: Accumulated Depreciation / Amortization		<u>(108,516,897)</u>
		184,292,158

Revenues, including property taxes that have been deferred in the balance sheet of the governmental funds because they were not available to pay current liabilities of the period are recognized as revenue in the statement of activities and, therefore, are not included in the statement of net position.

386,023

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Long-Term Debt		(50,079,730)
Unamortized Bond Premium		(4,152,938)
Lease Obligations		(997,076)
Subscription-based Obligations		(678,195)
Accrued Interest on Long-Term Debt		(143,471)
Compensated Absences		<u>(3,440,267)</u>
		(59,491,677)

Internal service funds are used by management to charge certain costs (e.g., certain employee benefits, insurance, maintenance, and use of equipment) to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.

12,326,899

Net pension assets and liabilities of the City's agent multiple-employer plans are not current financial resources and therefore are not reported in the governmental funds.

10,231,800

Other post-employment benefits liabilities are not current financial resources and therefore are not reported in the governmental funds.

(17,821,800)

Amounts reported as deferred outflows of unamortized amounts on refundings, deferred outflows related to other post-employment benefits, and deferred outflows related to pensions increase the amount of net position reported in the statement of net position, but are not reported as assets in the funds. Similarly, deferred inflows related to pensions and other postemployment benefits decrease the amount of net position reported in the statement of net position, but are not reported as liabilities in the funds.

Deferred Outflows of Resources Related to Deferred Bond Refunding Costs		194,924
Deferred Outflows of Resources Related to Pensions		15,929,067
Deferred Outflows of Resources Related to Other Post-employment Benefits		2,498,374
Deferred Inflows of Resources Related to Pensions		(1,726,872)
Deferred Inflows of Resources Related to Other Post-employment Benefits		<u>(12,672,718)</u>
		<u>4,222,775</u>

Net Position of Governmental Activities	\$	<u><u>194,644,961</u></u>
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The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Period Ending June 30, 2023**

	General	General Purpose School	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes:						
Property Taxes	\$ 25,736,848	\$ 13,078,428	\$ 0	\$ 0	\$ 0	\$ 38,815,276
Local Option Sales Taxes	15,938,859	13,724,982	0	0	0	29,663,841
Other Taxes	6,371,469	546,974	0	0	0	6,918,443
Licenses, Permits and Fees	32,318	3,202	0	0	0	35,520
Intergovernmental:						
State Taxes	4,520,735	228,200	0	0	1,170,405	5,919,340
Federal Grants	0	0	0	0	7,214,520	7,214,520
State Grants	0	963,477	0	0	0	963,477
U.S.D.A. Revenues	0	0	0	0	1,781,283	1,781,283
Other State Revenues	0	27,541,384	0	0	0	27,541,384
Other Local Revenues	0	0	0	0	578,356	578,356
Charges for Services	1,691,090	698,932	0	0	4,447,877	6,837,899
Fines, Forfeitures and Court Costs	64,852	0	0	0	1,935	66,787
Interest Income	1,884,204	606,913	147,298	35,155	148,694	2,822,264
Internal School Fund Revenue	0	0	0	0	2,540,038	2,540,038
Miscellaneous Revenue	552,925	416,034	0	0	280,231	1,249,190
<b>Total Revenues</b>	<b>56,793,300</b>	<b>57,808,526</b>	<b>147,298</b>	<b>35,155</b>	<b>18,163,339</b>	<b>132,947,618</b>
<b>Expenditures:</b>						
Current:						
General Government	1,913,016	0	0	0	549,412	2,462,428
Public Safety	11,582,613	0	0	0	97,707	11,680,320
Public Service	10,664,630	0	0	0	2,098,357	12,762,987
Culture and Recreation	2,202,057	0	0	0	57,200	2,259,257
Economic Development	1,977,360	0	0	0	0	1,977,360
Nondepartmental Costs	2,322,757	0	0	0	0	2,322,757
Education	0	60,609,369	0	0	11,983,301	72,592,670
Debt Service:						
Principal Retirement	0	0	4,735,875	0	0	4,735,875
Interest and Fiscal Fees	0	0	2,204,151	0	0	2,204,151
Payments under Leases	0	0	131,458	0	0	131,458
Capital Outlay	0	4,952,232	0	5,903,944	11,833,055	22,689,231
<b>Total Expenditures</b>	<b>30,662,433</b>	<b>65,561,601</b>	<b>7,071,484</b>	<b>5,903,944</b>	<b>26,619,032</b>	<b>135,818,494</b>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	<b>26,130,867</b>	<b>(7,753,075)</b>	<b>(6,924,186)</b>	<b>(5,868,789)</b>	<b>(8,455,693)</b>	<b>(2,870,876)</b>
<b>Other Financing Sources (Uses):</b>						
Transfers In	1,721,485	9,462,500	7,593,384	3,825,557	6,196,298	28,799,224
Transfers Out	(25,958,299)	(1,079,440)	0	0	(40,000)	(27,077,739)
Financing of Subscription-based IT Arrangement	0	0	0	576,166	0	576,166
Sale of Capital Asset	0	0	0	344,680	0	344,680
<b>Total Other Financing Sources (Uses)</b>	<b>(24,236,814)</b>	<b>8,383,060</b>	<b>7,593,384</b>	<b>4,746,403</b>	<b>6,156,298</b>	<b>2,642,331</b>
<b>Net Change in Fund Balances</b>	<b>1,894,053</b>	<b>629,985</b>	<b>669,198</b>	<b>(1,122,386)</b>	<b>(2,299,395)</b>	<b>(228,545)</b>
<b>Adjusted Fund Balance - Beginning</b>	<b>20,000,178</b>	<b>12,319,469</b>	<b>3,164,268</b>	<b>6,873,710</b>	<b>18,369,703</b>	<b>60,727,328</b>
<b>Fund Balances, June 30th</b>	<b>\$ 21,894,231</b>	<b>\$ 12,949,454</b>	<b>\$ 3,833,466</b>	<b>\$ 5,751,324</b>	<b>\$ 16,070,308</b>	<b>\$ 60,498,783</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**For the Period Ending June 30, 2023**

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances – Total Governmental Funds	\$	(228,545)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital Assets Purchased	\$ 23,564,480	
Loss on Disposal of Assets	(125,076)	
Depreciation/Amortization Expense	<u>(8,678,312)</u>	
Net Change in Capital Assets		14,761,092
<p>Revenues, including property taxes, in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		10,161
<p>The issuance of long-term debt and lease obligations 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.</p>		
Add: Principal Payments on Debt	4,735,880	
Add: Principal Payments on Lease	116,976	
Add: Principal Payments on Subscription-based Obligations	79,630	
Less: Issuance of Subscription-based Obligations	<u>576,166</u>	
		5,508,652
<p>Expenses reported in the statement of activities include amortization of the deferred amount on debt refunding (\$28,182). In addition, the amortization of bond premium results in reduction of expenses (\$512,825). These amounts do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		484,643
<p>Internal service funds are used by management to charge certain costs (e.g., certain employee benefits, insurance, maintenance, and use or equipment) to individual funds. The net revenue (expense) amounts of the internal service funds are reported with governmental activities.</p>		
		1,509,282
<p>Certain assets, liabilities, deferred inflows, and deferred outflows accounted for using the economic resources focus and the accrual basis of accounting are reported in the Statement of Net Position but are not reported in the fund financial statements, which include only items that are accounted for using current financial resources measurement and modified accrual basis of accounting. These amounts do not provide or require the use of current financial resources and, therefore, are not reflected in the revenues and expenditures of governmental funds.</p>		
Change in Assets and Deferred Outflows		
Net Pension Asset	(31,265,871)	
Deferred Pension Outflows	(1,760,985)	
Deferred Other Post-employment Benefits Outflows	<u>(671,371)</u>	
		(33,698,227)
Change in Liabilities and Deferred Inflows		
Accrued Interest	14,209	
Other Post-Employment Benefit Liability	7,943,542	
Compensated Absences	(74,674)	
Deferred Pension Inflows	36,484,093	
Deferred Other Post-Employment Benefits Inflows	<u>(6,391,618)</u>	
		<u>37,975,552</u>
Change in Net Position of Governmental Activities	\$	<u><u>26,322,610</u></u>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**GENERAL FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
<b>Taxes</b>				
Property Taxes	\$ 25,800,000	\$ 25,800,000	\$ 25,736,848	\$ (63,152)
Interest and Penalties on Property Tax	270,000	270,000	279,473	9,473
In Lieu of Taxes	2,223,229	2,223,229	2,243,778	20,549
Local Sales Tax	15,780,000	15,780,000	15,938,859	158,859
City Beer Tax	1,300,000	1,300,000	1,196,778	(103,222)
City Liquor Tax	500,000	500,000	481,505	(18,495)
Gross Receipts Tax	1,184,500	1,184,500	1,338,658	154,158
Franchise Taxes	615,000	615,000	803,415	188,415
Hotel/Motel Taxes	16,000	16,000	27,862	11,862
<b>Total Taxes</b>	<b>47,688,729</b>	<b>47,688,729</b>	<b>48,047,176</b>	<b>358,447</b>
<b>Intergovernmental</b>				
State Mixed Drink Tax	195,000	195,000	228,200	33,200
State Beer Tax	13,000	13,000	14,569	1,569
State Income Tax	0	0	60,669	60,669
State Sales Tax	3,500,000	3,500,000	3,786,735	286,735
State Excise Tax	172,000	172,000	249,779	77,779
State Street Maintenance Contract	120,000	120,000	125,956	5,956
State Sports Wagering Tax	20,000	20,000	52,039	32,039
State Short Term Rental Occupancy Tax	1,000	1,000	2,788	1,788
<b>Total Intergovernmental</b>	<b>4,021,000</b>	<b>4,021,000</b>	<b>4,520,735</b>	<b>499,735</b>
<b>Charges for Services</b>				
Code Enforcement Services	500,000	500,000	597,258	97,258
Planning Services	20,000	20,000	16,711	(3,289)
Public Works Sales	65,000	65,000	146,170	81,170
Engineering Services	35,000	35,000	15,241	(19,759)
Public Safety	90,000	90,000	162,271	72,271
Animal Control Services	11,000	11,000	6,820	(4,180)
Solid Waste Management Services	670,000	670,000	661,378	(8,622)
Rent and Lease Revenue	44,000	44,000	85,241	41,241
<b>Total Charges for Services</b>	<b>1,435,000</b>	<b>1,435,000</b>	<b>1,691,090</b>	<b>256,090</b>
<b>Fines, Forfeitures and Court Costs</b>				
Fines and Costs	42,500	42,500	47,399	4,899
Clerk's Fees	15,000	15,000	17,453	2,453
Licenses	30,000	30,000	32,318	2,318
<b>Total Fines, Forfeitures and Court Costs</b>	<b>87,500</b>	<b>87,500</b>	<b>97,170</b>	<b>9,670</b>
<b>Interest Income</b>	<b>128,954</b>	<b>1,231,954</b>	<b>1,884,204</b>	<b>652,250</b>
<b>Other Revenues</b>	<b>254,530</b>	<b>321,252</b>	<b>552,925</b>	<b>231,673</b>
<b>Total Revenues</b>	<b>53,615,713</b>	<b>54,785,435</b>	<b>56,793,300</b>	<b>2,007,865</b>

The accompanying notes are an integral part of these financial statements.



**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)**

**GENERAL FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Expenditures</b>				
<b>General Government</b>				
<b>Administration</b>				
<b>City Manager's Office</b>				
Salaries	479,667	314,245	286,414	27,831
Fringe Benefits	124,628	79,458	65,592	13,866
Operating Expenses	140,888	140,378	26,443	113,935
Materials and Supplies	15,125	16,735	13,607	3,128
<b>Total City Manager's Office</b>	<u>760,308</u>	<u>550,816</u>	<u>392,056</u>	<u>158,760</u>
<b>Legislative</b>				
Salaries	1,800	1,800	1,800	0
Fringe Benefits	165	165	139	26
Operating Expense	71,826	71,115	60,266	10,849
Materials and Supplies	5,500	6,600	4,814	1,786
Intergovernmental Services	135,205	135,916	135,914	2
<b>Total Legislative</b>	<u>214,496</u>	<u>215,596</u>	<u>202,933</u>	<u>12,663</u>
<b>Judicial/Legal</b>				
Salaries	84,150	82,131	73,818	8,313
Fringe Benefits	38,605	36,244	30,617	5,627
Operating Expenses	95,000	117,380	107,855	9,525
<b>Total Judicial/Legal</b>	<u>217,755</u>	<u>235,755</u>	<u>212,290</u>	<u>23,465</u>
<b>Administrative Services</b>				
Salaries	0	198,633	173,112	25,521
Fringe Benefits	0	67,186	53,954	13,232
Operating Expenses	0	419	384	35
<b>Total Administrative Services</b>	<u>0</u>	<u>266,238</u>	<u>227,450</u>	<u>38,788</u>
<b>Human Resources</b>				
Salaries	158,564	100,433	95,987	4,446
Fringe Benefits	53,713	34,708	31,452	3,256
Operating Expenses	75,332	93,936	75,736	18,200
Materials and Supplies	9,901	11,501	8,098	3,403
<b>Total Human Resources</b>	<u>297,510</u>	<u>240,578</u>	<u>211,273</u>	<u>29,305</u>
<b>Total Administration</b>	<u>1,490,069</u>	<u>1,508,983</u>	<u>1,246,002</u>	<u>262,981</u>
<b>Finance</b>				
Salaries	411,975	404,779	391,961	12,818
Fringe Benefits	148,531	148,569	137,689	10,880
Operating Expenses	182,699	181,953	126,635	55,318
Materials and Supplies	22,875	22,770	10,729	12,041
<b>Total Finance</b>	<u>766,080</u>	<u>758,071</u>	<u>667,014</u>	<u>91,057</u>
<b>Total General Government</b>	<u>2,256,149</u>	<u>2,267,054</u>	<u>1,913,016</u>	<u>354,038</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Expenditures (Continued)</b>				
<b>Public Safety</b>				
<b>Police Department</b>				
Salaries	4,282,511	4,125,513	4,113,609	11,904
Fringe Benefits	1,682,782	1,673,685	1,666,534	7,151
Operating Expenses	705,189	754,039	718,574	35,465
Materials and Supplies	331,235	357,384	345,632	11,752
Intergovernmental Services	214,812	214,812	214,812	0
<b>Total Police Department</b>	<b>7,216,529</b>	<b>7,125,433</b>	<b>7,059,161</b>	<b>66,272</b>
<b>Animal Control</b>				
Salaries	197,120	195,858	136,763	59,095
Fringe Benefits	64,642	63,342	46,961	16,381
Operating Expenses	105,770	104,442	93,585	10,857
Materials and Supplies	20,510	24,400	19,392	5,008
<b>Total Animal Control</b>	<b>388,042</b>	<b>388,042</b>	<b>296,701</b>	<b>91,341</b>
<b>Fire Department</b>				
Salaries	2,692,755	2,784,555	2,673,351	111,204
Fringe Benefits	1,054,911	1,054,911	1,018,652	36,259
Operating Expenses	428,297	449,727	398,948	50,779
Materials and Supplies	103,795	134,941	115,259	19,682
Intergovernmental Services	17,106	21,091	20,541	550
<b>Total Fire Department</b>	<b>4,296,864</b>	<b>4,445,225</b>	<b>4,226,751</b>	<b>218,474</b>
<b>Total Public Safety</b>	<b>11,901,435</b>	<b>11,958,700</b>	<b>11,582,613</b>	<b>376,087</b>
<b>Public Services</b>				
<b>Administration</b>				
Salaries	224,358	224,130	215,158	8,972
Fringe Benefits	87,132	87,160	84,454	2,706
Operating Expenses	197,046	196,846	119,979	76,867
Materials and Supplies	18,803	19,203	15,003	4,200
<b>Total Administration</b>	<b>527,339</b>	<b>527,339</b>	<b>434,594</b>	<b>92,745</b>
<b>Development</b>				
<b>Development Services</b>				
Salaries	818,470	705,409	696,247	9,162
Fringe Benefits	268,115	279,491	244,492	34,999
Operating Expenses	141,295	231,346	63,857	167,489
Materials and Supplies	12,770	14,946	12,024	2,922
<b>Total Development</b>	<b>1,240,650</b>	<b>1,231,192</b>	<b>1,016,620</b>	<b>214,572</b>
<b>Engineering &amp; Public Works</b>				
<b>Public Works</b>				
<b>Engineering</b>				
Salaries	524,284	507,598	446,499	61,099
Fringe Benefits	216,169	216,169	158,323	57,846
Operating Expenses	743,402	616,857	375,835	241,022
Materials and Supplies	15,135	9,635	7,309	2,326
Capital Outlay	6,000	134,845	104,239	30,606
<b>Total Engineering</b>	<b>1,504,990</b>	<b>1,485,104</b>	<b>1,092,205</b>	<b>392,899</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Expenditures (Continued)</b>				
<b>Engineering &amp; Public Works</b>				
<b>Solid Waste - Residential</b>				
Salaries	572,458	571,487	571,089	398
Fringe Benefits	246,808	250,975	250,799	176
Operating Expenses	190,687	223,089	184,008	39,081
Materials and Supplies	84,900	122,259	115,169	7,090
<b>Total Solid Waste - Residential</b>	<b>1,094,853</b>	<b>1,167,810</b>	<b>1,121,065</b>	<b>46,745</b>
<b>Solid Waste - Commercial</b>				
Salaries	330,774	322,728	322,728	0
Fringe Benefits	151,945	156,383	156,152	231
Operating Expenses	121,789	131,848	131,059	789
Materials and Supplies	51,740	68,986	68,847	139
<b>Total Solid Waste - Commercial</b>	<b>656,248</b>	<b>679,945</b>	<b>678,786</b>	<b>1,159</b>
<b>Solid Waste - Brush</b>				
Salaries	424,537	427,573	427,573	0
Fringe Benefits	197,122	214,371	213,519	852
Operating Expenses	111,718	121,969	117,759	4,210
Materials and Supplies	66,750	93,140	90,774	2,366
<b>Total Solid Waste - Brush</b>	<b>800,127</b>	<b>857,053</b>	<b>849,625</b>	<b>7,428</b>
<b>Solid Waste - Landfill</b>				
Operating Expenses	1,359,847	1,364,147	1,356,179	7,968
<b>Street Maintenance</b>				
Salaries	800,342	800,342	791,488	8,854
Fringe Benefits	386,262	386,262	369,413	16,849
Operating Expenses	166,690	188,687	178,836	9,851
Materials and Supplies	208,325	227,561	208,551	19,010
Capital Outlay	9,930	10,930	10,735	195
<b>Total Street Maintenance</b>	<b>1,571,549</b>	<b>1,613,782</b>	<b>1,559,023</b>	<b>54,759</b>
<b>Ground Maintenance</b>				
Salaries	661,378	639,787	639,325	462
Fringe Benefits	238,228	255,460	254,714	746
Operating Expenses	262,728	294,097	290,844	3,253
Materials and Supplies	74,905	77,839	73,709	4,130
<b>Total Ground Maintenance</b>	<b>1,237,239</b>	<b>1,267,183</b>	<b>1,258,592</b>	<b>8,591</b>
<b>Street Lighting</b>				
Operating Expenses	836,885	832,885	796,568	36,317
<b>Central Traffic Operations</b>				
Salaries	280,330	282,250	282,249	1
Fringe Benefits	110,224	126,791	126,235	556
Operating Expenses	108,041	90,682	67,390	23,292
Materials and Supplies	16,350	26,050	25,499	551
<b>Total Central Traffic Operations</b>	<b>514,945</b>	<b>525,773</b>	<b>501,373</b>	<b>24,400</b>
<b>Total Engineering &amp; Public Works</b>	<b>9,576,683</b>	<b>9,793,682</b>	<b>9,213,416</b>	<b>580,266</b>
<b>Total Public Services</b>	<b>11,344,672</b>	<b>11,552,213</b>	<b>10,664,630</b>	<b>887,583</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)**

**GENERAL FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Expenditures (Continued)</b>				
<b>Culture and Recreation</b>				
Blount County Library	1,207,026	1,207,026	1,161,119	45,907
<b>Parks and Recreation</b>				
Management Contract	1,132,746	1,202,746	1,040,938	161,808
<b>Total Parks and Recreation</b>	1,132,746	1,202,746	1,040,938	161,808
<b>Total Culture and Recreation</b>	2,339,772	2,409,772	2,202,057	207,715
<b>Economic Development</b>				
Economic Development	2,055,434	2,169,540	1,977,360	192,180
<b>Non-Departmental Costs</b>				
Operating Expenses	135,154	78,768	78,730	38
Liability Insurance	220,350	186,793	186,375	418
Property Insurance	145,157	129,003	128,829	174
IT Services	779,128	779,128	779,128	0
Facility Operations	1,147,432	1,147,432	1,147,432	0
Employee Relations	2,504	2,504	2,263	241
<b>Total Non-Departmental Costs</b>	2,429,725	2,323,628	2,322,757	871
<b>Total Expenditures</b>	32,327,187	32,680,907	30,662,433	2,018,474
<b>Excess Revenues Over Expenditures</b>	21,288,526	22,104,528	26,130,867	4,026,339
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,119,793	2,119,793	1,721,485	(398,308)
Transfers Out	(23,408,319)	(25,958,319)	(25,958,299)	20
<b>Total Other Financing Sources (Uses)</b>	(21,288,526)	(23,838,526)	(24,236,814)	(398,288)
<b>Net Change in Fund Balance</b>	0	(1,733,998)	1,894,053	3,628,051
<b>Fund Balance, July 1st</b>	20,000,178	20,000,178	20,000,178	0
<b>Fund Balance, June 30th</b>	\$ 20,000,178	\$ 18,266,180	\$ 21,894,231	\$ 3,628,051

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL PURPOSE SCHOOL FUND - SPECIAL REVENUE FUND**  
**For the Period Ending June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 25,746,802	\$ 25,748,402	\$ 27,350,384	\$ 1,601,982
Licenses, Permits and Fees	2,800	2,800	3,202	402
Charges for Services	619,750	677,000	698,932	21,932
Intergovernmental	27,653,377	29,186,548	28,733,061	(453,487)
Interest Income	47,000	47,000	606,913	559,913
Miscellaneous Revenues	250,000	190,000	416,034	226,034
<b>Total Revenues</b>	<u>54,319,729</u>	<u>55,851,750</u>	<u>57,808,526</u>	<u>1,956,776</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular Instruction Program	31,584,926	33,248,359	33,115,513	132,846
Special Education Program	6,068,470	5,889,656	5,819,818	69,838
Vocational Education Program	1,550,684	1,915,884	1,858,699	57,185
Alternative School Program	489,141	493,376	486,276	7,100
Early Childhood Education Program	265,480	288,346	286,306	2,040
Student Support - Health Services	650,339	408,760	397,985	10,775
Student Support - Guidance Services	2,640,885	2,677,504	2,668,915	8,589
Regular Instruction Support	1,744,553	1,510,770	1,473,260	37,510
Special Education Support	869,839	882,207	870,503	11,704
Technology	846,309	1,088,182	1,074,980	13,202
Board of Education	1,333,351	1,357,600	1,315,732	41,868
Office of the Superintendent of Schools	411,487	399,454	393,849	5,605
Office of the Principal - School Administration	3,941,918	4,118,067	4,110,199	7,868
Fiscal Services	248,716	208,082	205,021	3,061
Human Resources (Personnel)	327,795	325,002	317,423	7,579
Operation of Plant	3,068,901	3,532,003	3,303,171	228,832
Maintenance of Plant	1,268,903	1,327,016	1,249,056	77,960
Transportation	1,431,288	1,466,304	1,461,149	5,155
Other Support Services	0	5,801	5,800	1
Community Services	140,144	129,730	127,031	2,699
Attendance	66,159	72,512	68,683	3,829
<b>Capital Outlay</b>				
Regular Capital Outlay	2,742,941	6,890,195	4,952,232	1,937,963
<b>Total Expenditures</b>	<u>61,692,229</u>	<u>68,234,810</u>	<u>65,561,601</u>	<u>2,673,209</u>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	<u>(7,372,500)</u>	<u>(12,383,060)</u>	<u>(7,753,075)</u>	<u>4,629,985</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	9,422,500	9,422,500	9,462,500	40,000
Transfers Out	(2,050,000)	(1,039,440)	(1,079,440)	(40,000)
<b>Other Financing Sources (Uses) Total</b>	<u>7,372,500</u>	<u>8,383,060</u>	<u>8,383,060</u>	<u>0</u>
<b>Net Change in Fund Balance</b>	0	(4,000,000)	629,985	4,629,985
<b>Fund Balance, July 1st</b>	<u>12,319,469</u>	<u>12,319,469</u>	<u>12,319,469</u>	<u>0</u>
<b>Fund Balance, June 30th</b>	<u>\$ 12,319,469</u>	<u>\$ 8,319,469</u>	<u>\$ 12,949,454</u>	<u>\$ 4,629,985</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**

**June 30, 2023**

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Major Funds			
	Electric Department	Water and Sewer Department	Total	
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 11,601,213	\$ 12,947,018	\$ 24,548,231	\$ 11,890,958
Cash and Cash Equivalents: Restricted	0	2,370,043	2,370,043	0
Receivables:				
Accounts, Net	4,086,294	1,609,691	5,695,985	0
Rentals	149,380	0	149,380	0
Due From Other Funds	0	0	0	35,331
Leases	4,101	4,631	8,732	0
Other	0	0	0	839,526
Inventory of Materials and Supplies	1,955,448	736,242	2,691,690	201,010
<b>Total Current Assets</b>	<b>17,796,436</b>	<b>17,667,625</b>	<b>35,464,061</b>	<b>12,966,825</b>
<b>Capital Assets</b>				
Land and Land Rights	2,168,819	1,702,614	3,871,433	0
Construction in Progress	1,951,765	15,563,306	17,515,071	0
Plant in Service	92,493,298	163,927,630	256,420,928	0
Building and Improvements	0	0	0	1,025,264
Data Processing Equipment	0	0	0	648,412
Fleet Maintenance Equipment	0	0	0	465,047
	96,613,882	181,193,550	277,807,432	2,138,723
Less: Accumulated Depreciation and Amortization	44,882,826	64,826,943	109,709,769	1,670,907
Net Capital Assets	51,731,056	116,366,607	168,097,663	467,816
<b>Other Noncurrent Assets</b>				
Net Pension Asset	253,252	299,162	552,414	0
Long-Term Lease Receivable	504,263	19,097	523,360	0
Energy Service Loans	32,323	0	32,323	0
<b>Total Other Noncurrent Assets</b>	<b>789,838</b>	<b>318,259</b>	<b>1,108,097</b>	<b>0</b>
<b>Total Noncurrent Assets</b>	<b>52,520,894</b>	<b>116,684,866</b>	<b>169,205,760</b>	<b>467,816</b>
<b>Total Assets</b>	<b>70,317,330</b>	<b>134,352,491</b>	<b>204,669,821</b>	<b>13,434,641</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Pension Outflows	1,219,973	1,441,123	2,661,096	0
Deferred OPEB Outflows	34,046	47,871	81,917	0
Deferred Bond Refunding Costs	0	503,002	503,002	0
<b>Total Deferred Outflows of Resources</b>	<b>1,254,019</b>	<b>1,991,996</b>	<b>3,246,015</b>	<b>0</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF NET POSITION (Continued)**  
**PROPRIETARY FUNDS**  
**June 30, 2023**

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Major Funds			
	Electric Department	Water and Sewer Department	Total	
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	6,028,698	1,656,304	7,685,002	1,107,742
Due to Other Funds	12,565	22,580	35,145	0
Accrued Compensated Absences	428,281	382,836	811,117	0
Customer Deposits	417,256	67,055	484,311	0
Other Accrued Liabilities	189,905	94,415	284,320	0
Current Portion of Long-Term Debt	1,122,328	2,266,199	3,388,527	0
<b>Total Current Liabilities</b>	<b>8,199,033</b>	<b>4,489,389</b>	<b>12,688,422</b>	<b>1,107,742</b>
<b>Noncurrent Liabilities</b>				
Bonds Payable	3,548,283	31,732,898	35,281,181	0
Loan Payable - Tennessee Revolving Loan Fund	0	1,036,608	1,036,608	0
Accrued Compensated Absences	337,123	287,268	624,391	0
Advances from TVA for Energy Service Loans	32,323	0	32,323	0
Other Post-Employment Benefit Liability	618,798	870,086	1,488,884	0
<b>Total Noncurrent Liabilities</b>	<b>4,536,527</b>	<b>33,926,860</b>	<b>38,463,387</b>	<b>0</b>
<b>Total Liabilities</b>	<b>12,735,560</b>	<b>38,416,249</b>	<b>51,151,809</b>	<b>1,107,742</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Pension Inflows	18,499	21,853	40,352	0
Deferred OPEB Inflows	503,312	707,691	1,211,003	0
Grants Received in Advance	0	2,330,692	2,330,692	0
Deferred Lease Revenue	394,531	20,959	415,490	0
<b>Total Deferred Inflows of Resources</b>	<b>916,342</b>	<b>3,081,195</b>	<b>3,997,537</b>	<b>0</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	47,060,445	81,408,202	128,468,647	467,816
Restricted: Cash and Investments	0	39,351	39,351	0
Restricted: Pensions	253,252	299,162	552,414	0
Unrestricted Net Position	10,605,750	13,100,328	23,706,078	11,859,083
<b>Total Net Position</b>	<b>\$ 57,919,447</b>	<b>\$ 94,847,043</b>	<b>\$ 152,766,490</b>	<b>\$ 12,326,899</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Period Ending June 30, 2023**

	Business-type Activities-Enterprise Funds			Governmental Activities - Internal Service Funds
	Major Funds			
	Electric Department	Water and Sewer Department	Total	
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 76,275,713	\$ 17,052,525	\$ 93,328,238	\$ 19,127,761
Rent and Lease Revenue	852,496	66,256	918,752	0
Other Revenue	805,553	5,292,005	6,097,558	5,917
<b>Total Operating Revenues</b>	<u>77,933,762</u>	<u>22,410,786</u>	<u>100,344,548</u>	<u>19,133,678</u>
<b>OPERATING EXPENSES</b>				
Purchased Power	61,845,762	0	61,845,762	0
Electric Operations	4,463,547	0	4,463,547	0
Water and Sewer Operations	0	7,947,500	7,947,500	0
Customer Accounts Expense	758,484	1,150,023	1,908,507	0
Administrative and General Expense	2,219,066	1,824,808	4,043,874	0
Sales Expense	287,754	0	287,754	0
Depreciation	3,683,493	4,164,739	7,848,232	137,390
Taxes	584,982	0	584,982	0
Information Technology Operating Expenses	0	0	0	1,169,294
Fleet Maintenance Operating Expenses	0	0	0	793,917
Facilities Operating and Maintenance Expenses	0	0	0	2,027,006
Self-Insurance Operating Expenses	0	0	0	13,496,789
<b>Total Operating Expenses</b>	<u>73,843,088</u>	<u>15,087,070</u>	<u>88,930,158</u>	<u>17,624,396</u>
<b>OPERATING INCOME</b>	<u>4,090,674</u>	<u>7,323,716</u>	<u>11,414,390</u>	<u>1,509,282</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest Income	388,314	585,472	973,786	0
Federal Grants	0	3,665,239	3,665,239	0
Amortization	0	(143,715)	(143,715)	0
Gain (Loss) on Capital Assets	(40,684)	1,066,121	1,025,437	0
Interest Expense	(118,548)	(1,010,825)	(1,129,373)	0
<b>Total Non-Operating Revenues (Expenses)</b>	<u>229,082</u>	<u>4,162,292</u>	<u>4,391,374</u>	<u>0</u>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<u>4,319,756</u>	<u>11,486,008</u>	<u>15,805,764</u>	<u>1,509,282</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>				
Capital Contributions	0	3,294,625	3,294,625	0
Payments in Lieu of Taxes	(1,238,865)	(482,620)	(1,721,485)	0
<b>Total Contributions and Transfers</b>	<u>(1,238,865)</u>	<u>2,812,005</u>	<u>1,573,140</u>	<u>0</u>
<b>CHANGE IN NET POSITION</b>	<u>3,080,891</u>	<u>14,298,013</u>	<u>17,378,904</u>	<u>1,509,282</u>
<b>NET POSTION, July 1st</b>	<u>54,838,556</u>	<u>80,549,030</u>	<u>135,387,586</u>	<u>10,817,617</u>
<b>NET POSITION, June 30th</b>	<u>\$ 57,919,447</u>	<u>\$ 94,847,043</u>	<u>\$ 152,766,490</u>	<u>\$ 12,326,899</u>

The accompanying notes are an integral part of these financial statements.



