

HILL COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended
September 30, 2024

HILL COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Honorable County Judge
and Members of the Commissioners' Court
Hill County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hill County, Texas (the "County") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2024, and the respective changes in financial position 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 County 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.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note I to the basic financial statements, during the year ended September 30, 2024, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

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 GAAS 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund and major special revenue funds, pension information, and OPEB information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary 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. Such 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 County's internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
June 24, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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HILL COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Hill County, Texas, (the "County") annual financial report presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2024.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of Hill County, Texas, exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$47,801,726 (net position). Of this amount, \$11,227,786 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$3,098,466. This increase is due primarily to an increase in property taxes and sales taxes.
- As of the close of the current fiscal year, Hill County, Texas' governmental funds reported combined ending fund balances of \$15,147,022 an increase of \$883,443 in comparison with the prior year. Approximately 59% of this total amount, \$8,936,411 is available for spending at the County's discretion (unassigned fund balance).
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$8,958,478, or 44% of total General Fund expenditures, the fund balance for the Road and Bridge Fund was \$2,079,091, or 33% of total Road and Bridge Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of the following three components: 1) governmental-wide financial statements; 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

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

The Statement of Activities presents information that indicates how net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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.

The governmental activities of the County include general government, judicial, legal, public facilities, public safety, health and welfare, conservation, public transportation, elections, financial administration, cultural and recreation and interest on long-term debt.

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal requirements. All the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

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 the County's near-term financing requirements.

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

The County maintains various individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the major governmental funds. Data from other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Budgets for the 2024 fiscal year were adopted for the General Fund, the Road and Bridge Fund, ARP Grant Fund, Indigent Health Care Fund, the Law Library Fund, the Jury Fund, the Debt Service Fund, County Clerk Fund, County Clerk Probate Court Fund, County Specialty Court Fund, District Clerk Records Preservation and Management Fund, the Sheriff Department Fund, the D.A. Forfeited Property Fund, the Justice Court Technology Fund, the District Clerk Archive Fund, the Courthouse Security Fund, the Hill County Tourism Fund and the Election Machine Lease Fund.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 – 39 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary information and the net pension liability information. Required supplementary information can be found on pages 40 – 51 of this report.

The combining statements and schedules referred to earlier are presented immediately following the required supplementary information. Combining fund statements and schedules can be found on pages 52 - 65 and 82 - 89 of this report. The budget comparison schedules in connection with the non-major governmental funds can be found on pages 66 - 81 of this report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$47,801,726 at the close of the most recent fiscal year.

63% of the County's net position (\$30,268,406) reflects its net investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County'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 cannot be used to liquidate these liabilities.

Hill County's Net Position

	Governmental Activities	
	2024	2023
Current and other assets	\$ 20,392,389	\$ 18,677,602
Capital assets	<u>36,098,545</u>	<u>36,450,095</u>
Total assets	<u>56,490,934</u>	<u>55,127,697</u>
Deferred outflows of resources	<u>1,407,422</u>	<u>2,480,174</u>
Long-term liabilities	7,502,918	10,921,868
Other liabilities	<u>2,060,288</u>	<u>1,559,042</u>
Total liabilities	<u>9,563,206</u>	<u>12,480,910</u>
Deferred inflows of resources	<u>533,424</u>	<u>423,701</u>
Net position:		
Net investment in capital assets	30,268,406	28,875,330
Restricted	6,305,534	5,140,839
Unrestricted	<u>11,227,786</u>	<u>10,687,091</u>
Total net position	<u>\$ 47,801,726</u>	<u>\$ 44,703,260</u>

An additional portion of the County's net position (13%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$11,227,786) may be used to meet the governments ongoing obligations to citizens and creditors. At the end of the current fiscal year, the County reported a positive balance in net position, both for the government as a whole, as well as for its separate components.

Governmental activities:

Governmental activities increased the County's net position by \$3,098,466.

The following table indicates changes in net position for governmental activities:

Hill County's Changes in Net Position

	Governmental Activities	
	2024	2023
REVENUES		
Program revenues:		
Charges for services	\$ 3,748,690	\$ 4,038,993
Operating grants and contributions	1,089,260	3,071,421
Capital grants and contributions	603,032	51,800
General revenues:		
Property taxes	19,676,709	16,693,675
Sales taxes	4,701,576	4,189,344
Other taxes	114,522	95,973
Investment earnings	783,207	611,128
Gain on sale of capital assets	199,591	423,024
Contributions and Donations	83,420	6,060
Miscellaneous	<u>330,770</u>	<u>428,624</u>
Total Revenues	<u>31,330,777</u>	<u>29,610,042</u>
EXPENSES		
General government	3,555,060	2,843,327
Legal	504,053	475,152
Judicial	3,471,065	3,154,082
Financial administration	1,217,018	1,134,727
Public facilities	1,232,893	1,059,173
Public safety	9,594,278	8,954,754
Public transportation	6,874,467	6,322,576
Culture and recreation	1,207	-
Health and welfare	1,371,850	1,573,624
Conservation - agriculture	166,619	177,000
Interest on long-term debt	<u>243,801</u>	<u>243,794</u>
Total Expenses	<u>28,232,311</u>	<u>25,938,209</u>
INCREASE IN NET POSITION	3,098,466	3,671,833
NET POSITION, BEGINNING	<u>44,703,260</u>	<u>35,514,797</u>
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>5,516,630</u>
NET POSITION, ENDING	<u>\$ 47,801,726</u>	<u>\$ 44,703,260</u>

The charges for services decreased by \$290,303. Operating grants and contributions decreased \$1,982,161. The American Rescue Plan (ARP) was provided in prior years with funding through the State and Local Fiscal Recovery Funds (SLFRF) to help address the impacts of the COVID-19 pandemic. These funds were mostly spent in the prior years and finished during the fiscal year. Capital grants and contributions increased by \$551,232 due to the TXDOT bridge construction project. Property taxes increased by \$2,983,034 due to an increase in assessed taxable property values and new construction.

Total expenses for governmental activities increased by \$2,294,102 primarily due to payroll related costs for salaries, pension and OPEB.

Financial Analysis of the Government's Funds. As noted earlier, the County's uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$15,147,022, an increase of \$883,443 in comparison with the prior year. Approximately 59% of this total amount (\$8,936,411), constitutes unassigned fund balance, which is available for spending at the government's discretion.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, fund balance for the General Fund was \$9,659,890 which included unassigned fund balance of \$8,958,478. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 44% of total general fund expenditures.

The fund balance of the County's General Fund decreased by \$156,653 during the current fiscal year.

At the end of the current fiscal year, total fund balance of the Road and Bridge Fund was \$2,079,091, which was entirely restricted for public transportation. As a measure of the Road and Bridge Fund's liquidity, it may be useful to compare restricted fund balance to total fund expenditures. Restricted fund balance represents 33% of total Road and Bridge Fund expenditures.

The fund balance of the County's Road and Bridge Fund increased by \$651,550 during the current fiscal year.

Fund Budgetary Highlights

There was a nominal increase of \$12,110 to the original general fund revenue budget as the result of an unexpected increase in users to the Emergency Management Radio System. This amendment spilled over increasing expenses by the same amount, however, budgeted general fund expenditures decreased by \$32,000 due to an input error with respect to debt retirement, yielding a slight reduction in the overall budget of \$14,828. The initial fund balance projection for fiscal year 2024 for the general fund was an anticipated reduction of \$1 million in reserves, however, due to higher sales tax and interest collections than budgeted and lower overall general fund expenditures, the decrease in fund balance was only \$156,653.

The original Road and Bridge Budget was amended to include the receipt of funds for road damages caused by heavy equipment usage in the amount of \$81,000. Actual results exceeded the overall budgets by \$56,343, with under budgeted investment earnings accounting for the greatest portion of the variance. Combined Road and Bridge expenditures were \$1,933,376 less than budgeted. The difference between the original and final amended budget for the Road and Bridge fund was \$207,303. Categories increased including construction materials, capital outlay and repairs.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental activities as of September 30, 2024, amounts to \$36,098,545 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, and infrastructure items such as roads, highways, and bridges. The total decrease in the County's investment in capital assets for the current fiscal year was \$351,550 or 1% due to increases in depreciation and disposal of assets.

Depreciation on the County's capital assets of \$3,782,390 was more than its net capital purchases of \$3,574,350. Together with the sale and retirement of assets, this resulted in a net decrease in capital assets.

Additional information on the County's capital assets can be found in the notes to the financial statements of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$2,875,000. All of which comprises debt backed by the full faith and credit of the County.

The County's total bonded debt decreased by \$595,000 during the current fiscal year. The key factor in this decrease was the payment of bonds.

Additional information on the County's long-term debt can be found in notes to the financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The following economic factors currently affect the County and were considered in developing the Fiscal Year 2025 budget.

- The Fiscal Year 2025 budget will raise more total property taxes than last year's budget by \$1,002,013 or 5.96%, and of that amount, \$1,002,036 is tax revenue to be raised from the new property added to the tax roll this year.
- The Fiscal Year 2025 budget for the General Fund revenue includes \$20,439,354 net of transfers and \$20,869,854 of expenditures net of transfers, with an estimated decrease in fund balance of \$535,255.
- At the end of the current fiscal year, the fund balance in the General Fund was \$9,659,890. The County has appropriated \$166,157 of this amount for spending in the 2025 fiscal year budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the funds it receives. If questions are encountered regarding this report, contact the Hill County Auditor's Office, P.O. Box 783, Hillsboro, TX 76645; Phone: (254) 582-4060, or Email: auditor@co.hill.tx.us.