CITY OF MARYVILLE, TENNESSEE

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2023

	Business-type Activities-Enterprise Funds			Governmental Activities - Internal Service Funds
	Major Funds			
	Electric Department	Water and Sewer Department	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Collections from Customers	\$ 78,807,507	\$ 22,291,210	\$ 101,098,717	\$ 13,924,561
Receipts from Other Funds	0	0	0	4,514,743
Other Receipts	0	0	0	5,918
Payments to Employees	(4,248,912)	(4,231,069)	(8,479,981)	(482,520)
Payments to Other Suppliers of Goods and Services	(66,728,572)	(5,720,615)	(72,449,187)	(16,811,158)
Taxes	(584,982)	0	(584,982)	0
<b>Net Cash Flows Provided By (Used in) Operating Activities</b>	<u>7,245,041</u>	<u>12,339,526</u>	<u>19,584,567</u>	<u>1,151,544</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to City of Maryville - In Lieu of Taxes	(1,238,865)	(482,620)	(1,721,485)	0
<b>Net Cash Provided By (Used In) Non Capital Non Capital Financing Activities</b>	<u>(1,238,865)</u>	<u>(482,620)</u>	<u>(1,721,485)</u>	<u>0</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of Capital Assets	(2,823,945)	(15,155,504)	(17,979,449)	(7,683)
Utility Plant Removal Costs, Net of Salvage	(330,562)	0	(330,562)	0
Proceeds from Sale of Capital Assets	75,738	798,950	874,688	0
Principal Paid on Long-Term Debt	(1,105,000)	(1,992,972)	(3,097,972)	0
Interest Paid on Long-Term Debt	(35,360)	(1,241,593)	(1,276,953)	0
Energy Service Advances Repaid to TVA	(25,501)	0	(25,501)	0
Energy Service Loans Collected from Customers	25,501	0	25,501	0
Federal Grants	0	3,665,239	3,665,239	0
Capital Contributions	0	3,294,625	3,294,625	0
<b>Net Cash Flows Provided By (Used In) Capital and Related Financing Activities</b>	<u>(4,219,129)</u>	<u>(10,631,255)</u>	<u>(14,850,384)</u>	<u>(7,683)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received	388,314	585,472	973,786	0
<b>Net Cash Flows Provided By (Used In) Investing Activities</b>	<u>388,314</u>	<u>585,472</u>	<u>973,786</u>	<u>0</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,175,361	1,811,123	3,986,484	1,143,861
<b>CASH &amp; CASH EQUIVALENTS - July 1st</b>	<u>9,425,852</u>	<u>13,505,938</u>	<u>22,931,790</u>	<u>10,747,097</u>
<b>CASH &amp; CASH EQUIVALENTS - June 30th</b>	<u>\$ 11,601,213</u>	<u>\$ 15,317,061</u>	<u>\$ 26,918,274</u>	<u>\$ 11,890,958</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2023**

	Business-Type Activities-Enterprise Funds			Governmental Activities - Internal Service Funds
	Major Funds			
	Electric Department	Water and Sewer Department	Total	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 4,090,674	\$ 7,323,716	\$ 11,414,390	\$ 1,509,282
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used In) Operating Activities				
Add (Deduct) Non-Cash Items				
Depreciation and Amortization	3,683,493	4,164,739	7,848,232	137,390
Changes in Assets and Liabilities				
Accounts Receivable	919,866	(104,015)	815,851	(702,396)
Rentals Receivable	(19,554)	0	(19,554)	0
Lease Receivables	3,427	4,101	7,528	0
Inventories	(7,280)	(40,757)	(48,037)	35,026
Accounts Payable	(784,411)	894,651	110,240	158,305
Accrued Compensated Absences	(23,191)	(25,982)	(49,173)	0
Accrued Post-Employment Benefit Obligation/Deferrals	(168,064)	(201,237)	(369,301)	0
Net Pension Obligation/Deferrals	(270,385)	(379,310)	(649,695)	0
Other Accrued Liabilities	(119,367)	(7,812)	(127,179)	0
Customer Deposits	(15,294)	(15,330)	(30,624)	0
Deferred Inflows - Grants Received in Advance	0	747,187	747,187	0
Deferred Inflows - Leases	(14,700)	(4,332)	(19,032)	0
Due from Other Funds	0	0	0	13,937
Due to Other Funds	(30,173)	(16,093)	(46,266)	0
<b>NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>\$ 7,245,041</b>	<b>\$ 12,339,526</b>	<b>\$ 19,584,567</b>	<b>\$ 1,151,544</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARYVILLE, TENNESSEE**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(A) REPORTING ENTITY**

The City of Maryville, Tennessee (the City), has existed under various charters in its over 200-year history. The most recent incorporation was authorized by *H.B. No 132 Private Chapter No 27* adopted by the State legislature on March 14, 1967. The act took effect September 1, 1967 and effectively recreated the City of Maryville as a Council-Manager City with five council members elected at large who in turn hire a City Manager for day-to-day administration. The charter authorizes the following services: public safety (police and fire), highways and streets, public utilities, health and social services, education, public improvements, planning and zoning, and general administrative services.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) followed in the United States of America. The Governmental Accounting Standards Board (GASB) is the established and recognized standard-setting body for governmental accounting and financial reporting. The GASB periodically issues new or revised standards that are implemented by the City. The City is a primary government including Maryville City Schools (the School System) and has no component units.

**(B) GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The basic financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. *Governmental activities* are normally supported by taxes and intergovernmental revenues. *Business-type activities* rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets as well as long-term obligations. The government-wide financial statements focus more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal year.

The government-wide statement of activities demonstrates the degree to which the direct expenses, including depreciation, of the various departments of the City are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department. Interest on general long-term debt and depreciation expense on assets shared by multiple departments are not allocated to the various departments. Program revenues include revenues from fines and forfeitures, licenses and permit fees, special assessment taxes, certain intergovernmental grants, other entities participation and charges for services. Taxes and other items not properly included among program revenues are reported as general revenues.

Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

The City does not currently utilize an indirect cost allocation system. The General Fund charges certain administrative fees to departments within other operating funds to support general services used by those funds. The expenditures/expenses are recorded as a reduction of expense in the allocating fund. Therefore, no elimination is required from either the government-wide or fund level financial statements.

The fund financial statements emphasis is on the major funds in either the governmental or business-type categories. Non-major funds are summarized into a single column.

Internal service funds of a government (which provide services primarily to other funds of the City) are presented as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate department.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (C) BASIS OF PRESENTATION

The City uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid in the City's financial management by segregating transactions related to certain functions or activities. The following categories are used by the City:

#### Governmental Fund Types

Governmental funds are those through which most of the governmental functions of the City are financed. The focus of governmental fund measurement, in the fund financial statements, is upon determination of financial position and changes in financial position rather than upon net income. Governmental Funds include the following fund types:

**General Fund:** The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required or elected to be accounted for in another fund.

**Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. There is one (1) special revenue fund presented as a major fund in the basic financial statements as follows:

**General Purpose School Fund:** The General Purpose School Fund is used to account for the general operations of the Maryville City Schools. Major funding for the General Purpose School Fund is provided by state education funds, shared revenues provided by Blount County, and transfers from the General Fund.

**Debt Service Fund:** The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt (principal, interest, and related costs) not being accounted for in the Enterprise Funds. The Debt Service Fund is presented as a major fund in the basic financial statements.

**Capital Projects Funds:** Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). There is one (1) capital projects fund presented as a major fund in the basic financial statements as follows:

**Capital Projects Fund:** The Capital Projects Fund is used to account for the City's major capital projects. Funding is provided by debt issues and transfers from the General Fund.

#### Proprietary Fund Types

Proprietary funds are used to account for the City's ongoing operations and activities, which are similar to those often found in the private sector. The focus of proprietary fund measurement is upon the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds include the following fund types:

**Enterprise Funds:** Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The following enterprise funds are used by the City:

**Electric Department Fund:** The Electric Department Fund is used to account for the operation of the City's electric system. This fund is presented as a major fund in the basic financial statements.

**Water and Sewer Department Fund:** The Water and Sewer Department Fund is used to account for the operation of the City's water and sewer system. This fund is presented as a major fund in the basic financial statements.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(C) BASIS OF PRESENTATION (Continued)**

**Proprietary Fund Types (Continued)**

**Internal Service Funds:** Internal service funds are used to account for the providing of goods or services to other governmental operating units on a cost reimbursement basis. The purpose of centralizing certain activities in an internal service fund is to achieve a level of operating efficiency that may not be available if the same activities were performed by multiple units within the governmental organization. The following internal service funds are used by the City:

**Employee Medical Self-Insurance Funds:** The Employee Medical Self-Insurance Funds are used to account for the City's self-insured health insurance program. Premiums charged to various operating funds and employee payroll deductions are placed in this fund for the payment of medical claims and administrative expenses.

**Retiree Medical Self-Insurance Funds:** The Retiree Medical Self-Insurance Funds are used to account for the City's self-insured health insurance program for retirees. Premiums charged to various operating funds and retiree contributions are placed in this fund for the payment of medical claims and administrative expenses.

**Self-Insured Workmen's Compensation Fund:** The Self-Insured Workmen's Compensation Fund is used to account for the City's self-insured worker's compensation program. Premiums charged to various operating funds are placed in this fund for the payment of claims and administrative expenses.

**Information Technology Systems Fund:** The Information Technology Systems Fund is used to account for the operation of the City's computer information system. Data processing charges collected from various City funds are placed in this fund for the payment of operating expenses.

**Fleet Maintenance Fund:** The Fleet Maintenance Fund is used to account for the operation of the City's vehicle maintenance program. Vehicle maintenance charges collected from various City funds are placed in this fund for the payment of operating expenses.

**Facilities Management Fund:** The Facilities Management Fund is used to account for the operation of the City's physical facilities.

**(D) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (1) demonstrate legal and covenant compliance, (2) demonstrate the source and use of liquid resources, and (3) demonstrate how the City's actual experience conforms to the annual budget. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" is defined as collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures, other than interest on long-term debt, are recorded when the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include property tax, local sales tax, state-shared sales tax, highway user tax, franchise fees, and interest earned on pooled investments. Licenses and permits, charges for services, fines and forfeitures and miscellaneous revenues are generally recorded as revenues when received in cash because they are not measurable until actually received. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for a specific purpose or project before any amounts will be paid to the City; therefore, revenues are based upon the expenditures recorded. In the other, monies are virtually unrestricted as to the purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(D) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)**

The City reports deferred revenues in the governmental funds if the potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

Since the governmental fund financial statements are presented on a basis different than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this rule is charges between the government’s electric and water/sewer functions and various functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the applicable functions.

Amounts reported as program revenue include (1) charges to customers or users who purchase, use or directly benefit from goods or services provided by a particular department, (2) operating grants and contributions that are restricted to meeting the operational requirements of a particular department, and (3) capital grants and contributions that are restricted. Taxes, investment income and other revenues not identifiable with a particular department are included as general revenues. The general revenues support the net costs of the departments not covered by program revenues.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services of the fund’s principal ongoing operations. Operating expenses include the cost of providing the goods and services, administrative expenses, and depreciation on capital assets. Non-operating revenues and expenses are items such as investment income and interest expense, which are not a result of the direct operations of the activity.

**(E) ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND NET POSITION/FUND BALANCES**

**Deposits and Investments** - Cash and cash equivalents include cash on hand, bank deposits and short-term investments with maturities of three months or less at the time of purchase, including deposits with the State Treasurer’s Local Government Investment Pool (LGIP). The City pools substantially all of its cash and cash equivalents except for bank balances of the school funds, Electric Department Fund and Water and Sewer Department Fund. All bank deposits are fully insured by the Tennessee Investment Collateral Pool.

Deposits with LGIP may be withdrawn with a maximum of one day’s notice and are valued at cost. The State Pooled Investment Fund, of which LGIP is a part, is managed like a Rule SEC 2a-7 fund. The same investment guidelines are followed, but the State Pooled Investment Fund is not reported to the SEC.

The State Pooled Investment Fund is governed by the State Funding Board in accordance with Tennessee Code Annotated. The Funding Board is comprised of the State Treasurer, the Comptroller, the Commissioner of Finance and Administration, the Secretary of State and the Governor. Reporting is done monthly, quarterly and annually and there are regularly scheduled meetings. The Funding Board has developed an Investment Policy which meets Rule SEC 2a-7 requirements and State laws.

**Receivables** - All receivables are shown net of an allowance for uncollectible accounts.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(E) ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND NET POSITION/FUND BALANCES (Continued)**

**Unbilled Accounts Receivable** - The City of Maryville Utilities delay the recording of some accrued revenues due to the staggering of meter reading dates during the month. Consequently, there is a lag in meter reading time and billing dates as the utilities do not bill at a cut-off date of June 30th, the year-end. Unbilled revenues are estimated by calculation of average daily revenue for the number of days unrecorded based on the following month's billing.

For the Electric Department at June 30, 2023, unrecorded unbilled revenue was estimated to be \$2,526,498.

For the Water and Sewer Department at June 30, 2023, unrecorded unbilled revenue was estimated to be \$599,040.

Expenses and the related purchased power for the unrecorded unbilled revenue have been reflected in the Statements of Revenues, Expenses and Changes in Fund Net Position of each respective utility.

**Inventories and Prepaid Items** - Materials and supplies inventories of the proprietary funds are maintained by a perpetual inventory accounting system and are valued on a basis of average cost. Inventory of the Maryville City Schools' Cafeteria Fund is accounted for by the purchase method and is valued on a basis of average cost.

Prepaid items consist of payments to vendors for costs applicable to future accounting periods. These items are recorded as prepaid items in both the government-wide and fund financial statements.

**Regulated Operations** - The Electric Department Fund is an electric utility operation regulated by Tennessee Valley Authority (TVA), an agency of the federal government. TVA exercises oversight in the rate setting process and requires the use of accounting policies for public electric utilities as prescribed by the Federal Energy Regulatory Commission (FERC).

**Capital Assets** - Capital assets, including public domain infrastructure (e.g. roads, bridges, sidewalks, and culverts) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Capital assets received in a service concession arrangement are reported at estimated acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset, or materially extend its life, are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

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

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives (land, rights-of-way/easements, and construction-in-progress are not depreciated):

<u>Assets</u>	<u>Useful Life (Years)</u>
Buildings	50
Improvements	20-50
Equipment and Vehicles	5-25
Infrastructure	25-50

The City of Maryville Utilities applies the mass-asset convention of accounting to certain capital assets. The original cost of utility plant assets retired or otherwise disposed of and the cost of removal less salvage value is charged to accumulated depreciation. When the City of Maryville Utilities retires other property, the related asset and accumulated depreciation are removed from the accounts and the gain or loss is included in the results of operations. Depreciation for certain transportation equipment is distributed to various accounts on the basis of labor for each asset.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(E) ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND NET POSITION/FUND BALANCES (Continued)**

**Deferred Outflows of Resources/Inflows of Resources** - In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

**Compensated Absences** - Accumulated unpaid vacation and vested sick pay are accrued in the Government-wide and all Proprietary Fund statements. Long-term liabilities of the governmental funds are not shown on the fund financial statements, as these benefits are not expected to be liquidated with expendable available financial resources. Upon resignation, any accrued vacation will be paid in lump sum. Upon retirement, accrued vacation may be paid in lump sum or taken as time off before the retirement date.

City Employees - Employees earn vacation and sick leave in varying amounts in accordance with administrative policies and can carry over leave based on years of service. An employee who retires may have one-half of accrued sick leave credited toward additional service for retirement purposes, not to exceed 540 hours for fireman and 360 hours for all other employees.

School System Personnel - Personnel on a 235-day contract are entitled to earn five days of paid vacation time and are authorized to carry over five days from year to year. Personnel employed on a 260-day contract are entitled to earn paid vacation time up to a maximum of 20 days per year depending on years employed and carry over a maximum of 20 days. Personnel accumulate sick leave at 10, 11 or 12 days per year, depending upon the employee's contract and carries forward indefinitely. Non-professional employees of the School System receive no compensation for accumulated sick leave upon retirement. However, upon retirement, professional employees of the School System receive an additional month of employment credit for the purpose of computing retirement benefits for every twenty (20) days of accumulated sick leave.

**Long-Term Obligations** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type. Debt premiums and discounts are deferred and amortized over the life of the debt. Debt payable is reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, in the period in which the debt is issued. 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.

Proprietary fund financial statements recognize debt premiums and discounts as deferrals that are amortized to interest expense over the life of the debt. Debt payable is reported net of the applicable premium or discount. Debt issue costs that are recovered through rate charges established by the regulatory authority are recognized as deferred regulatory charges. They are amortized over the life of the debt.

**Interfund Transactions** - Interfund transactions consist of identified services performed for other funds or costs billed to other funds and are recorded as expenditures in the fund receiving the services and as a reimbursement, reducing expenditures, in the fund performing the services except for sales of electric and water/sewer services to other City departments and the internal service risk management or health charges which are recorded as revenue and expenditures in the appropriate funds. All other interfund transactions are reported as transfers.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(E) ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND NET POSITION/FUND BALANCES (Continued)**

**Net Position and Fund Balance** - Government-wide and proprietary fund net position is classified into three components. "Net investment in capital assets" consists of capital assets net of accumulated depreciation and reduced by outstanding debt used to finance the purchase or construction of those assets. "Restricted" net position is noncapital net position that must be used for a particular purpose as specified by creditors, grantors, or contributors external to the City. "Unrestricted" net position is remaining net position that does not meet the definition of the other two categories.

Governmental fund equity is classified as fund balance. The City follows GASB No. Statement 54, *Fund Balance and Governmental Fund Type Definitions*. Under this statement fund balances are classified into the following categories:

- a. Nonspendable fund balances comprise those amounts that cannot be spent due to their form (e.g. inventory and prepaids) or funds that legally or contractually are required to be maintained intact.
- b. Restricted fund balances comprise those amounts constrained to be used for a specific purpose by external parties, constitutional provisions or enabling legislation.
- c. Committed fund balances comprise those amounts that are set aside for a specific purpose by the City's highest level of decision-making authority (City Council) through its highest level of formal action (ordinance). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- d. Assigned fund balances consist of amounts that are set aside with the intent to be used for a specific purpose by the City's highest level of decision-making body. Assigned fund balances may not cause a deficit in unassigned fund balance.
- e. Unassigned fund balances consist of excess funds that have not been classified in the previous four categories. The general fund is the only governmental fund that reports positive unassigned fund balance.

City Council has retained the authority to assign funds for specific purposes. When both restricted and unrestricted funds are available for expenditure, restricted funds are spent first unless legal requirements disallow it. When committed, assigned and unassigned funds are available for expenditure, committed funds are spent first, assigned funds next, and unassigned funds last.

The City has a Fund Balance Policy to maintain in the General Fund an unassigned fund balance of at least 25% and not more than 40% of General Fund revenue. Should unassigned fund balance decline below 25% of revenue, the City Manager is required to provide the City Council a plan to increase fund balance to at least 25% of revenue over a period not to exceed three years.

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

**Estimates** - The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses/expenditures, and the disclosure of contingent assets and liabilities at the date of the basic financial statements. Actual results could differ from those estimates.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(F) ADOPTION OF NEW ACCOUNTING STANDARDS**

The City adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). It (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation cost of a SBITA; and (4) requires note disclosures regarding a SBITA. The Statement's effect on the financial statements is more fully explained in Note 18.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**(A) BUDGETARY INFORMATION**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At least forty-five (45) days before the beginning of the budgetary fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them. The legal level of budgetary control is at the department level.
2. Public hearing is conducted by the City to obtain taxpayer comments.
3. Prior to July 1st, the budget is legally enacted through passage of an ordinance on two separate readings.
4. The City Manager is authorized to transfer appropriations between any program or line item within a department without the approval of the City Council. However, any revisions that alter the total expenditures of any department, and all other budget amendments, must be approved by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds and Debt Service Fund. Formal budgetary integration is employed for the Debt Service Fund even though effective budgetary control is additionally achieved through general obligation bond indenture provisions. Because Capital Projects Funds are project-oriented and may extend over two (2) or more fiscal years, the recording of an annual budget is not necessary. Budgeted appropriations lapse at year-end.
6. Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles.

**(B) SUPPLEMENTAL APPROPRIATIONS**

The following revisions were made to the original fiscal 2023 budgeted expenditures and other financing uses by additional appropriations for the following major governmental funds:

Fund	Original Budget	Revisions	Final Budget
General Fund	\$ 55,735,506	\$ 2,903,720	\$ 58,639,226
General Purpose School Fund	\$ 63,742,229	\$ 5,532,021	\$ 69,274,250
Debt Service Fund	\$ 7,086,344	\$ 0	\$ 7,086,344

**NOTE 3 - DEPOSITS AND INVESTMENTS**

**Custodial Credit Risk - Deposits** - For cash and cash equivalents, this is the risk that, in the event of a bank failure, the City’s deposits may not be available, or the City will not be able to recover collateral securities in the possession of an outside party. The City’s policy requires that deposits be either (1) secured and collateralized by the institutions at 105% of the value of the deposits placed in the institution, less the amount protected by federal depository insurance or (2) that deposits be placed in financial institutions that participate in the bank collateral pool administered by the Treasurer of the State of Tennessee. Institutions participating in the collateral pool determine the aggregated balance of their public fund accounts. The amount of collateral required to secure these public deposits must be at least 105% of the average daily balance of public deposits held.

The City’s investment policy allows investments in obligations of the U.S. Treasury and other authorized investments as more fully explained in Note 1.

Included in Cash and Cash equivalents at June 30, 2023 were balances in the State Treasurer’s Local Government Investment Pool (LGIP) in the amount of \$85,952,822. Deposits with the LGIP are not subject to categorization and are reported at amortized cost. The LGIP is not registered with the SEC as an investment company. However, the LGIP has a policy that it will operate in a manner consistent with the SEC’s Rule 2a-7. SEC Rule 2a-7 allows SEC registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the State Treasurer to administer the LGIP under the same terms and conditions, including collateral requirements, as required for other funds invested by the Treasurer. The reported value of the pool is the same as the fair value of the pool shares. There are no minimum or maximum dollar limits on the size of withdrawal transactions. In most cases, a withdrawal will be honored the same day it is requested. However, withdrawals of \$5,000,000 or more will be honored the next working day after request.

**NOTE 4 - PROPERTY TAX**

The City’s property tax is levied each September 1<sup>st</sup> on the assessed value as listed by the County Assessor and is payable by each November 30<sup>th</sup>. Beginning December 1<sup>st</sup>, interest and penalty is accrued on unpaid property taxes. The City’s tax rate for the year ended June 30, 2023, was \$2.27 per \$100 of assessed value.

Property taxes levied for 2022 and prior years, but uncollected as of June 30, 2023, are recorded as receivables, net of estimated amounts uncollectible based upon collections in prior years. The allowance for uncollectible property taxes as of June 30, 2023 is \$62,499. The taxes collected during the fiscal year ended June 30, 2023, and those taxes expected to be collected in the subsequent sixty (60) days, are recognized as revenues in the fiscal year ended June 30, 2023. The remainder of net property taxes receivable are recorded as deferred revenue.

Property taxes levied for the fiscal year ending June 30, 2024 are recorded as receivables and deferred revenue.

**NOTE 5 - INTERFUND BALANCES AND TRANSFERS**

As of June 30, 2023, interfund receivables and payables were as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>	<u>Total Balances</u>
<b>Governmental Activities</b>			
General Fund	\$ 0	\$ (2,414,852)	\$ (2,414,852)
General Purpose School Fund	2,527,205	0	2,527,205
Nonmajor Funds	<u>35,145</u>	<u>(112,353)</u>	<u>(77,208)</u>
Total Governmental Activities	<u>\$ 2,562,350</u>	<u>\$ (2,527,205)</u>	<u>\$ 35,145</u>
<b>Business-Type Activities</b>			
Electric Department	\$ 0	\$ (12,565)	\$ (12,565)
Water and Sewer Department	<u>0</u>	<u>(22,580)</u>	<u>(22,580)</u>
Total Business-type Activities	<u>\$ 0</u>	<u>\$ (35,145)</u>	<u>\$ (35,145)</u>

**NOTE 5 - INTERFUND BALANCES AND TRANSFERS (Continued)**

Interfund balances above resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Balances are usually cleared on a monthly basis.

Transfers during the year are as follows:

Transfers From:	Transfers to:					Total
	General Fund	Debt Service Fund	General Purpose Schools	Capital Projects Fund	Nonmajor Governmental Funds	
General Fund	\$ 0	\$ 7,500,000	\$ 9,422,500	\$ 3,825,557	\$ 5,210,242	\$ 25,958,299
General Purpose Schools Fund	0	93,384	0	0	986,056	1,079,440
Nonmajor Governmental Funds	0	0	40,000	0	0	40,000
Electric Department Fund	1,238,865	0	0	0	0	1,238,865
Water and Sewer Department Fund	482,620	0	0	0	0	482,620
<b>Total</b>	<b>\$ 1,721,485</b>	<b>\$ 7,593,384</b>	<b>\$ 9,462,500</b>	<b>\$ 3,825,557</b>	<b>\$ 6,196,298</b>	<b>\$ 28,799,224</b>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 6 - CAPITAL ASSETS**

A summary of capital asset activity, for the government-wide financial statements, for the fiscal year ended June 30, 2023 is as follows:

	Balance July 1, 2022	Increases / Transfers In	Decreases / Transfers Out	Transfers	Balance June 30, 2023
<b>Governmental Activities</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 8,925,595	\$ 1,923,848	\$ 0	\$ 0	\$ 10,849,443
Rights-of-Way/Easements	865,760	11,225	0	0	876,985
Construction in Progress	14,001,001	16,949,917	(13,908,447)	0	17,042,471
<b>Total Capital Assets, Not Being Depreciated</b>	<b>23,792,356</b>	<b>18,884,990</b>	<b>(13,908,447)</b>	<b>0</b>	<b>28,768,899</b>
Capital Assets, Being Depreciated:					
Buildings and Improvements	174,887,273	8,411,012	(29,855)	0	183,268,430
Infrastructure	45,358,841	4,445,850	(298)	0	49,804,393
Equipment and Vehicles	26,136,086	5,426,002	(1,080,158)	0	30,481,930
Leased Communications Equipment	1,245,379	0	0	0	1,245,379
Subscription-based Assets	181,659	1,464,660	0	0	1,646,319
<b>Total Capital Assets, Being Depreciated</b>	<b>247,809,238</b>	<b>19,747,524</b>	<b>(1,110,311)</b>	<b>0</b>	<b>266,446,451</b>
Less Accumulated Depreciation for:					
Buildings and Improvements	(68,985,430)	(4,476,085)	29,855	(48,450)	(73,480,110)
Infrastructure	(19,137,474)	(1,643,926)	81	0	(20,781,319)
Equipment and Vehicles	(14,380,437)	(2,364,044)	955,700	48,450	(15,740,331)
Less Accumulated Amortization for:					
Leased Communications Equipment	(61,416)	(124,628)	0	0	(186,044)
Subscription-based Assets	(60,553)	(207,019)	0	0	(267,572)
<b>Total Accumulated Depreciation / Amortization</b>	<b>(102,625,310)</b>	<b>(8,815,702)</b>	<b>985,636</b>	<b>0</b>	<b>(110,455,376)</b>
<b>Total Capital Assets, Being Depreciated/Amortized, Net</b>	<b>145,183,928</b>	<b>10,931,822</b>	<b>(124,675)</b>	<b>0</b>	<b>155,991,075</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 168,976,284</b>	<b>\$ 29,816,812</b>	<b>\$ (14,033,122)</b>	<b>\$ 0</b>	<b>\$ 184,759,974</b>

**NOTE 6 - CAPITAL ASSETS (Continued)**

	Balance July 1, 2022	Increases	Decreases	Transfers	Balance June 30, 2023
<b>Business-Type Activities</b>					
Capital Assets, Not Being Depreciated:					
Land and Land Rights	\$ 3,871,433	\$ 0	\$ 0	\$ 0	\$ 3,871,433
Construction in Progress	9,656,827	11,039,660	(3,181,416)	0	17,515,071
Total Capital Assets, Not Being Depreciated	<u>13,528,260</u>	<u>11,039,660</u>	<u>(3,181,416)</u>	<u>0</u>	<u>21,386,504</u>
Capital Assets, Being Depreciated:					
Electric Plant in Service:					
Transmission	6,461,190	5,395	0	0	6,466,585
Distribution	72,894,193	4,195,921	(670,085)	0	76,420,029
General	9,540,428	212,423	(146,167)	0	9,606,684
Water Plant in Service	48,121,560	1,663,134	(403,659)	0	49,381,035
Sewer Plant in Service	110,098,604	4,633,766	(185,775)	0	114,546,595
Total Capital Assets, Being Depreciated	<u>247,115,975</u>	<u>10,710,639</u>	<u>(1,405,686)</u>	<u>0</u>	<u>256,420,928</u>
Less Accumulated Depreciation for:					
Electric Plant in Service:					
Transmission	(3,428,740)	(328,955)	0	0	(3,757,695)
Distribution	(32,149,207)	(3,147,608)	1,124,784	0	(34,172,031)
General	(6,651,778)	(446,295)	144,973	0	(6,953,100)
Water Plant in Service	(21,679,354)	(1,414,792)	376,478	0	(22,717,668)
Sewer Plant in Service	(39,250,021)	(3,034,026)	174,772	0	(42,109,275)
Total Accumulated Depreciation / Amortization	<u>(103,159,100)</u>	<u>(8,371,676)</u>	<u>1,821,007</u>	<u>0</u>	<u>(109,709,769)</u>
Total Capital Assets, Being Depreciated/Amortized, Net	<u>143,956,875</u>	<u>2,338,963</u>	<u>415,321</u>	<u>0</u>	<u>146,711,159</u>
Business-Type Activities Capital Assets, Net	<u>\$ 157,485,135</u>	<u>\$ 13,378,623</u>	<u>\$ (2,766,095)</u>	<u>\$ 0</u>	<u>\$ 168,097,663</u>

Depreciation and amortization expense was charged to the governmental functions in the government-wide financial statement as follows:

General Government	\$ 1,093,975
Public Safety	884,113
Public Works	2,909,223
Culture and Recreation	395,172
Education	3,533,219
	<u>\$ 8,815,702</u>

**NOTE 7 - LEASES**

The City, as a lessor, has entered into lease agreements involving land. Payments are generally fixed monthly payments with certain variable payments not included in the measurement of the lease receivable. Variable payments are based on a percentage of lessee's revenue above the fixed payment amount. During the year ended June 30, 2023, the City recognized the following related to its lessor agreements:

Lease Revenue	\$ 35,808
Interest Income Related to Leases	33,382
Revenue from Variable Payments not Previously Included in the Measurement of the Lease Receivable	<u>211,363</u>
	<u>\$ 280,553</u>

See Note 8 for lease agreements entered into with the City as lessee.

**NOTE 8 - DEBT AND LONG-TERM LIABILITIES**

**(A) BONDS AND NOTES PAYABLE**

**General Obligation Bonds** - The City issues general obligation bonds to provide for the acquisition and construction of major roads, capital facilities and equipment. General obligation bonds have been issued for general government activities, business-type activities and to refund previously issued general obligation bonds. These bonds are generally issued as serial bonds with level debt service payments over 20 years except refunding bonds are generally issued matching the maturities of the bonds being refunded. General obligation bonds outstanding at June 30, 2023 were as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$27,795,000 - 2017A General Obligation Refunding, due in annual installments of \$325,000 to \$2,260,000 through June 1, 2030; interest at 2.25% to 5.0%.	\$ 15,210,000	\$ 0	\$ 15,210,000
\$24,000,000 - 2018A General Obligation Public Improvement, due in annual installments starting in 2021 of \$780,000 to \$1,620,000 through June 1, 2040; interest at 3.0% to 5.0%.	16,320,000	5,220,000	21,540,000
\$17,525,000 - 2021 General Obligation Refunding Bonds, due in annual installments starting in 2022 of \$825,000 to \$2,125,000 through June 1, 2034; interest at 2.0% to 5.0%.	<u>14,415,000</u>	<u>1,135,000</u>	<u>15,550,000</u>
<b>Total General Obligation Bonds</b>	<u>\$ 45,945,000</u>	<u>\$ 6,355,000</u>	<u>\$ 52,300,000</u>

**Revenue Bonds** - The City issues revenue bonds to provide funds for the acquisition and construction of major capital facilities and to refund previously issued revenue bonds. These bonds are generally issued as serial bonds with varying amounts of principal maturing each year. Revenue bonds outstanding at June 30, 2023 were as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$31,800,000 - 2017B Water and Sewer Revenue and Tax Refunding, due in annual installments of \$270,000 to \$2,440,000 through June 1, 2038; interest at 2.25% to 5.0%.	\$ 0	\$ 29,425,000	\$ 29,425,000
\$5,000,000 - 2020 General Obligation Public Improvement Bonds, due in annual installments of \$1,000,000, through June 1, 2026; interest at 1.07%.	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
<b>Total General Obligation Bonds</b>	<u>\$ 0</u>	<u>\$ 31,425,000</u>	<u>\$ 31,425,000</u>

The Water and Sewer Fund annual total revenue of approximately \$22 million is pledged to pay principal and interest on these bonds which will be \$2,410,969 for the year ending June 30, 2024.

**NOTE 8 - DEBT AND LONG-TERM LIABILITIES (Continued)**

**(A) BONDS AND NOTES PAYABLE (Continued)**

**Notes Payable (Direct Borrowings)** - The City has entered loan agreements with the State of Tennessee for school capital projects and a sewer system capital project at favorable interest rates. The notes payable outstanding at June 30, 2023 were as follows:

	Governmental Activities	Business-type Activities	Total
\$18,720,000 - Tennessee State School Bond Authority Note, due in monthly installments of \$97,342 to \$110,118 through July 1, 2026; interest at 1.515%.	\$ 3,631,990	\$ 0	\$ 3,631,990
\$1,240,328 - Tennessee School Energy Efficiency Note, due in monthly installments of \$15,456 through April 1, 2026; interest at 1.5%.	502,740	0	502,740
\$2,304,000 - Tennessee Revolving Fund loan, due in monthly installments for twenty years through June 30, 2031 with interest at 2.09%	0	1,036,608	1,036,608
<b>Total Notes Payable</b>	<b>\$ 4,134,730</b>	<b>\$ 1,036,608</b>	<b>\$ 5,171,338</b>
<b>Total Debt Payable</b>	<b>\$ 50,079,730</b>	<b>\$ 38,816,608</b>	<b>\$ 88,896,338</b>

The various bond indentures contain significant limitations and restrictions on annual debt service requirements. The City is in compliance with all significant limitations and restrictions. Premiums related to issuance of bonds are being amortized over the life of the bonds.

The following is a summary of debt transactions of the City for the fiscal year ended June 30, 2023:

	Debt Payable July 1, 2022	Debt Issued	Debt Retired	Debt Refunding	Debt Payable June 30, 2023
General Obligation Bonds	\$ 56,350,000	\$ 0	\$ 4,050,000	\$ 0	\$ 52,300,000
Revenue Bonds	33,745,000	0	2,320,000	0	31,425,000
Notes Payable (Direct Borrowings):					
Tennessee State School Bond Authority	4,800,094	0	1,168,104	0	3,631,990
Tennessee Revolving Loan Fund	1,154,580	0	117,972	0	1,036,608
Tennessee School Energy Efficiency Loan	680,516	0	177,776	0	502,740
<b>Total Debt Payable</b>	<b>\$ 96,730,190</b>	<b>\$ 0</b>	<b>\$ 7,833,852</b>	<b>\$ 0</b>	<b>\$ 88,896,338</b>

For governmental activities, the City's charter provides a debt limit of 15% of assessed property values. As of June 30, 2023, the debt limit was \$171.2 million and the legal debt margin is \$120 million. There is no debt limit for business-type activities.

The following is a summary of the City's debt service requirements in five-year increments:

Fiscal Years Ending June 30,	Governmental Activities				Business-type Activities				Total	
	Bonds		Direct Borrowings		Bonds		Direct Borrowings		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2024	\$ 3,550,000	\$ 1,721,657	\$ 1,348,571	\$ 289,909	\$ 3,025,000	\$ 1,249,556	\$ 120,432	\$ 20,220	\$ 8,044,003	\$ 3,281,342
2025	3,720,000	1,544,157	1,351,279	287,201	3,075,000	1,137,606	122,940	17,712	8,269,219	2,986,676
2026	3,815,000	1,358,156	1,434,880	284,569	2,100,000	1,023,156	125,496	15,156	7,475,376	2,681,037
2027	3,795,000	1,167,406	0	0	2,035,000	918,156	128,100	12,552	5,958,100	2,098,114
2028	3,925,000	977,656	0	0	1,641,124	803,288	539,640	23,006	6,105,764	1,803,950
2029 - 2033	17,315,000	2,990,456	0	0	11,848,876	3,200,261	0	0	29,163,876	6,190,717
2034 - 2038	7,395,000	999,650	0	0	13,290,000	1,362,613	0	0	20,685,000	2,362,263
2039 - 2043	2,430,000	126,781	0	0	765,000	39,776	0	0	3,195,000	166,557
<b>Totals</b>	<b>\$ 45,945,000</b>	<b>\$ 10,885,919</b>	<b>\$ 4,134,730</b>	<b>\$ 861,679</b>	<b>\$ 37,780,000</b>	<b>\$ 9,734,412</b>	<b>\$ 1,036,608</b>	<b>\$ 88,646</b>	<b>\$ 88,896,338</b>	<b>\$ 21,570,656</b>

**(B) LEASE OBLIGATIONS**

**Communications Equipment**

In 2022 the City entered into an agreement with Blount County, Tennessee to acquire emergency communication equipment with Blount County being the lessor. The City's prorata share of the cost was \$1,245,379 and the City is required to make annual payments of \$131,458 including interest at 1.20% for 10 years.

Changes in capital lease obligations for the year end June 30, 2023 were:

	Balance July 1, 2022	Additions	Payments	Balance June 30, 2023
Communications Equipment	\$ 1,114,052	\$ 0	\$ 116,976	\$ 997,076

The following is a summary of the City's payments of capitalized lease obligations in five-year increments:

Fiscal Years Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 119,493	\$ 11,965
2025	120,927	10,531
2026	122,379	9,080
2027	123,847	7,611
2028	125,333	6,125
2029-2031	385,097	9,279
<b>Totals</b>	<b>\$ 997,076</b>	<b>\$ 54,591</b>

**(C) SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT OBLIGATIONS**

The City has entered into subscription-based information technology arrangements obligations (SBITAs) for various technology systems.

Changes in SBITA obligations for the year end June 30, 2023 were:

	Balance July 1, 2022	Additions	Payments	Balance June 30, 2023
Governmental Activities				
Subscription-Based Arrangements	\$ 181,659	\$ 576,166	\$ 79,630	\$ 678,195

The following is a summary of the City's SBITA obligations in five-year increments:

Fiscal Years Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 137,120	\$ 32,210
2025	150,202	25,195
2026	158,774	17,510
2027	167,803	9,387
2028	64,296	1,211
<b>Totals</b>	<b>\$ 678,195</b>	<b>\$ 85,513</b>



**NOTE 8 - DEBT AND LONG-TERM LIABILITIES (Continued)**

**(D) TOTAL LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2023:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
<b>Governmental Activities</b>					
Debt Payable:					
General Obligation Bonds	\$ 49,335,000	\$ 0	\$ 3,390,000	\$ 45,945,000	\$ 3,405,000
Notes Payable	5,480,610	0	1,345,880	4,134,730	1,348,571
Premium on Bond Issuance	4,665,763	0	512,825	4,152,938	512,825
Total Debt Payable	<u>59,481,373</u>	<u>0</u>	<u>5,248,705</u>	<u>54,232,668</u>	<u>5,266,396</u>
Other Liabilities:					
Leases	1,114,052	0	116,976	997,076	119,493
Subscription-based Obligations	181,659	576,166	79,630	678,195	137,121
Compensated Absences	3,365,593	1,396,278	1,321,604	3,440,267	1,654,144
Total Other Liabilities	<u>4,661,304</u>	<u>1,972,444</u>	<u>1,518,210</u>	<u>5,115,538</u>	<u>1,910,758</u>
Total Liabilities	<u>\$ 64,142,677</u>	<u>\$ 1,972,444</u>	<u>\$ 6,766,915</u>	<u>\$ 59,348,206</u>	<u>\$ 7,177,154</u>
	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
<b>Business-Type Activities</b>					
Debt Payable:					
General Obligation Bonds	\$ 7,015,000	\$ 0	\$ 660,000	\$ 6,355,000	\$ 595,000
Revenue Bonds	33,745,000	0	2,320,000	31,425,000	2,430,000
Notes Payable	1,154,580	0	117,972	1,036,608	120,432
Premium on Bond Issuance	1,132,804	0	243,095	889,709	243,095
Total Debt Payable	43,047,384	0	3,341,067	39,706,317	3,388,527
Other Liabilities:					
Compensated Absences	1,484,681	950,891	1,000,065	1,435,507	811,117
Total Liabilities	<u>\$ 44,532,065</u>	<u>\$ 950,891</u>	<u>\$ 4,341,132</u>	<u>\$ 41,141,824</u>	<u>\$ 4,199,644</u>

Governmental activities compensated absences are generally liquidated by the General Fund and the General Purpose School Fund.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM**

Employees of the City and School System participate in the following retirement systems:

- a. Public Employee Retirement Plan.
- b. Teachers Legacy Plan - Closed to new membership on June 30, 2014.
- c. Teachers Retirement Plan - For teachers employed starting July 1, 2014.
- d. Higher Education and Teacher Hybrid Plan - Defined contribution plan for teachers.
- e. City of Maryville Utilities Retirement Program - Defined contribution plan for employees of the Maryville Utilities which was closed to new members on June 30, 1988.
- f. Deferred Compensation Plan.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

The Public Employee Retirement Plan, Teachers Legacy Plan and Teachers Retirement Plan are defined benefits plans administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34 - 37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

The following information is provided to support the balances as of June 30, 2023 in the total column on the Statement of Net Position on page 1 of the financial statements and to present pension expense for all defined benefit plans.

	Public Employee Retirement Plan	Teachers Legacy Plan	Teachers Retirement	All Plans
Net Pension Asset	\$ 1,866,266	\$ 8,814,166	\$ 103,782	\$ 10,784,214
Pension Deferred Outflows	\$ 8,990,222	\$ 9,228,184	\$ 371,757	\$ 18,590,163
Pension Deferred Inflows	\$ 136,323	\$ 1,519,486	\$ 111,415	\$ 1,767,224
Pension Expense (Benefit)	\$ 798,564	\$ 50,536	\$ 141,411	\$ 990,511

The following information applies to all three defined benefit plans administered by the TCRS and is provided here so it is not repeated in the descriptions of each of these plans.

**Contributions**

Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. By law, employer contributions are required to be paid. The TCRS may intercept the City's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution (ADC) and member contributions are expected to finance the cost of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Net Pension Liability (Asset)**

*Net Pension Liability (Asset):* The net pension liability (asset) for each plan was measured as of June 30, 2022, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions:* The total pension liability as of June 30, 2022 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 4.00%
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 improvements.

The actuarial assumptions used in the June 30, 2022 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.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**Net Pension Liability (Asset) (Continued)**

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

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. Equity	4.88%	31%
Developed Market International Equity	5.37%	14%
Emerging Markets 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% based in a blending of the three factors described above.

*Discount Rate:* The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from Maryville 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.

**(A) PUBLIC EMPLOYEES RETIREMENT PLAN**

**General Information about the Pension Plan**

*Plan Description:* Employees of the City are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS.

*Benefits Provided:* Tennessee Code Annotated Title 8, Chapters 34 - 37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 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 at age 55 and vested. Members vest with 5 years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10% and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2<sup>nd</sup> 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 3%, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A 1% COLA is granted if the CPI change is between one-half percent and 1%. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(A) PUBLIC EMPLOYEES RETIREMENT PLAN (Continued)**

**General Information about the Pension Plan (Continued)**

*Employees Covered by the Benefit Terms:* At the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	329
Inactive Employees Entitled to, but not yet Receiving Benefits	344
Active Employees	<u>436</u>
Total	<u><u>1,109</u></u>

*Contributions:* Employees contribute 5% of salary. The City makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2023, employer contributions for the City were \$2,823,128 based on a rate of 11.15% of covered payroll. By law, employer contributions are required to be paid.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
<b>Balances at June 30, 2021</b>	\$ 113,934,371	\$ 127,999,011	\$ (14,064,640)
Changes for the Year:			
Service Cost	2,150,124	0	2,150,124
Interest	7,689,393	0	7,689,393
Difference between Expected and Actual Experience	1,273,934	0	1,273,934
Changes of Assumptions	0	0	0
Contributions - Employer	0	2,652,025	(2,652,025)
Contributions - Employees	0	1,193,661	(1,193,661)
Net Investment Income	0	(4,886,550)	4,886,550
Benefit Payments - Including Refunds of Employee Contributions	(4,335,114)	(4,335,114)	0
Administrative Expenses	0	(44,059)	44,059
Net Changes	<u>6,778,337</u>	<u>(5,420,037)</u>	<u>12,198,374</u>
<b>Balances at June 30, 2022</b>	<u>\$ 120,712,708</u>	<u>\$ 122,578,974</u>	<u>\$ (1,866,266)</u>

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate:* The following presents the net pension liability (asset) of the City calculated using the discount rate of 6.75%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability (Asset) 2022	<u>\$ 14,498,838</u>	<u>\$ (1,866,266)</u>	<u>\$ (15,515,163)</u>

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(A) PUBLIC EMPLOYEES RETIREMENT PLAN (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Pension Expense:* For the year ended June 30, 2023, the City recognized pension expense of \$797,927.

*Deferred Outflows of Resources and Deferred Inflows of Resources:* For the year ended June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to this pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,415,279	\$ 136,323
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	244,240	0
Changes of Assumptions	4,507,575	0
Contributions Subsequent to the Measurement Date of June 30, 2022	<u>2,823,128</u>	<u>0</u>
Total	<u>\$ 8,990,222</u>	<u>\$ 136,323</u>

The amount shown above for “contributions subsequent to the measurement date of June 30, 2022,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the Years ended June 30,

2024	\$ 1,173,429
2025	1,263,019
2026	637,842
2027	2,956,481

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

**Payable to the Pension Plan**

At June 30, 2023, the City reported no outstanding amount of contributions to the pension plan, including employee contributions, required at the year ended June 30, 2023.

## NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

### (B) TEACHERS LEGACY PLAN

#### General Information about the Pension Plan

*Plan Description:* Teachers employed by the School System 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 Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

*Benefits Provided:* Tennessee Code Annotated Title 8, Chapters 34-37 establishes 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 5 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 at age 55 and vested. 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 non-service-related disability eligibility. The service related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10% and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2<sup>nd</sup> 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 3%, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A 1% COLA is granted if the CPI change is between one-half percent and 1%. 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 contribute 5% of salary. The 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 School System for the year ended June 30, 2022 to the Teacher Legacy Pension Plan were \$2,062,522 which is 8.69% of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets):* At June 30, 2023, the School System reported a liability (asset) of \$(8,814,166) for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2022, 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 Systems' proportion of the net pension liability was based on the School Systems' share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2022, the School Systems' proportion was 0.718699%. The proportion measured as of June 30, 2021 was 0.722142%.

*Pension Expense (Negative Pension Expense):* For the year ended June 30, 2023, the School System recognized pension expense (negative pension expense) of \$50,536.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(B) TEACHERS LEGACY PLAN (Continued)**

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

*Deferred Outflows of Resources and Deferred Inflows of Resources:* For the year ended June 30, 2023, the School System reported deferred outflows of resources and deferred inflows of resources related to this pension from the following sources shown below:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,449,898	\$ 1,489,326
Changes of Assumptions	5,521,651	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	150,718	0
Changes in Proportion of Net Pension Liability (Asset)	43,395	30,160
LEAs Contributions Subsequent to the Measurement Date of June 30, 2022	<u>2,062,522</u>	<u>0</u>
Total	<u>\$ 9,228,184</u>	<u>\$ 1,519,486</u>

The School System's employer contributions of \$2,062,522 reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the Years ended June 30,

2024	\$ 861,105
2025	1,654,623
2026	(1,521,664)
2027	4,652,112

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

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate:* The following presents the School System's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75%, as well as what the School System's proportionate share of the net pension liability (asset) would be if we were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Maryville City Schools' Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 17,457,826</u>	<u>\$ (8,814,166)</u>	<u>\$ (30,696,991)</u>

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

**Payable to the Pension Plan**

At June 30, 2023, the School System reported no payables for the outstanding amount of contributions to the pension plan, including employee contributions, required at the year ended June 30, 2023.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(C) TEACHERS RETIREMENT PLAN**

**General Information about the Pension Plan**

*Plan Description:* 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.

*Benefits Provided:* Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Retirement Plan are eligible to retire at age 65 with 5 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 at age 60 and vested 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 10% and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2<sup>nd</sup> 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 3%, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A 1% COLA is granted if the CPI change is between one-half percent and 1%. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, 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. Teachers contribute 5% of salary. 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 the TCRS, the employer contribution rate cannot be less than 4%, except for 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, 2023 to the Teacher Retirement Plan were \$211,793, which is 4% of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets):* At June 30, 2023, the School System reported a liability (asset) of (\$103,782) for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022, and the total pension asset used to calculate the net pension asset was determined by an actuarial value as of that date. The School System's proportion of the net pension asset was based on the School System's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2023, The School System's proportion was 0.342600%. The proportion measured as of June 30, 2022 was 0.338812%.

*Pension Expense:* For the year ended June 30, 2023, the School System recognized pension expense of \$141,413.



**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(C) TEACHERS RETIREMENT PLAN (Continued)**

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

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2023, the School System reported deferred outflows of resources related to this pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 5,675	\$ 63,054
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	32,713	0
Changes of Assumptions	121,576	0
Changes in Proportion of Net Pension Liability (Asset)	0	48,361
LEAs Contributions Subsequent to the Measurement Date of June 30, 2022	<u>211,793</u>	<u>0</u>
Total	<u>\$ 371,757</u>	<u>\$ 111,415</u>

The School System's employer contributions of \$211,793, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension liability (asset) in the year ended June 30, 2023. Contributions made after the measurement date of the net pension liability but before the end of the employer's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the Years ended June 30,

2024	\$ (2,876)
2025	(2,543)
2026	(7,918)
2027	49,059
2028	752
Thereafter	12,075

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

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate:* The following presents the School System's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75%, as well as what the School System's proportionate share of the net pension liability (asset) would be if we were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Maryville City Schools' Proportionate Share of the Net Pension Liability (Asset)	\$ <u>544,797</u>	\$ <u>(103,782)</u>	\$ <u>(577,444)</u>

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

## NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

### (C) TEACHERS RETIREMENT PLAN (Continued)

#### Payable to the Pension Plan

At June 30, 2023, the School System reported no payable for the outstanding amount of contributions to the pension plan, including employee contributions, required at the year ended June 30, 2023.

#### TCRS Stabilization Trust

*Legal Provisions:* The School System is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The School System 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 System.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The School System may not impose any restrictions on investments placed by the trust on their behalf.

*Investment Balances:* Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments are reported at fair value or amortized which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2023, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1: Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3: Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments using the Net Asset Value ("NAV") per share have no readily determinable fair value and have been determined using amortized cost which approximates fair value.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan's custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes so to be represented in the table below.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(C) TEACHERS RETIREMENT PLAN (Continued)**

**TCRS Stabilization Trust (Continued)**

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

U.S. Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute ("MAI"), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter's NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

At June 30, 2023, the School System had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Purpose Schools fund.

	Weighted Average Maturity (Days)	Maturities	Fair Value
Investments at Fair Value			
U.S. Equity	N/A	N/A	\$ 142,448
Developed Market International Equity	N/A	N/A	64,332
Emerging Market International Equity	N/A	N/A	18,381
U.S. Fixed Income	N/A	N/A	91,903
Real Estate	N/A	N/A	45,952
Short-Term Securities	N/A	N/A	4,595
Investments at Amortized Cost using the NAV			
Private Equity and Strategic Lending	N/A	N/A	91,903
Total			\$ <u>459,514</u>

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(C) TEACHERS RETIREMENT PLAN (Continued)**

**TCRS Stabilization Trust (Continued)**

	Fair Value Measurements Using				Amortized Cost (NAV)
	Carrying Amount	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Investments at Fair Value					
U.S. Equity	\$ 142,448	\$ 142,448	\$ 0	\$ 0	\$ 0
Developed Market International Equity	64,332	64,332	0	0	0
Emerging Market International Equity	18,381	18,381	0	0	0
U.S. Fixed Income	91,903	0	91,903	0	0
Real Estate	45,952	0	0	45,952	0
Short-Term Securities	4,595	0	4,595	0	0
Private Equity and Strategic Lending	91,903	0	0	0	91,903
Total	\$ 459,514	\$ 225,161	\$ 96,498	\$ 45,952	\$ 91,903

*Risks and Uncertainties:* Investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School System does not have the ability to limit trust 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. The School System does not have the ability to limit the credit ratings of individual investments made by the trust.

*Concentration of Credit Risk:* Concentration of credit risk is the risk of loss attributed to the magnitude of the School System's investment in a single issuer. The School System places no limit on the amount that can be invested in one issuer.

*Custodial Credit Risk:* Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the School System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the School System to pay retirement benefits of the School System's employees.

For further information concerning the School Department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2023/ag19091.pdf>.

**NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)**

**(D) DEFINED CONTRIBUTION PLAN - MARYVILLE CITY SCHOOLS**

The School System contributes to the Higher Education and Teacher Hybrid Plan (the "Plan"), a defined contribution pension plan under section 401(k) of the Internal Revenue Code, for teachers with membership in the Tennessee Consolidated Retirement System after June 30, 2014. The Plan is a component of the defined benefit plan reported in Part (C) of this Note. Benefit terms, including contribution requirements, for the Plan are established by Tennessee Code Annotated Title 8, Chapters 34-37 and may be amended by the Tennessee General Assembly. For each employee in the pension plan the School System is required to contribute 5% of annual salary to an individual employee account. Employees have a 2% contribution, with an opt-out feature. For the year ended June 30, 2023, the School System recognized pension expense of \$211,793. Employees are immediately vested on all contributions and earnings on those contributions.

The School System reported no payable for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2023.

**(E) CITY OF MARYVILLE UTILITIES RETIREMENT PROGRAM**

Employees of the City of Maryville Utilities hired before June 30, 1988 are participants in the City of Maryville Utilities Retirement Program (the Plan), a defined contribution plan established under the authority of the City Council using a money purchase feature. Each employee's accumulated benefits at any point in time are equal to the sum of (1) the "rollover" amount from a plan in effect prior to July 1, 1986, (2) employee and employer contributions, and (3) investment earnings. Because the Plan is a defined contribution plan, no unfunded liabilities will exist. The Plan is administered by Principal Financial Group. The Plan's provisions and contribution requirements may be amended by the City Council.

Employees contribute a minimum of 3% of gross pay, while the Utility contributes 8% of gross pay. In addition, employees may elect to contribute an additional 4% of gross pay, thereby having a total of 15% of gross pay being invested in the Plan.

Employees hired subsequent to June 30, 1988, are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the TCRS, as fully described in (A) above.

Total pension expense in 2022 was \$165,505. As of June 30, 2023, there are 12 participants in the Plan.

**(F) DEFERRED COMPENSATION PLAN**

Employees of the City may participate in a deferred compensation plan adopted under the provisions of *Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service For State and Local Governments)*.

The deferred compensation plan is available to all employees of the City. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by the International City/County Management Association (ICMA) and established by Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated. During the fiscal year ended June 30, 1998, as required by the *Internal Revenue Code Section 457(g)*, the assets of the plan were placed in a trust. Therefore, the assets are not available to the general creditors of the City.

**NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

The City maintains separate OPEB plans for School Retirees and for City Retirees. The Plans do not issue stand-alone financial reports. An actuarial valuation was prepared for both plans as of July 1, 2023 with a measurement date of June 30, 2023. The OPEB liability as of June 30, 2023 and the changes for the year then ended are as follows:

	<u>School Retirees</u>	<u>City Retirees</u>	<u>Total</u>
Liability at June 30, 2022	\$ 22,078,575	\$ 5,814,370	\$ 27,892,945
Changes for the Year			
Service Cost	1,409,294	272,351	1,681,645
Interest	484,234	120,437	604,671
Experience Losses (Gains)	(5,157,266)	(1,009,267)	(6,166,533)
Changes in Assumptions	(2,307,667)	(556,957)	(2,864,624)
Benefits Paid	<u>(1,275,318)</u>	<u>(562,102)</u>	<u>(1,837,420)</u>
Net Changes	<u>(6,846,723)</u>	<u>(1,735,538)</u>	<u>(8,582,261)</u>
Liability at June 30, 2023	<u>\$ 15,231,852</u>	<u>\$ 4,078,832</u>	<u>\$ 19,310,684</u>

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

Salary Increases	4.75%
Discount Rate	4.13%
Healthcare Cost Trend Rates	6.25% graded uniformly to 5.20% over 2 years and following the Getzen model thereafter to an ultimate rate of 3.95% in the year 2075.

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2023 and changed from 2.18% for the prior year. The health care cost trend was updated and is assumed to be 6.25% in 2023, grading down to 5.20% uniformly over 2 years, and then following the Getzen model thereafter. Mortality was updated to scale MP-2021.

For the year ended June 30, 2023, the City recognized OPEB expense of:

School Retiree Plan	\$ 1,017,169
City Retiree Plan	<u>(429,603)</u>
Total	<u>\$ 587,566</u>

**NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**OPEB Expense, Actuarially Determined Contribution and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2023 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	School Retiree Plan	City Retiree Plan	Total
<b>Deferred Outflows of Resources</b>			
Change in Assumptions - July 1, 2018	\$ 1,460,105	\$ 0	\$ 1,460,105
Change in Assumptions - July 1, 2020	895,772	224,414	1,120,186
<b>Total</b>	<b>\$ 2,355,877</b>	<b>\$ 224,414</b>	<b>\$ 2,580,291</b>
<b>Deferred Inflows of Resources</b>			
Experience Gains (Losses) - July 1, 2017	\$ 92,602	\$ 24,534	\$ 117,136
Experience Gains (Losses) - July 1, 2018	74,270	500,442	574,712
Experience Gains (Losses) - July 1, 2020	3,763,765	1,314,902	5,078,667
Experience Gains (Losses) - July 1, 2022	4,584,236	865,086	5,449,322
Change in Assumptions - July 1, 2018	0	135,242	135,242
Change in Assumptions - July 1, 2022	2,051,260	477,382	2,528,642
<b>Total</b>	<b>\$ 10,566,133</b>	<b>\$ 3,317,588</b>	<b>\$ 13,883,721</b>

Contributions between the valuation date and the disclosure date are reported as a deferred outflow of resources and will be recognized as a reduction (increase) in net OPEB liability in the subsequent measurement period.

Amounts reported as deferred outflows (inflows) of resources will be recognized in OPEB expense as follows:

Year Ended June 30,	School Retiree Plan	City Retiree Plan	Total
2024	\$ (876,359)	\$ (822,391)	\$ (1,698,750)
2025	(876,359)	(822,387)	(1,698,746)
2026	(876,357)	(504,544)	(1,380,901)
2027	(1,307,436)	(496,368)	(1,803,804)
2028	(1,307,436)	(223,746)	(1,531,182)
Thereafter	(2,966,309)	(223,738)	(3,190,047)

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

**Plan Description and Benefits**

**CITY RETIREES**

The City maintains a single-employer plan whereby certain health benefits are provided to the retiree and their spouse. The plan is a self-insured plan that provides health and prescription drug coverage to those employees who retire with twenty (20) or more years of service and are at least sixty (60) years old. The Plan provides coverage for up to five (5) years and terminates when the employee reaches age sixty-five (65). The Plan is established under the authority of the City of Maryville City Council and may be amended at any time. Retirees are required to pay 50% of the City's COBRA rate, or a rate as determined by the City for each covered individual.

**NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Plan Description and Benefits**

**CITY RETIREES**

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	31
Inactive Employees Entitled to, but not yet Receiving Benefits	0
Active Employees	<u>313</u>
Total	<u><u>344</u></u>

*Sensitivity of the Total OPEB Liability to Changes in Discount Rate.* The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.13%) or 1 percentage-point higher (5.13%) than the current discount rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB Liability	\$ <u>4,322,776</u>	\$ <u>4,078,832</u>	\$ <u>3,842,383</u>

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (5.25% decreasing to 4.75% over 2 years and following the Getzen model thereafter) or 1 percentage-point higher (7.25% decreasing to 6.75% over 2 years and following the Getzen model thereafter) than the current healthcare cost trend rates:

	1% Decrease (5.25%)	Healthcare Cost Trend Rate (6.25%)	1% Increase (7.25%)
Total OPEB Liability	\$ <u>3,693,645</u>	\$ <u>4,078,832</u>	\$ <u>4,531,976</u>

**SCHOOL RETIREES**

The Schools maintains a single-employer plan whereby certain health benefits are provided to the retiree and their spouse. The plan is a self-insured plan that provides health and prescription drug coverage to those employees who retire after 1999 at age sixty (60) with ten (10) years of service or retire before age sixty (60) with thirty (30) years of Tennessee Consolidated Retirement System service. The plan provides health coverage up to age sixty-five (65). There are some employees who retired prior to 1990 who were eligible to retire with TCRS who are provided coverage through death. The plan was created under the authority of the Maryville Board of Education and may be modified by the Board at any time with 180 day notice. Retirees pay premiums to plan based on the number of years of service at retirement.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	62
Inactive Employees Entitled to, but not yet Receiving Benefits	0
Active Employees	<u>513</u>
Total	<u><u>575</u></u>



**NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Plan Description and Benefits (Continued)**

**SCHOOL RETIREES (Continued)**

*Sensitivity of the Total OPEB Liability to Changes in Discount Rate.* The following presents the total OPEB liability of the School, as well as what the School's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.13%) or 1 percentage-point higher (5.13%) than the current discount rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB Liability	\$ <u>16,234,228</u>	\$ <u>15,231,852</u>	\$ <u>14,277,991</u>

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the total OPEB liability of the Schools, as well as what the Schools' total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (5.25% decreasing to 4.75% over 2 years and following the Getzen model thereafter) or 1 percentage-point higher (7.25% decreasing to 6.75% over 2 years and following the Getzen model thereafter) than the current healthcare cost trend rates:

	1% Decrease (5.25%)	Healthcare Cost Trend Rate (6.25%)	1% Increase (7.25%)
Total OPEB Liability	\$ <u>13,659,522</u>	\$ <u>15,231,852</u>	\$ <u>17,075,772</u>

**NOTE 11 - CONTRACTS WITH THE TENNESSEE VALLEY AUTHORITY (TVA)**

The City of Maryville Utilities Electric Department (Utility) has a power contract with TVA whereby the Utility purchases all its electric power from TVA and is subject to restrictions and conditions. These include prohibitions against diverting Utility assets to other operations of the municipality, securing indebtedness of other operations, or paying more than the Utility's equitable share of tax equivalents.