**BASIC
FINANCIAL STATEMENTS**

HILL COUNTY, TEXAS**STATEMENT OF NET POSITION**

SEPTEMBER 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 15,959,940
Receivables (net of allowance for uncollectibles)	2,916,395
Due from other governments	202,625
Inventories	203,474
Prepaid items	1,109,955
Capital assets:	
Non-depreciable	1,087,480
Depreciable	<u>35,011,065</u>
Total Assets	<u>56,490,934</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow related to pensions	1,220,602
Deferred outflow related to OPEB - TCDRS group term life	108,599
Deferred outflow related to OPEB - retiree health	45,296
Deferred charge on refunding	<u>32,925</u>
Total Deferred Outflows of Resources	<u>1,407,422</u>
LIABILITIES	
Accounts payable	859,621
Accrued wages	590,760
Accrued interest	10,602
Unearned revenue	599,305
Noncurrent liabilities:	
Due within one year:	
Long-term debt	1,645,767
Total OPEB liability - TCDRS group term life	14,995
Due in more than one year:	
Long-term debt	4,850,115
Net pension liability	168,077
Total OPEB liability - TCDRS group term life	621,127
Total OPEB liability - retiree health	<u>202,837</u>
Total Liabilities	<u>9,563,206</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow related to pensions	202,191
Deferred inflow related to OPEB - TCDRS group term life	120,414
Deferred inflow related to OPEB - retiree health	<u>210,819</u>
Total Deferred Inflows of Resources	<u>533,424</u>
NET POSITION	
Net investment in capital assets	30,268,406
Restricted for:	
General government	2,465,400
Construction	40,920
Culture and recreation	5,049
Debt service	209,316
Elections	79,836
Health and welfare	157,833
Judicial	836,116
Legal	14,267
Public safety	74,199
Public transportation	2,422,598
Unrestricted	<u>11,227,786</u>
Total Net Position	<u>\$ 47,801,726</u>

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

HILL COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental activities:					
General government	\$ 3,555,060	\$ 247,661	\$ 140,123	\$ -	\$ (3,167,276)
Legal	504,053	-	109,120	-	(394,933)
Judicial	3,471,065	1,207,587	201,996	-	(2,061,482)
Financial administration	1,217,018	851,486	-	-	(365,532)
Public facilities	1,232,893	-	-	-	(1,232,893)
Public safety	9,594,278	295,682	430,079	-	(8,868,517)
Public transportation	6,874,467	1,073,555	34,500	603,032	(5,163,380)
Culture and recreation	1,207	-	-	-	(1,207)
Health and welfare	1,371,850	72,719	173,442	-	(1,125,689)
Conservation - agriculture	166,619	-	-	-	(166,619)
Interest and fiscal charges	243,801	-	-	-	(243,801)
Total Governmental Activities	<u>\$28,232,311</u>	<u>\$ 3,748,690</u>	<u>\$ 1,089,260</u>	<u>\$ 603,032</u>	<u>\$ (22,791,329)</u>
General revenues:					
Taxes:					
Property, levied for general purposes					18,998,028
Property, levied for debt service					678,681
Sales					4,701,576
Other					114,522
Unrestricted investment earnings					783,207
Miscellaneous					330,770
Contributions and donations					83,420
Gain on sale of capital assets					<u>199,591</u>
Total General Revenues					<u>25,889,795</u>
Change in Net Position					3,098,466
Net position, beginning					<u>44,703,260</u>
Net position, ending					<u>\$ 47,801,726</u>

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

HILL COUNTY, TEXAS**BALANCE SHEET
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2024

	General	Road and Bridge
ASSETS		
Cash and cash equivalents	\$ 12,014,877	\$ 1,203,413
Receivables (net of allowance for uncollectibles)	2,229,585	442,882
Due from other governments	22,268	172,350
Due from other funds	<u>7,798</u>	<u>844,372</u>
Total Assets	<u>14,274,528</u>	<u>2,663,017</u>
LIABILITIES		
Accounts payable	532,813	156,673
Accrued liabilities	491,082	83,746
Unearned revenue	350,000	-
Due to other funds	<u>1,860,175</u>	<u>-</u>
Total Liabilities	<u>3,234,070</u>	<u>240,419</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - court fines	294,651	-
Unavailable revenue - property taxes	<u>1,085,917</u>	<u>343,507</u>
Total Deferred Inflows of Resources	<u>1,380,568</u>	<u>343,507</u>
FUND BALANCES		
Restricted:		
General government	-	-
Construction	-	-
Culture and recreation	-	-
Debt service	-	-
Elections	-	-
Health and welfare	-	-
Judicial	-	-
Legal	-	-
Public safety	-	-
Public transportation	-	2,079,091
Assigned:		
Purchases on order	166,157	-
Subsequent year's budget:		
appropriation of fund balance	535,255	-
Unassigned	<u>8,958,478</u>	<u>-</u>
Total Fund Balances	<u>9,659,890</u>	<u>2,079,091</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,274,528</u>	<u>\$ 2,663,017</u>

Other Governmental Funds	Total Governmental Funds
\$ 2,741,650	\$ 15,959,940
243,928	2,916,395
8,007	202,625
<u>1,015,803</u>	<u>1,867,973</u>
<u>4,009,388</u>	<u>20,946,933</u>
170,135	859,621
15,932	590,760
249,305	599,305
<u>7,798</u>	<u>1,867,973</u>
<u>443,170</u>	<u>3,917,659</u>
-	294,651
<u>158,177</u>	<u>1,587,601</u>
<u>158,177</u>	<u>1,882,252</u>
2,465,400	2,465,400
40,920	40,920
5,049	5,049
105,276	105,276
79,836	79,836
103,696	103,696
541,465	541,465
14,267	14,267
74,199	74,199
-	2,079,091
-	166,157
-	535,255
<u>(22,067)</u>	<u>8,936,411</u>
<u>3,408,041</u>	<u>15,147,022</u>
\$ 4,009,388	\$ 20,946,933

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HILL COUNTY, TEXAS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

Total Fund Balances - Governmental Funds \$ 15,147,022

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	36,098,545
Prepaid items are expenditures in the funds but are recorded as assets in the governmental activities.	1,109,955
Inventory costs are expenditures in the funds but are recorded as assets in the governmental activities.	203,474
Bonds payable, financed purchases and accrued compensated absences will not be liquidated with current financial resources and therefore have not been included in the fund financial statements.	(6,495,882)
Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due.	(10,602)
Premiums on bond issuances and deferred losses on bond refunding are recorded as other financing sources and uses when paid in the fund financial statements but are capitalized and amortized in the government-wide financial statements over the life of the bonds.	
Deferred loss	32,925
Receivables from property taxes, fines and fees are not available soon enough to pay for the current period's expenditures and are, therefore, deferred in the fund financial statements.	1,882,252
Included in the items related to debt is the recognition of the County's net pension liability (asset) and related deferred outflows and inflows of resources. The net effect is to increase net position.	
Net pension liability	(168,077)
Deferred outflows related to pensions	1,220,602
Deferred inflows related to pensions	(202,191)
Included in the items related to debt is the recognition of the County's total OPEB liability and related deferred outflows and inflows of resources. The net effect is to decrease net position.	
Total OPEB liability	(838,959)
Deferred outflows related to OPEB	153,895
Deferred inflows related to OPEB	<u>(331,233)</u>

Net Position of Governmental Activities \$ 47,801,726

HILL COUNTY, TEXAS**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>General</u>	<u>Road and Bridge</u>
REVENUES		
Taxes:		
Property	\$ 13,066,045	\$ 4,399,678
Sales	3,925,811	399,639
Other	57,983	-
Intergovernmental	633,395	82,946
Licenses and permits	-	933,827
Charges for services	1,963,364	139,728
Fines and forfeitures	77,440	-
Investment earnings	571,138	79,288
Contributions and donations	2,420	81,000
Miscellaneous	76,225	9,716
Total Revenues	<u>20,373,821</u>	<u>6,125,822</u>
EXPENDITURES		
Current:		
General government	4,729,775	-
Legal	509,705	-
Judicial	2,654,058	-
Financial administration	1,269,981	-
Public facilities	674,201	-
Public safety	9,498,250	-
Public transportation	-	5,867,153
Culture and recreation	-	-
Health and welfare	442,958	-
Conservation - agriculture	169,190	-
Debt service:		
Principal	416,188	456,896
Interest and fiscal charges	68,271	53,184
Total Expenditures	<u>20,432,577</u>	<u>6,377,233</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(58,756)</u>	<u>(251,411)</u>
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	110,138	182,963
Issuance of financed purchases	119,035	144,998
Insurance recoveries	12,935	-
Transfers in	25,000	735,000
Transfers out	(365,005)	(160,000)
Total Other Financing Sources (Uses)	<u>(97,897)</u>	<u>902,961</u>
NET CHANGES IN FUND BALANCES	(156,653)	651,550
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	<u>9,816,543</u>	<u>1,427,541</u>
ADJUSTMENTS		
Change within financial reporting entity (major to nonmajor fund)	<u>-</u>	<u>-</u>
FUND BALANCE, BEGINNING AS RESTATED	<u>9,816,543</u>	<u>1,427,541</u>
FUND BALANCE, ENDING	<u>\$ 9,659,890</u>	<u>\$ 2,079,091</u>

ARP Grant	Other Governmental Funds	Total Governmental Funds
	\$ 1,899,018	\$ 19,364,741
	376,126	4,701,576
	56,539	114,522
	421,365	1,137,706
	-	933,827
	594,894	2,697,986
	25,750	103,190
	132,781	783,207
	-	83,420
	<u>244,829</u>	<u>330,770</u>
	<u>3,751,302</u>	<u>30,250,945</u>
	102,739	4,832,514
	26,131	535,836
	989,194	3,643,252
	-	1,269,981
	-	674,201
	82,258	9,580,508
	-	5,867,153
	1,207	1,207
	1,241,180	1,684,138
	-	169,190
	595,000	1,468,084
	<u>90,052</u>	<u>211,507</u>
	<u>3,127,761</u>	<u>29,937,571</u>
	<u>623,541</u>	<u>313,374</u>
	-	293,101
	-	264,033
	-	12,935
	340,005	1,100,005
	<u>(575,000)</u>	<u>(1,100,005)</u>
	<u>(234,995)</u>	<u>570,069</u>
	388,546	883,443
<u>94,744</u>	<u>2,924,751</u>	<u>14,263,579</u>
<u>(94,744)</u>	<u>94,744</u>	<u>-</u>
<u>-</u>	<u>3,019,495</u>	<u>14,263,579</u>
<u>\$ -</u>	<u>\$ 3,408,041</u>	<u>\$ 15,147,022</u>

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HILL COUNTY, TEXAS

RECONCILIATION OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Net Changes in Fund Balances - Governmental Funds	\$	883,443
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities that cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	3,574,350
Depreciation expense	(3,782,390)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(93,510)
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Prepaid items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	174,525
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Inventory items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(170,714)
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The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.