**NOTE 12 - SELF-INSURANCE**

**(A) WORKMEN'S COMPENSATION**

Effective September 1, 1979, the City was issued a Certificate of Compliance with the Tennessee Workmen's Compensation Law to operate as a self-insured employer. The amounts transferred to the Self-Insured Workmen's Compensation Internal Service Fund are determined by reference to standard Workmen's Compensation rate structures used by insurance companies.

The self-insurance plan is augmented by coverage with Public Entity Partners, whereby coverage is extended for claims over \$400,000 per occurrence and \$400,000 aggregate.

**(B) EMPLOYEE'S BENEFITS - MEDICAL PLAN**

The City is self-insured for employee medical benefits. The School System separately determines employee benefits and premiums and accordingly are recorded in a separate internal service fund.

The self-insurance plans are augmented by coverage with Swiss Re-Corporate America Insurance Corp., whereby coverage is extended for claims exceeding \$250,000 per employee which limits the exposure to large individual claims.

**NOTE 12 - SELF-INSURANCE (Continued)**

**(C) CLAIMS LIABILITIES**

Liabilities of the self-insurance funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The self-insurance funds establish claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled. Changes in the balance of claims liabilities during the past three fiscal years for each fund are as follows:

	<u>Fiscal Year</u>	<u>Liability - Beginning</u>	<u>Claims and Changes in Estimates</u>	<u>Fiscal Year Claim Payments</u>	<u>Liability - Ending</u>
Employee Medical					
Self-Insurance/Dental Insurance	2020-2021	\$ 624,936	\$ 10,808,931	\$ 10,584,859	\$ 849,008
	2021-2022	849,008	11,090,631	11,367,869	571,770
	2022-2023	571,770	12,110,489	11,783,269	898,990
Retiree Medical Self-Insurance					
	2020-2021	\$ 70,000	\$ 780,389	\$ 780,389	\$ 70,000
	2021-2022	70,000	768,281	776,979	61,302
	2022-2023	61,302	879,756	891,058	50,000
Workmen's Compensation					
Self-Insurance	2020-2021	\$ 84,638	\$ 45,944	\$ 89,616	\$ 40,966
	2021-2022	40,966	165,625	161,364	45,227
	2022-2023	45,227	415,028	272,256	187,999

The City continues to carry commercial insurance for certain risks of loss, including coverage for buildings and personal property, general and personal injury liability, and automobile liability and physical damage. Settled claims from these risks have not exceeded commercial insurance coverage in any of the prior three (3) fiscal years.

**NOTE 13 - CONSTRUCTION CONTRACTS**

As of June 30, 2023, the City had the following commitments with respect to unfinished construction—in-progress:

Project Name	Total Contract or Estimated Amount	Costs Incurred Through June 30, 2023	Estimated Cost to Complete
Foothills Mall Extension	\$ 6,196,089	\$ 5,966,751	\$ 229,338
Carpenters Grade Improvements	6,323,000	1,422,389	4,900,611
Foch to McCammon	6,190,000	153,516	6,036,484
Maryville to Townsend Greenway Phase 1	3,920,000	246,211	3,673,789
MJHS Expansion	6,118,562	5,744,759	373,803
State Industrial Access Road #1 Clydesdale Rd.	478,552	93,880	384,672
State Industrial Access Road #2 RCJ Widening	407,772	135,188	272,584
Morganton Road Widening	68,426	0	68,426
Laurel Branch Traffic Signal	27,298	27,298	0
Life Fire Training Burn Cell (100% Fire Per AP)	13,591	13,591	0
426 Home Ave Renovations (Old AC Bldg.)	362,386	357,503	4,883
College Street Streetscaping & Improvements	955,666	0	955,666
Greenway Trail Wood Bridge Replacements	1,022,956	677,372	345,584
Jack Greene Park Improvements	311,000	106,379	204,621
Amerine Park Improvements	576,805	198,210	378,595
Carpenters Grade Sanitary Sewer	500,000	29,264	470,736
Downtown Wayfinding Signs	36,500	36,240	260
Northfield Drive Pipe Replacement	385,000	265,900	119,100
Lafayette Lane Pipe Replacement	20,123	20,123	0
Equipment Replacement (Police Vehicles)	55,000	110	54,890
FC Renovations	2,120,000	222,069	1,897,931
Fort Craig Roof	775,091	32,695	742,396
Sam Houston Roof	1,463,470	538,405	925,065
MHS Expansion	37,651,767	648,529	37,003,238
SHE Expansion and Reno	6,433,700	31,033	6,402,667
MHS (addtl)/FCE Bathroom Renovations	220,214	49,432	170,782
MJHS Bathroom Renovations	23,391	3,488	19,903
MHS Gym Floor	33,430	14,835	18,595
Playground Outdoor Classroom @ JSE	128,254	7,300	120,954
	<u>\$ 82,818,043</u>	<u>\$ 17,042,470</u>	<u>\$ 65,775,573</u>

**NOTE 14 - JOINT VENTURES**

In order to pool resources and share the costs, risks and rewards of providing services for the benefit of the general public, the City participates in the following joint ventures.

**(A) EMERGENCY COMMUNICATIONS DISTRICT OF BLOUNT COUNTY**

Pursuant to an agreement dated August 28, 1984, between the City of Maryville, Blount County, and the City of Alcoa, Tennessee, a Communications Center was established for the purpose of handling emergency calls for the three (3) governmental entities. Effective July 1, 1999, the Blount County Communications Center was combined with the Emergency Communications District of Blount County, a component unit of Blount County, Tennessee. The three (3) governmental entities participate in the funding of the District while exercising no direct control over the District.

The Emergency Communications District of Blount County is governed by nine (9) directors appointed by the Blount County Board of County Commissioners. Before the issuance of most debt instruments, the District must obtain the approval of the Blount County Board of County Commissioners. The District's Board employs coordinators and staff to conduct the daily business of the organization.

**NOTE 14 - JOINT VENTURES**

**(A) EMERGENCY COMMUNICATIONS DISTRICT OF BLOUNT COUNTY (Continued)**

For the fiscal year ended June 30, 2023, the City contributed \$214,812 to the Blount County Emergency Communications District. Summary financial information for the fiscal year ended June 30, 2022, the most recent fiscal year available, is presented below:

Operating Revenues	\$ 2,086,227
Operating Expenses	<u>2,572,736</u>
Operating Income (Loss)	(486,509)
Non-Operating Revenues	<u>948,742</u>
Change in Net Position	462,233
Net Position - July, 1 2021	<u>5,549,150</u>
Net Position - June 30, 2022	<u>\$ 6,011,383</u>
Total Assets	<u>\$ 7,493,446</u>
Deferred Outflows of Resources	<u>\$ 764,270</u>
Total Liabilities	<u>\$ 811,735</u>
Deferred Inflows of Resources	<u>\$ 1,434,598</u>
Net Position	<u>\$ 6,011,383</u>

The Emergency Communications District of Blount County issues a publicly available financial report. A report may be obtained by writing to the Blount County Communications District, P. O. Box 4609, Maryville, TN 37802.

**(B) RECREATION AND PARKS COMMISSION**

The City of Maryville, Blount County, and the City of Alcoa, Tennessee, jointly participate in the Recreation and Parks Commission (County-Wide) by funding percentages of the operational budget of the Commission. Each governmental entity appoints several persons to serve as commissioners on the Recreation and Parks Commission. The following factors suggest that the Recreation and Parks Commission should not be included in the reporting entity:

- (1) The governing board is solely responsible for operational activities of the Commission.
- (2) The City is neither entitled to operating surpluses nor responsible for operating deficits of the Commission.
- (3) The City’s participation is limited to allocated funding as derived by the Commission’s operating budget.
- (4) The facilities operated by the Recreation and Parks Commission are open to the public-at-large and not exclusively for enjoyment of residents of the City of Maryville, Tennessee.

**NOTE 14 - JOINT VENTURES (Continued)**

**(B) RECREATION AND PARKS COMMISSION (Continued)**

For the fiscal year ended June 30, 2023, the City contributed \$1,040,938 to the Recreation and Parks Commission to fund operations. Summary financial information for the fiscal year ended June 30, 2022, the most recent year available, is presented below:

Revenues	\$ 3,186,783
Expenditures	<u>3,363,710</u>
Change in Net Position	(176,927)
Net Position - July, 1 2021	<u>2,976,872</u>
Net Position - June 30, 2022	<u>\$ 2,799,945</u>
Total Assets	<u>\$ 2,603,220</u>
Deferred Outflows of Resources	<u>\$ 511,095</u>
Total Liabilities	<u>\$ 314,370</u>
Net Position	<u>\$ 2,799,945</u>

The Recreation and Parks Commission issues a publicly available financial report. A copy may be obtained by writing to Recreation and Parks Commission, 316 Everett High Road, Maryville, TN 37804.

**(C) BLOUNT COUNTY CABLE TELEVISION AUTHORITY**

The City of Maryville, Blount County, and the City of Alcoa, Tennessee jointly regulate the operation of cable television through the Blount County Cable Television Authority. The Authority is composed of nine (9) appointed members. The Authority funds its budget through the collection of cable television franchise fees from companies under its jurisdiction. After payment of the Authority's expenses, the residual of those collections is remitted to the County and the two Cities based on point of collection.

Summary financial information for the fiscal year ended June 30, 2022, the most recent year available, is presented below:

Revenues	\$ 1,064,421
Expenditures	<u>22,967</u>
Excess of Revenue Over Expenditures Before Franchise Fee Distributions	1,041,454
Franchise Fee Distributions to County and Cities	<u>1,031,916</u>
Change in Net Position	9,538
Net Position - July, 1 2021	<u>7,489</u>
Net Position - June 30, 2022	<u>\$ 17,027</u>
Total Assets	<u>\$ 290,245</u>
Total Liabilities	<u>\$ 273,218</u>
Net Position	<u>\$ 17,027</u>

No joint venture debt was reported on the financial statements of the Authority as of June 30, 2022.

The Blount County Cable Television Authority issues a publicly available financial report. A copy may be obtained by writing to Blount County Cable Television Authority, P. O. Box 4338, Maryville, TN 37802.

**NOTE 14 - JOINT VENTURES (Continued)**

**(D) INDUSTRIAL DEVELOPMENT BOARD OF BLOUNT COUNTY AND THE CITIES OF ALCOA AND MARYVILLE, TENNESSEE**

The Industrial Development Board of Blount County and the Cities of Alcoa and Maryville, Tennessee was organized pursuant to a resolution of the Blount County Quarterly Court in a special called session on September 30, 1969. A certificate of incorporation was received from the Secretary of State of the State of Tennessee dated October 1, 1969. The Industrial Development Board is governed by seven (7) directors. The purpose of the Industrial Development Board is to promote industrial development, provide additional job opportunities in Blount County, Tennessee and surrounding areas, and to exercise the authority and pursue the objectives of an industrial development corporation as provided for in Title 7, Chapter 53, of the Tennessee Code Annotated.

For the fiscal year ended June 30, 2023, the City of Maryville contributed \$2,132,923 to the Industrial Development Board of Blount County and the Cities of Alcoa and Maryville, Tennessee (inclusive of payments for the development and operation of three (3) industrial parks as more fully described in Note 15).

Summary financial information for the fiscal year ended June 30, 2021, the most recent fiscal year available, is presented below:

Revenues	\$ 2,274,710
Expenditures	<u>10,966,452</u>
Change in Net Position	<u>(8,691,742)</u>
Net Position - July, 1 2020	34,784,736
Prior Period Adjustment	<u>(214,852)</u>
Net Position - July, 1 2020 - Restated	<u>34,569,884</u>
Net Position - June 30, 2021	<u>\$ 25,878,142</u>
Total Assets	<u>\$ 69,174,251</u>
Total Liabilities	<u>\$ 43,296,109</u>
Net Position	<u>\$ 25,878,142</u>

The Industrial Development Board of Blount County and the Cities of Alcoa and Maryville, Tennessee issues a publicly available report. A copy may be obtained by writing to Industrial Development Board of Blount County and the Cities of Alcoa and Maryville, Tennessee, 201 S. Washington Street, Maryville, Tennessee 37804.

**NOTE 15 - JOINT DEVELOPMENT OF INDUSTRIAL PARKS**

**(A) PARTNERSHIP PARK NORTH - PARTNERSHIP PARK SOUTH**

Pursuant to an Intergovernmental Cooperation Agreement dated December 16, 1997, by and among the City of Maryville, Tennessee, the City of Alcoa, Tennessee, Blount County, Tennessee, and the Industrial Development Board of Blount County and the Cities of Alcoa and Maryville, Tennessee, the two (2) cities and Blount County agreed to provide financial assistance to the Industrial Development Board in connection with the purchase of certain property and the development and operation of such property as two (2) industrial parks. Such financial assistance is to be provided as follows: Blount County –40%; City of Maryville –30%; and City of Alcoa – 30%.

Under the terms of the agreement, a joint operating committee, composed of one (1) representative from each of the parties to the agreement, shall have overall control of the two (2) industrial parks – the Partnership Park South (Herron property) and the Partnership Park North (Burkhart property). Such overall control shall include the right to approve all sales of property in the Industrial Parks; approve all budgets related to the operation of the Industrial Parks; approve all capital improvements to the Industrial Parks; and approve all design guidelines, restrictive covenants, and management policies regarding the Industrial Parks.

**NOTE 15 - JOINT DEVELOPMENT OF INDUSTRIAL PARKS (Continued)**

**(A) PARTNERSHIP PARK NORTH - PARTNERSHIP PARK SOUTH (Continued)**

In addition to financial assistance provided to the Industrial Development Board by the City of Maryville, the City of Alcoa, and Blount County, the Industrial Development Board is to receive the proceeds from the sale of land in the Industrial Parks together with other receipts in connection with the operation, development, and maintenance of the Industrial Parks. Also, amounts equivalent to the property taxes received with respect to any property within either of the Industrial Parks is to be contributed to the Industrial Board.

**(B) THE PELLISSIPPI RESEARCH CENTRE ON THE OAK RIDGE CORRIDOR**

Pursuant to an Intergovernmental Cooperation Agreement dated May 2006 by and among the City of Maryville, Tennessee; the City of Alcoa, Tennessee; Blount County, Tennessee; Knox County, Tennessee; and the Industrial Development Board of Blount County and the Cities of Alcoa and Maryville, Tennessee, the two (2) cities and two (2) counties agreed to provide financial assistance to the Industrial Development Board in connection with the purchase of certain property and the development and operation of such property as a research and development industrial park. Such financial assistance is to be provided as follows: Blount County – 25%; Knox County – 25%; City of Maryville –25%; and City of Alcoa – 25%.

Under the terms of the agreement, a joint operating committee, composed of one (1) representative from each of the parties to the agreement, shall have overall control of the industrial park. Such overall control shall include the right to approve all sales of property in the Industrial Park; approve all budgets related to the operation of the Industrial Park; approve all capital improvements to the Industrial Park; and approve all design guidelines, restrictive covenants, and management policies regarding the Industrial Park.

In addition to financial assistance provided to the Industrial Development Board by the City of Maryville, the City of Alcoa, Blount County and Knox County, the Industrial Development Board is to receive the proceeds from the sale of land in the Industrial Park together with other receipts in connection with the operation, development, and maintenance of the Industrial Park. Also, amounts equivalent to the property taxes received with respect to any property within the Industrial Park is to be contributed to the Industrial Board if needed for operation. Otherwise, the property taxes are remitted to the two (2) cities and two (2) counties based upon the above percentages.

**NOTE 16 - RISK FINANCING ACTIVITIES**

It is the policy of the City to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property and casualty, worker's compensation, and employee health and accident claims. Settled claims have not exceeded this commercial coverage in any of the past three (3) fiscal years.

The City maintains its funds with financial institutions which participate in the bank collateral pool administered by the Treasurer of the State of Tennessee. Participating banks determine the aggregate balance of their public funds accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must be equal to at least 105% of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public funds accounts are pledged to the State Treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in aggregate rather than against each individual account. Under this assessment agreement, public funds accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

**NOTE 17 - PENDING LITIGATION**

The City is involved in various litigations arising in the ordinary course of its operations. The City is vigorously defending each of the suits. The outcome of these suits is not presently determinable. However, management believes that if any suit results in an unfavorable outcome that its insurance coverage is sufficient to cover any judgment.

**NOTE 18 - RESTATEMENT**

Net position as of July 1, 2022, has been restated as follows for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The below reflects the restatement amounts on the government-wide statement of net position:

	<u>Governmental Activities</u>
Net Position at June 30, 2022, as previously reported	\$ 168,382,904
Restatement - Implementation of GASB 96, <i>SBITAs</i>	<u>(60,553)</u>
Net Position at July 1, 2022, as restated	<u>\$ 168,322,351</u>



**REQUIRED SUPPLEMENTARY INFORMATION SECTION**

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULES OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS  
PUBLIC EMPLOYEE PENSION PLAN OF TCRS**

**Fiscal Years Ended June 30**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 2,150,124	\$ 1,747,753	\$ 1,737,648	\$ 1,777,831	\$ 1,755,534	\$ 1,779,509	\$ 1,513,305	\$ 1,497,709	\$ 1,482,036
Interest	7,689,393	7,347,685	6,943,167	6,992,795	6,731,724	6,571,568	5,608,121	5,316,317	5,049,813
Changes in Benefit Terms	0	0	0	(5,428,262)	0	0	0	0	0
Differences between Actual and Expected Experience	1,273,934	(189,636)	990,327	(112,709)	(1,270,990)	(1,843,151)	559,325	(233,801)	(895,947)
Change of Assumptions	0	7,512,625	0	0	0	2,180,089	0	0	0
Benefit Payments, Including Refunds of Employee Contributions	(4,335,114)	(4,167,352)	(4,036,039)	(3,711,957)	(3,563,207)	(3,303,968)	(2,831,775)	(2,610,612)	(2,612,140)
Other Changes	0	0	0	0	0	8,496,175	0	0	0
<b>Net Change in Total Pension Liability</b>	<b>6,778,337</b>	<b>12,251,075</b>	<b>5,635,103</b>	<b>(482,302)</b>	<b>3,653,061</b>	<b>13,880,222</b>	<b>4,848,976</b>	<b>3,969,613</b>	<b>3,023,762</b>
<b>Total Pension Liability - Beginning</b>	<b>113,934,371</b>	<b>101,683,296</b>	<b>96,048,193</b>	<b>96,530,495</b>	<b>92,877,434</b>	<b>78,997,212</b>	<b>74,148,236</b>	<b>70,178,623</b>	<b>67,154,861</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 120,712,708</b>	<b>\$ 113,934,371</b>	<b>\$ 101,683,296</b>	<b>\$ 96,048,193</b>	<b>\$ 96,530,495</b>	<b>\$ 92,877,434</b>	<b>\$ 78,997,212</b>	<b>\$ 74,148,236</b>	<b>\$ 70,178,623</b>
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer	\$ 2,652,025	\$ 2,481,584	\$ 2,371,012	\$ 2,302,073	\$ 2,215,967	\$ 2,145,243	\$ 2,145,242	\$ 2,030,190	\$ 1,995,417
Contributions - Employee	1,193,661	1,118,056	1,067,694	1,022,511	984,220	952,595	1,030,868	901,464	864,855
Net Investment Income	(4,886,550)	26,310,557	4,945,214	7,133,950	7,477,847	9,269,389	1,918,675	2,150,493	9,803,924
Benefit Payments, Including Refunds of Employee Contributions	(4,335,114)	(4,167,352)	(4,036,039)	(3,711,957)	(3,563,207)	(3,303,968)	(2,831,775)	(2,610,612)	(2,612,140)
Administrative Expense	(44,059)	(37,782)	(36,849)	(37,072)	(38,403)	(35,941)	(29,514)	(21,168)	(17,836)
Other	0	0	0	(5,428,262)	(1,327,251)	8,150,093	0	0	0
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(5,420,037)</b>	<b>25,705,063</b>	<b>4,311,032</b>	<b>1,281,243</b>	<b>5,749,173</b>	<b>17,177,411</b>	<b>2,233,496</b>	<b>2,450,367</b>	<b>10,034,220</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>127,999,011</b>	<b>102,293,948</b>	<b>97,982,916</b>	<b>96,701,673</b>	<b>90,952,500</b>	<b>73,775,089</b>	<b>71,541,593</b>	<b>69,091,226</b>	<b>59,057,006</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 122,578,974</b>	<b>\$ 127,999,011</b>	<b>\$ 102,293,948</b>	<b>\$ 97,982,916</b>	<b>\$ 96,701,673</b>	<b>\$ 90,952,500</b>	<b>\$ 73,775,089</b>	<b>\$ 71,541,593</b>	<b>\$ 69,091,226</b>
<b>Net Pension Liability (Asset) - Ending (a) - (b)</b>	<b>\$ (1,866,266)</b>	<b>\$ (14,064,640)</b>	<b>\$ (610,652)</b>	<b>\$ (1,934,723)</b>	<b>\$ (171,178)</b>	<b>\$ 1,924,934</b>	<b>\$ 5,222,123</b>	<b>\$ 2,606,643</b>	<b>\$ 1,087,397</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>101.55%</b>	<b>112.34%</b>	<b>100.60%</b>	<b>102.01%</b>	<b>100.18%</b>	<b>97.93%</b>	<b>93.39%</b>	<b>96.48%</b>	<b>98.45%</b>
<b>Covered Payroll</b>	<b>\$ 23,786,572</b>	<b>\$ 22,316,401</b>	<b>\$ 21,322,041</b>	<b>\$ 20,444,681</b>	<b>\$ 19,679,977</b>	<b>\$ 19,332,367</b>	<b>\$ 19,051,887</b>	<b>\$ 18,022,713</b>	<b>\$ 17,291,306</b>
<b>Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	<b>-7.85%</b>	<b>-63.02%</b>	<b>-2.86%</b>	<b>-9.46%</b>	<b>-0.87%</b>	<b>9.96%</b>	<b>27.41%</b>	<b>14.46%</b>	<b>6.29%</b>

Notes: *Changes of assumptions.* In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality improvements.

This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future. Please refer to previously supplied data from the TCRS GASB website for the prior years' data, if needed.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULES OF CONTRIBUTIONS**  
**PUBLIC EMPLOYEE PENSION PLAN OF TCRS**  
**Fiscal Years Ended June 30**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contribution	\$ 2,823,128	\$ 2,652,662	\$ 2,481,584	\$ 2,371,012	\$ 2,302,073	\$ 2,215,967	\$ 2,176,824	\$ 2,145,243	\$ 2,030,190	\$ 1,995,417
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 25,322,427	\$ 23,786,595	\$ 22,316,401	\$ 21,322,041	\$ 20,444,681	\$ 19,679,977	\$ 19,332,367	\$ 19,051,887	\$ 18,022,713	\$ 17,291,306
Contributions as a Percentage of Covered Payroll	11.15%	11.15%	11.12%	11.12%	11.26%	11.26%	11.26%	11.26%	11.26%	11.54%

**Note:** This is a 10-year schedule; Please refer to the previously supplied data from the TCRS GASB website for prior years' data, if needed.

**Notes:**

*Valuation date:* Actuarially determined contribution rates for 2023 were calculated based on the June 30, 2021 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 20.0% corridor to fair value
Inflation	2.25%
Salary Increases:	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4.00%
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 Adjustments	2.125%

*Changes of assumptions.* In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality improvements.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)**  
**TEACHER LEGACY PENSION PLAN OF TCRS**

**Fiscal Years Ended June 30**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Maryville City Schools' Proportion of the Net Pension Liability (Asset)	0.718699%	0.722142%	0.720842%	0.690792%	0.667657%	0.673848%	0.640423%	0.614098%	5.798390%
Maryville City Schools' Proportionate Share of the Net Pension Liability (Asset)	\$ (8,814,166)	\$ (31,147,717)	\$ (5,496,951)	\$ (7,102,586)	\$ (2,349,428)	\$ (220,472)	\$ 4,002,292	\$ 251,556	\$ (94,211)
Maryville City Schools' Covered Payroll	\$ 23,651,902	\$ 23,701,931	\$ 23,990,655	\$ 23,166,992	\$ 23,379,049	\$ 23,742,683	\$ 23,117,998	\$ 22,988,822	\$ 22,758,634
Maryville City Schools' Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-37.27%	-131.41%	-22.91%	-30.66%	-10.05%	-0.93%	17.31%	1.09%	-0.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	104.42%	116.13%	103.09%	104.28%	101.49%	100.14%	97.14%	99.81%	100.08%

**Note:** This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available. Please refer to previously supplied data from the TCRS GASB website for prior year's data, if needed.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF MARYVILLE CITY SCHOOLS CONTRIBUTIONS**  
**TEACHER LEGACY PENSION PLAN OF TCRS**

**Fiscal Years Ended June 30**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 2,062,522	\$ 2,436,151	\$ 2,434,188	\$ 2,550,294	\$ 2,422,876	\$ 2,122,828	\$ 2,153,345	\$ 2,089,867	\$ 2,078,187	\$ 2,020,967
Contribution in Relation to the Contractually Required Contribution	<u>2,062,522</u>	<u>2,436,151</u>	<u>2,434,188</u>	<u>2,550,294</u>	<u>2,422,876</u>	<u>2,122,828</u>	<u>2,153,345</u>	<u>2,089,867</u>	<u>2,078,187</u>	<u>2,020,967</u>
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>
Maryville City Schools' Covered Payroll	\$ 23,734,406	\$ 23,651,902	\$ 23,701,931	\$ 23,990,655	\$ 23,166,992	\$ 23,379,049	\$ 23,742,683	\$ 23,117,988	\$ 22,998,822	\$ 22,758,634
Contributions as a percentage of Maryville City Schools' Covered Payroll	8.69%	10.30%	10.27%	10.63%	10.46%	9.08%	9.07%	9.04%	9.04%	8.88%

**Note:** *Changes of assumptions.* In 2021, the following assumptions were changed: decreased inflation rate from 2.50% to 2.25%; decreased the investment rate of return from 7.25% to 6.75%; decreased the cost-of-living adjustment from 2.25% to 2.125%; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00% to 2.50%; decreased the investment rate of return from 7.50% to 7.25%; decreased the cost-of-living adjustment from 2.50% to 2.25%; decreased salary growth graded ranges from an average of 4.25% to an average of 4.00%; and modified mortality assumptions.

This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available. Please refer to previously supplied data from the TCRS GASB website for prior year's data, if needed.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF MARYVILLE CITY SCHOOLS**  
**PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**TEACHER HYBRID PENSION PLAN OF TCRS**

**Fiscal Years Ended June 30**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Maryville City Schools' Proportion of the Net Pension Liability (Asset)	0.342600%	0.338812%	0.301355%	0.275145%	0.255229%	0.175774%	0.169669%	0.100884%
Maryville City Schools' Proportionate Share of the Net Pension Liability (Asset)	\$ (103,782)	\$ (367,005)	\$ (171,363)	\$ (155,316)	\$ (115,753)	\$ (46,375)	\$ (17,663)	\$ (4,059)
Maryville City Schools' Covered Payroll	\$ 5,851,039	\$ 4,889,823	\$ 3,802,875	\$ 2,902,688	\$ 2,230,393	\$ 1,170,625	\$ 746,552	\$ 209,611
Maryville City Schools' Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-1.77%	-7.51%	-4.51%	-5.35%	-5.19%	-3.96%	-2.37%	-1.94%
Plan Fiduciary Net Position as a percentage of the total Pension Liability (Asset)	104.55%	121.53%	116.52%	123.07%	126.97%	126.81%	121.88%	127.46%

**Note:** This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF MARYVILLE CITY SCHOOLS CONTRIBUTIONS**  
**TEACHER HYBRID PENSION PLAN OF TCRS**

**Fiscal Years Ended June 30**

	<u>2023*</u>	<u>2022*</u>	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 211,793	\$ 117,597	\$ 98,774	\$ 77,198	\$ 56,485	\$ 36,372	\$ 46,147	\$ 18,688	\$ 5,240
Contribution in Relation to the Contractually Required Contribution	<u>211,793</u>	<u>117,597</u>	<u>98,774</u>	<u>77,198</u>	<u>56,485</u>	<u>89,216</u>	<u>46,147</u>	<u>29,862</u>	<u>8,384</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (52,844)</u>	<u>\$ 0</u>	<u>\$ (11,174)</u>	<u>\$ (3,144)</u>
Maryville City Schools' Covered Payroll	\$ 7,379,549	\$ 5,851,039	\$ 4,889,823	\$ 3,802,875	\$ 2,902,688	\$ 2,230,393	\$ 1,170,625	\$ 746,552	\$ 209,611
Contributions as a percentage of Maryville City Schools' Covered Payroll	2.87%	2.01%	2.02%	2.03%	1.95%	4.00%	3.94%	4.00%	4.00%

**Notes:** *Changes of assumptions.* In 2021, the following assumptions were changed: decreased inflation rate from 2.50% to 2.25%; decreased the investment rate of return from 7.25% to 6.75%; decreased the cost-of-living adjustment from 2.25% to 2.125%; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00% to 2.50%; decreased the investment rate of return from 7.50% to 7.25%; decreased the cost-of-living adjustment from 2.50% to 2.25%; decreased salary growth graded ranges from an average of 4.25% to an average of 4.00%; and modified mortality assumptions.

This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

\* Maryville City Schools placed the actuarially determined contribution rate of covered payroll into the pension plan and placed the remaining portion of the 4% covered payroll into the Pension Stabilization Reserve Trust.

**CITY OF MARYVILLE, TENNESSEE**

**CITY RETIREES  
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

**Fiscal Year Ended June 30**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>						
Service Cost	\$ 272,351	\$ 266,540	\$ 258,020	\$ 248,958	\$ 238,621	\$ 318,472
Interest	120,437	118,316	260,410	240,421	314,319	304,771
Experiences Losses (Gains)	(1,009,267)	0	(2,301,080)	0	(1,751,552)	(73,608)
Change in Assumptions	(556,957)	0	392,726	0	(473,352)	0
Benefit Payments	<u>(562,102)</u>	<u>(76,657)</u>	<u>(125,240)</u>	<u>(192,601)</u>	<u>(139,032)</u>	<u>(248,014)</u>
<b>Net Change in Total OPEB Liability</b>	(1,735,538)	308,199	(1,515,164)	296,778	(1,810,996)	301,621
<b>Total OPEB Liability - Beginning</b>	<u>5,814,370</u>	<u>5,506,171</u>	<u>7,021,335</u>	<u>6,724,557</u>	<u>8,535,553</u>	<u>8,233,932</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 4,078,832</u>	<u>\$ 5,814,370</u>	<u>\$ 5,506,171</u>	<u>\$ 7,021,335</u>	<u>\$ 6,724,557</u>	<u>\$ 8,535,553</u>
<b>Covered-Employee Payroll</b>	\$ 20,522,252	\$ 20,258,503	\$ 19,339,860	\$ 17,282,255	\$ 16,498,573	\$ 16,192,427
<b>Total OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll</b>	19.9%	28.7%	28.5%	40.6%	40.8%	52.7%

Note: There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 related to this OPEB plan. This schedule is intended to display ten years of information. Additional years will be displayed as they become available.