Issuance of debt	(264,033)
Repayment of principal of long-term debt	1,468,084
Amortization of:	
Loss on refunding	(32,926)

Current year changes in certain long-term liabilities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	225,132
Net pension liability (asset)	833,945
Total OPEB liability	(43,727)

Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due. The increase in interest accrual decreases net position.	632
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	<u>325,655</u>
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Change in Net Position of Governmental Activities	\$	<u>3,098,466</u>
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HILL COUNTY, TEXAS

**STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

SEPTEMBER 30, 2024

ASSETS

Cash and cash equivalents	\$ 4,445,325
Due from other governments	58,702
Accounts receivable	<u>6,716</u>
Total assets	<u>4,510,743</u>

LIABILITIES

Accounts payable	223,119
Accrued liabilities	<u>58,814</u>
Total liabilities	<u>281,933</u>

NET POSITION

Restricted for:	
Individuals and organizations	<u>4,228,810</u>
Total net position	<u>\$ 4,228,810</u>

HILL COUNTY, TEXAS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

ADDITIONS

State fees	\$ 881,287
Receipts from other governments	1,616,475
Receipts from other individuals	42,557,937
Charges for services	637,247
Court fees	4,655,296
Interest income	25,540
Miscellaneous	4,884
Seized funds	147,572
Total additions	<u>50,526,238</u>

DEDUCTIONS

Distributions to other governments	43,271,810
Distributions to others	<u>6,808,647</u>
Total deductions	<u>50,080,457</u>

Net increase (decrease) in fiduciary net position 445,781

Net position - beginning 3,783,029

Net position - ending \$ 4,228,810

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HILL COUNTY, TEXAS

NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Hill County operates under a County Judge – Commissioners' Court type of government and provides the following services throughout the County: public safety (dispatch, jail, and law enforcement), public transportation (roads), health, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the County's nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported primarily by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

General Fund – The General Fund is the County’s primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Road and Bridge Fund – The Road and Bridge Fund accounts for the activities of the County’s road and bridge operations.

Additionally, the County reports the following fund type:

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the County. The County uses custodial funds to account for assets held for others. These funds are custodial in nature. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County’s own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements.

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

Deposits and Investments

The County’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the County are reported at fair value, except for the position in investment pools.

Interfund receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Taxes Receivable

All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 10 percent of outstanding property taxes at year-end.

Property is appraised and a lien on such property becomes enforceable as of January 1, subject to certain procedures for rendition, appraisal, appraisal review and judicial review. Traditionally, property taxes are levied October 1 of the year in which assessed or as soon thereafter as practicable. Taxes are due and payable when levied since that is when the County bills the taxpayers. The County begins to collect the taxes as soon as the taxpayers are billed.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of such inventories is recorded as expenses when consumed rather than when purchased in the government-wide financial statements. In the governmental funds the purchasing method is used thus expenditures are recognized at the time of purchase.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements. The cost of prepaid items are recorded as expenses when consumed rather than when purchased in the government-wide financial statements. In the governmental funds the purchases method is used thus expenditures are recognized at the time of purchase.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Property, plant, and equipment of the County is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20 -50
Building improvements	20 -50
System infrastructure	35 - 50
Vehicles	5 - 20
Office equipment	5 - 20
Computer equipment	5 - 20

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in government-wide financial statements.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

TCDRS Group Term Life Fund. The County participates in the Texas County & District Group Term Life Fund (TCDRS GTLF), which is an optional single-employer defined benefit life insurance plan that is administered by TCDRS. It provides death benefits to active and, if elected, retired employees of participating employers. Contribution rates are determined annually for each participating entity as a percentage of that County's covered payroll. The death benefit for retirees is considered an other postemployment benefit (OPEB). The OPEB program is an unfunded trust because the GTLF trust covers both actives and retirees and is not segregated. The Total OPEB Liability of the plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the Total OPEB Liability, deferred inflows and outflows of resources, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Retiree Health Insurance. For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the County for benefits due and payable that are not reimbursed by plan assets. Information regarding the County's total OPEB liability is obtained from a report prepared by a consulting actuary.

Long-term Debt

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category:

- Deferred charge on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five year period.
- Difference in expected and actual pension experience - This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions – The changes are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by resolution of Commissioners' Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners' Court or County official delegated that authority by ordinance.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted resources have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Commissioners' Court or the finance committee has provided otherwise in its commitment or assignment actions.

Commissioners' Court adopted a minimum fund balance policy for the County's General Fund. The policy requires unassigned fund balance at fiscal year-end to be at least equal to 25 percent of the subsequent year's budgeted General Fund expenditures.

Net Position

Net position represents the difference between assets, deferred outflows (inflows) of resources and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Change in Accounting Principle

During fiscal year 2024, the County adopted the following new accounting guidance:

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*, was adopted effective October 1, 2023. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

II. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Legal and Contractual Provisions Governing Deposits and Investments

The Public Funds Investment Act (Government Code Chapter 2256) (the “Act”) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: safety of principal and liquidity, portfolio diversification, allowable investments, acceptable risk levels, expected rates of return, maximum allowable stated maturity of portfolio investments, maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, investment staff quality and capabilities, and bid solicitation preferences for certificates of deposit.

Statutes authorize the County to invest in: obligations of the U. S. Treasury, certain U.S. agencies, and the State of Texas, certificates of deposit, certain municipal securities, money market savings accounts, repurchase agreements, bankers’ acceptances, mutual funds, investment pools, guaranteed investment contracts, and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in compliance with the requirement of the Act and with local policies.

Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that in the event of bank failure, the County’s deposits may not be returned to it. The County has a deposit policy for custodial credit risk. The County’s investment policy requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of September 30, 2024, pledged securities that are in the County’s name and FDIC insurance exceeded bank balances.

B. Receivables

Receivables as of year-end including the applicable allowances for uncollectible accounts were as follows:

	<u>General</u>	<u>Road and Bridge</u>	<u>Other Governmental</u>	<u>Total</u>
Receivables:				
Ad valorem taxes	\$ 1,277,308	\$ 403,167	\$ 186,056	\$ 1,866,531
Sales taxes	653,554	66,530	62,616	782,700
Court fines and fees	1,055,871	-	-	1,055,871
Other	<u>131,803</u>	<u>13,501</u>	<u>13,862</u>	<u>159,166</u>
Gross receivables	3,118,536	483,198	262,534	3,864,268
Less: allowance for uncollectibles	<u>(888,951)</u>	<u>(40,316)</u>	<u>(18,606)</u>	<u>(947,873)</u>
Net accounts receivable	<u>\$ 2,229,585</u>	<u>\$ 442,882</u>	<u>\$ 243,928</u>	<u>\$ 2,916,395</u>

C. Capital Assets

Capital asset activity for the fiscal year was as follows:

	Beginning Balance	Additions	Deletions	Adjustments Reclassification	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 457,895	\$ 83,251	\$ (18,198)	\$ -	\$ 522,948
Construction in Progress	<u>6,690,650</u>	<u>1,041,599</u>	<u>-</u>	<u>(7,167,717)</u>	<u>564,532</u>
Total assets not being depreciated	<u>7,148,545</u>	<u>1,124,850</u>	<u>(18,198)</u>	<u>(7,167,717)</u>	<u>1,087,480</u>
Capital assets, being depreciated:					
Buildings	26,749,375	202,286	(42,122)	7,167,717	34,077,256
Machinery and equipment	21,322,776	1,411,586	(908,557)	-	21,825,805
Infrastructure	<u>14,712,114</u>	<u>835,628</u>	<u>-</u>	<u>-</u>	<u>15,547,742</u>
Total capital assets being depreciated	<u>62,784,265</u>	<u>2,449,500</u>	<u>(950,679)</u>	<u>7,167,717</u>	<u>71,450,803</u>
Less accumulated depreciation:					
Buildings	(12,434,121)	(872,520)	30,408	-	(13,276,233)
Machinery and equipment	(13,404,951)	(1,940,622)	794,959	-	(14,550,614)
Infrastructure	<u>(7,643,643)</u>	<u>(969,248)</u>	<u>-</u>	<u>-</u>	<u>(8,612,891)</u>
Total accumulated depreciation	<u>(33,482,715)</u>	<u>(3,782,390)</u>	<u>825,367</u>	<u>-</u>	<u>(36,439,738)</u>
Total capital assets being depreciated, net	<u>29,301,550</u>	<u>(1,332,890)</u>	<u>(125,312)</u>	<u>7,167,717</u>	<u>35,011,065</u>
Total capital assets, net	<u>\$36,450,095</u>	<u>\$ (208,040)</u>	<u>\$ (143,510)</u>	<u>\$ -</u>	<u>\$36,098,545</u>

Depreciation expense was charged to governmental activities of the County as follows:

Governmental activities:	
General administration	\$ 296,147
Financial administration	5,566
Judicial	18,509
Public facilities	571,313
Public safety	937,962
Public transportation	<u>1,952,893</u>
Total depreciation expense	<u>\$ 3,782,390</u>

D. Interfund Receivables, Payables, and Transfers

In the fund financial statements, interfund balances are the result of normal transactions between funds that will be liquidated in the subsequent fiscal year. The following is a summary of amounts due from and due to other funds.

Receivable Fund	Payable Fund	Amount
Road and bridge	General fund	\$ 844,372
Nonmajor governmental	General fund	1,015,803
General fund	Nonmajor governmental	<u>7,798</u>
Total		<u>\$ 1,867,973</u>

The following is a summary of interfund transfer activity for the fiscal year.

Transfer Out	Transfer In			Total
	General Fund	Road and Bridge	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 25,000	\$ 340,005	\$ 365,005
Road and Bridge	-	160,000	-	\$ 160,000
Nonmajor Governmental Funds	<u>25,000</u>	<u>550,000</u>	<u>-</u>	<u>575,000</u>
Total	<u>\$ 25,000</u>	<u>\$ 735,000</u>	<u>\$ 340,005</u>	<u>\$ 1,100,005</u>

Transfers made during the year were budgeted for to cover maintenance and operating expenditures.

E. Long-term Liabilities

Long-term liability activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental activities:					
Limited tax refunding bonds	\$ 910,000	\$ -	\$ (595,000)	\$ 315,000	\$ 315,000
Tax Notes	<u>2,560,000</u>	<u>-</u>	<u>-</u>	<u>2,560,000</u>	<u>225,000</u>
Total bonds & notes payable	<u>3,470,000</u>	<u>-</u>	<u>(595,000)</u>	<u>2,875,000</u>	<u>540,000</u>
Financed purchases	3,647,115	264,033	(923,084)	2,988,064	947,562
Compensated absences	<u>857,950</u>	<u>722,834</u>	<u>(947,966)</u>	<u>632,818</u>	<u>158,205</u>
Total long-term liabilities	<u>\$ 7,975,065</u>	<u>\$ 986,867</u>	<u>\$ (2,466,050)</u>	<u>\$ 6,495,882</u>	<u>\$ 1,645,767</u>

Compensated absences are primarily liquidated by the General Fund and Road and Bridge Funds.

Limited Tax Refunding Bonds

In 2021, the County issued \$2,660,000 in limited tax refunding bonds, Series 2020 (Private Placement) with an interest rate ranging from .05% - .10%. The proceeds were used to refund \$2,595,000 limited tax refunding bonds with an interest rate ranging from 2.00% - 3.50%.

Annual debt service requirements to maturity for the refunding bonds are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 315,000	\$ 3,150	\$ 318,150
Total	<u>\$ 315,000</u>	<u>\$ 3,150</u>	<u>\$ 318,150</u>

Tax Notes

In 2022, the County issued \$2,560,000 in tax notes, Series 2022 (Private Placement) with an interest rate of 3.1894%. The proceeds are being used to fund ongoing construction projects related to the Covington Street Annex Renovations.

Annual debt service requirements to maturity for the Tax Notes are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 225,000	\$ 78,075	\$ 303,075
2026	555,000	65,634	620,634
2027	575,000	47,611	622,611
2028	595,000	28,949	623,949
2029	<u>610,000</u>	<u>9,730</u>	<u>619,730</u>
Total	<u>\$ 2,560,000</u>	<u>\$ 229,999</u>	<u>\$ 2,789,999</u>

Financed Purchases

The County finances various vehicles and Road & Bridge motor equipment. Interest rates range from 0.03% to 8.00%. In the current year, the County financed an additional \$264,033 in vehicles and Road & Bridge equipment with interest rates ranging from 6.294% to 6.326%.

The annual debt service requirements to maturity for the financed purchases are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	947,562	111,137	1,058,699
2026	1,168,778	76,870	1,245,648
2027	407,952	30,440	438,392
2028	192,777	16,300	209,077
2029	150,271	8,358	158,629
2030	<u>120,724</u>	<u>3,187</u>	<u>123,911</u>
Total	<u>\$ 2,988,064</u>	<u>\$ 246,292</u>	<u>\$ 3,234,356</u>

III. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. There were no instances where settlements exceeded insurance coverage in any part of the three previous years.

B. Contingent Liabilities

Various claims and lawsuits are pending against the County. The evaluation of County management is that any liability to the County relating to such claims and lawsuits will not have a material impact on the County's financial position. Historically, the County has not incurred significant losses from claims or lawsuits which arise during the ordinary course of business.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

C. Defined Benefit Pension Plan

Plan Description

The County's nontraditional defined benefit pension plan, Texas County and District Retirement System (TCDRS), provides pensions for all of its full-time employees. The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of over nontraditional defined benefit pension plans. TCDRS in the aggregate issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034 Austin, TX, 78768-2034.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in temporary positions are not eligible for membership.

Benefits Provided

TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees covered by benefit terms

As of December 31, 2023, the valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees receiving benefits	166
Inactive employees entitled to but not yet receiving benefits	250
Active employees	<u>209</u>
Total	<u><u>625</u></u>

Contributions

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 10.12% and 9.41% in calendar years 2024 and 2023, respectively. The County's contributions to TCDRS for the year ended September 30, 2024, were \$1,319,363 and were equal to the required contributions.

Net Pension Liability (Asset)

The County's Net Pension Liability (Asset) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	Varies by age and service. 4.7% average over career including inflation.
Investment rate of return	7.50%, net of investment expenses, including inflation

The County has no automatic cost-of-living adjustments ("COLA") and one is not considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the actuarial valuation. Each year, the County may elect an ad-hoc COLA for its retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	135% of the Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

All actuarial assumptions that determined the total pension liability as of December 31, 2023, were based on the results of an actuarial experience study for the period January 1, 2017, through December 31, 2020, except where required to be different by GASB 68.

Long-term Expected Rate of Return. The long-term expected rate of return on pension plan investments is 7.50%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The application of the investment return assumptions was changed for purposes of determining plan liabilities at the March 2021 meeting. All plan liabilities are now valued using a 7.6% discount rate.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2023 information for a 10-year time horizon. The valuation assumption for long-term expected return is reassessed at a minimum of every four years and is set based on a long-term time horizon; the most recent analysis was performed in 2022. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.75%
Global Equities	MSCI World (net) Index	2.50%	4.75%
International Equities - Developed Markets	MSCI World Ex USA (net)	5.00%	4.75%
International Equities - Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.75%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.35%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.65%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	7.25%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	6.90%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.10%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.20%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽⁵⁾	25.00%	7.75%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	3.25%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.60%

⁽¹⁾ Target asset allocation adopted at the March 2024 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.2%, per Cliffwater's 2024 capital market assumptions

⁽³⁾ Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

⁽⁴⁾ Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

⁽⁵⁾ Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.60%. The discount rate was determined using an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods. The employee is legally required to make the contribution specified in the funding policy. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable. Based on the above assumptions, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the net pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, a discount rate of 7.60% has been used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2022	\$ 36,997,590	\$ 34,897,329	\$ 2,100,261
Changes for the year:			
Service cost	1,318,820	-	1,318,820
Interest on total pension liability ⁽¹⁾	2,841,639	-	2,841,639
Effect of economic/demographic gains or losses	(303,286)	-	(303,286)
Refund of contributions	(172,193)	(172,193)	-
Benefit payments	(1,715,210)	(1,715,210)	-
Administrative expenses	-	(20,260)	20,260
Member contributions	-	807,410	(807,410)
Net investment income	-	3,835,935	(3,835,935)
Employer contributions	-	1,148,829	(1,148,829)
Other ⁽²⁾	-	17,443	(17,443)
Balance at 12/31/2023	<u>\$ 38,967,360</u>	<u>\$ 38,799,283</u>	<u>\$ 168,077</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

⁽²⁾ Relates to allocation of system-wide items.

Sensitivity Analysis

The following presents the net pension liability/(asset) of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.6%) or 1-percentage-point higher (8.6%) than the current rate:

	1% Decrease 6.6%	Current Discount Rate 7.6%	1% Increase 8.6%
Total pension liability	\$ 44,187,588	\$ 38,967,360	\$ 34,626,904
Fiduciary net position	<u>38,799,284</u>	<u>38,799,283</u>	<u>38,799,284</u>
Net pension liability/(asset)	<u>\$ 5,388,304</u>	<u>\$ 168,077</u>	<u>\$ (4,172,380)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TCDRS financial report. The report may be obtained at www.tcdrs.org.

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

For the year ended September 30, 2024, the County recognized pension expense of \$483,830. At year-end, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 80,701	\$ 202,191
Difference between projected and actual investment earnings	186,342	-
Contributions subsequent to the measurement date	953,559	-
Total	<u>\$ 1,220,602</u>	<u>\$ 202,191</u>

\$953,559 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date, but before September 30, 2024, will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For the Year Ended September 30,	
2025	\$ (249,197)
2026	(210,573)
2027	760,878
2028	(236,256)

D. Defined Other Post-Employment Benefit Plan – TCDRS Group Term Life Fund

Plan Description. The County voluntarily participates in the Texas County & District Group Term Life Fund (TCDRS GTLF). The GTLF is a single employer defined Other Post-Employment Benefit (OPEB) plan as defined by GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. It is established and administered in accordance with the TCDRS Act.

Benefits and Eligibility. The GTLF provides group-term life insurance to County employees who are active members in TCDRS, including or not including retirees. The County's Board of Managers opted into this program via a resolution, and may terminate coverage under, and discontinue participation in, the GTLF by adopting a resolution.

Payments from this fund are similar to group-term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's most recent regular annualized salary. The death benefit for retirees is considered an other-employment benefit and is a fixed amount of \$5,000.

Employees covered by benefit terms. The number of employees currently covered by the benefit terms is as follows:

Inactive employees receiving benefits	134
Inactive employees entitled to but not yet receiving benefits	53
Active employees	<u>209</u>
Total	<u><u>396</u></u>

Contributions. The County contributes to the GTLF at a contractually required rate as determined by an annual actuarial valuation, which was 0.19% for 2024 and 0.21% for 2023, of which 0.15% and 0.13%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the GTLF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The County's contributions to the GTLF for the year ended September 30, 2024, were \$14,995, representing contributions for both active and retiree coverage, which equaled the required contributions for the year.

Total OPEB Liability. The County's Total OPEB Liability (TOL) was measured as of December 31, 2023, as determined by an actuarial valuation as of that date.

Actuarial Assumptions. The Total OPEB Liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions:

Investment rate of return (discount rate)	3.26%
Actuarial cost method	Entry Age Level Percent of Salary

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	135% of the Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Employees Amount-Weighted Mortality Table for females, projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of the Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for females, projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, projected with 100% of the MP-2021 Ultimate scale after 2010.