CITY OF MARYVILLE, TENNESSEE

SCHOOL RETIREES  
SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS

Fiscal Year Ended June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>						
Service Cost	\$ 1,409,294	\$ 1,379,227	\$ 1,418,044	\$ 1,368,240	\$ 1,311,427	\$ 933,567
Interest	484,234	453,016	876,891	792,610	627,797	605,377
Experiences Losses (Gains)	(5,157,266)	0	(5,645,647)	0	(198,055)	(277,810)
Change in Assumptions	(2,307,667)	0	1,343,657	0	3,893,615	0
Benefit Payments	<u>(1,275,318)</u>	<u>(418,980)</u>	<u>(443,809)</u>	<u>(615,204)</u>	<u>(887,097)</u>	<u>(562,124)</u>
<b>Net Change in Total OPEB Liability</b>	(6,846,723)	1,413,263	(2,450,864)	1,545,646	4,747,687	699,010
<b>Total OPEB Liability - Beginning</b>	<u>22,078,575</u>	<u>20,665,312</u>	<u>23,116,176</u>	<u>21,570,530</u>	<u>16,822,843</u>	<u>16,123,833</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 15,231,852</u>	<u>\$ 22,078,575</u>	<u>\$ 20,665,312</u>	<u>\$ 23,116,176</u>	<u>\$ 21,570,530</u>	<u>\$ 16,822,843</u>
<b>Covered-Employee Payroll</b>	\$ 32,211,747	\$ 29,772,896	\$ 28,490,810	\$ 29,222,702	\$ 27,964,308	\$ 28,596,454
<b>Total OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll</b>	47.3%	74.2%	72.5%	79.1%	77.1%	58.8%

Note: There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 related to this OPEB plan. This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

**OTHER SUPPLEMENTARY INFORMATION**

**CITY OF MARYVILLE, TENNESSEE**

**COMBINING BALANCE SHEET**

**Non-Major Governmental Funds**

**June 30, 2023**

	Special Revenue Funds							
	State Street Aid	Maryville City Schools Cafeteria	Federal Projects	Special Projects	Maryville City Schools Continuing Care Program	Internal School	Local Grant	
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 2,019,055	\$ 2,975,827	\$ 0	\$ 47,650	\$ 1,151,223	\$ 2,768,062	\$ 1,151,718	\$ 1,806,760
Accounts Receivable	0	0	0	0	0	0	0	68,707
Due from Other Governments	102,538	106,536	112,353	0	0	0	897,659	0
<b>Total Assets</b>	<u>\$ 2,121,593</u>	<u>\$ 3,082,363</u>	<u>\$ 112,353</u>	<u>\$ 47,650</u>	<u>\$ 1,151,223</u>	<u>\$ 2,768,062</u>	<u>\$ 2,049,377</u>	<u>\$ 1,875,467</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accounts Payable	\$ 788,445	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 261,618	\$ 52,535
Due to Other Funds	0	0	112,353	0	0	0	0	0
<b>Total Liabilities</b>	<u>788,445</u>	<u>0</u>	<u>112,353</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>261,618</u>	<u>52,535</u>
<b>Fund Balances</b>								
Restricted	1,333,148	3,082,363	0	14,222	1,151,223	2,768,062	0	1,822,932
Assigned	0	0	0	33,428	0	0	1,787,759	0
<b>Total Fund Balances</b>	<u>1,333,148</u>	<u>3,082,363</u>	<u>0</u>	<u>47,650</u>	<u>1,151,223</u>	<u>2,768,062</u>	<u>1,787,759</u>	<u>1,822,932</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,121,593</u>	<u>\$ 3,082,363</u>	<u>\$ 112,353</u>	<u>\$ 47,650</u>	<u>\$ 1,151,223</u>	<u>\$ 2,768,062</u>	<u>\$ 2,049,377</u>	<u>\$ 1,875,467</u>

**CITY OF MARYVILLE, TENNESSEE**  
**COMBINING BALANCE SHEET (Continued)**

**Non-Major Governmental Funds**

**June 30, 2023**

	Special Revenue Funds		Total Special Revenue Funds	Capital Project Funds		Total Capital Project Funds	Total Non-Major Governmental Funds
	Drug	GIS		School Construction	Equipment Replacement		
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 201,378	\$ 20,783	\$ 12,142,456	\$ 2,631,853	\$ 1,386,335	\$ 4,018,188	\$ 16,160,644
Accounts Receivable	0	110,198	178,905	0	0	0	178,905
Due from Other Governments	0	0	1,219,086	0	0	0	1,219,086
<b>Total Assets</b>	<b>\$ 201,378</b>	<b>\$ 130,981</b>	<b>\$ 13,540,447</b>	<b>\$ 2,631,853</b>	<b>\$ 1,386,335</b>	<b>\$ 4,018,188</b>	<b>\$ 17,558,635</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts Payable	\$ 3,899	\$ 0	\$ 1,106,497	\$ 269,477	\$ 0	\$ 269,477	\$ 1,375,974
Due to Other Funds	0	0	112,353	0	0	0	112,353
<b>Total Liabilities</b>	<b>3,899</b>	<b>0</b>	<b>1,218,850</b>	<b>269,477</b>	<b>0</b>	<b>269,477</b>	<b>1,488,327</b>
<b>Fund Balances</b>							
Restricted	197,479	130,981	10,500,410	0	0	0	10,500,410
Assigned	0	0	1,821,187	2,362,376	1,386,335	3,748,711	5,569,898
<b>Total Fund Balances</b>	<b>197,479</b>	<b>130,981</b>	<b>12,321,597</b>	<b>2,362,376</b>	<b>1,386,335</b>	<b>3,748,711</b>	<b>16,070,308</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 201,378</b>	<b>\$ 130,981</b>	<b>\$ 13,540,447</b>	<b>\$ 2,631,853</b>	<b>\$ 1,386,335</b>	<b>\$ 4,018,188</b>	<b>\$ 17,558,635</b>

**CITY OF MARYVILLE, TENNESSEE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**

**Non-Major Governmental Funds**

**For the Period Ending June 30, 2023**

	Special Revenue Funds							
	State Street Aid	Maryville City Schools Cafeteria	Federal Projects	Special Projects	Maryville City Schools Continuing Care Program	Internal School	Local Grant	
<b>Revenues</b>								
Intergovernmental								
State Taxes	\$ 1,170,405	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Grants	0	0	2,908,503	0	1,168,950	0	3,137,067	0
U.S.D.A. Revenue	0	1,781,283	0	0	0	0	0	0
Other Local Revenues	0	28,945	0	0	0	0	0	0
Charges for Services	0	1,497,343	0	0	1,396,667	0	0	1,494,015
Fines, Forfeitures and Court Costs	0	0	0	0	0	0	0	0
Interest Income	0	109,798	0	0	38,896	0	0	0
Internal School Fund Revenue	0	0	0	0	0	2,540,038	0	0
Miscellaneous	0	0	0	850	0	0	0	0
<b>Total Revenues</b>	<u>1,170,405</u>	<u>3,417,369</u>	<u>2,908,503</u>	<u>850</u>	<u>2,604,513</u>	<u>2,540,038</u>	<u>3,137,067</u>	<u>1,494,015</u>
<b>Expenditures</b>								
Current								
General Government	0	0	0	0	0	0	0	0
Public Safety	0	0	0	0	0	0	57,550	0
Public Service	1,549,290	0	0	0	0	0	0	549,067
Culture and Recreation	0	0	0	57,200	0	0	0	0
Education	0	2,926,534	2,908,503	0	1,726,253	4,422,011	0	0
Capital Outlay	0	244,370	0	0	0	0	3,856,098	358,506
<b>Total Expenditures</b>	<u>1,549,290</u>	<u>3,170,904</u>	<u>2,908,503</u>	<u>57,200</u>	<u>1,726,253</u>	<u>4,422,011</u>	<u>3,913,648</u>	<u>907,573</u>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	<u>(378,885)</u>	<u>246,465</u>	<u>0</u>	<u>(56,350)</u>	<u>878,260</u>	<u>(1,881,973)</u>	<u>(776,581)</u>	<u>586,442</u>
<b>Other Financing Sources (Uses)</b>								
Transfers In	200,000	0	0	50,000	0	986,056	960,242	0
Transfers Out	0	0	0	0	(40,000)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>200,000</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>(40,000)</u>	<u>986,056</u>	<u>960,242</u>	<u>0</u>
<b>Net Change in Fund Balance</b>	<u>(178,885)</u>	<u>246,465</u>	<u>0</u>	<u>(6,350)</u>	<u>838,260</u>	<u>(895,917)</u>	<u>183,661</u>	<u>586,442</u>
<b>Fund Balance, July 1st</b>	<u>1,512,033</u>	<u>2,835,898</u>	<u>0</u>	<u>54,000</u>	<u>312,963</u>	<u>3,663,979</u>	<u>1,604,098</u>	<u>1,236,490</u>
<b>Fund Balance, June 30th</b>	<u>\$ 1,333,148</u>	<u>\$ 3,082,363</u>	<u>\$ 0</u>	<u>\$ 47,650</u>	<u>\$ 1,151,223</u>	<u>\$ 2,768,062</u>	<u>\$ 1,787,759</u>	<u>\$ 1,822,932</u>

**CITY OF MARYVILLE, TENNESSEE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES (Continued)**

**Non-Major Governmental Funds**  
**For the Period Ending June 30, 2023**

	Special Revenue Funds			Capital Project Funds		Total Capital Project Funds	Total Non-Major Governmental Funds
	Drug	GIS	Total Special Revenue Funds	School Construction	Equipment Replacement		
<b>Revenues</b>							
Intergovernmental							
State Taxes	\$ 0	\$ 0	\$ 1,170,405	\$ 0	\$ 0	\$ 0	\$ 1,170,405
Federal Grants	0	0	7,214,520	0	0	0	7,214,520
U.S.D.A. Revenue	0	0	1,781,283	0	0	0	1,781,283
Other Local Revenues	0	549,411	578,356	0	0	0	578,356
Charges for Services	45,125	14,727	4,447,877	0	0	0	4,447,877
Fines, Forfeitures and Court Costs	1,935	0	1,935	0	0	0	1,935
Interest Income	0	0	148,694	0	0	0	148,694
Internal School Fund Revenue	0	0	2,540,038	0	0	0	2,540,038
Miscellaneous	17,688	0	18,538	0	261,693	261,693	280,231
<b>Total Revenues</b>	<b>64,748</b>	<b>564,138</b>	<b>17,901,646</b>	<b>0</b>	<b>261,693</b>	<b>261,693</b>	<b>18,163,339</b>
<b>Expenditures</b>							
Current							
General Government	0	549,412	549,412	0	0	0	549,412
Public Safety	40,157	0	97,707	0	0	0	97,707
Public Service	0	0	2,098,357	0	0	0	2,098,357
Culture and Recreation	0	0	57,200	0	0	0	57,200
Education	0	0	11,983,301	0	0	0	11,983,301
Capital Outlay	0	0	4,458,974	4,832,976	2,541,105	7,374,081	11,833,055
<b>Total Expenditures</b>	<b>40,157</b>	<b>549,412</b>	<b>19,244,951</b>	<b>4,832,976</b>	<b>2,541,105</b>	<b>7,374,081</b>	<b>26,619,032</b>
<b>Net Change in Fund Balances Before Other Financing Sources (Uses)</b>	<b>24,591</b>	<b>14,726</b>	<b>(1,343,305)</b>	<b>(4,832,976)</b>	<b>(2,279,412)</b>	<b>(7,112,388)</b>	<b>(8,455,693)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers In	0	0	2,196,298	2,000,000	2,000,000	4,000,000	6,196,298
Transfers Out	0	0	(40,000)	0	0	0	(40,000)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>2,156,298</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>4,000,000</b>	<b>6,156,298</b>
<b>Net Change in Fund Balance</b>	<b>24,591</b>	<b>14,726</b>	<b>812,993</b>	<b>(2,832,976)</b>	<b>(279,412)</b>	<b>(3,112,388)</b>	<b>(2,299,395)</b>
<b>Fund Balance, July 1st</b>	<b>172,888</b>	<b>116,255</b>	<b>11,508,604</b>	<b>5,195,352</b>	<b>1,665,747</b>	<b>6,861,099</b>	<b>18,369,703</b>
<b>Fund Balance, June 30th</b>	<b>\$ 197,479</b>	<b>\$ 130,981</b>	<b>\$ 12,321,597</b>	<b>\$ 2,362,376</b>	<b>\$ 1,386,335</b>	<b>\$ 3,748,711</b>	<b>\$ 16,070,308</b>

# INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other governmental operating units on a cost-reimbursed basis.

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***Employee Medical Self-Insurance Funds*** - The Employee Medical Self-Insurance Funds are used to account for the City's self-insured health insurance program. Premiums charged to various operating funds and employee payroll deductions are placed in these self-insurance funds for the payment of medical claims and administrative expenses.

***Retiree Medical Self-Insurance Funds*** - The Retiree Medical Self-Insurance Funds are used to account for the City's retiree self-insured health insurance program. Premiums charged to various operating funds and retiree payments are placed in these self-insurance funds for the payment of medical claims and administrative expenses for city retirees.

***Self-Insured Workmen's Compensation Fund*** - The Self-Insured Workmen's Compensation Fund is used to account for the City's self-insured worker's compensation program. Premiums charged to various operating funds are placed in this fund for the payment of claims and administrative expenses.

***Information Technology Systems Fund*** - The Information Technology Systems Fund is used to account for the operation of the City's information technology system. Data processing charges collected from various City funds are placed in this fund for the payment of operating expenses.

***Fleet Maintenance Fund*** - The Fleet Maintenance Fund is used to account for the operation of the City's vehicle maintenance program. Vehicle maintenance charges collected from various City funds are placed in this fund for the payment of operating expenses.

***Facilities Management Fund*** - The Facilities Management Fund is used to account for the operation of the City's physical facilities. Charges collected from various City funds are placed in this fund for the payment of operating expenses associated with the City's physical facilities.

**CITY OF MARYVILLE, TENNESSEE**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**

**June 30, 2023**

	City Employee Medical Self- Insurance Fund	Schools Employee Medical Self- Insurance Fund	City Retiree Medical Self- Insurance Fund	School Retiree Medical Self- Insurance Fund	Self-Insured Workmen's Compensation Fund	Information Technology Systems Fund	Fleet Maintenance Fund	Facilities Management Fund	Total Internal Service Funds
<b>ASSETS</b>									
<b>Current Assets</b>									
Cash	\$ 3,264,040	\$ 2,983,484	\$ 793,917	\$ 915,824	\$ 1,187,077	\$ 896,526	\$ 771,316	\$ 1,078,774	\$ 11,890,958
Accounts Receivable	187,770	611,951	888	38,917	0	0	0	0	839,526
Inventories	0	0	0	0	0	0	201,010	0	201,010
Due From Other Funds	0	0	0	0	0	0	35,331	0	35,331
<b>Total Current Assets</b>	<u>3,451,810</u>	<u>3,595,435</u>	<u>794,805</u>	<u>954,741</u>	<u>1,187,077</u>	<u>896,526</u>	<u>1,007,657</u>	<u>1,078,774</u>	<u>12,966,825</u>
<b>Capital Assets</b>									
Building and Improvements	0	0	0	0	0	0	1,025,264	0	1,025,264
Data Processing Equipment	0	0	0	0	0	648,412	0	0	648,412
Fleet Maintenance Equipment	0	0	0	0	0	0	465,047	0	465,047
	0	0	0	0	0	648,412	1,490,311	0	2,138,723
Less: Accumulated Depreciation and Amortization	0	0	0	0	0	432,455	1,238,452	0	1,670,907
Net Capital Assets	0	0	0	0	0	215,957	251,859	0	467,816
<b>Total Assets</b>	<u>3,451,810</u>	<u>3,595,435</u>	<u>794,805</u>	<u>954,741</u>	<u>1,187,077</u>	<u>1,112,483</u>	<u>1,259,516</u>	<u>1,078,774</u>	<u>13,434,641</u>
<b>LIABILITIES AND NET POSITION</b>									
<b>Current Liabilities</b>									
Accounts Payable	330,001	478,990	20,000	30,000	188,000	801	23,716	36,234	1,107,742
<b>Total Current Liabilities</b>	<u>330,001</u>	<u>478,990</u>	<u>20,000</u>	<u>30,000</u>	<u>188,000</u>	<u>801</u>	<u>23,716</u>	<u>36,234</u>	<u>1,107,742</u>
<b>Net Position</b>									
Investment in Capital Assets	0	0	0	0	0	215,957	251,859	0	467,816
Unrestricted	3,121,809	3,116,445	774,805	924,741	999,077	895,725	983,941	1,042,540	11,859,083
<b>Total Net Position</b>	<u>\$ 3,121,809</u>	<u>\$ 3,116,445</u>	<u>\$ 774,805</u>	<u>\$ 924,741</u>	<u>\$ 999,077</u>	<u>\$ 1,111,682</u>	<u>\$ 1,235,800</u>	<u>\$ 1,042,540</u>	<u>\$ 12,326,899</u>



**CITY OF MARYVILLE, TENNESSEE**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**For the Period Ending June 30, 2023**

	City Employee Medical Self- Insurance Fund	Schools Employee Medical Self- Insurance Fund	City Retiree Medical Self- Insurance Fund	School Retiree Medical Self- Insurance Fund	Self-Insured Workmen's Compensation Fund	Information Technology Systems Fund	Fleet Maintenance Fund	Facilities Management Fund	Total Internal Service Funds
<b>OPERATING REVENUES</b>									
Insurance Charges	\$ 5,326,491	\$ 8,095,704	\$ 427,612	\$ 591,647	\$ 188,001	\$ 0	\$ 0	\$ 0	\$ 14,629,455
Facilities Charges	0	0	0	0	0	0	0	1,782,479	1,782,479
Data Processing Charges	0	0	0	0	0	1,633,951	0	0	1,633,951
Equipment Repair Charges	0	0	0	0	0	0	1,081,876	0	1,081,876
Miscellaneous	624	0	0	0	0	0	5,293	0	5,917
<b>Total Operating Revenues</b>	<b>5,327,115</b>	<b>8,095,704</b>	<b>427,612</b>	<b>591,647</b>	<b>188,001</b>	<b>1,633,951</b>	<b>1,087,169</b>	<b>1,782,479</b>	<b>19,133,678</b>
<b>OPERATING EXPENSES</b>									
Salaries and Related Costs	0	0	0	0	0	775,360	663,528	53,395	1,492,283
Other Services	0	0	0	0	0	22,500	18,645	586,312	627,457
Supplies and Parts	0	0	0	0	0	9,273	0	43,495	52,768
Training	0	0	0	0	0	2,895	2,289	0	5,184
Inventory Adjustments	0	0	0	0	0	0	3,488	0	3,488
Building and Office Rental	0	0	0	0	0	0	48,279	0	48,279
Insurance	0	0	0	0	0	444	5,129	28,420	33,993
Depreciation	0	0	0	0	0	93,464	43,926	0	137,390
Utilities	0	0	0	0	0	0	0	498,271	498,271
Communications	0	0	0	0	0	4,219	0	33,375	37,594
Repair and Maintenance	0	0	0	0	0	1,341	10,664	374,917	386,922
Insurance Claims Premiums and Administrative Expenses	5,262,920	6,939,085	393,735	486,021	415,028	0	0	0	13,496,789
Other	0	0	0	0	0	353,262	41,895	408,821	803,978
<b>Total Operating Expenses</b>	<b>5,262,920</b>	<b>6,939,085</b>	<b>393,735</b>	<b>486,021</b>	<b>415,028</b>	<b>1,262,758</b>	<b>837,843</b>	<b>2,027,006</b>	<b>17,624,396</b>
<b>CHANGE IN NET POSITION</b>	<b>64,195</b>	<b>1,156,619</b>	<b>33,877</b>	<b>105,626</b>	<b>(227,027)</b>	<b>371,193</b>	<b>249,326</b>	<b>(244,527)</b>	<b>1,509,282</b>
<b>NET POSITION - July 1st</b>	<b>3,057,614</b>	<b>1,959,826</b>	<b>740,928</b>	<b>819,115</b>	<b>1,226,104</b>	<b>740,489</b>	<b>986,474</b>	<b>1,287,067</b>	<b>10,817,617</b>
<b>NET POSITION - June 30th</b>	<b>\$ 3,121,809</b>	<b>\$ 3,116,445</b>	<b>\$ 774,805</b>	<b>\$ 924,741</b>	<b>\$ 999,077</b>	<b>\$ 1,111,682</b>	<b>\$ 1,235,800</b>	<b>\$ 1,042,540</b>	<b>\$ 12,326,899</b>

**CITY OF MARYVILLE, TENNESSEE**  
**COMBINING CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Period Ending June 30, 2023**

	City Employee Medical Self- Insurance Fund	Schools Employee Medical Self- Insurance Fund	City Retiree Medical Self- Insurance Fund	School Retiree Medical Self- Insurance Fund	Self-Insured Workmen's Compensation Fund	Information Technology Systems Fund	Fleet Maintenance Fund	Facilities Management Fund	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>									
Insurance Premiums/Reimbursements Collected	\$ 5,191,968	\$ 7,556,439	\$ 431,903	\$ 556,249	\$ 188,002	\$ 0	\$ 0	\$ 0	\$ 13,924,561
Collections from Various City Departments	0	0	0	0	0	1,636,451	1,095,813	1,782,479	4,514,743
Other	624	0	0	0	0	0	5,294	0	5,918
Payments to Other Suppliers of Goods and Services	(5,194,250)	(6,946,468)	(403,735)	(506,021)	(272,256)	(1,169,328)	(309,625)	(2,009,475)	(16,811,158)
Payments to Employees for Services	0	0	0	0	0	0	(443,498)	(39,022)	(482,520)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>(1,658)</b>	<b>609,971</b>	<b>28,168</b>	<b>50,228</b>	<b>(84,254)</b>	<b>467,123</b>	<b>347,984</b>	<b>(266,018)</b>	<b>1,151,544</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>									
Acquisition of Capital Assets	0	0	0	0	0	0	(7,683)	0	(7,683)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,658)</b>	<b>609,971</b>	<b>28,168</b>	<b>50,228</b>	<b>(84,254)</b>	<b>467,123</b>	<b>340,301</b>	<b>(266,018)</b>	<b>1,143,861</b>
<b>CASH AND CASH EQUIVALENTS - July 1st</b>	<b>3,265,698</b>	<b>2,373,513</b>	<b>765,749</b>	<b>865,596</b>	<b>1,271,331</b>	<b>429,403</b>	<b>431,015</b>	<b>1,344,792</b>	<b>10,747,097</b>
<b>CASH AND CASH EQUIVALENTS - June 30th</b>	<b>\$ 3,264,040</b>	<b>\$ 2,983,484</b>	<b>\$ 793,917</b>	<b>\$ 915,824</b>	<b>\$ 1,187,077</b>	<b>\$ 896,526</b>	<b>\$ 771,316</b>	<b>\$ 1,078,774</b>	<b>\$ 11,890,958</b>

**CITY OF MARYVILLE, TENNESSEE**  
**COMBINING CASH FLOWS (Continued)**  
**INTERNAL SERVICE FUNDS**  
**For the Period Ending June 30, 2023**

	City Employee Medical Self- Insurance Fund	Schools Employee Medical Self- Insurance Fund	City Retiree Medical Self- Insurance Fund	School Retiree Medical Self- Insurance Fund	Self-Insured Workmen's Compensation Fund	Information Technology Systems Fund	Fleet Maintenance Fund	Facilities Management Fund	Total Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME</b>									
<b>(LOSS) TO NET CASH PROVIDED BY</b>									
<b>(USED IN) OPEARTING ACTIVITIES</b>									
Operating Income (loss)	\$ 64,195	\$ 1,156,619	\$ 33,877	\$ 105,626	\$ (227,027)	\$ 371,193	\$ 249,326	\$ (244,527)	\$ 1,509,282
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Expenses:									
Add Non-Cash Expenses:									
Depreciation	0	0	0	0	0	93,464	43,926	0	137,390
Changes in Assets and Liabilities:									
Accounts Receivable	(134,524)	(539,265)	4,291	(35,398)	0	2,500	0	0	(702,396)
Due from Other Funds	0	0	0	0	0	0	13,937	0	13,937
Inventories	0	0	0	0	0	0	35,026	0	35,026
Accounts Payable	68,671	(7,383)	(10,000)	(20,000)	142,773	(34)	5,769	(21,491)	158,305
<b>NET CASH PROVIDED BY (USED IN)</b>									
<b>OPERATING ACTIVITIES</b>	<u>\$ (1,658)</u>	<u>\$ 609,971</u>	<u>\$ 28,168</u>	<u>\$ 50,228</u>	<u>\$ (84,254)</u>	<u>\$ 467,123</u>	<u>\$ 347,984</u>	<u>\$ (266,018)</u>	<u>\$ 1,151,544</u>

# DEBT SERVICE FUND

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The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt not being accounted for in the Enterprise Funds.

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**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**DEBT SERVICE FUNDS**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Favorable (Unfavorable)
<b>Revenues</b>				
Interest Earned	\$ 113,895	\$ 113,895	\$ 147,298	\$ 33,403
<b>Expenditures</b>				
<b>Debt Service</b>				
Principal Retirement	4,735,880	4,735,880	4,735,875	5
Interest and Fiscal Fees	2,212,476	2,212,476	2,204,151	8,325
Payments Under Leases	137,988	137,988	131,458	6,530
<b>Total Expenditures</b>	7,086,344	7,086,344	7,071,484	14,860
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	(6,972,449)	(6,972,449)	(6,924,186)	48,263
<b>Other Financing Sources (Uses)</b>				
Transfers In	7,686,768	7,686,768	7,593,384	(93,384)
<b>Net Change in Fund Balance</b>	714,319	714,319	669,198	(45,121)
<b>Fund Balance, July 1st</b>	3,164,268	3,164,268	3,164,268	0
<b>Fund Balance, June 30th</b>	\$ 3,878,587	\$ 3,878,587	\$ 3,833,466	\$ (45,121)

**NON-MAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

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Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

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**State Street Aid Fund** - The State Street Aid Fund is used to account for the State gasoline tax. Proceeds of this tax must be expended for the improvement and maintenance of City streets.

**Maryville City Schools Cafeteria Fund** - The Maryville City Schools Cafeteria Fund is used to account for the operations of all cafeterias in the School System. Revenues are provided primarily by the sale of meals (breakfasts, lunches, and a la carte items) and reimbursements from the United States Department of Agriculture (USDA).

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

**Special Projects Fund** - The Special Projects Fund is used to account for the revenues and expenditures associated with the Sanitation Santa Program, economic development activities, and community events.

**Maryville City Schools Continuing Care Program Fund** - The Maryville City Schools Continuing Care Program Fund is used to account for the revenues (primarily fees) and expenditures of the before- and after-school programs at the three (3) City of Maryville elementary schools and two (2) City of Maryville middle schools.

**Internal School Fund** - The Internal School Fund is used to account for revenues and expenditures associated with various student activities.

**Local Grant Fund** - The Local Grant Fund is used to account for the proceeds of federal and state grants and the related expenditures therefrom.

**Drug Fund** - The Drug Fund is used to account for revenues (primarily drug related fines) which must be expended on drug-enforcement operations of the City.

**Geographic Information System (GIS) Fund** - The Geographic Information System Fund is used to account for the revenues (primarily intergovernmental funding) and expenditures associated with the development and maintenance of a geographic information system.

**Stormwater Fund** - The Storm Water Fund is used to account for the revenues (primarily fees assessed to property owners) and expenditures associated with the City's Storm Water System.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**STATE STREET AID – SPECIAL REVENUE FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental – State Gasoline Tax	\$ 1,075,887	\$ 1,075,887	\$ 1,170,405	\$ 94,518
<b>Expenditures</b>				
Salaries	30,000	29,978	4,290	25,688
Fringe Benefits	2,300	2,322	332	1,990
Operating Expenses	1,200,000	1,600,000	1,510,408	89,592
Materials and Supplies	61,500	61,500	34,260	27,240
<b>Total Expenditures</b>	<u>1,293,800</u>	<u>1,693,800</u>	<u>1,549,290</u>	<u>144,510</u>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	<u>(217,913)</u>	<u>(617,913)</u>	<u>(378,885)</u>	<u>239,028</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>0</u>
<b>Net Change in Fund Balance</b>	(417,913)	(417,913)	(178,885)	239,028
<b>Fund Balance, July 1<sup>st</sup></b>	<u>1,512,033</u>	<u>1,512,033</u>	<u>1,512,033</u>	<u>0</u>
<b>Fund Balance, June 30<sup>th</sup></b>	<u>\$ 1,094,120</u>	<u>\$ 1,094,120</u>	<u>\$ 1,333,148</u>	<u>\$ 239,028</u>

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**MARYVILLE CITY SCHOOLS CAFETERIA - SPECIAL REVENUE FUND**  
**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
U.S.D.A. Revenue	\$ 1,958,459	\$ 1,788,802	\$ 1,781,283	\$ (7,519)
State Revenues	30,000	28,945	28,945	0
Charges for Services	1,157,221	1,498,345	1,497,343	(1,002)
Interest Income	2,000	82,000	109,798	27,798
<b>Total Revenues</b>	<u>3,147,680</u>	<u>3,398,092</u>	<u>3,417,369</u>	<u>19,277</u>
<b>Expenditures</b>				
Food	1,565,459	1,573,483	1,438,230	135,253
Salaries	1,006,557	1,000,607	999,985	622
Fringe Benefits	297,914	279,052	278,227	825
Operating Expenses	97,750	162,950	124,348	38,602
Materials and Supplies	100,000	100,000	85,744	14,256
Capital Outlay	80,000	282,000	244,370	37,630
<b>Total Expenditures</b>	<u>3,147,680</u>	<u>3,398,092</u>	<u>3,170,904</u>	<u>227,188</u>
<b>Net Change in Fund Balance</b>	0	0	246,465	246,465
<b>Fund Balance, July 1<sup>st</sup></b>	<u>2,835,898</u>	<u>2,835,898</u>	<u>2,835,898</u>	<u>0</u>
<b>Fund Balance, June 30<sup>th</sup></b>	<u>\$ 2,835,898</u>	<u>\$ 2,835,898</u>	<u>\$ 3,082,363</u>	<u>\$ 246,465</u>



**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**FEDERAL PROJECTS - SPECIAL REVENUE FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 3,814,159	\$ 3,137,425	\$ 2,908,503	\$ (228,922)
<b>Expenditures</b>				
Regular Instruction	1,247,599	1,190,060	1,189,039	1,021
Regular Instruction Support	0	0	0	0
Special Education Instruction	1,146,197	1,175,495	1,025,842	149,653
Special Education Support	29,348	97,321	54,719	42,602
Vocational Education Instruction	46,422	61,142	61,142	0
Vocational Education Support	22,435	14,320	12,874	1,446
Health Services	0	200,000	200,000	0
Fiscal Services	46,200	46,200	12,000	34,200
Capital Outlay	1,275,958	352,887	352,887	0
<b>Total Expenditures</b>	<u>3,814,159</u>	<u>3,137,425</u>	<u>2,908,503</u>	<u>228,922</u>
<b>Net Change in Fund Balance</b>	0	0	0	0
<b>Fund Balance, July 1st</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance, June 30th</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**SPECIAL PROJECTS - SPECIAL REVENUE FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Contributions	\$ 1,000	\$ 1,000	\$ 850	\$ (150)
<b>Total Revenues</b>	<u>1,000</u>	<u>1,000</u>	<u>850</u>	<u>(150)</u>
<b>Expenditures</b>				
Community Events	29,550	79,550	56,885	22,665
Community Support	12,000	12,000	315	11,685
<b>Total Expenditures</b>	<u>41,550</u>	<u>91,550</u>	<u>57,200</u>	<u>34,350</u>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	<u>(40,550)</u>	<u>(90,550)</u>	<u>(56,350)</u>	<u>34,200</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
<b>Net Change in Fund Balance</b>	(40,550)	(40,550)	(6,350)	34,200
<b>Fund Balance, July 1st</b>	<u>54,000</u>	<u>54,000</u>	<u>54,000</u>	<u>0</u>
<b>Fund Balance, June 30th</b>	<u>\$ 13,450</u>	<u>\$ 13,450</u>	<u>\$ 47,650</u>	<u>\$ 34,200</u>

CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

MARYVILLE CITY SCHOOLS CONTINUING CARE PROGRAM - SPECIAL REVENUE FUND

For the Period Ending June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Community Service Fees	\$ 1,238,779	\$ 1,233,000	\$ 1,396,667	\$ 163,667
Interest	1,000	30,000	38,896	8,896
Intergovernmental	0	1,123,746	1,168,950	45,204
<b>Total Revenues</b>	<u>1,239,779</u>	<u>2,386,746</u>	<u>2,604,513</u>	<u>217,767</u>
<b>Expenditures</b>				
Salaries and Related Costs	780,458	1,106,466	1,105,118	1,348
Materials and Supplies	122,527	219,693	200,800	18,893
Other Expenditures	36,794	500,587	420,335	80,252
<b>Total Expenditures</b>	<u>939,779</u>	<u>1,826,746</u>	<u>1,726,253</u>	<u>100,493</u>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	<u>300,000</u>	<u>560,000</u>	<u>878,260</u>	<u>318,260</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(300,000)</u>	<u>(560,000)</u>	<u>(40,000)</u>	<u>520,000</u>
<b>Net Change in Fund Balance</b>	0	0	838,260	838,260
<b>Fund Balance, July 1st</b>	<u>312,963</u>	<u>312,963</u>	<u>312,963</u>	<u>0</u>
<b>Fund Balance, June 30th</b>	<u>\$ 312,963</u>	<u>\$ 312,963</u>	<u>\$ 1,151,223</u>	<u>\$ 838,260</u>

CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

MARYVILLE CITY SCHOOLS INTERNAL SCHOOL FUND - SPECIAL REVENUE FUND

For the Period Ending June 30, 2023

	Actual Amounts
<b>Revenues</b>	
Instructional	\$ 294
General Administrative	33,364
Field Trips	80,396
Miscellaneous	6,469
Fundraising	64,334
Student/Class Fees	52,968
Donations	23,088
Athletic Funds	1,120,288
Club Funds	101,741
BEP Funds	74,926
Principal's Discretionary (Adv Club)	14,163
Grants - Special Projects	315,810
Other Purposes	652,197
<b>Total Revenues</b>	<u>2,540,038</u>
<b>Expenditures</b>	
Instructional	499,366
General Administrative	490,162
Field Trips	78,004
Operations and Maintenance	308,914
Miscellaneous	415
Student/Class Fees	104,533
Fundraising	13,321
Athletic Funds	1,208,058
Club Funds	118,406
BEP Funds	65,191
Principal's Discretionary (Adv Club)	416,745
Grants - Special Projects	410,251
Other Purposes	708,645
<b>Total Expenditures</b>	<u>4,422,011</u>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	(1,881,973)
<b>Other Financing Sources (Uses)</b>	
Transfers In	<u>986,056</u>
<b>Net Change in Fund Balance</b>	<u>(895,917)</u>
<b>Fund Balance, July 1st</b>	<u>3,663,979</u>
<b>Fund Balance, June 30th</b>	<u>\$ 2,768,062</u>

\*Due to the specific nature of the fund, the Internal School Fund does not report a budget.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**LOCAL GRANT - SPECIAL REVENUE FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental - Other Federal, State, and Local Grants	\$ 5,333,618	\$ 6,079,938	\$ 3,137,067	\$ (2,942,871)
<b>Expenditures</b>				
Public Safety	75,253	75,253	47,116	28,137
Police Safety Equipment	14,914	14,914	10,434	4,480
Foothills Mall Drive Extension	3,520,789	3,920,789	2,736,886	1,183,903
Foch to McCammon Extension	1,508,000	2,008,000	153,516	1,854,484
TDOT Carpenters Grade	1,257,350	1,257,350	820,233	437,117
Maryville to Townsend Greenway Phase 1	277,496	277,496	145,463	132,033
West Broadway Widening Phase 1	0	532,900	0	532,900
<b>Total Expenditures</b>	<b>6,653,802</b>	<b>8,086,702</b>	<b>3,913,648</b>	<b>4,173,054</b>
<b>Net Change in Fund Balance Before Other Financing Sources (Uses)</b>	(1,320,184)	(2,006,764)	(776,581)	1,230,183
<b>Other Financing Sources (Uses)</b>				
Transfers in	485,815	985,815	960,242	(25,573)
<b>Net Change in Fund Balance</b>	(834,369)	(1,020,949)	183,661	1,204,610
<b>Fund Balance, July 1st</b>	<b>1,604,098</b>	<b>1,604,098</b>	<b>1,604,098</b>	<b>0</b>
<b>Fund Balance, June 30th</b>	<b>\$ 769,729</b>	<b>\$ 583,149</b>	<b>\$ 1,787,759</b>	<b>\$ 1,204,610</b>

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**DRUG FUND - SPECIAL REVENUE FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Drug-related Fines	\$ 2,500	\$ 2,500	\$ 1,935	\$ (565)
Impound and Wrecker Fees	38,000	38,000	45,125	7,125
Sale of Equipment	23,000	23,000	14,588	(8,412)
Contributions	0	0	3,100	3,100
<b>Total Revenues</b>	<u>63,500</u>	<u>63,500</u>	<u>64,748</u>	<u>1,248</u>
<b>Expenditures</b>				
Operating Expenses	50,000	54,500	36,242	18,258
Materials and Supplies	37,000	35,000	3,915	31,085
Capital Outlay	93,000	90,500	0	90,500
<b>Total Expenditures</b>	<u>180,000</u>	<u>180,000</u>	<u>40,157</u>	<u>139,843</u>
<b>Net Change in Fund Balance</b>	(116,500)	(116,500)	24,591	141,091
<b>Fund Balance, July 1st</b>	<u>172,888</u>	<u>172,888</u>	<u>172,888</u>	<u>0</u>
<b>Fund Balance, June 30th</b>	<u>\$ 56,388</u>	<u>\$ 56,388</u>	<u>\$ 197,479</u>	<u>\$ 141,091</u>

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**GEOGRAPHIC INFORMATION SYSTEMS - SPECIAL REVENUE FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental Funding	\$ 563,868	\$ 563,868	\$ 549,411	\$ (14,457)
Data Sales	12,000	12,000	14,727	2,727
<b>Total Revenues</b>	<u>575,868</u>	<u>575,868</u>	<u>564,138</u>	<u>(11,730)</u>
<b>Expenditures</b>				
Salaries	262,290	259,967	256,616	3,351
Fringe Benefits	102,745	102,727	96,873	5,854
Operating Expenses	138,213	142,051	138,676	3,375
Materials and Supplies	4,550	6,952	5,950	1,002
Insurance	2,001	2,002	763	1,239
IT Services	24,097	24,097	24,097	0
Building and Office	10,347	10,347	10,347	0
Capital Outlay	20,000	16,100	16,090	10
<b>Total Expenditures</b>	<u>564,243</u>	<u>564,243</u>	<u>549,412</u>	<u>14,831</u>
<b>Net Change in Fund Balance</b>	11,625	11,625	14,726	3,101
<b>Fund Balance, July 1st</b>	<u>116,255</u>	<u>116,255</u>	<u>116,255</u>	<u>0</u>
<b>Fund Balance, June 30th</b>	<u>\$ 127,880</u>	<u>\$ 127,880</u>	<u>\$ 130,981</u>	<u>\$ 3,101</u>

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**STORMWATER - SPECIAL REVENUE FUND**

**For the Period Ending June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Residential Fees	\$ 500,000	\$ 500,000	\$ 501,774	\$ 1,774
Commercial Fees	965,000	965,000	986,689	21,689
Customer Forfeited Discounts	5,000	5,000	5,552	552
<b>Total Revenues</b>	<u>1,470,000</u>	<u>1,470,000</u>	<u>1,494,015</u>	<u>24,015</u>
<b>Expenditures</b>				
<b>Engineering</b>				
Salaries	91,504	86,424	81,884	4,540
Fringe Benefits	36,886	37,401	34,163	3,238
Operating Expense	213,267	216,467	112,090	104,377
Materials and Supplies	6,275	9,640	8,765	875
Capital Outlay	825,000	825,000	358,506	466,494
<b>Total Engineering</b>	<u>1,172,932</u>	<u>1,174,932</u>	<u>595,408</u>	<u>579,524</u>
<b>Construction</b>				
Salaries	171,995	165,287	139,584	25,703
Fringe Benefits	102,627	102,627	73,528	29,099
Operating Expense	102,249	102,264	79,295	22,969
Materials and Supplies	18,990	23,683	19,758	3,925
<b>Total Construction</b>	<u>395,861</u>	<u>393,861</u>	<u>312,165</u>	<u>81,696</u>
<b>Total Expenditures</b>	<u>1,568,793</u>	<u>1,568,793</u>	<u>907,573</u>	<u>661,220</u>
<b>Net Change in Fund Balance</b>	(98,793)	(98,793)	586,442	685,235
<b>Fund Balance, July 1st</b>	<u>1,236,490</u>	<u>1,236,490</u>	<u>1,236,490</u>	<u>0</u>
<b>Fund Balance, June 30th</b>	<u>\$ 1,137,697</u>	<u>\$ 1,137,697</u>	<u>\$ 1,822,932</u>	<u>\$ 685,235</u>



**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**

**CITY OF MARYVILLE UTILITIES – ENTERPRISE FUND**

**For the Period Ending June 30, 2023**

**DIRECT OPERATING EXPENSES**

**Water Expenses**

Salaries	\$ 466,204
Fringe Benefits	115,190
Operating Expenses	465,507
Materials and Supplies	181,005
Insurance	15,005
Information Technology Services	54,218

<b>Total Water Expenses</b>	<b>1,297,129</b>
-----------------------------	------------------

**Waste Water Treatment Expenses**

Salaries	1,173,161
Fringe Benefits	327,889
Operating Expenses	1,828,553
Materials and Supplies	675,386
Insurance	49,371
Information Technology Services	86,347
Building Maintenance	23,709

<b>Total Waste Water Treatment Expenses</b>	<b>4,164,416</b>
---	------------------

**Water and Waste Water System**

Salaries	1,022,329
Fringe Benefits	239,476
Operating Expenses	1,164,797
Materials and Supplies	59,353

<b>Total Water and Waste Water System</b>	<b>2,485,955</b>
---	------------------

<b>Total Direct Operating Expenses</b>	<b>7,947,500</b>
--	------------------

**CUSTOMER ACCOUNTING AND COLLECTION**

Customer Records and Expenses	1,130,023
Uncollectible Accounts	20,000

<b>Total Customer Accounting and Collection</b>	<b>1,150,023</b>
---	------------------

**ADMINISTRATIVE AND GENERAL EXPENSES**

Salaries	833,718
Fringe Benefits	193,760
Operating Expenses	290,986
Materials and Supplies	25,074
Insurance	30,499
Information Technology Services	261,048
Building Maintenance	189,723

<b>Total Administrative and General Expenses</b>	<b>1,824,808</b>
--	------------------

**OTHER OPERATING EXPENSES**

Depreciation	4,164,739
--------------	-----------

<b>Total Operating Expenses</b>	<b>\$ 15,087,070</b>
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**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE**  
**June 30, 2023**

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding July 1, 2022	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding June 30, 2023
<b>Governmental Activities</b>									
<b>Notes Payable</b>									
<u>Payable through Debt Service Fund</u>									
Tennessee State School Bond Authority Note	\$ 18,720,000	1.515 %	12/17/2009	7/1/2026	\$ 4,800,094	\$ 0	\$ 1,168,104	\$ 0	\$ 3,631,990
Tennessee School Energy Efficiency Note	1,240,328	1.5 %	4/1/2019	4/1/2026	680,516	0	177,776	0	502,740
Total Notes Payable through Debt Service Fund					<u>5,480,610</u>	<u>0</u>	<u>1,345,880</u>	<u>0</u>	<u>4,134,730</u>
<b>Bonds Payable</b>									
<u>Payable through Debt Service Fund</u>									
2017A General Obligation Refunding	23,780,000	2.25 to 5.0 %	12/1/2017	6/1/2030	17,250,000	0	2,040,000	0	15,210,000
2018A General Obligation Public Improvement	18,180,000	3.0 to 5.0 %	6/1/2018	6/1/2040	16,970,000	0	650,000	0	16,320,000
2021 General Obligation Refunding	15,765,000	2.0 to 5.0 %	5/28/2021	6/1/2034	15,115,000	0	700,000	0	14,415,000
Total Bonds Payable through Debt Service Fund					<u>49,335,000</u>	<u>0</u>	<u>3,390,000</u>	<u>0</u>	<u>45,945,000</u>
<b>Total Governmental Activities</b>					<u>\$ 54,815,610</u>	<u>\$ 0</u>	<u>\$ 4,735,880</u>	<u>\$ 0</u>	<u>\$ 50,079,730</u>
<b>Business-Type Activities</b>									
<b>Notes Payable</b>									
<u>Payable through Water and Sewer Department Fund</u>									
Tennessee Revolving Fund Loan	\$ 2,034,000	2.09 %	10/26/2009	6/30/2031	\$ 1,154,580	\$ 0	\$ 117,972	\$ 0	\$ 1,036,608
<b>Bonds Payable</b>									
<u>Payable through Water and Sewer Department Fund</u>									
2017B Water and Sewer Revenue and Tax Refunding	31,800,000	2.25 to 5.0 %	12/1/2017	6/1/2038	30,745,000	0	1,320,000	0	29,425,000
2018A General Obligation Public Improvement	2,910,000	3.0 to 5.0 %	6/1/2018	6/1/2040	2,715,000	0	105,000	0	2,610,000
2021 General Obligation Refunding	1,760,000	5.0 %	5/28/2021	6/1/2027	1,585,000	0	450,000	0	1,135,000
Total Bonds Payable through Water and Sewer Department Fund					<u>35,045,000</u>	<u>0</u>	<u>1,875,000</u>	<u>0</u>	<u>33,170,000</u>
<u>Payable through Electric Department Fund</u>									
2018A General Obligation Public Improvement	2,910,000	3.0 to 5.0 %	6/1/2018	6/1/2040	2,715,000	0	105,000	0	2,610,000
2020 Revenue and Refunding	5,000,000	1.07 %	7/23/2020	6/1/2025	3,000,000	0	1,000,000	0	2,000,000
Total Bonds Payable through Electric Department Fund					<u>5,715,000</u>	<u>0</u>	<u>1,105,000</u>	<u>0</u>	<u>4,610,000</u>
<b>Total Business-Type Activities</b>					<u>\$ 41,914,580</u>	<u>\$ 0</u>	<u>\$ 3,097,972</u>	<u>\$ 0</u>	<u>\$ 38,816,608</u>

CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF BOND AND INTEREST REQUIREMENTS BY FISCAL YEAR

June 30, 2023

Fiscal Year	Total Requirements	Total		2009 Qualified School		2011 State Revolving	
		Bond	Interest	Bond	Interest	Bond	Interest
2024	\$ 11,325,345	\$ 8,044,003	\$ 3,281,342	\$ 1,168,104	\$ 283,608	\$ 120,432	\$ 20,220
2025	11,255,894	8,269,219	2,986,675	1,168,104	283,608	122,940	17,712
2026	10,156,413	7,475,376	2,681,037	1,295,782	283,608	125,496	15,156
2027	8,056,214	5,958,100	2,098,114	0	0	128,100	12,552
2028	7,909,715	6,105,764	1,803,951	0	0	130,764	9,888
2029	7,933,902	6,323,488	1,610,414	0	0	133,488	7,164
2030	7,806,952	6,391,260	1,415,692	0	0	136,260	4,392
2031	6,655,540	5,439,128	1,216,412	0	0	139,128	1,562
2032	6,505,850	5,450,000	1,055,850	0	0	0	0
2033	6,452,350	5,560,000	892,350	0	0	0	0
2034	6,230,550	5,505,000	725,550	0	0	0	0
2035	4,220,000	3,640,000	580,000	0	0	0	0
2036	4,214,063	3,745,000	469,063	0	0	0	0
2037	4,183,125	3,830,000	353,125	0	0	0	0
2038	4,199,525	3,965,000	234,525	0	0	0	0
2039	1,684,856	1,575,000	109,856	0	0	0	0
2040	1,676,700	1,620,000	56,700	0	0	0	0
Totals	\$ <u>110,466,994</u>	\$ <u>88,896,338</u>	\$ <u>21,570,656</u>	\$ <u>3,631,990</u>	\$ <u>850,824</u>	\$ <u>1,036,608</u>	\$ <u>88,646</u>

CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF BOND AND INTEREST REQUIREMENTS BY FISCAL YEAR (Continued)

June 30, 2023

Year	2017A General Obligation		2017B General Obligation		2018A General Obligation	
	Bond	Interest	Bond	Interest	Bond	Interest
2024	\$ 2,390,000	\$ 599,094	\$ 1,430,000	\$ 980,969	\$ 905,000	\$ 786,350
2025	2,075,000	479,593	1,495,000	909,469	950,000	741,100
2026	2,060,000	375,844	1,560,000	834,718	995,000	693,600
2027	2,100,000	272,843	1,675,000	756,719	1,045,000	643,850
2028	2,140,000	167,844	1,785,000	672,969	1,100,000	591,600
2029	2,185,000	119,694	1,855,000	632,806	1,150,000	536,600
2030	2,260,000	67,800	1,915,000	588,750	1,200,000	490,600
2031	0	0	1,990,000	531,300	1,235,000	454,600
2032	0	0	2,055,000	471,600	1,270,000	417,550
2033	0	0	2,125,000	409,950	1,310,000	379,450
2034	0	0	2,190,000	346,200	1,355,000	340,150
2035	0	0	2,250,000	280,500	1,390,000	299,500
2036	0	0	2,310,000	213,000	1,435,000	256,063
2037	0	0	2,350,000	143,700	1,480,000	209,425
2038	0	0	2,440,000	73,200	1,525,000	161,325
2039	0	0	0	0	1,575,000	109,856
2040	0	0	0	0	1,620,000	56,700
Totals	\$ 15,210,000	\$ 2,082,712	\$ 29,425,000	\$ 7,845,850	\$ 21,540,000	\$ 7,168,319

CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF BOND AND INTEREST REQUIREMENTS BY FISCAL YEAR (Continued)

June 30, 2023

Year	2018 ESSI Schools Loan		2020 Revenue Obligation		2021 General Obligation	
	Bond	Interest	Bond	Interest	Bond	Interest
2024	\$ 180,467	\$ 6,301	\$ 1,000,000	\$ 21,400	\$ 850,000	\$ 583,400
2025	183,175	3,593	1,000,000	10,700	1,275,000	540,900
2026	139,098	961	0	0	1,300,000	477,150
2027	0	0	0	0	1,010,000	412,150
2028	0	0	0	0	950,000	361,650
2029	0	0	0	0	1,000,000	314,150
2030	0	0	0	0	880,000	264,150
2031	0	0	0	0	2,075,000	228,950
2032	0	0	0	0	2,125,000	166,700
2033	0	0	0	0	2,125,000	102,950
2034	0	0	0	0	1,960,000	39,200
2035	0	0	0	0	0	0
2036	0	0	0	0	0	0
2037	0	0	0	0	0	0
2038	0	0	0	0	0	0
2039	0	0	0	0	0	0
2040	0	0	0	0	0	0
Totals	\$ <u>502,740</u>	\$ <u>10,855</u>	\$ <u>2,000,000</u>	\$ <u>32,100</u>	\$ <u>15,550,000</u>	\$ <u>3,491,350</u>

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF CHANGES IN LEASE OBLIGATIONS**

**June 30, 2023**

	<u>Original Amount of Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Last Maturity Date</u>	<u>Outstanding July 1, 2022</u>	<u>Issued During Period</u>	<u>Paid and/or Matured During Period</u>	<u>Remeasurements</u>	<u>Outstanding June 30, 2023</u>
<b>Governmental Activities</b>									
<b>Leases Payable</b>									
<u>Payable through Debt Service Fund</u>									
Communications Equipment	\$ 1,245,379	1.2	% 12/7/2021	6/1/2031	\$ 1,114,052	\$ 0	\$ 116,976	\$ 0	\$ 997,076
Total Governmental Activities					<u>\$ 1,114,052</u>	<u>\$ 0</u>	<u>\$ 116,976</u>	<u>\$ 0</u>	<u>\$ 997,076</u>

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF LEASE OBLIGATIONS, PRINCIPAL, AND INTEREST**  
**REQUIREMENT BY FISCAL YEAR**

**June 30, 2023**

<u>Year Ending June 30,</u>	<u>Leases</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 119,493	\$ 11,965	\$ 131,458
2025	120,927	10,531	131,458
2026	122,379	9,080	131,459
2027	123,847	7,611	131,458
2028	125,333	6,125	131,458
2029	126,837	4,621	131,458
2030	128,359	3,099	131,458
2031	129,901	1,559	131,460
	<u>\$ 997,076</u>	<u>\$ 54,591</u>	<u>\$ 1,051,667</u>

CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF LEASE OBLIGATIONS, PRINCIPAL, AND INTEREST  
REQUIREMENT BY FISCAL YEAR

June 30, 2023

	<u>Original Amount of Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Last Maturity Date</u>	<u>Outstanding July 1, 2022</u>	<u>Issued During Period</u>	<u>Paid and/or Matured During Period</u>	<u>Remeasurements</u>	<u>Outstanding June 30, 2023</u>
<b>Governmental Activities</b>									
<b>Subscription-Based Obligations</b>									
<u>Payable through General Fund</u>									
Software-based Information									
Technology Arrangements	\$ Various	5 %	Various	Various	\$ 181,659	\$ 576,166	\$ 79,630	\$ 0	\$ 678,195
<b>Total Governmental Activities</b>					<u>\$ 181,659</u>	<u>\$ 576,166</u>	<u>\$ 79,630</u>	<u>\$ 0</u>	<u>\$ 678,195</u>



CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF SUBSCRIPTION-BASED OBLIGATIONS, PRINCIPAL,  
AND INTEREST REQUIREMENT BY FISCAL YEAR

June 30, 2023

Year Ending June 30,	Subscription-based Obligations		
	Principal	Interest	Total
2024	\$ 137,120	\$ 32,210	\$ 169,330
2025	150,202	25,195	175,397
2026	158,774	17,510	176,284
2027	167,803	9,387	177,190
2028	64,296	1,211	65,507
	<u>\$ 678,195</u>	<u>\$ 85,513</u>	<u>\$ 763,708</u>

CITY OF MARYVILLE, TENNESSEE

SCHEDULE OF UTILITY RATES

June 30, 2023

The basic utility rates in force as of June 30, 2023 are as follows:

**ELECTRIC SERVICE**

**I. Residential Rates:**

Customer Charge: \$10.86 Per Month  
Energy Charge: 10.216 Cents Per kWh

**II. General Power Rates:**

Usage Under 50 KW and/or KWH Usage Under 15,000:

Customer Charge: \$16.37 Per Month  
Energy Charge: 11.112 Cents Per KWH

Usage Over 50 KW but Not More than 1,000 KW and/or KWH Usage Equal to or Greater than 15,000:

Customer Charge: \$54.53 Per Delivery Point Per Month  
Demand Charge: First 50 KW - No Charge Over 50 KW - \$13.94 per KW  
Energy Charge: First 15,000 KWH - 11.395 cents per KWH Over 15,000 KWH - 7.158 Cents Per KWH

Usage Over 1,000 KW:

Customer Charge: \$163.66 Per Delivery Point Per Month  
Demand Charge: First 1,000 kW - \$14.21 per KW Additional KW - \$15.69 per KW  
Energy Charge: 7.149 Cents Per KWH

Usage Over 5,000 KW but Not More than 15,000 KW:

Various demand and energy charges in effect depending upon several factors including on peak and off peak usage.

**III. Customers served as of June 30, 2023 are as follows:**

Residential	19,838
General Power	3,021
Street and Athletic	114
Outdoor Lighting	1,164
<b>Total Customers</b>	<b>24,137</b>

**IV. Units of Power Purchased and Sold:**

Kilowatt - Hours Purchased	800,372,916
Kilowatt - Hours Sold	784,922,755
Line Losses	25,450,161

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF UTILITY RATES (Continued)**

**June 30, 2023**

The basic utility rates in force as of June 30, 2023 are as follows:

**WATER SERVICE**

<u>Rates per Gallons for All Water Used:</u>	<u>Inside City</u>	<u>Outside City</u>
First 1,500 gallons or less	\$ 10.05 min. bill	\$ 15.08 min. bill
Additional gallons per thousand gallons	3.29	4.94

**PRIVATE FIRE SPRINKLER LINE SERVICE**

<u>Line Size</u>	<u>Monthly Charge</u>
5/8"	\$ 5.02
1"	7.15
2"	12.24
4"	19.53
6"	29.26
8"	43.94
10"	62.58
12"	98.88

**WATER TAP FEES**

<u>Line Size</u>	
5/8"	\$ 545
1"	975
2"	4,200

Above 2" – fee based on estimate of costs to install.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF UTILITY RATES (Continued)**

**June 30, 2023**

The basic utility rates in force as of June 30, 2023 are as follows:

**SEWAGE SERVICE**

<u>Location</u>	<b>Charge per 1,000 Gallons of Metered Water</b>	<b>Customer Charge</b>
Inside City (Residential)	\$ 4.37	\$ 13.82
Outside City (Residential)	6.54	19.73
Inside City (Non-residential)	5.01	13.82
Outside City (Non-residential)	7.52	19.73

**SEWER TAP FEES**

City Installs Sewer Tap	\$ 879.00
Customer Exposes Existing Tap	148.00
Sewer Line Extension Charge	At Cost
Sewer Line Extension Surcharged within Westwood	3,272.00

**CUSTOMERS SERVED AS OF June 30, 2023**

Water service	17,004
Sewer service	15,646

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE OF TRANSFERS**

**June 30, 2023**

Transfers to:											
Transfers From:	General Fund	Debt Service Fund	General Purpose Schools	Capital Projects Fund	State Street Aid	Special Projects	Internal School	Local Grant	School Construction	Equipment Replacement	Total
General Fund	\$ 0	\$ 7,500,000	\$ 9,422,500	\$ 3,825,557	\$ 200,000	\$ 50,000	\$ 0	\$ 960,242	\$ 2,000,000	\$ 2,000,000	\$ 25,958,299
General Purpose Schools Fund	0	93,384	0	0	0	0	986,056	0	0	0	1,079,440
Maryville City Schools Continuing Care Program	0	0	40,000	0	0	0	0	0	0	0	40,000
Electric Department Fund	1,238,865	0	0	0	0	0	0	0	0	0	1,238,865
Water and Sewer Department Fund	482,620	0	0	0	0	0	0	0	0	0	482,620
<b>Total</b>	<b>\$ 1,721,485</b>	<b>\$ 7,593,384</b>	<b>\$ 9,462,500</b>	<b>\$ 3,825,557</b>	<b>\$ 200,000</b>	<b>\$ 50,000</b>	<b>\$ 986,056</b>	<b>\$ 960,242</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 28,799,224</b>

**OTHER INFORMATION SECTION**

**CITY OF MARYVILLE, TENNESSEE**

**STATISTICAL SECTION**

**June 30, 2023**

This part of the City of Maryville's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

**CONTENTS**

**SCHEDULES**

**Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

1 through 4

**Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue source.

5 through 8

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

9 through 13

**Demographic And Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

14 through 15

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

16 through 18

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 1**

**NET POSITION BY COMPONENT  
(Prepared Using the Accrual Basis of Accounting)**

**Last Ten Fiscal Years**

**June 30, 2023**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>GOVERNMENTAL ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 128,435,940	\$ 106,590,033	\$ 90,793,612	\$ 80,569,343	\$ 71,483,311	\$ 73,758,266	\$ 71,564,059	\$ 63,845,926	\$ 51,401,298	\$ 48,939,854
Restricted	21,177,791	48,511,110	10,896,699	12,197,710	5,566,116	3,009,455	4,685,615	3,544,719	10,093,572	10,845,846
Unrestricted	<u>45,031,230</u>	<u>13,281,761</u>	<u>24,041,614</u>	<u>7,125,111</u>	<u>12,201,305</u>	<u>7,812,694</u>	<u>12,910,841</u>	<u>10,672,192</u>	<u>10,465,838</u>	<u>14,236,827</u>
Total Governmental Activities Net Position	<u>\$ 194,644,961</u>	<u>\$ 168,382,904</u>	<u>\$ 125,731,925</u>	<u>\$ 99,892,164</u>	<u>\$ 89,250,732</u>	<u>\$ 84,580,415</u>	<u>\$ 89,160,515</u>	<u>\$ 78,062,837</u>	<u>\$ 71,960,708</u>	<u>\$ 74,022,527</u>
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 128,468,647	\$ 113,906,031	\$ 109,816,789	\$ 104,451,545	\$ 97,938,048	\$ 92,104,798	\$ 93,134,803	\$ 88,750,325	\$ 83,526,202	\$ 78,694,922
Restricted	591,765	5,809,617	563,291	548,301	48,718	0	0	0	0	0
Unrestricted	<u>23,706,078</u>	<u>15,671,938</u>	<u>14,199,180</u>	<u>12,321,832</u>	<u>10,080,544</u>	<u>11,287,715</u>	<u>8,155,012</u>	<u>11,734,933</u>	<u>12,147,535</u>	<u>14,842,884</u>
Total Business-Type Activities Net Position	<u>\$ 152,766,490</u>	<u>\$ 135,387,586</u>	<u>\$ 124,579,260</u>	<u>\$ 117,321,678</u>	<u>\$ 108,067,310</u>	<u>\$ 103,392,513</u>	<u>\$ 101,289,815</u>	<u>\$ 100,485,258</u>	<u>\$ 95,673,737</u>	<u>\$ 93,537,806</u>
<b>PRIMARY GOVERNMENT</b>										
Net Investment in Capital Assets	\$ 256,904,587	\$ 220,496,064	\$ 200,610,401	\$ 185,020,888	\$ 169,421,359	\$ 165,863,064	\$ 164,698,862	\$ 152,596,251	\$ 134,927,500	\$ 127,634,776
Restricted	21,769,556	54,320,727	11,459,990	12,746,011	5,614,834	20,092,043	4,685,615	3,544,719	10,093,572	10,845,846
Unrestricted (Deficit)	<u>68,737,308</u>	<u>28,953,699</u>	<u>38,240,794</u>	<u>19,446,943</u>	<u>22,281,849</u>	<u>2,225,410</u>	<u>21,065,853</u>	<u>22,407,125</u>	<u>22,613,373</u>	<u>29,079,711</u>
Total Primary Government Net Position	<u>\$ 347,411,451</u>	<u>\$ 303,770,490</u>	<u>\$ 250,311,185</u>	<u>\$ 217,213,842</u>	<u>\$ 197,318,042</u>	<u>\$ 188,180,517</u>	<u>\$ 190,450,330</u>	<u>\$ 178,548,095</u>	<u>\$ 167,634,445</u>	<u>\$ 167,560,333</u>



**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 2**  
**CHANGES IN NET POSITION**  
**(Prepared Using the Accrual Basis of Accounting)**  
**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>EXPENSES</b>										
Governmental Activities										
General Government	\$ 3,697,966	\$ 3,046,161	\$ 3,344,943	\$ 2,534,670	\$ 4,720,098	\$ 3,823,685	\$ 5,312,390	\$ 6,370,371	\$ 4,819,297	\$ 4,560,452
Public Safety	11,301,683	10,361,432	10,950,826	10,825,748	10,963,016	10,493,698	9,729,248	9,548,584	8,724,154	8,978,334
Public Services	15,293,229	13,697,998	12,753,825	12,246,584	12,479,719	11,571,522	9,423,214	7,746,805	7,114,555	6,914,370
Culture and Recreation	2,654,429	1,895,655	1,841,938	1,842,966	1,828,743	2,680,773	2,521,646	2,468,577	3,312,723	3,136,157
Economic Development	1,977,360	440,323	468,437	917,915	1,226,860	17,949	74,282	30,037	18,059	18,193
Education	71,864,839	61,622,450	64,497,561	62,932,107	61,992,125	54,951,576	54,521,274	51,022,934	49,261,478	50,848,054
Debt Service										
Interest on Long-Term Debt	1,699,382	1,853,630	2,415,440	2,584,532	2,664,542	2,449,595	2,327,868	2,623,253	2,567,148	2,493,886
Other Debt Service	20,395	19,140	254,264	21,720	23,911	262,275	200,596	119,407	200,463	25,841
Total Governmental Activities Expenses	<u>108,509,283</u>	<u>92,936,789</u>	<u>96,527,234</u>	<u>93,906,242</u>	<u>95,899,014</u>	<u>86,251,073</u>	<u>84,110,518</u>	<u>79,929,968</u>	<u>76,017,877</u>	<u>76,975,287</u>
Business-Type Activities										
Electric	73,961,636	67,765,097	62,623,434	62,688,789	66,498,463	65,661,883	66,296,844	63,536,304	63,780,518	62,625,738
Water and Sewer	16,241,610	15,170,688	14,881,800	14,983,631	14,636,125	14,258,214	14,039,792	13,107,255	13,027,635	13,008,449
Stormwater Utility	0	0	0	0	0	0	0	1,179,276	1,039,904	1,090,652
Total Business-Type Activities Expenses	<u>90,203,246</u>	<u>82,935,785</u>	<u>77,505,234</u>	<u>77,672,420</u>	<u>81,134,588</u>	<u>79,920,097</u>	<u>80,336,636</u>	<u>77,822,835</u>	<u>77,848,057</u>	<u>76,724,839</u>
Total Primary Government Expenses	<u>\$ 198,712,529</u>	<u>\$ 175,872,574</u>	<u>\$ 174,032,468</u>	<u>\$ 171,578,662</u>	<u>\$ 177,033,602</u>	<u>\$ 166,171,170</u>	<u>\$ 164,447,154</u>	<u>\$ 157,752,803</u>	<u>\$ 153,865,934</u>	<u>\$ 153,700,126</u>
<b>PROGRAM REVENUES</b>										
Governmental Activities										
Charges for Services										
General Government	\$ 727,804	\$ 333,418	\$ 449,552	\$ 500,971	\$ 613,437	\$ 516,415	\$ 484,047	\$ 347,595	\$ 426,606	\$ 327,895
Public Safety	56,422	112,704	69,779	73,054	532,278	763,426	626,255	451,403	469,264	347,345
Public Services	3,056,729	2,779,028	2,631,767	2,729,609	2,246,719	2,271,749	1,999,886	514,347	494,520	470,509
Culture and Recreation	0	0	0	0	0	0	0	0	771,617	768,879
Economic Development	0	0	0	0	0	0	42,300	42,300	42,300	42,300
Education	6,020,095	4,879,559	4,311,150	2,788,229	3,185,650	3,183,579	3,016,330	2,890,608	2,596,645	2,565,628
Operating Grants and Contributions	34,973,302	39,150,856	32,443,845	26,965,282	26,575,918	26,409,258	24,582,044	23,155,848	22,873,038	23,187,037
Capital Grants and Contributions	3,084,371	2,619,381	3,127,339	816,124	860,253	245,384	1,760,883	879,601	594,673	149,271
Total Governmental Activities Program Revenues	<u>47,918,723</u>	<u>49,874,946</u>	<u>43,033,432</u>	<u>33,873,269</u>	<u>34,014,255</u>	<u>33,389,811</u>	<u>32,511,745</u>	<u>28,281,702</u>	<u>28,268,663</u>	<u>27,858,864</u>

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 2**

**CHANGES IN NET POSITION (Continued)  
(Prepared Using the Accrual Basis of Accounting)**

**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>PROGRAM REVENUES (Continued)</b>										
Business-Type Activities										
Charges for Services										
Electric	77,933,762	72,534,713	66,992,793	66,851,744	69,547,202	68,350,330	69,302,827	65,751,838	66,049,665	65,274,058
Water and Sewer	22,410,786	19,587,295	18,174,690	20,122,257	17,221,608	15,626,835	15,069,949	15,212,193	14,832,003	14,905,009
Stormwater Utility	0	0	0	0	0	0	0	1,396,201	1,387,354	1,392,046
Operating Grants and Contributions	0	0	0	0	0	0	0	121,903	0	0
Capital Grants and Contributions	6,959,864	3,168,161	1,517,369	1,582,577	935,824	1,133,017	1,139,691	1,352,422	541,280	157,413
Total Business-Type Activities Program Revenues	<u>107,304,412</u>	<u>95,290,169</u>	<u>86,684,852</u>	<u>88,556,578</u>	<u>87,704,634</u>	<u>85,110,182</u>	<u>85,512,467</u>	<u>83,834,557</u>	<u>82,810,302</u>	<u>81,728,526</u>
Total Primary Government Program Revenues	<u>\$ 155,223,135</u>	<u>\$ 145,165,115</u>	<u>\$ 129,718,284</u>	<u>\$ 122,429,847</u>	<u>\$ 121,718,889</u>	<u>\$ 118,499,993</u>	<u>\$ 118,024,212</u>	<u>\$ 112,116,259</u>	<u>\$ 111,078,965</u>	<u>\$ 109,587,390</u>
<b>NET (EXPENSE) REVENUE</b>										
Governmental Activities	\$ (60,590,560)	\$ (43,061,843)	\$ (53,493,802)	\$ (60,032,973)	\$ (61,884,759)	\$ (52,861,262)	\$ (51,598,773)	\$ (51,648,266)	\$ (47,749,214)	\$ (49,116,423)
Business-Type Activities	<u>17,101,166</u>	<u>12,354,384</u>	<u>9,179,618</u>	<u>10,884,158</u>	<u>6,570,046</u>	<u>5,190,085</u>	<u>5,175,831</u>	<u>6,011,722</u>	<u>4,962,245</u>	<u>5,003,687</u>
Total Primary Government Net Expenses	<u>\$ (43,489,394)</u>	<u>\$ (30,707,459)</u>	<u>\$ (44,314,184)</u>	<u>\$ (49,148,815)</u>	<u>\$ (55,314,713)</u>	<u>\$ (47,671,177)</u>	<u>\$ (46,422,942)</u>	<u>\$ (45,636,544)</u>	<u>\$ (42,786,969)</u>	<u>\$ (44,112,736)</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities										
General Revenues										
Sales Taxes	\$ 33,421,219	\$ 31,242,353	\$ 27,122,751	\$ 22,926,734	\$ 22,021,237	\$ 20,523,896	\$ 19,663,897	\$ 18,682,970	\$ 18,258,885	\$ 15,207,831
State income and Excise taxes	310,447	307,475	397,810	623,561	516,585	518,860	723,926	686,015	537,456	536,887
Property Taxes	38,825,439	37,185,247	36,902,078	35,931,020	33,058,491	32,569,527	30,943,255	29,963,302	28,462,845	27,561,747
Business Taxes	1,229,776	968,582	907,199	898,073	883,417	1,110,325	1,026,201	1,008,162	1,044,938	782,339
Miscellaneous Taxes	5,020,478	4,899,471	4,694,775	4,442,654	4,264,484	3,347,492	3,110,172	3,051,698	3,005,430	3,025,884
In-lieu-of Taxes	2,364,391	2,079,267	1,991,896	1,537,388	1,056,460	678,084	661,155	923,008	1,036,489	852,795
Interest Income	2,822,265	281,042	264,794	790,544	1,290,491	482,027	135,861	267,939	256,400	217,444
Miscellaneous	1,197,670	6,950,024	2,785,993	1,653,132	2,033,433	1,538,570	1,642,146	1,761,861	1,817,076	1,681,975
Gain (Loss) on Deletion of Capital Assets	0 *	0 *	0 *	0 *	(425,987)	80,315	145,167	84,798	48,583	28,668
Transfers	<u>1,721,485</u>	<u>1,701,710</u>	<u>1,949,091</u>	<u>1,871,299</u>	<u>1,661,806</u>	<u>1,611,182</u>	<u>1,623,795</u>	<u>1,320,642</u>	<u>1,192,314</u>	<u>1,472,437</u>
Total Governmental Activities	<u>86,913,170</u>	<u>85,615,171</u>	<u>77,016,387</u>	<u>70,674,405</u>	<u>66,360,417</u>	<u>62,460,278</u>	<u>59,675,575</u>	<u>57,750,395</u>	<u>55,660,416</u>	<u>51,368,007</u>

\* In 2020, Gain(Loss) on Deletion of Capital Assets began being recorded as a direct expense of the related function or program.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 2**  
**CHANGES IN NET POSITION (Continued)**  
**(Prepared Using the Accrual Basis of Accounting)**  
**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET POSITION (Continued)</b>										
Business-Type Activities										
General Revenues										
Interest Income	973,786	62,895	27,055	241,509	313,959	147,834	72,772	36,548	14,813	14,732
Miscellaneous	1,025,437	0	0	0	0	0	0	0	0	0
Gain (Loss) on Deletion of Capital Assets	0 **	0 **	0 **	0 **	(555,802)	20,800	192,225	75,493	69,101	30,983
Transfers	<u>(1,721,485)</u>	<u>(1,701,710)</u>	<u>(1,949,091)</u>	<u>(1,871,299)</u>	<u>(1,661,806)</u>	<u>(1,611,182)</u>	<u>(1,623,795)</u>	<u>(1,320,642)</u>	<u>(1,192,314)</u>	<u>(1,472,437)</u>
Total Business-Type Activities	<u>277,738</u>	<u>(1,638,815)</u>	<u>(1,922,036)</u>	<u>(1,629,790)</u>	<u>(1,903,649)</u>	<u>(1,442,548)</u>	<u>(1,358,798)</u>	<u>(1,208,601)</u>	<u>(1,108,400)</u>	<u>(1,426,722)</u>
Total Primary Government	<u>\$ 87,190,908</u>	<u>\$ 83,976,356</u>	<u>\$ 75,094,351</u>	<u>\$ 69,044,615</u>	<u>\$ 64,456,768</u>	<u>\$ 61,017,730</u>	<u>\$ 58,316,777</u>	<u>\$ 56,541,794</u>	<u>\$ 54,552,016</u>	<u>\$ 49,941,285</u>
<b>CHANGE IN NET POSITION</b>										
Governmental Activities	\$ 26,322,610	\$ 42,553,328	\$ 23,522,585	\$ 10,641,432	\$ 4,475,658	\$ 9,599,016	\$ 8,076,802	\$ 6,102,129	\$ 7,911,202	\$ 2,251,695
Business-Type Activities	<u>17,378,904</u>	<u>10,715,569</u>	<u>7,257,582</u>	<u>9,254,368</u>	<u>4,674,797</u>	<u>3,755,937</u>	<u>3,825,433</u>	<u>4,811,521</u>	<u>3,862,245</u>	<u>3,585,365</u>
Total Primary Government	<u>\$ 43,701,514</u>	<u>\$ 53,268,897</u>	<u>\$ 30,780,167</u>	<u>\$ 19,895,800</u>	<u>\$ 9,150,455</u>	<u>\$ 13,354,953</u>	<u>\$ 11,902,235</u>	<u>\$ 10,913,650</u>	<u>\$ 11,773,447</u>	<u>\$ 5,837,060</u>

\*\* In 2020, Gain(Loss) on Deletion of Capital Assets began being reported as an expense of an identifiable activity on the statement of activities rather than as a general revenue.

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 3**

**FUND BALANCES, GOVERNMENTAL FUNDS  
(Prepared Using the Modified Accrual Basis of Accounting)**

**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
GENERAL FUND										
Assigned	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 158,694	\$ 378,850	\$ 896,783	\$ 1,550,055
Unassigned	21,894,231	20,000,178	15,762,486	14,187,126	12,851,280	11,417,360	10,384,423	8,126,757	7,823,581	6,244,744
Total General Fund	<u>\$ 21,894,231</u>	<u>\$ 20,000,178</u>	<u>\$ 15,762,486</u>	<u>\$ 14,187,126</u>	<u>\$ 12,851,280</u>	<u>\$ 11,417,360</u>	<u>\$ 10,543,117</u>	<u>\$ 8,505,607</u>	<u>\$ 8,720,364</u>	<u>\$ 7,794,799</u>
ALL OTHER										
GOVERNMENTAL FUNDS										
Nonspendable	\$ 0	\$ 2,345	\$ 52,677	\$ 50,426	\$ 50,426	\$ 50,426	\$ 49,434	\$ 34,118	\$ 49,596	\$ 63,644
Restricted	10,959,924	7,013,382	4,796,654	3,553,385	2,978,475	18,442,744	2,777,298	1,934,318	2,086,536	2,240,767
Committed	0	0	0	0	0	842,733	991,224	1,030,194	895,136	906,264
Assigned	27,644,628	33,918,804	26,042,234	16,393,053	18,004,818	13,936,028	9,873,935	9,498,743	17,719,013	16,088,157
Unassigned	0	(207,382)	0	0	0	0	0	0	0	0
Total All Other Governmental Funds	<u>\$ 38,604,552</u>	<u>\$ 40,727,149</u>	<u>\$ 30,891,565</u>	<u>\$ 19,996,864</u>	<u>\$ 21,033,719</u>	<u>\$ 33,271,931</u>	<u>\$ 13,691,891</u>	<u>\$ 12,497,373</u>	<u>\$ 20,750,281</u>	<u>\$ 19,298,832</u>

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 4**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
(Prepared Using the Modified Accrual Basis of Accounting)**

**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>										
Taxes	\$ 75,397,560	\$ 71,014,237	\$ 67,250,384	\$ 61,919,011	\$ 57,333,199	\$ 54,944,752	\$ 52,147,791	\$ 50,658,135	\$ 49,019,402	\$ 44,893,872
Licenses, Permits and Fees	35,520	33,015	35,378	32,004	35,405	294,213	268,763	263,930	327,361	312,295
Intergovernmental	43,998,360	47,537,227	40,431,858	32,157,062	31,905,089	30,809,590	29,221,117	27,587,224	26,710,097	26,843,658
Charges for Services	6,837,899	5,406,718	5,225,842	5,624,691	5,999,146	6,040,830	5,600,307	3,801,497	4,187,186	3,884,772
Fines, Forfeitures and Costs	66,787	98,363	65,129	78,816	68,120	84,253	64,085	57,116	60,113	104,753
Interest Income	2,822,264	281,042	264,794	790,546	1,290,491	547,303	135,861	267,939	256,400	217,444
Internal School Fund Revenue	2,540,038	2,491,840	1,810,229	0	0	0	0	0	0	0
Miscellaneous	1,249,190	1,118,234	3,150,614	2,446,959	2,501,768	1,809,943	3,190,720	2,139,324	2,183,150	1,748,640
<b>Total Revenues</b>	<b>132,947,618</b>	<b>127,980,676</b>	<b>118,234,228</b>	<b>103,049,089</b>	<b>99,133,218</b>	<b>94,530,884</b>	<b>90,628,644</b>	<b>84,775,165</b>	<b>82,743,709</b>	<b>78,005,434</b>
<b>EXPENDITURES</b>										
General Government	2,462,428	2,370,885	2,107,390	2,044,937	2,156,241	2,409,696	3,161,490	4,887,120	3,700,705	2,677,974
Public Safety	11,680,320	11,025,232	10,620,921	10,363,889	9,777,096	9,551,554	9,313,491	9,121,138	8,589,950	8,278,238
Public Service	12,762,987	11,886,144	10,473,863	10,510,499	9,964,573	9,760,053	8,700,343	6,777,231	6,292,611	6,171,951
Culture and Recreation	2,259,257	1,719,801	1,688,394	1,695,687	1,664,453	1,687,812	1,543,358	1,512,185	2,363,093	2,186,943
Economic Development	1,977,360	440,323	468,438	917,915	1,226,860	17,949	74,282	53,618	8,954	10,463
Nondepartmental	2,322,757	2,111,656	2,264,653	1,894,827	1,834,223	1,748,847	1,416,055	1,534,431	1,292,612	1,018,871
Education	72,592,670	69,856,302	62,580,157	58,854,306	58,596,150	56,274,524	52,906,926	51,591,873	50,269,984	48,195,673
Debt Service										
Principal Retirement	4,735,875	4,553,231	4,686,624	3,942,064	3,402,289	3,268,099	3,428,099	3,203,099	3,138,099	3,073,104
Interest and Fiscal Fees	2,204,151	2,370,992	2,296,478	2,422,637	2,511,738	2,357,688	2,036,032	2,190,162	2,119,402	2,049,671
Bond Issuance Costs	0	0	233,524	0	0	0	0	0	0	0
Leases	131,458	131,458	1,237,583	1,224,183	1,209,733	1,194,233	1,193,133	9,024,136	1,254,316	1,265,876
Capital Outlay	22,689,231	16,674,766	8,501,162	10,750,453	20,483,395	6,586,269	5,441,431	4,670,159	2,691,341	2,357,425
<b>Total Expenditures</b>	<b>135,818,494</b>	<b>123,140,790</b>	<b>107,159,187</b>	<b>104,621,397</b>	<b>112,826,751</b>	<b>94,856,724</b>	<b>89,214,640</b>	<b>94,565,152</b>	<b>81,721,067</b>	<b>77,286,189</b>
Excess (Deficiency) of Revenue Over Expenditures Before Financing Sources (Uses)	<u>(2,870,876)</u>	<u>4,839,886</u>	<u>11,075,041</u>	<u>(1,572,308)</u>	<u>(13,693,533)</u>	<u>(325,840)</u>	<u>1,414,004</u>	<u>(9,789,987)</u>	<u>1,022,642</u>	<u>719,245</u>

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 4**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (Continued)**  
**(Prepared Using the Modified Accrual Basis of Accounting)**

**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	28,799,224	27,122,668	30,433,444	24,114,376	21,677,361	20,668,392	18,143,570	18,091,683	16,965,008	16,754,267
Transfers Out	(27,077,739)	(25,420,958)	(28,484,353)	(22,243,077)	(20,015,555)	(19,057,210)	(16,819,775)	(16,771,041)	(15,772,694)	(15,281,830)
Sale of Capital Asset	344,680	6,188,650	0	0	0	0	0	0	0	0
Issuance of Debt	0	0	0	0	1,240,328	18,180,000	0	0	0	0
Proceeds from										
Refunding Debt	0	0	15,765,000	0	0	23,780,000	0	4,547,000	9,855,000	0
Bond Premium	0	0	2,473,753	0	0	3,837,634	0	174,356	143,315	0
Payments to Refunding Agent	0	0	(21,110,000)	0	0	(26,629,645)	0	(4,704,198)	(9,830,000)	0
Financing of Leases/SBITA	576,166	1,245,379	0	0	0	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>2,642,331</u>	<u>9,135,739</u>	<u>(922,156)</u>	<u>1,871,299</u>	<u>2,902,134</u>	<u>20,779,171</u>	<u>1,323,795</u>	<u>1,337,800</u>	<u>1,360,629</u>	<u>1,472,437</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(228,545)	13,975,625	10,152,885	298,991	(10,791,399)	20,453,331	2,737,799	(8,452,187)	2,383,271	2,191,682
Change in Reserve for Inventory	0	0	0	0	0	992	15,316	(15,478)	(6,257)	(9,799)
Net Change in Fund Balance	<u>\$ (228,545)</u>	<u>\$ 13,975,625</u>	<u>\$ 10,152,885</u>	<u>\$ 298,991</u>	<u>\$ (10,791,399)</u>	<u>\$ 20,454,323</u>	<u>\$ 2,753,115</u>	<u>\$ (8,467,665)</u>	<u>\$ 2,377,014</u>	<u>\$ 2,181,883</u>
Debt Service as a Percentage of Noncapital Expenditures	6.7%	6.6%	8.1%	8.1%	7.7%	7.8%	8.1%	16.0%	8.2%	8.5%

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 5**

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

**Last Ten Fiscal Years**

Fiscal Year Ending June 30	Tax Year	Real Property		Tangible Personal Property Assessed	Public Utility Assessment	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage Actual Value
		Residential Farms Property	Commercial Industrial Property						
2023	2022	\$ 554,534,600	\$ 398,624,080	\$ 171,706,562	\$ 16,336,292	\$ 1,141,201,534	\$ 2.27	\$ 3,816,776,156	30%
2022	2021	544,578,900	389,964,800	139,374,916	15,374,591	1,089,293,207	2.27	3,645,764,445	30%
2021	2020	530,149,750	378,548,640	170,359,633	16,779,361	1,095,837,384	2.27	3,665,343,975	30%
2020	2019	517,995,225	393,696,200	152,095,050	16,214,147	1,080,000,622	2.27	3,592,684,938	30%
2019	2018	441,566,375	340,800,840	152,102,696	14,946,947	949,416,858	2.27	3,199,820,399	30%
2018	2017	428,198,775	328,658,200	158,555,413	14,147,729	929,560,117	2.17	3,126,467,520	30%
2017	2016	416,388,736	319,121,165	166,087,390	14,466,417	916,063,708	2.17	3,043,285,066	30%
2016	2015	409,908,365	314,787,910	161,624,066	14,543,396	900,863,737	2.17	2,991,792,660	30%
2015	2014	438,743,017	257,898,885	134,813,754	12,917,003	844,372,659	2.17	2,872,583,920	29%
2014	2013	434,148,698	253,448,120	111,166,000	11,811,906	810,574,724	2.17	2,754,845,589	29%

**SOURCE:** City of Maryville Recorder's Office  
Blount County, Tennessee Trustee's Office

CITY OF MARYVILLE, TENNESSEE

SCHEDULE 6

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(Rate per \$100 of Assessed Value)

Last Ten Calendar Years

<u>Tax Year</u>	<u>Direct Tax Rate</u>	<u>Overlapping Tax Rate - Blount County</u>
2023	\$ 1.50	\$ 1.59
2022	2.27	2.47
2021	2.27	2.47
2020	2.27	2.47
2019	2.27	2.47
2018	2.27	2.47
2017	2.17	2.47
2016	2.17	2.47
2015	2.17	2.15
2014	2.17	2.15

**SOURCE:** City of Maryville Recorder's Office  
Blount County, Tennessee Trustee's Office

**NOTE:** The Direct Tax Rate does not have components.



CITY OF MARYVILLE, TENNESSEE

SCHEDULE 7

PRINCIPAL TAXPAYERS

June 30, 2023

Taxpayer	Fiscal Year 2023			Fiscal Year 2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Denso Manufacturing Tennessee, Inc.	\$ 155,334,084	1	14.5%	\$ 95,583,895	1	11.8%
Cottages Cades Cove, LLC	13,166,560	2	1.2%	0		0.0%
Asbury Centers, Inc.	12,798,343	3	1.2%	0		0.0%
Bridgeway Properties 1, LLC	9,931,280	4	0.9%	8,338,325	3	0.0%
Camellia Trace at Mountain View LLC	8,473,039	5	0.8%	5,673,519	8	0.7%
Presbyterian Homes of Tennessee, Inc.	8,452,545	6	0.8%	7,938,315	4	1.0%
Wal-Mart Stores, Inc.	7,618,308	7	0.7%	6,020,819	7	0.7%
Kroger(David Hutton Family Limited)	5,270,760	8	0.5%	0		0.0%
Mountainside Independent Life	4,889,240	9	0.5%	0		0.0%
SNH Alt Leased Properties%Alterra Healthcare	4,194,240	10	0.4%	0		0.0%
CBL & Associates	0		0.0%	10,589,520	2	1.3%
Standard Aero Alliance, Inc.	0		0.0%	7,581,834	5	0.9%
First Horizon Bank	0		0.0%	7,051,743	6	0.9%
Ruby Tuesday, Inc	0		0.0%	5,497,388	9	0.7%
Atmos Energy Corp	0		0.0%	4,118,593	10	0.5%
Totals	\$ <u>230,128,399</u>		21.4%	\$ <u>158,393,951</u>		19.5%
Total Assessed Value All Property (Excluding Public Utilities)	\$ <u>1,073,918,616</u>			\$ <u>810,574,724</u>		

SOURCE: City Recorder's Tax Collection Records

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 8**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Original Taxes Levied	Adjusted Taxes Levied (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2023	\$ 25,534,737	\$ 25,871,429	\$ 25,517,997	98.6%	\$ 0	\$ 25,517,997	98.6%
2022	24,378,071	24,765,988	24,424,649	98.6%	183,914	24,608,563	99.4%
2021	24,875,609	24,865,324	24,550,147	98.7%	237,776	24,787,923	99.7%
2020	24,516,163	24,551,342	23,762,886	96.8%	277,921	24,040,807	97.9%
2019	21,551,868	21,565,099	21,136,908	98.0%	369,034	21,505,942	99.7%
2018	21,101,120	21,198,514	20,915,814	98.7%	320,896	21,236,710	100.2%
2017	19,984,494	19,878,488	19,515,541	98.2%	295,451	19,810,992	99.7%
2016	19,512,874	19,412,101	19,131,633	98.6%	227,526	19,359,159	99.7%
2015	18,317,635	18,366,342	17,894,734	97.4%	468,914	18,363,648	100.0%
2014	17,590,314	17,613,067	17,153,249	97.4%	456,134	17,609,383	100.0%

(1) Adjusted for pickups and releases

Property taxes unpaid for period before 2012 have been filed with the Blount County Circuit Court Clerk.

**SOURCE:** City Recorder's office

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 9**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Outlay Notes	Lease/SBITA Obligations	Total	General Obligation Bonds	General Revenue Bonds	Capital Outlay Notes	Total			
2023	\$ 45,945,000	\$ 4,134,730	\$ 1,675,271	\$ 51,755,001	\$ 6,355,000	\$ 31,425,000	\$ 1,036,608	\$ 38,816,608	\$ 90,571,609	4.85%	\$ 2,706
2022	54,000,763	5,480,610	1,295,711	60,777,084	7,377,804	34,515,000	1,154,580	43,047,384	103,824,468	6.51%	3,162
2021	57,723,588	6,823,846	0	64,547,434	9,251,848	35,959,341	1,270,152	46,481,341	111,028,775	7.54%	3,434
2020	56,648,195	8,164,475	9,013,819	73,826,489	12,783,226	32,398,680	1,383,372	46,565,278	120,391,767	9.18%	4,108
2019	59,632,029	9,502,544	9,838,477	78,973,050	15,152,324	32,833,020	1,494,288	49,479,632	128,452,682	10.11%	4,336
2018	62,325,384	9,472,510	10,624,139	82,422,033	17,518,009	33,267,360	1,602,936	52,388,305	134,810,338	11.5%	4,677
2017	45,094,964	10,855,650	11,370,955	67,321,569	13,325,816	33,095,447	1,709,376	48,130,639	115,452,208	10.1%	3,989
2016	47,080,073	12,468,749	12,094,078	71,642,900	14,910,755	33,813,742	1,813,644	50,538,141	122,181,041	11.0%	4,258
2015	47,505,053	15,301,848	20,593,645	83,400,546	12,239,311	38,394,133	1,915,788	52,549,232	135,949,778	12.6%	4,776
2014	49,057,562	16,864,946	21,254,792	87,177,300	13,606,641	39,075,340	2,015,856	54,697,837	141,875,137	13.6%	5,025

**NOTES:** Personal Income data can be found on Schedule 14.

Population data can be found on Schedule 14.

CITY OF MARYVILLE, TENNESSEE

SCHEDULE 10

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Calendar Years

<b>Fiscal Year Ending June 30,</b>	<b>General Obligation Debt</b>	<b>Less Amounts Available in Debt Service Fund</b>	<b>Net General Obligation Debt</b>	<b>Percentage of Assessed Taxable Value of Property</b>	<b>Per Capita</b>
2023	\$ 52,300,000	\$ 3,833,466	\$ 48,466,534	4.2%	\$ 1,458
2022	61,378,567	3,164,268	58,214,299	5.4%	1,776
2021	66,975,436	2,351,464	64,623,972	5.9%	2,133
2020	69,431,421	2,324,829	67,106,592	6.6%	2,349
2019	74,784,353	1,405,156	73,379,197	7.7%	2,477
2018	79,843,393	836,938	79,006,455	8.5%	2,741
2017	58,420,780	107,343	58,313,437	6.4%	2,015
2016	61,990,828	243,669	61,747,159	6.8%	2,151
2015	59,744,364	8,025,226	51,719,138	6.1%	1,817
2014	62,664,203	8,010,894	54,653,309	6.7%	1,936

**NOTES:** Actual Taxable Value of Property data can be found on Schedule 5.

Population data can be found on Schedule 14.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 11**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**As of June 30, 2023**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Direct Debt			
General Obligation Bonds	\$ 45,945,000		
Capital Outlay Notes	4,134,730		
Leases/SBITA	<u>1,675,271</u>		
Total Direct Debt	51,755,001	100%	\$ 51,755,001
Overlapping Debt			
Blount County General Government	129,078,271	27%	<u>34,773,686</u>
Total Direct and Overlapping Debt			<u><u>\$ 86,528,687</u></u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding indebtedness of those overlapping governments that is borne by the residents and businesses of the City of Maryville. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using the taxable assessed property values. Applicable percentages were estimated by determining the portion of Blount County, Tennessee's taxable assessed value within the City's boundaries and dividing it by Blount County, Tennessee's total taxable assessed value.

General obligation debt repaid from resources provided by business-type activities is excluded.

**SOURCE:** Blount County, Tennessee Government

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 12**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**

<b>Legal Debt Margin Calculation for 2023</b>	
Assessed Value	\$ <u>1,141,201,534</u>
Debt Limit (15% of Assessed Value)	\$ <u>171,180,230</u>
Net Debt Applicable to Limit	
General Obligation Debt	54,232,668
Less: Amount Set Aside for Repayment of General Obligation Debt	<u>3,833,466</u>
Net Debt Applicable to Limit	<u>50,399,202</u>
Legal Debt Margin	\$ <u><u>120,781,028</u></u>

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 171,180,230	\$ 163,393,981	\$ 164,375,608	\$ 162,000,093	\$ 142,412,529	\$ 139,434,018	\$ 137,409,556	\$ 135,129,561	\$ 126,655,899	\$ 121,586,209
Total Net Debt Applicable to Limit	<u>50,399,202</u>	<u>56,317,105</u>	<u>62,195,970</u>	<u>71,501,661</u>	<u>77,567,894</u>	<u>81,585,095</u>	<u>67,214,226</u>	<u>71,399,231</u>	<u>72,708,957</u>	<u>76,030,406</u>
Legal Debt Margin	<u>\$ 120,781,028</u>	<u>\$ 107,076,876</u>	<u>\$ 102,179,638</u>	<u>\$ 90,498,432</u>	<u>\$ 64,844,635</u>	<u>\$ 57,848,923</u>	<u>\$ 70,195,330</u>	<u>\$ 63,730,330</u>	<u>\$ 53,946,942</u>	<u>\$ 45,555,803</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	29.4%	34.5%	37.8%	44.1%	54.5%	58.5%	51.1%	52.8%	57.4%	62.5%

**NOTES:** By private act of the State of Tennessee General Assembly enacted June 2004, the Charter of the City of Maryville was amended to authorize the issuance of debt up to an amount that will not exceed 10% of the total assessed value of property of the incorporated area.

By private act of the State of Tennessee General Assembly effective April 2008, the charter of the City of Maryville was amended to authorize the issuance of debt up to an amount that will not exceed 15% of the total assessed value of the incorporated area. Fiscal years subsequent to 2007 are calculated using a debt limit of 15% of total assessed value of property while prior years are disclosed using 10%.

**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 13**

**PLEDGED – REVENUE COVERAGE**

**Last Ten Fiscal Years**

Fiscal Year Ending June 30	Electric Revenue Debt						Water and Sewer Revenue Debt					
	Operating Revenues	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Operating Revenues	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2023	\$ 77,933,762	\$ 73,843,088	\$ 4,090,674	\$ 1,105,000	\$ 118,548	\$ 3.34	\$ 22,410,998	\$ 15,087,070	\$ 7,323,928	\$ 1,992,972	\$ 1,010,825	\$ 2.44
2022	72,401,718	64,162,878	8,238,840	1,100,000	134,446	6.67	19,587,295	9,767,883	9,819,412	1,985,573	1,002,128	\$ 3.29
2021	66,956,046	59,215,128	7,740,918	1,761,000	178,711	3.99	18,173,711	9,456,477	8,717,234	1,966,220	1,001,273	2.92
2020	66,851,744	59,842,914	7,008,830	817,000	161,674	7.16	20,122,257	9,413,145	10,709,112	1,739,916	1,466,021	3.34
2019	69,547,202	63,655,534	5,891,668	791,000	214,605	5.86	17,221,608	9,300,223	7,921,385	1,760,648	1,522,321	2.41
2018	68,350,330	63,003,781	5,346,549	758,000	130,247	6.02	15,626,835	8,645,539	6,981,296	1,328,440 (1)	1,689,510	2.31
2017	69,302,827	63,814,002	5,488,825	746,000	161,977	6.05	15,069,949	8,471,859	6,598,090	1,563,268	1,951,870	1.88
2016	65,751,838	60,897,937	4,853,901	705,000 (1)	223,662	5.23	15,212,193	7,506,696	7,705,497	1,462,144 (1)	2,066,870	2.18
2015	66,049,665	61,279,772	4,769,893	675,000	248,388	5.17	14,832,003	7,539,137	7,292,866	1,415,068	2,129,656	2.06
2014	65,274,058	60,181,720	5,092,338	650,000	272,189	5.52	14,905,009	7,487,914	7,417,095	1,373,028	2,188,809	2.08

**NOTES:** Operating expenses do not include interest, depreciation, amortization expenses or in-lieu-of taxes paid to other City funds.