All actuarial assumptions and methods that determined the Total OPEB Liability as of December 31, 2023, were based on the results of an actuarial experience study for the period January 1, 2017 – December 31, 2020, except where required to be different by GASB 75. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Discount Rate. The TCDRS GTLF program is treated as an unfunded OPEB plan because the GTLF trust covers both actives and retirees, and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 2.06% based on the 20 Year Bond GO Index published by bondbuyer.com is used as of the measurement date of December 31, 2023.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the total OPEB Liability of the employer, calculated using the discount rate of 3.26%, as well as what the Hill County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26%) or 1 percentage point higher (4.26%) than the current rate.

	1% Decrease in Discount Rate (2.26%)	Current Discount Rate (3.26%)	1% Increase in Discount Rate (4.26%)
Total OPEB Liability	\$ 754,789	\$ 636,122	\$ 543,553

OPEB Liability, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB. On September 30, 2024, the County reported a liability of \$636,122 for its Total OPEB Liability and is typically funded with the General and Road and Bridge Funds. The total OPEB liability was determined by an actuarial valuation as of December 31, 2023. For the year ended September 30, 2024, the County recognized OPEB expense of \$43,020. There were no changes of benefit terms that affected measurement of the Total OPEB Liability during the measurement period.

Changes in the Total OPEB Liability

	Changes in Total OPEB Liability
Balance at December 31, 2022	\$ 573,422
Changes for the year:	
Service cost	22,746
Interest on total OPEB liability ⁽¹⁾	21,901
Effect of economic/demographic gains or losses	(12,312)
Effect of assumptions changes or inputs ⁽²⁾	45,360
Benefit payments	(14,995)
Balance at December 31, 2023	<u>\$ 636,122</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

⁽²⁾ No plan changes valued.

On September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 8,604	\$ 9,850
Changes in actuarial assumptions	85,861	110,564
Contributions subsequent to the measurement date	<u>14,134</u>	<u>-</u>
Total	<u>\$ 108,599</u>	<u>\$ 120,414</u>

\$14,134 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2025.

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	
2025	\$ 7,883
2026	(12,476)
2027	(27,966)
2028	6,610

E. Other Post Employment Benefits – Retiree Health Insurance Plan

Plan Description. The County sponsors a Retiree Health Insurance Benefits Plan (the “Plan”). The Plan provides these other post-employment benefits (“OPEB”) for eligible employees through a single-employer defined benefit plan, under the County’s policy. This plan is administered by the County, and it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits and Eligibility. Employees who meet the following criteria will qualify for health insurance benefits on County-sponsored plans, as described below. Retirees and Spouses may purchase medical coverage by paying 100% of the blended rate. Retirees and Spouses may also purchase dental and vision and life insurance coverage by paying 100% of the blended rate. As a result, the County’s only “contribution” is the “implied subsidy”. No pre-funding is performed (i.e., only pay-as-you-go funding would occur; no retirees currently for Hill County). The earlier of (i) Age 60 and completion of 8 years of vesting service, (ii) Rule of 75 years total age + service, and (iii) completion of 30 years of service.

Employees covered by benefit terms. The number of employees currently covered by the benefit terms is as follows:

Active employees	<u>201</u>
Total	<u><u>201</u></u>

Actuarial Assumptions and Methods

Significant methods and assumptions were as follows:

Actuarial Valuation Date	10/1/2023 (9/30/2024 census)
Actuarial Cost Method	Entry Age Normal
Discount rate	4.87% per annum (for FYE 2024 Expense) 4.06% per annum (disclosures*) (3.06% and 5.06% are illustrated for sensitivity)
Inflation Rate	3.00% per annum
Salary Increases	3.00% per annum (for EAN)
Mortality	PUB-2010 with MP2021 projection
Health care cost trend rates	7% decreasing to 4.5% ultimate
Participation rates	15% to elect to pay full premium for coverage
*Notes	GASB #75 requires results be presented on your financial statements based on actual rates as of your year-end (reflective of published municipal bond indices; the S&P Municipal Bond 20-year High Grade Rate Index as of 9/29/2023 was 4.87%). Since the plan is not pre-funded, the Index will apply.

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

A Single Discount Rate of 4.06% was used to measure the total OPEB liability. This Single Discount Rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of September 30, 2024.

Changes in the Total OPEB Liability

The County's total OPEB liability of \$202,837 was measured as of September 30, 2024, and was determined by an actuarial valuation as of October 1, 2023. This liability is typically funded by the General Fund.

	Total OPEB Liability
Balance at 9/30/2023	\$ 273,120
Changes for the year:	
Service cost	30,658
Interest	13,301
Difference between expected and actual experience	(125,783)
Changes of assumptions	<u>11,541</u>
Net changes	<u>(70,283)</u>
Balance at 9/30/2024	<u>\$ 202,837</u>

Changes of assumptions reflect a change in the discount rate from 4.78% as of September 30, 2023, to 4.06% as of September 30, 2024, and revised TCDRS demographic and salary increase assumptions.

Discount Rate Sensitivity Analysis

The following presents the plan's total OPEB liability, calculated using a discount rate of 4.87%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher.

	1% Decrease in Discount Rate (3.06%)	Discount Rate (4.06%)	1% Increase in Discount Rate (5.06%)
Total OPEB Liability	\$ 221,492	\$ 202,837	\$ 186,107

Healthcare Cost Trend Rate Sensitivity Analysis

The following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher.

	1% Decrease	Current Healthcare Trend Rate	1% Increase
Total OPEB Liability	\$ 181,516	\$ 202,837	\$ 228,063

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2024, the County recognized OPEB expense of \$24,016. On September 30, 2024, the County reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ 13,406	\$ 171,425
Changes in actuarial assumptions	<u>31,890</u>	<u>39,394</u>
Totals	<u>\$ 45,296</u>	<u>\$ 210,819</u>

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

For the Year Ended September 30,	
2025	\$ (19,915)
2026	(19,915)
2027	(19,915)
2028	(19,915)
2029	(19,915)
Thereafter	(65,948)

F. Tax Abatements

The County enters into economic development agreements designed to promote development and redevelopment with the County, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the County. This program reduces the assessed property values and refunds sales tax as authorized under Chapter 381 of the Texas Local Government Code and Chapter 312 of the Property Tax Code.

The County has entered into various agreements that reduce property and sales taxes. Each agreement requires a minimum developer commitment and/or employment requirement. For fiscal year 2024, the County rebated \$12,950 in taxes.

G. Accounting Changes and Error Corrections

In accordance with GASB 100, accounting changes and error corrections for the year are reported as follows:

Changes within the Financial Reporting Entity

- The ARP Grant Fund was previously reported as a major governmental fund and is now reported as a non-major fund. The change in classification is required based on quantitative factors.

H. New Accounting Principles

Significant new accounting standards issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the County include the following:

Statement No. 101, *Compensated Absences* - The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* – The objective of this Statement is to provide users of government financial statements with information about risks related to a government’s vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2024, and the impact has not yet been determined.

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

**REQUIRED
SUPPLEMENTARY INFORMATION**

HILL COUNTY, TEXAS**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Property	\$ 13,181,501	\$ 13,181,501	\$ 13,066,045	\$ (115,456)
Sales	3,478,193	3,478,193	3,925,811	447,618
Other	40,652	40,652	57,983	17,331
Intergovernmental	700,159	700,159	633,395	(66,764)
Charges for services	1,953,491	1,965,601	1,963,364	(2,237)
Fines and forfeitures	81,266	81,266	77,440	(3,826)
Investment earnings	400,000	400,000	571,138	171,138
Contributions and donations	-	-	2,420	2,420
Miscellaneous	9,600	9,600	76,225	66,625
Total Revenues	19,844,862	19,856,972	20,373,821	516,849
EXPENDITURES				
Current:				
General government:				
Computer	1,042,602	1,042,602	1,005,497	37,105
County Clerk	449,140	449,140	437,891	11,249
County Judge	280,931	280,931	274,150	6,781
Elections Administration	353,833	353,833	340,471	13,362
Non-departmental	2,537,189	2,122,320	2,570,020	(447,700)
Veterans Service	108,884	108,884	101,746	7,138
Total general government	4,772,579	4,357,710	4,729,775	(372,065)
Legal:				
County Attorney	524,037	524,037	495,257	28,780
County Attorney Excess	35,871	35,871	14,448	21,423
Total legal	559,908	559,908	509,705	50,203
Judicial:				
County Court-at-Law	424,829	424,829	423,891	938
District Attorney	734,329	742,077	615,497	126,580
District Clerk	595,306	586,799	551,703	35,096
District Judge	300,311	300,311	288,167	12,144
Justices of the Peace	774,615	784,595	774,800	9,795
Total judicial	2,829,390	2,838,611	2,654,058	184,553
Financial administration:				
County Auditor	396,399	396,399	318,083	78,316
County Treasurer	315,831	341,390	308,590	32,800
Tax Assessor-Collector	653,293	653,293	643,308	9,985
Total financial administration	1,365,523	1,391,082	1,269,981	121,101
Public facilities:				
Courthouse	698,980	698,980	674,201	24,779
Total public facilities	698,980	698,980	674,201	24,779

HILL COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Public Safety:				
911 Dispatch	\$ 800,442	\$ 800,442	\$ 885,091	\$ (84,649)
Animal Control	90,737	144,692	148,154	(3,462)
Constables	594,189	606,535	564,396	42,139
Courthouse Security	461,466	461,466	307,688	153,778
Crime Victims Assistance Coordinator	60,686	17,518	17,251	267
Emergency Management	346,238	367,339	327,100	40,239
Jail	3,399,220	3,590,464	3,687,824	(97,360)
School resource officers	112,693	112,693	117,991	(5,298)
Sheriff	<u>3,275,681</u>	<u>3,356,160</u>	<u>3,442,755</u>	<u>(86,595)</u>
Total public safety	<u>9,141,352</u>	<u>9,457,309</u>	<u>9,498,250</u>	<u>(40,941)</u>
Health and Welfare:				
Public assistance	234,386	257,393	257,393	-
Health and safety	89,403	139,193	161,690	(22,497)
TIF commitments	<u>13,000</u>	<u>13,000</u>	<u>23,875</u>	<u>(10,875)</u>
Total health and welfare	<u>336,789</u>	<u>409,586</u>	<u>442,958</u>	<u>(33,372)</u>
Conservation - agriculture:				
Agriculture Extension Service	<u>209,907</u>	<u>209,907</u>	<u>169,190</u>	<u>40,717</u>
Total conservation - agriculture	<u>209,907</u>	<u>209,907</u>	<u>169,190</u>	<u>40,717</u>
Debt Service:				
Principal	485,428	453,428	416,188	37,240
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>68,271</u>	<u>(68,271)</u>
Total debt service	<u>485,428</u>	<u>453,428</u>	<u>484,459</u>	<u>(31,031)</u>
Total expenditures	<u>20,399,856</u>	<u>20,376,521</u>	<u>20,432,577</u>	<u>(56,056)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(554,994)	(519,549)	(58,756)	460,793
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	110,138	110,138
Issuance of financed purchases	-	118,535	119,035	500
Insurance recoveries	-	11,547	12,935	1,388
Transfers in	25,000	25,000	25,000	-
Transfers out	<u>(478,505)</u>	<u>(603,503)</u>	<u>(365,005)</u>	<u>238,498</u>
Total other financing sources (uses)	<u>(453,505)</u>	<u>(448,421)</u>	<u>(97,897)</u>	<u>350,524</u>
NET CHANGE IN FUND BALANCE	(1,008,499)	(967,970)	(156,653)	811,317
FUND BALANCE, BEGINNING	<u>9,816,543</u>	<u>9,816,543</u>	<u>9,816,543</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 8,808,044</u>	<u>\$ 8,848,573</u>	<u>\$ 9,659,890</u>	<u>\$ 811,317</u>

HILL COUNTY, TEXAS**ROAD AND BRIDGE FUNDS****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 4,461,231	\$ 4,461,231	\$ 4,399,678	\$ (61,553)
Sales	354,068	354,068	399,639	45,571
Intergovernmental	92,721	92,721	82,946	(9,775)
Licenses and permits	893,512	893,512	933,827	40,315
Charges for services	149,812	149,812	139,728	(10,084)
Investment earnings	34,330	34,330	79,288	44,958
Contributions and donations	-	81,000	81,000	-
Miscellaneous	-	2,805	9,716	6,911
Total Revenues	<u>5,985,674</u>	<u>6,069,479</u>	<u>6,125,822</u>	<u>56,343</u>
EXPENDITURES				
Current:				
Public transportation	7,492,342	7,699,645	5,867,153	1,832,492
Debt service:				
Principal	610,964	610,964	456,896	154,068
Interest and other	-	-	53,184	(53,184)
Total Expenditures	<u>8,103,306</u>	<u>8,310,609</u>	<u>6,377,233</u>	<u>1,933,376</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,117,632)</u>	<u>(2,241,130)</u>	<u>(251,411)</u>	<u>1,989,719</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	340,250	182,963	(157,287)
Issuance of financed purchases	-	144,998	144,998	-
Transfers in	550,000	735,000	735,000	-
Transfers out	-	(160,000)	(160,000)	-
Total Other Financing Sources (Uses)	<u>550,000</u>	<u>1,060,248</u>	<u>902,961</u>	<u>(157,287)</u>
Net Change in Fund Balance	(1,567,632)	(1,180,882)	651,550	1,832,432
Fund Balances - Beginning	<u>1,427,541</u>	<u>1,427,541</u>	<u>1,427,541</u>	-
Fund Balances - Ending	<u>\$ (140,091)</u>	<u>\$ 246,659</u>	<u>\$ 2,079,091</u>	<u>\$ 1,832,432</u>

HILL COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY SCHEDULES FOR THE YEAR ENDED SEPTEMBER 30, 2024

BUDGETARY INFORMATION

The County follows these procedures in establishing the budgetary data reflected in the financial report:

1. The County Judge and Commissioners' Court have departmental meetings with management to determine the departmental budget requests.
2. The County Judge and Commissioners must meet in several workshops to establish a proposed budget for the fiscal year commencing the following October. The operational budget includes proposed expenditures and the means of financing them. The proposed budget is filed with the County Clerk and made available for public inspection at least 7 days prior to public budget hearing.
3. Public hearings are conducted to obtain taxpayer comments.
4. After the public hearings, the Commissioners' Court reviews the budget and makes any adjustments they feel necessary.
5. The budget is then legally enacted by the Commissioners' Court on or before September 9th, the timeframe required by statute, to be effective on October 1st
6. Commissioners' Court adopted a minimum fund balance policy for the County's General Fund. The policy requires unassigned fund balance at fiscal year-end to be at least equal to 25 percent of the subsequent year's budgeted General Fund expenditures.

Only the governing body, composed of the Commissioners' Court, may amend the budget after its adoption so long as the amendment continues to meet the requirements of Section 111 of the Local Government Code. During the year, several supplementary amendments to the original budget were required. All amendments were legally made. The final budget amounts shown in the financial statements represent the budget as amended at September 30, 2024. Under state statute, actual expenditures cannot exceed budgetary appropriations at any level for which the budget is formally approved. The County's legally adopted budget is at the department level in those funds with multiple departments and at the fund level in single department funds. Management can, with the exception of personnel items, make adjustments to their budget within the departmental level with Commissioners' Court approval. All budgets are fixed in nature. All governmental funds have legally adopted budgets. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Budgets for the fiscal year were adopted for the General Fund, the Road and Bridge Fund, ARP Grand Fund, Indigent Health Care Fund, the Law Library Fund, the Jury Fund, the Debt Service Fund, County Clerk Fund, County Clerk Court Preservation Fund, County Specialty Court Fund, Records Preservation and Management Fund, the Sheriff Department Fund, the D.A. Forfeited Property Fund, the Justice Court Technology Fund, the District Clerk Archive Fund, the Courthouse Security Fund, the Hill County Tourism Fund and the Election Machine Lease Fund.

HILL COUNTY, TEXAS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement Date December 31,	2014	2015	2016
Total Pension Liability			
Service Cost	\$ 736,319	\$ 741,781	\$ 803,411
Interest total pension liability	1,618,264	1,696,658	1,751,847
Changes in benefit terms	-	(128,791)	-
Effect of economid/demographic gains or losses	(213,147)	(604,476)	(653,505)
Effect of assumption changes or inputs	-	243,723	-
Benefit payments/refunds of contributions	<u>(1,269,827)</u>	<u>(1,193,954)</u>	<u>(1,290,764)</u>
Net change in total pension liability	871,609	754,941	610,989
Total pension liability - beginning	<u>20,240,126</u>	<u>21,111,735</u>	<u>21,866,676</u>
Total pension liability - ending (a)	<u>\$ 21,111,735</u>	<u>\$ 21,866,676</u>	<u>\$ 22,477,665</u>
Plan Fiduciary Net Position			
Employer contributions	\$ 582,857	\$ 580,880	\$ 571,008
Member contributions	432,819	444,556	450,797
Investment income net of investment expenses	1,323,214	124,531	1,493,867
Benefit payments, including refunds of contributions	(1,269,827)	(1,193,954)	(1,290,764)
Administrative expenses	(15,369)	(14,664)	(16,280)
Other	<u>84,216</u>	<u>(213,412)</u>	<u>(175,715)</u>
Net change in plan fiduciary net position	1,137,910	(272,063)	1,032,913
Plan fiduciary net position - beginning	<u>19,400,585</u>	<u>20,538,495</u>	<u>20,266,432</u>
Plan fiduciary net position - ending (b)	<u>\$ 20,538,495</u>	<u>\$ 20,266,432</u>	<u>\$ 21,299,345</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ 573,240</u>	<u>\$ 1,600,244</u>	<u>\$ 1,178,320</u>
Fiduciary net position as a percentage of total pension liability	97.28%	92.68%	94.76%
Pensionable covered payroll	\$ 7,213,645	\$ 7,409,269	\$ 7,513,289
Net pension liability as a percentage of covered payroll	7.95%	21.60%	15.68%

2017	2018	2019	2020	2021	2022	2023
\$ 758,111	\$ 796,750	\$ 957,841	\$ 1,015,360	\$ 1,299,910	\$ 1,240,513	\$ 1,318,820
1,828,219	1,927,436	2,155,420	2,310,208	2,495,032	2,616,888	2,841,639
-	1,256,874	-	-	-	534,383	-
(213,836)	(13,252)	108,335	400,292	(380,421)	242,103	(303,286)
120,687	-	-	1,857,208	(54,718)	-	-
<u>(1,356,766)</u>	<u>(1,255,072)</u>	<u>(1,375,852)</u>	<u>(1,360,150)</u>	<u>(1,764,342)</u>	<u>(1,627,235)</u>	<u>(1,887,403)</u>
1,136,415	2,712,736	1,845,744	4,222,918	1,595,461	3,006,652	1,969,770
<u>22,477,665</u>	<u>23,614,080</u>	<u>26,326,816</u>	<u>28,172,560</u>	<u>32,395,478</u>	<u>33,990,939</u>	<u>36,997,591</u>
<u>\$ 23,614,080</u>	<u>\$ 26,326,816</u>	<u>\$ 28,172,560</u>	<u>\$ 32,395,478</u>	<u>\$ 33,990,939</u>	<u>\$ 36,997,591</u>	<u>\$ 38,967,361</u>
\$ 526,404	\$ 546,983	\$ 828,873	\$ 980,979	\$ 966,397	\$ 1,076,247	\$ 1,148,829
464,501	489,836	646,870	683,271	688,152	712,052	807,410
3,103,076	(449,842)	3,830,265	2,814,823	6,653,705	(2,175,630)	3,835,935
(1,356,766)	(1,255,072)	(1,375,852)	(1,360,150)	(1,764,342)	(1,627,235)	(1,887,403)
(15,971)	(18,734)	(20,759)	(22,207)	(19,952)	(20,451)	(20,260)
<u>5,055</u>	<u>(14,199)</u>	<u>7,215</u>	<u>11,697</u>	<u>5,249</u>	<u>53,497</u>	<u>17,443</u>
2,726,299	(701,028)	3,916,612	3,108,413	6,529,209	(1,981,520)	3,901,954
<u>21,299,345</u>	<u>24,025,644</u>	<u>23,324,616</u>	<u>27,241,228</u>	<u>30,349,641</u>	<u>36,878,850</u>	<u>34,897,330</u>
<u>\$ 24,025,644</u>	<u>\$ 23,324,616</u>	<u>\$ 27,241,228</u>	<u>\$ 30,349,641</u>	<u>\$ 36,878,850</u>	<u>\$ 34,897,330</u>	<u>\$ 38,799,284</u>
<u>\$ (411,564)</u>	<u>\$ 3,002,200</u>	<u>\$ 931,332</u>	<u>\$ 2,045,837</u>	<u>\$ (2,887,911)</u>	<u>\$ 2,100,261</u>	<u>\$ 168,077</u>
101.74%	88.60%	96.69%	93.68%	108.50%	94.32%	99.57%
\$ 7,741,686	\$ 8,163,936	\$ 8,652,103	\$ 9,761,008	\$ 9,830,745	\$ 10,172,171	\$ 11,550,369
-5.32%	36.77%	10.76%	20.96%	-29.38%	20.65%	1.46%