(1) Does not include debt retired from bond refunding issues.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 14**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30,</b>	<b>(1) Population</b>	<b>(2) Personal Income</b>	<b>(3) Per Capita Income</b>	<b>(4) Median Age</b>	<b>(5) School Enrollment</b>	<b>(6) Unemployment Rate</b>
2023	33,238	\$ 1,854,647,162	\$ 55,799	39.1	5,630	3.0%
2022	32,781	1,593,189,381	48,601	39.1	5,533	3.0%
2021	32,332	1,473,151,056	47,976	39.1	5,426	3.7%
2020	31,907	1,355,347,856	44,728	39.1	5,377	10.2%
2019	29,742	1,304,216,442	43,851	39.1	5,379	2.8%
2018	29,192	1,227,465,216	42,048	39.1	5,346	2.7%
2017	28,765	1,185,808,360	41,224	39.1	5,225	2.9%
2016	28,703	1,125,903,878	39,226	39.1	5,101	3.7%
2015	28,464	1,089,658,848	38,282	39.1	5,038	5.1%
2014	28,233	1,030,250,403	36,491	39.1	5,091	5.7%

- SOURCES:** (1) 2014-2022 U.S. Census Bureau Estimate (updated)  
2023 Estimated based prior year's growth
- (2) Calculation based upon Population and Per Capita Income
- (3) 2014-2021 Bureau of Economic Analysis - Blount County (updated)  
2022-2023 Estimated based on prior year's growth
- (4) 2014-2023 2010 US Census Bureau City of Maryville
- (5) City of Maryville Schools
- (6) Bureau of Labor Statistics – All Figures Reflect Blount County  
(May-Not seasonally adjusted)



**CITY OF MARYVILLE, TENNESSEE**

**SCHEDULE 15**

**PRINCIPAL EMPLOYERS**

**June 30, 2023**

Employer	2023			2014		
	Employees	Rank	Percentage Of Total City/County Employment	Employees	Rank	Percentage Of Total City/County Employment
Clayton Homes (1)	5,047	1	7.87%	2,099	3	3.78%
Denso Manufacturing Tennessee, Inc. (1)	5,000	2	7.80%	3,400	1	6.13%
Blount Memorial Hospital, Inc. (1)	2,688	3	4.19%	2,441	2	4.40%
Blount County School System (1)	1,700	4	2.65%	1,800	5	3.24%
McGhee Tyson ANG Base (1)	1,609	5	2.51%	2,100	4	3.79%
Arconic (1) formerly Alcoa, Inc.	1,100	6	1.72%	1,200	6	2.16%
Maryville City Schools (2)	925	7	1.44%	648	7	1.17%
Vanderbilt Mortgage and Finance Inc. (1)	900	8	1.40%	-		0.00%
Newell Rubbermaid (1) Formerly Sanford Brands	900	9	1.40%	350	12	0.63%
Blount County Government (1)	730	10	1.14%	605	8	1.09%
Accenture Hospitality Service (1) Formerly Marriott	550	11	0.86%	575	9	1.04%
Alcoa City Schools (2)	423	12	0.66%	221	18	0.40%
Ruby Tuesday (1)	395	13	0.62%	518	11	0.93%
Maryville College (1)	366	14	0.57%	255	16	0.46%
City of Maryville (2)	333	15	0.52%	304	13	0.55%
Peninsula Hospital	326	16	0.51%	140	24	0.25%
City of Alcoa (2)	291	17	0.45%	263	15	0.47%
Standard Aero Aviation Holdings, Inc. (1)	285	18	0.44%	278	17	0.50%
K12 (1)	265	19	0.41%	-		0.00%
Performance Foodservice (1) Formerly Reinhart	265	20	0.41%	187	19	0.34%
Cornerstone of Recovery (1)	230	21	0.36%	235	20	0.42%
	<u>24,328</u>		<u>37.95%</u>	<u>17,619</u>		<u>31.76%</u>
Total Blount County Employment 2022 (as of 05/23) (3)	64,100					
Total Blount County Employment 2013 (as of 05/14) (3)	55,480					

**SOURCES:**

- (1) The Knoxville News Sentinel "Book of Lists"
- (2) 2022 Responses from Employer
- (3) U.S. Bureau of Labor Statistics

CITY OF MARYVILLE, TENNESSEE

SCHEDULE 16

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY DEPARTMENT

Last Ten Fiscal Years

	<u>Actual 2023</u>	<u>Actual 2022</u>	<u>Actual 2021</u>	<u>Actual 2020</u>	<u>Actual 2019</u>	<u>Actual 2018</u>	<u>Actual 2017</u>	<u>Actual 2016</u>	<u>Actual 2015</u>	<u>Actual 2014</u>
<b>General Government</b>										
Administration	3.60	3.05	3.05	3.05	3.66	3.66	3.66	3.66	3.66	3.66
Judicial/Legal	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources	1.80	1.83	1.83	1.83	1.83	2.44	2.44	2.44	2.44	2.44
Finance	5.30	5.00	5.00	5.00	4.43	3.93	3.93	3.93	3.58	3.58
Purchasing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.35	0.35
Police	61.67	61.67	60.67	60.67	58.50	55.50	55.50	51.50	51.50	51.50
Animal Control	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Fire	37.50	37.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50
Public Services Administration	2.61	2.61	2.61	2.61	0.00	0.00	0.00	0.00	0.00	0.00
Development Services	10.17	10.17	10.17	10.17	9.38	9.38	9.38	9.38	8.38	8.38
Engineering	6.40	4.40	3.40	3.40	3.20	3.20	3.20	3.20	3.20	3.20
Central Traffic Operations	15.50	5.00	3.00	3.00	3.00	2.00	2.00	1.00	1.00	1.00
SWM - Residential Collection	13.50	9.57	8.57	10.91	10.09	9.95	9.72	9.46	11.46	11.46
SWM - Commercial Collection	8.47	5.56	5.56	4.89	5.37	5.83	5.51	4.44	4.44	4.44
SWM - Brush Collection	5.56	7.47	7.47	6.80	7.44	7.12	7.67	9.00	8.00	8.00
Public Works - Street Maintenance	9.57	15.50	15.50	14.50	10.75	10.75	10.75	11.00	11.00	11.00
Public Works - Grounds Maintenance	5.00	13.50	13.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
GIS Management	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00
	1.00									
Stormwater – Engineering		3.00	3.00	3.00	3.70	3.70	3.35	3.70	3.70	3.70
Stormwater – Construction	3.00	3.00	3.00	3.00	7.15	7.15	7.15	6.90	6.90	6.90
Computer Information Systems	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Fleet Maintenance	7.05	7.05	7.05	7.05	7.05	7.05	7.05	6.05	6.05	6.05
Operations Center	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total General Government</b>	<b><u>211.70</u></b>	<b><u>209.88</u></b>	<b><u>203.88</u></b>	<b><u>200.88</u></b>	<b><u>196.55</u></b>	<b><u>192.66</u></b>	<b><u>192.31</u></b>	<b><u>186.66</u></b>	<b><u>185.66</u></b>	<b><u>185.66</u></b>

CITY OF MARYVILLE, TENNESSEE

SCHEDULE 16

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY DEPARTMENT (Continued)

Last Ten Fiscal Years

	<u>Actual 2023</u>	<u>Actual 2022</u>	<u>Actual 2021</u>	<u>Actual 2020</u>	<u>Actual 2019</u>	<u>Actual 2018</u>	<u>Actual 2017</u>	<u>Actual 2016</u>	<u>Actual 2015</u>	<u>Actual 2014</u>
<b>Electric Division</b>										
Administration	3.60	3.40	3.90	3.80	4.25	4.30	4.48	4.05	4.05	4.25
Finance and Accounting	11.74	12.39	19.90	18.95	19.62	19.12	19.62	19.62	19.62	24.62
Electric Operations	32.18	32.58	33.53	33.78	31.20	31.20	30.80	32.95	32.95	33.00
Metering (1)	2.66	2.56	4.45	4.40	4.05	4.05	4.05	4.05	4.05	0.00
<b>Total Electric Division</b>	<b><u>50.18</u></b>	<b><u>50.93</u></b>	<b><u>61.78</u></b>	<b><u>60.93</u></b>	<b><u>59.12</u></b>	<b><u>58.67</u></b>	<b><u>58.95</u></b>	<b><u>60.67</u></b>	<b><u>60.67</u></b>	<b><u>61.87</u></b>
<b>Water Quality</b>										
Administration <small>Formerly Engineering</small>	11.40	10.93	11.28	11.28	12.47	12.83	12.36	11.77	11.52	11.22
Finance & Accounting (2)	8.66	8.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Metering (2)	1.94	1.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water Operations	23.35	23.39	22.99	22.99	23.54	23.84	23.79	22.75	23.05	22.15
Water Plant Operations	8.27	8.27	7.97	7.97	7.92	7.40	7.40	7.45	7.40	7.60
Wastewater Treatment Plant	17.50	17.50	18.10	17.95	16.4	16.60	16.20	15.70	15.70	15.50
<b>Total Water and Sewer</b>	<b><u>71.12</u></b>	<b><u>70.19</u></b>	<b><u>60.34</u></b>	<b><u>60.19</u></b>	<b><u>60.33</u></b>	<b><u>60.67</u></b>	<b><u>59.75</u></b>	<b><u>57.67</u></b>	<b><u>57.67</u></b>	<b><u>56.47</u></b>
<b>Total General Government and Utilities</b>	<b><u>333.00</u></b>	<b><u>331.00</u></b>	<b><u>326.00</u></b>	<b><u>322.00</u></b>	<b><u>316.00</u></b>	<b><u>312.00</u></b>	<b><u>311.00</u></b>	<b><u>305.00</u></b>	<b><u>304.00</u></b>	<b><u>304.00</u></b>

(1) Metering Department Established July 2014

(2) Separated Finance staff and Metering by payroll in FY22

SOURCE: City of Maryville Budget Office

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 17**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**

Function/Program General Government	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>City Tax Clerk</b>										
Tax Parcels	\$ 15,031	\$ 14,836	\$ 14,836	\$ 14,428	\$ 14,396	\$ 14,199	\$ 13,996	\$ 13,797	\$ 13,719	\$ 13,781
Real Property Values	3,787,073,807	3,617,810,653	3,634,836,043	3,563,204,671	3,172,644,132	3,112,319,791	3,043,285,066	2,959,438,597	2,398,303,300	2,369,311,100
Assessed Values	1,124,870,242	1,073,918,616	1,079,058,023	1,063,786,475	934,469,911	915,412,388	916,063,708	884,656,859	831,205,765	798,595,753
Delinquent Taxes	159,949	149,573	134,683	175,804	178,758	217,856	257,676	236,950	263,599	281,498
Business Licenses	1,396	1,844	1,878	1,593	1,615	1,492	1,331	1,308	1,087	1,628
<b>Electric</b>										
Number of Miles of Line and Distribution Circuits	414	414	412	405	404	403	400	397	395	388
Peak System Demand (kW)	162,971	168,111	161,532	158,648	154,440	155,091	162,177	153,192	155,937	149,326
Number of Meters in Service (Total)	22,859	22,803	23,830	23,210	23,010	22,732	22,547	23,338	22,149	22,031
Total Annual Power Usage	800,373	820,139	805,365	786,921	818,829	808,959	799,016	789,231	786,444	768,666
<b>Wastewater</b>										
Number of Customers	15,646	15,423	15,166	14,818	14,551	14,241	13,973	13,711	13,498	13,385
Average Daily Treatment (1,000 of Gallons)	9,620	10,414	10,417	12,720	12,331	8,909	9,344	9,843	8,853	9,700
Permitted Capacity (1,000 of Gallons)	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Maximum Day Treatment (1,000 of Gallons)	33,100	38,300	33,100	40,000	39,100	37,700	29,200	36,500	18,600	32,500
<b>Water</b>										
Number of Customers	17,004	16,895	16,702	16,482	16,283	16,080	15,833	15,617	15,448	15,353
Average Daily Consumption (1,000 of Gallons Sold)	3,372	3,341	3,326	3,407	3,365	3,291	3,365	3,315	3,122	3,167
Permitted Capacity (1,000 of Gallons)	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Maximum Day Treatment (1,000 of Gallons)	5,845	6,054	5,991	5,859	5,697	5,995	5,672	5,745	5,346	5,645
<b>Codes Department</b>										
Building Permits	2,301	2,387	2,790	2,920	3,147	3,314	3,103	2,091	2,017	1,297
Total Construction Value	113,357,251	157,201,871	70,891,718	91,634,080	63,089,758	118,282,789	83,663,200	78,522,852	81,424,658	32,318,640
<b>Police Department</b>										
Citations	1,964	1,879	2,012	2,025	2,229	1,911	2,401	1,678	1,432	1,932
Burglaries	50	21	37	53	56	70	103	103	114	129
Total Arrests	1,040	959	1,078	1,003	1,114	1,013	1,112	921	1,037	1,229
DUI Arrests	107	81	108	59	65	76	93	78	81	87
Domestic Violence Victims	124	55	68	148	158	149	102	113	94	115
Incident Reports	2,037	1,994	2,055	2,044	2,119	2,183	2,409	2,101	1,952	2,191
Calls for Service	41,309	39,448	39,220	39,334	39,632	38,674	28,723	32,358	27,285	25,719
<b>Fire Department</b>										
Calls for Service	4,837	5,099	4,767	4,337	4,804	4,706	4,478	4,052	3,900	3,910
Fire Educational Programs	19,819	14,657	75	326	302	292	284	311	262	388
Company Inspections	829	751	642	814	319	348	325	362	492	387
Fire Hydrants	1,932	1,906	1,901	1,902	1,972	1,882	1,873	1,841	1,853	1,853

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 17**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM (Continued)**  
**Last Ten Fiscal Years**

Function/Program General Government	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Animal Control</b>										
Animal Control Complaints	\$ 1,044	\$ 919	\$ 2,535	\$ 1,425	\$ 1,445	\$ 1,691	\$ 1,507	\$ 2,058	\$ 1,655	\$ 1,683
Animal Impoundments	306	423	391	413	545	491	465	496	503	591
Animal Board Days	1,248	2,127	3,176	3,319	5,894	2,671	2,585	2,572	2,954	1,444
Animals Returned to Owners	96	112	114	92	110	130	105	96	106	107
Animals Adopted (3)	0	19	67	123	231	177	192	201	216	254
Animals Euthanized	0	0	0	0	0	0	0	0	1	11
<b>Parks and Recreation</b>										
Maryville City Park Acreage	99	89	89	79	79	79	79	79	76	76
Youth Basketball Participants	716	643	690	655	607	639	587	586	567	625
Youth Soccer Participants	1,260	1,203	1,175	556	989	985	1,125	1,100	1,090	1,200
Adult Softball Teams	45	49	38	35	66	74	88	83	107	75
Adult Basketball Teams	10	15	10	10	10	10	10	12	11	15
Adult Volleyball Teams	13	13	18	16	23	26	26	32	38	41
Flag Football	187	181	180	210	225	255	227	217	197	0
Senior Center Membership	802	323	830	830	830	600	800	750	680	625
<b>Public Works Street and Grounds Department</b>										
Miles of City Streets	206	206	200	176	174	174	173	171	169	169
Greenbelt and Extensions Acreage	97	97	97	87	87	87	87	87	87	87
<b>Solid Waste Management Department</b>										
Residential – Avg Tons Collected per Res	0.73	0.89	0.71	0.65	0.68	0.66	0.62	0.53	0.84	0.61
Commercial – Avg Tons Collected Daily	33.10	34.38	35.15	36.84	36.82	37.35	37.29	42.33	40.10	35.92
Brush – Average Tons Collected Daily	29.71	24.73	41.01	30.97	27.37	34.68	30.30	27.84	23.10	23.71
Landfill – Total Tonnage From Landfills	24,905	25,119	28,985	25,874	24,546	26,237	25,664	24,597	22,818	22,880
<b>Fleet Maintenance Department</b>										
Number of Fleet Vehicle and Attachments	435	426	422	404	399	396	376	380	375	384
<b>Schools</b>										
Total Enrollment	5,630	5,533	5,426	5,377	5,379	5,346	5,225	5,101	5,038	5,091
Resident	5,266	5,175	5,053	5,001	5,020	5,003	4,899	4,813	4,756	4,845
Tuition	364	358	373	376	359	343	326	288	282	246
Number of Regular Instruction Teachers	359	346	342	333	331	330	329	328	323	326

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 18**  
**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year Ending									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Government</b>										
City Municipal Building	1	1	1	1	1	1	1	1	1	1
Passenger Vehicles/Light Work Trucks	6	6	4	4	5	4	4	4	4	4
<b>Utilities</b>										
Operations Center	1	1	1	1	1	1	1	1	1	1
Water Plants	1	1	1	1	1	1	1	1	1	1
Water Tanks/Storage Tanks	7	7	7	7	7	7	7	7	7	7
Water Booster Pump Stations	5	5	5	5	5	5	5	5	5	5
Wastewater Treatment Plants	1	1	1	1	1	1	1	1	1	1
Sewage Pump/Lift Stations	20	20	20	20	20	20	21	22	22	22
Electric Substations	9	9	9	8	8	8	8	8	8	8
Passenger Vehicles/Light & Medium Work Trucks	45	42	44	44	43	45	42	40	43	42
Heavy Work Trucks	22	26	29	26	26	29	26	29	23	25
Other-Trailers/Heavy Attachments	35	35	35	34	33	32	30	31	30	30
Tractors/Loaders/Mowers	21	21	20	20	19	19	18	18	17	17
Storage Sheds (Home Ave.)	4	4	4	4	4	4	4	4	4	4
Storage Sheds/Buildings (Best St.)	4	8	8	8	8	8	8	5	5	5
Fuel System	1	1	1	1	1	1	1	1	1	1
Wash Bay	1	1	1	1	1	1	1	1	1	1
Salt Storage Bin	1	1	1	1	1	1	1	1	1	1
Warehouses	4	4	4	4	4	4	4	4	2	2
<b>Public Safety</b>										
Police										
Police Department/Police Substations	1	1	1	1	1	1	1	1	1	1
Passenger Vehicles/Light Work Trucks	88	85	87	79	79	76	68	67	67	74
Medium Work Trucks	2	3	4	4	3	3	3	3	3	2
Other-Trailers/Heavy Attachments	5	6	6	5	3	3	3	3	3	3

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 18**  
**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM (Continued)**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year Ending									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Public Safety (Continued)</b>										
Animal Control										
Building-Shelter/Impound Lot	2	2	2	1	1	1	1	1	1	1
Passenger Vehicles/Light Work Trucks	3	4	3	3	3	3	3	3	3	3
Fire Department										
Fire Halls	3	3	3	3	3	3	3	3	3	3
Passenger Vehicles/Light Work Trucks	6	5	5	5	6	6	7	6	6	6
Medium Work Trucks	3	3	4	4	3	3	3	3	2	3
Heavy Work Trucks	6	6	6	6	6	6	6	7	7	7
Other-Trailers/Heavy Attachments	5	4	4	4	4	4	4	4	4	4
<b>Public Services</b>										
Public Service Administration										
Passenger Vehicles/Light Work Trucks	1	1	1	1	0	0	0	0	0	0
Codes Enforcement										
Passenger Vehicles/Light Work Trucks	7	7	7	7	7	7	6	6	6	6
Engineering										
Passenger Vehicles/Light Work Trucks	3	3	3	3	3	3	3	3	2	2
Central Traffic Operations										
Passenger Vehicles/Light Work Trucks	1	1	1	1	1	1	1	1	1	1
Medium Work Trucks	1	1	1	0	0	0	0	0	0	0
Heavy Work Trucks	1	1	1	1	1	1	1	1	1	1
Other-Trailers/Heavy Attachments	1	1	1	1	1	1	1	1	1	1
Public Works Street and Grounds Departments										
Salt Storage Building	1	1	1	1	1	1	1	1	1	1
Bridges	45	45	32	32	31	31	31	31	31	31
City Streets	739	739	782	800	792	790	790	775	769	766
Passenger Vehicles/Light Work Trucks	8	9	9	9	9	9	9	9	9	9
Medium Work Trucks	5	6	5	5	6	5	5	5	5	5
Heavy Work Trucks	12	11	12	13	12	13	9	12	12	13
Other-Trailers/Heavy Attachments	32	31	29	28	29	29	29	29	28	29
Tractors/Loaders/Mowers	21	21	19	18	19	19	19	19	19	19
Stormwater										
Passenger Vehicles/Light Work Trucks	2	2	2	2	2	2	3	3	3	3
Medium Work Trucks	1	1	1	1	1	1	0	0	0	0
Heavy Work Trucks	2	2	2	2	2	2	2	2	3	1
Tractors/Loaders/Mowers	1	0	0	1	1	1	1	1	1	0

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE 18**  
**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM (Continued)**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>Fiscal Year Ending</b>									
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Public Safety (Continued)</b>										
Solid Waste Management (Residential, Commercial and Brush)										
Passenger Vehicles/Light Work Trucks	5	5	5	5	5	5	5	5	5	5
Heavy Work Trucks	29	26	24	20	19	17	17	17	20	21
Other-Trailers/Heavy Attachments (Combined)	17	17	17	17	17	17	17	17	17	17
<b>Social, Cultural and Recreational Services</b>										
Pools	1	1	1	1	1	1	1	1	1	1
Concession Stands	3	3	3	3	3	3	3	3	3	3
Greenbelt	1	1	1	1	1	1	1	1	1	1
Parks	7	7	7	7	7	7	7	7	7	7
<b>Other General Government</b>										
Industrial Development Parks	4	4	4	4	4	4	4	4	4	4
Parking Garages	3	3	3	3	3	3	3	2	2	2
Commercial Buildings	0	0	0	0	0	1	1	1	1	1
<b>Fleet Maintenance</b>										
Fleet Maintenance Building	1	1	1	1	1	1	1	1	1	1
Passenger Vehicles/Light Work Trucks	1	1	1	1	1	1	1	1	1	1
Medium Work Trucks	1	1	1	1	1	1	1	1	1	1
Tractors/Loaders/Mowers	1	1	1	1	1	1	1	1	1	1
<b>Maryville City Schools</b>										
Central Office	1	1	1	1	1	1	1	1	1	1
Elementary Schools	3	3	3	3	3	3	3	3	3	3
Middle Schools	1	1	1	1	1	1	1	1	1	1
Intermediate Schools	2	2	2	2	2	2	2	2	2	2
High Schools	1	1	1	1	1	1	1	1	1	1
Bus	12	9	8	8	8	6	6	6	6	6
Vans	13	13	11	11	11	10	11	11	11	10
Trucks	5	4	4	4	4	6	6	7	7	7
Other Equipment	5	5	5	5	5	5	5	4	3	5

**SOURCE:** City of Maryville Department Records  
Maryville City School Fleet Inventory



**COMPLIANCE SECTION**

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**

**For the Period Ending June 30, 2023**

Federal Grantor/Pass-through Grantor Program	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
<b>Federal Awards</b>				
U.S. Department of Agriculture				
Passed through the Tennessee Department of Agriculture:				
Child Nutrition Cluster:				
National School Lunch Program - Non-Cash Assistance-Commodities	10.555	N/A	\$ 0	\$ 157,580
Commodities - Warehousing Rebate	10.555	N/A	0	4,621
Total ALN Number 10.555			<u>0</u>	<u>162,201</u>
Passed through the Tennessee Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	N/A	0	300,360
National School Lunch Program	10.555	N/A	0	1,032,931
NSLP-Supply Chain Assistance Grant	10.555	N/A	0	8,950
NSLP-Supply Chain Assistance Grant	10.555	N/A	0	158,616
NSLP-Supply Chain Assistance Grant	10.555	N/A	0	115,089
Total Child Nutrition Cluster			<u>0</u>	<u>1,778,147</u>
COVID-19 Pandemic EBT Administrative Costs	10.649	N/A	0	3,135
Total U.S. Department of Agriculture			<u>0</u>	<u>1,781,282</u>
U.S. Department of Education				
Passed through the Tennessee Department of Education:				
Career and Technical Education - Basic Grants to States	84.048	N/A	0	69,999
English Language Acquisition State Grants	84.365	N/A	0	22,096
Student Support and Academic Enrichment Program	84.424	N/A	0	41,143
Supporting Effective Instruction State Grants	84.367	N/A	0	127,456
Title I Grants to Local Educational Agencies	84.010	N/A	0	586,644
Special Education Cluster:				
Special Education - Grants to States	84.027A	N/A	0	1,148,386
Special Education - Preschool Grants	84.173A	N/A	0	48,813
Total Special Education Cluster			<u>0</u>	<u>1,197,199</u>
COVID-19 Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief Fund	84.425D	N/A	0	13,000
American Rescue Plan - Elementary and Secondary School Emerg. Relief	84.425U	N/A	0	651,968
Total Education Stabilization Fund			<u>0</u>	<u>664,968</u>
Total Passed through the Tennessee Department of Education			<u>0</u>	<u>2,709,505</u>
Passed through the Tennessee Department of Human Services:				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	34570-54920	0	40,090
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	34570-54923	0	245,099
Total ALN Number 84.126			<u>0</u>	<u>285,189</u>
ARPA Child Care Stabilization Grant	93.575	N/A	0	520,345
ARPA Child Care Stabilization Grant	93.575	N/A	0	648,605
Total ALN Number 93.575			<u>0</u>	<u>1,168,950</u>
Total Passed through the Tennessee Department of Human Services			<u>0</u>	<u>1,454,139</u>
Total U.S. Department of Education			<u>0</u>	<u>4,163,644</u>
U.S. Department of Health and Human Services				
Passed through the Tennessee Department of Education				
Temporary Assistance for Needy Families (TANF)	93.558	N/A	0	77,285
Passed through the Tennessee Department of Health				
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	N/A	0	200,000
Total U.S. Department of Health and Human Services			<u>0</u>	<u>277,285</u>

The accompanying notes to the schedule of expenditures of federal and state financial assistance are an integral part of this schedule.

**CITY OF MARYVILLE, TENNESSEE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE (Continued)**  
**For the Period Ending June 30, 2023**

Federal Grantor/Pass-through Grantor Program	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Justice				
U.S. Department of Justice Direct Assistance:				
Bulletproof Vest Partnership Program	16.607	N/A	0	5,217
Total U.S. Department of Justice			0	5,217
U.S. Department of Transportation				
Passed through the Tennessee Department of Safety & Homeland Security:				
Alcohol Open Container Requirements	20.607	Z22THS178	0	17,676
Alcohol Open Container Requirements	20.607	Z23THS170	0	29,439
Total ALN Number 20.607			0	47,115
Passed through the Tennessee Department of Transportation:				
Highway Planning and Construction	20.205	150200	0	2,189,508
Highway Planning and Construction	20.205	180082	0	656,187
Highway Planning and Construction	20.205	220155	0	122,306
Highway Planning and Construction	20.205	200282	0	116,370
Total ALN Number 20.205			0	3,084,371
Total U.S. Department of Transportation			0	3,131,486
U.S. Department of the Treasury				
Passed through the Tennessee Department of Finance & Administration:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	0	3,665,239
Total U.S. Department of the Treasury			0	3,665,239
<b>Total Federal Awards</b>			<b>0</b>	<b>13,024,153</b>
<b>State Financial Assistance</b>				
Tennessee Department of Agriculture				
USDA Child Nutrition State Matching		N/A	0	28,945
Tennessee Department of Education				
Coordinated School Health Project		N/A	0	100,000
Early Childhood Education		N/A	0	169,974
Family Resource Center Program		N/A	0	29,612
Learning Loss Remediation and Student Acceleration Camps		N/A	0	579,568
Innovative School Models		N/A	0	349,615
Resilient School Communities Grant		N/A	0	163,062
Safe Schools		N/A	0	97,720
Total Tennessee Department of Education			0	1,489,551
<b>Total State Financial Assistance</b>			<b>0</b>	<b>1,518,496</b>
<b>Total Federal Awards and State Financial Assistance</b>			<b>\$ 0</b>	<b>\$ 14,542,649</b>

The accompanying notes to the schedule of expenditures of federal and state financial assistance are an integral part of this schedule.

**CITY OF MARYVILLE, TENNESSEE**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**

**For the Year Ended June 30, 2023**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards and state financial assistance (the "Schedule") includes the federal and state grant activity of City of Maryville (the "City") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, they are not intended to and do not present the financial position, changes in net position, or cash flows of the City.

*Federal Financial Assistance.* The Single Audit Act Amendments of 1996 (Public Law 104-156) and Uniform Guidance define federal financial assistance as grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations or other assistance. Federal financial assistance does not include direct federal cash assistance to individuals.

*Direct Payments.* Assistance received directly from the Federal government is classified as direct payments on the Schedule.

*Pass-through Payments.* Assistance received in a pass-through relationship from entities other than the Federal government is classified as pass-through payments on the Schedule.

*Major Programs.* The Single Audit Act Amendments of 1996 and Uniform Guidance establish the criteria to be used in defining major programs. Major programs for the City were defined using a risk-based approach in accordance with Uniform Guidance.

*Assistance Listing Number.* The Assistance Listing Number (formerly known as Catalog of Federal Domestic Assistance or CFDA) is a government-wide compendium of individual federal programs. Each program included in the catalog is assigned a five-digit program identification number (Assistance Listing Number), which is reflected in the Schedule.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 - NON-CASH ASSISTANCE**

The Maryville City Schools is the recipient of certain federal awards that do result in cash receipts or disbursements, including distributions of U.S. Department of Agriculture (USDA) Food Commodities, which are valued based on an USDA price list obtained from the Tennessee Department of Agriculture.

**NOTE 4 - INDIRECT COST RATE**

The City has elected not to use the 10% de minimis indirect rate as allowed under Uniform Guidance.

**NOTE 5 - CONTINGENCIES**

The federal and state awards received by the government are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies as a result of such an audit, the grantor agency could make a claim for reimbursement.



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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*

Honorable Mayor, Members of City Council,  
and City Manager of City of Maryville  
Maryville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, budgetary comparisons for the general fund and general purpose school fund, and the aggregate remaining fund information of City of Maryville, Tennessee (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 3, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered City of Maryville'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 City of Maryville's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Maryville'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 may exist that have not been identified.



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### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City of Maryville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Maryville's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Maryville's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Pugh & Company, P.C.*

Certified Public Accountants

Knoxville, Tennessee

November 3, 2023



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Honorable Mayor, Members of City Council,  
and City Manager of City of Maryville  
Maryville, Tennessee

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited City of Maryville's (the "City") 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 the City's major federal programs for the year ended June 30, 2023. The City'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, the City 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, 2023.

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

We are required to be independent of the City 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 the City'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 the City's federal programs.



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### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City'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 GAAS, *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 that 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 the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the City'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 the City'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 the City'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 a 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 were not 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.

*Pugh & Company, P.C.*

Certified Public Accountants  
Knoxville, Tennessee  
November 3, 2023



**CITY OF MARYVILLE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2023**

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) \_\_\_\_\_ Yes   X   No

Major federal programs for the City of Maryville, Tennessee for the fiscal year ended June 30, 2023 are:

Program Name	<u>Assistance Listing Number</u>
Elementary and Secondary School Emergency Relief Fund	84.425D / 84.425U
Child Care and Development Block Grant	93.575
Emergency Connectivity Fund Program	20.205
Coronavirus State and Local Fiscal Recovery Funds	21.027

Dollar threshold used to distinguish between Type A & Type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   Yes      No

**CITY OF MARYVILLE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**

**For the Year Ended June 30, 2023**

**Section II - Financial Statement Findings**

Current Year Audit Findings: None

**Section III - Federal Award Findings**

Current Year Audit Findings: None

**CITY OF MARYVILLE**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended June 30, 2023**

There were no findings or questioned costs reported in the prior year.