HILL COUNTY, TEXAS

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2015	\$ 581,944	\$ 581,944	\$ -	\$ 7,362,640	7.9%
2016	596,235	596,235	-	7,781,758	7.7%
2017	532,555	532,555	-	7,627,266	7.0%
2018	546,983	546,983	-	8,163,936	6.7%
2019	828,873	828,873	-	8,652,103	9.6%
2020	980,979	980,979	-	9,761,008	10.0%
2021	963,428	963,428	-	9,820,879	9.8%
2022	1,020,275	1,020,275	-	9,825,207	10.4%
2023	1,149,127	1,149,127	-	10,907,698	10.5%
2024	1,319,363	1,319,363	-	13,095,629	10.0%

(1) Payroll is calculated based on contributions as reported to TCDRS.

HILL COUNTY, TEXAS

NOTES TO SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS FOR THE YEAR ENDED SEPTEMBER 30, 2024

Valuation Date	Actuarially determined contribution rates are calculated as of December 31, and become effective in January, 13 months later.
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	17.2 years (based on contribution rate calculated in 12/31/2023 valuation)
Asset Valuation Method	5-year smoothed fair value
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 120% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule*	2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2019: Employer contributions reflect that the member contribution rate was increased to 7% and the current service matching rate was increased to 200% for future benefits.

*Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.

HILL COUNTY, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
GROUP TERM LIFE

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement Date December 31,	2017	2018	2019
Total OPEB Liability			
Service cost	\$ 16,344	\$ 17,245	\$ 15,433
Interest on total OPEB liability	17,451	16,756	18,382
Effect of economic/demographic gains or losses	(16,828)	(6,669)	3,471
Effect of assumption changes or inputs	20,307	(50,407)	118,687
Benefit payments	<u>(11,613)</u>	<u>(13,879)</u>	<u>(13,843)</u>
Net change in Total OPEB Liability	<u>25,661</u>	<u>(36,954)</u>	<u>142,130</u>
Total OPEB Liability - beginning	<u>451,065</u>	<u>476,726</u>	<u>439,772</u>
Total OPEB Liability - ending	<u>\$ 476,726</u>	<u>\$ 439,772</u>	<u>\$ 581,902</u>
Covered-employee payroll	\$ 7,741,686	\$ 8,163,936	\$ 8,652,103
Total OPEB liability as a percentage of covered-employee payroll	6.16%	5.39%	6.73%

Notes to Schedule:

- No assets are accumulated in a trust for the retiree health care plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

2020	2021	2022	2023
\$ 20,608	\$ 27,597	\$ 28,134	\$ 22,746
16,296	14,730	15,229	21,901
631	2,444	11,396	(12,312)
71,235	15,116	(184,274)	45,360
<u>(15,618)</u>	<u>(15,729)</u>	<u>(16,275)</u>	<u>(14,995)</u>
<u>93,152</u>	<u>44,158</u>	<u>(145,790)</u>	<u>62,700</u>
<u>581,902</u>	<u>675,054</u>	<u>719,212</u>	<u>573,422</u>
<u>\$ 675,054</u>	<u>\$ 719,212</u>	<u>\$ 573,422</u>	<u>\$ 636,122</u>
\$ 9,761,008	\$ 9,830,745	\$ 10,172,171	\$ 11,534,431
6.92%	7.32%	5.64%	5.51%

HILL COUNTY, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
RETIREE HEALTH CARE BENEFIT PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement Date September 30,	2018	2019	2020
Total OPEB liability			
Service cost	\$ 13,826	\$ 26,934	\$ 23,160
Interest on total OPEB liability	6,614	7,171	6,832
Difference between expected and actual experience	(4,334)	(41,120)	(33,857)
Effect of assumption changes or inputs	-	1,245	41,221
Benefit payments	<u>(800)</u>	<u>(800)</u>	<u>-</u>
Net change in total OPEB liability	<u>15,306</u>	<u>(6,570)</u>	<u>37,356</u>
Total OPEB liability - beginning	<u>182,111</u>	<u>197,417</u>	<u>190,847</u>
Total OPEB liability - ending	<u>\$ 197,417</u>	<u>\$ 190,847</u>	<u>\$ 228,203</u>
Covered-employee payroll	\$ 8,251,280	\$ 8,456,291	\$ 9,391,481
Total OPEB liability as a percentage of covered-employee payroll	2.39%	2.26%	2.43%

Notes to Schedule:

-No assets are accumulated in a trust for the retiree health care plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

-This schedule is required to have 10 years of information, but the information prior to 2018 is not available.

2021	2022	2023	2024
\$ 28,361	\$ 27,944	\$ 32,009	\$ 30,658
4,884	6,117	12,082	13,301
(219)	22,344	(22,091)	(125,783)
(9,493)	(54,846)	(2,175)	11,541
-	-	-	-
<u>23,533</u>	<u>1,559</u>	<u>19,825</u>	<u>(70,283)</u>
<u>228,203</u>	<u>251,736</u>	<u>253,295</u>	<u>273,120</u>
<u>\$ 251,736</u>	<u>\$ 253,295</u>	<u>\$ 273,120</u>	<u>\$ 202,837</u>
\$ 9,939,445	\$ 9,248,880	\$ 10,325,456	\$ 10,977,623
2.53%	2.74%	2.65%	1.85%

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COMBINING STATEMENTS AND SCHEDULES

HILL COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	Special Revenue			
	County Attorney Hot Check	Child Welfare Board	County Clerk	County Clerk Court Preservation
ASSETS				
Cash and cash equivalents	\$ 14,267	\$ 320	\$ 931,892	\$ 5,984
Receivables (net of allowance for uncollectibles)	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	687,494	-
Total Assets	<u>14,267</u>	<u>320</u>	<u>1,619,386</u>	<u>5,984</u>
LIABILITIES				
Accounts payable	-	320	4	-
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>320</u>	<u>4</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted:				
General government	-	-	1,619,382	5,984
Construction	-	-	-	-
Culture and recreation	-	-	-	-
Debt service	-	-	-	-
Elections	-	-	-	-
Health and welfare	-	-	-	-
Judicial	-	-	-	-
Legal	14,267	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>14,267</u>	<u>-</u>	<u>1,619,382</u>	<u>5,984</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,267</u>	<u>\$ 320</u>	<u>\$1,619,386</u>	<u>\$ 5,984</u>

Special Revenue

County Dispute Resolution	County Historical Commission	County Specialty Court	Courthouse Security	Crime Victim Assistance	District Attorney Forfeited Property
\$ 39,449	\$ 5,049	\$ 48,674	\$ 99,019	\$ -	\$ 173,742
-	-	-	-	-	32
-	-	-	-	8,007	-
-	-	-	3,195	-	92,648
<u>39,449</u>	<u>5,049</u>	<u>48,674</u>	<u>102,214</u>	<u>8,007</u>	<u>266,422</u>
-	-	-	-	-	-
-	-	-	-	209	-
-	-	-	-	-	-
-	-	-	-	7,798	-
-	-	-	-	<u>8,007</u>	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	48,674	-	-	-
-	-	-	-	-	-
-	5,049	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,449	-	-	102,214	-	266,422
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>39,449</u>	<u>5,049</u>	<u>48,674</u>	<u>102,214</u>	<u>-</u>	<u>266,422</u>
<u>\$ 39,449</u>	<u>\$ 5,049</u>	<u>\$ 48,674</u>	<u>\$ 102,214</u>	<u>\$ 8,007</u>	<u>\$ 266,422</u>

HILL COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Special Revenue			
	District Clerk Archive	Economic Development	Election Chapter 19	Election Contract
ASSETS				
Cash and cash equivalents	\$ 17,509	\$ 521,165	\$ 210	\$ 22,623
Receivables (net of allowance for uncollectibles)	-	-	-	3,833
Due from other governments	-	-	-	-
Due from other funds	-	15,958	-	-
Total Assets	<u>17,509</u>	<u>537,123</u>	<u>210</u>	<u>26,456</u>
LIABILITIES				
Accounts payable	-	-	180	-
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>180</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted:				
General government	17,509	537,123	-	-
Construction	-	-	-	-
Culture and recreation	-	-	-	-
Debt service	-	-	-	-
Elections	-	-	30	26,456
Health and welfare	-	-	-	-
Judicial	-	-	-	-
Legal	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>17,509</u>	<u>537,123</u>	<u>30</u>	<u>26,456</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,509</u>	<u>\$ 537,123</u>	<u>\$ 210</u>	<u>\$ 26,456</u>

Special Revenue

Election Machine Lease	Hill County Tourism	Hot Check Restitution	Indigent Health Care	Jury	Justice Court Technology
\$ 39,143	\$ 37,637	\$ 12,139	\$ 59,925	\$ 102,904	\$ 13,093
2,100	-	-	175,554	5,002	-
-	-	-	-	-	-
12,107	117,124	-	7,320	-	34,776
<u>53,350</u>	<u>154,761</u>	<u>12,139</u>	<u>242,799</u>	<u>107,906</u>	<u>47,869</u>
-	5,000	-	32,532	129,973	-
-	-	-	2,531	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>5,000</u>	<u>-</u>	<u>35,063</u>	<u>129,973</u>	<u>-</u>
-	-	-	104,040	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>104,040</u>	<u>-</u>	<u>-</u>
-	149,761	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53,350	-	-	-	-	-
-	-	-	103,696	-	-
-	-	12,139	-	-	47,869
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(22,067)	-
<u>53,350</u>	<u>149,761</u>	<u>12,139</u>	<u>103,696</u>	<u>(22,067)</u>	<u>47,869</u>
<u>\$ 53,350</u>	<u>\$ 154,761</u>	<u>\$ 12,139</u>	<u>\$ 242,799</u>	<u>\$ 107,906</u>	<u>\$ 47,869</u>

HILL COUNTY, TEXAS**COMBINING BALANCE SHEET****NONMAJOR GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2024

	Special Revenue			
	Language Access	Law Library	Probate Records Management	Records Management and Preservation
ASSETS				
Cash and cash equivalents	\$ 11,758	\$ 44,940	\$ 5,932	\$ 79,427
Receivables (net of allowance for uncollectibles)	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	17,038	1,323	1,086
Total Assets	<u>11,758</u>	<u>61,978</u>	<u>7,255</u>	<u>80,513</u>
LIABILITIES				
Accounts payable	-	1,855	-	5
Accrued liabilities	-	-	-	796
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>1,855</u>	<u>-</u>	<u>801</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted:				
General government	-	-	7,255	79,712
Construction	-	-	-	-
Culture and recreation	-	-	-	-
Debt service	-	-	-	-
Elections	-	-	-	-
Health and welfare	-	-	-	-
Judicial	11,758	60,123	-	-
Legal	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>11,758</u>	<u>60,123</u>	<u>7,255</u>	<u>79,712</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,758</u>	<u>\$ 61,978</u>	<u>\$ 7,255</u>	<u>\$ 80,513</u>

Special Revenue				Capital Projects
Sheriff Department	ARP Grant*	Senate Bill 22	DA Salary	Courthouse Project
\$ 68,354	\$ -	260,656	\$ 2,445	\$ 40,920
-	-	96	-	-
-	-	-	-	-
6,106	-	-	-	-
<u>74,460</u>	<u>-</u>	<u>260,752</u>	<u>2,445</u>	<u>40,920</u>
261	-	5	-	-
-	-	11,442	954	-
-	-	249,305	-	-
-	-	-	-	-
<u>261</u>	<u>-</u>	<u>260,752</u>	<u>954</u>	<u>-</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	40,920
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	1,491	-
-	-	-	-	-
74,199	-	-	-	-
-	-	-	-	-
<u>74,199</u>	<u>-</u>	<u>-</u>	<u>1,491</u>	<u>40,920</u>
\$ <u>74,460</u>	\$ <u>-</u>	\$ <u>260,752</u>	\$ <u>2,445</u>	\$ <u>40,920</u>

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HILL COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Debt Service	Non-Major Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 82,474	\$ 2,741,650
Receivables (net of allowance for uncollectibles)	57,311	243,928
Due from other governments	-	8,007
Due from other funds	19,628	1,015,803
Total Assets	<u>159,413</u>	<u>4,009,388</u>
LIABILITIES		
Accounts payable	-	170,135
Accrued liabilities	-	15,932
Unearned revenue	-	249,305
Due to other funds	-	7,798
Total Liabilities	<u>-</u>	<u>443,170</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	<u>54,137</u>	<u>158,177</u>
Total Deferred Inflows of Resources	<u>54,137</u>	<u>158,177</u>
FUND BALANCES		
Restricted:		
General government	-	2,465,400
Construction	-	40,920
Culture and recreation	-	5,049
Debt service	105,276	105,276
Elections	-	79,836
Health and welfare	-	103,696
Judicial	-	541,465
Legal	-	14,267
Public safety	-	74,199
Unassigned	<u>-</u>	<u>(22,067)</u>
Total Fund Balances	<u>105,276</u>	<u>3,408,041</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 159,413</u>	<u>\$ 4,009,388</u>

HILL COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	County Attorney Hot Check	Child Welfare Board	County Clerk	County Clerk Court Preservation
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Other	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	555	-	181,002	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	70,281	59
Miscellaneous	-	2,040	-	-
Total Revenues	555	2,040	251,283	59
EXPENDITURES				
Current:				
General government	-	-	46,501	-
Legal	548	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	2,040	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	548	2,040	46,501	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7	-	204,782	59
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	7	-	204,782	59
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	14,260	-	1,414,600	5,925
ADJUSTMENTS				
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-
FUND BALANCE - BEGINNING, AS RESTATED	14,260	-	1,414,600	5,925
FUND BALANCES - ENDING	\$ 14,267	\$ -	\$ 1,619,382	\$ 5,984

Special Revenue

County Dispute Resolution	County Historical Commission	County Specialty Court	Courthouse Security	Crime Victim Assistance	District Attorney Forfeited Property
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	49,299	-
11,801	-	8,052	30,014	-	-
3,685	-	-	-	-	-
300	58	432	3,710	-	6,921
-	-	-	-	-	134,707
<u>15,786</u>	<u>58</u>	<u>8,484</u>	<u>33,724</u>	<u>49,299</u>	<u>141,628</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	104,165
-	-	-	-	49,299	-
-	1,207	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>1,207</u>	<u>-</u>	<u>-</u>	<u>49,299</u>	<u>104,165</u>
<u>15,786</u>	<u>(1,149)</u>	<u>8,484</u>	<u>33,724</u>	<u>-</u>	<u>37,463</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>
15,786	(1,149)	8,484	18,724	-	37,463
<u>23,663</u>	<u>6,198</u>	<u>40,190</u>	<u>83,490</u>	<u>-</u>	<u>228,959</u>
-	-	-	-	-	-
<u>23,663</u>	<u>6,198</u>	<u>40,190</u>	<u>83,490</u>	<u>-</u>	<u>228,959</u>
<u>\$ 39,449</u>	<u>\$ 5,049</u>	<u>\$ 48,674</u>	<u>\$ 102,214</u>	<u>\$ -</u>	<u>\$ 266,422</u>

HILL COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	District Clerk Archive	Economic Development	Election Chapter 19	Election Contract
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Other	-	-	-	-
Intergovernmental	263	-	1,597	13,500
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	173	21,876	3	99
Miscellaneous	-	28,647	-	-
Total Revenues	<u>436</u>	<u>50,523</u>	<u>1,600</u>	<u>13,599</u>
EXPENDITURES				
Current:				
General government	250	6,982	1,597	-
Legal	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>250</u>	<u>6,982</u>	<u>1,597</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>186</u>	<u>43,541</u>	<u>3</u>	<u>13,599</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	186	43,541	3	13,599
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	<u>17,323</u>	<u>493,582</u>	<u>27</u>	<u>12,857</u>
ADJUSTMENTS				
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-
FUND BALANCE - BEGINNING, AS RESTATED	<u>17,323</u>	<u>493,582</u>	<u>27</u>	<u>12,857</u>
FUND BALANCES - ENDING	<u>\$ 17,509</u>	<u>\$ 537,123</u>	<u>\$ 30</u>	<u>\$ 26,456</u>

Special Revenue

Election Machine Lease	Hill County Tourism	Hot Check Restitution	Indigent Health Care	Jury	Justice Court Technology
\$ -	\$ -	\$ -	\$ 1,240,960	\$ -	\$ -
-	-	-	376,126	-	-
-	56,539	-	-	-	-
-	-	-	-	63,145	-
-	-	394	-	271,098	8,689
-	-	-	-	-	-
368	5,937	-	-	289	1,046
<u>16,700</u>	<u>-</u>	<u>-</u>	<u>27,681</u>	<u>35,054</u>	<u>-</u>
<u>17,068</u>	<u>62,476</u>	<u>394</u>	<u>1,644,767</u>	<u>369,586</u>	<u>9,735</u>
-	47,409	-	-	-	-
-	-	-	-	-	-
-	-	352	-	729,007	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	993,341	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>47,409</u>	<u>352</u>	<u>993,341</u>	<u>729,007</u>	<u>-</u>
<u>17,068</u>	<u>15,067</u>	<u>42</u>	<u>651,426</u>	<u>(359,421)</u>	<u>9,735</u>
-	-	-	-	340,005	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(550,000)</u>	<u>-</u>	<u>(10,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(550,000)</u>	<u>340,005</u>	<u>(10,000)</u>
17,068	15,067	42	101,426	(19,416)	(265)
<u>36,282</u>	<u>134,694</u>	<u>12,097</u>	<u>2,270</u>	<u>(2,651)</u>	<u>48,134</u>
-	-	-	-	-	-
<u>36,282</u>	<u>134,694</u>	<u>12,097</u>	<u>2,270</u>	<u>(2,651)</u>	<u>48,134</u>
<u>\$ 53,350</u>	<u>\$ 149,761</u>	<u>\$ 12,139</u>	<u>\$ 103,696</u>	<u>\$ (22,067)</u>	<u>\$ 47,869</u>

HILL COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	Language Access	Law Library	Probate Records Management	Records Management and Preservation
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Other	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	2,360	27,850	2,165	35,180
Fines and forfeitures	2,205	-	-	-
Investment earnings	89	1,742	60	2,895
Miscellaneous	-	-	-	-
Total Revenues	<u>4,654</u>	<u>29,592</u>	<u>2,225</u>	<u>38,075</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Legal	-	-	-	-
Judicial	-	24,577	-	29,071
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>24,577</u>	<u>-</u>	<u>29,071</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>4,654</u>	<u>5,015</u>	<u>2,225</u>	<u>9,004</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	4,654	5,015	2,225	9,004
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	<u>7,104</u>	<u>55,108</u>	<u>5,030</u>	<u>70,708</u>
ADJUSTMENTS				
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-
FUND BALANCE - BEGINNING, AS RESTATED	<u>7,104</u>	<u>55,108</u>	<u>5,030</u>	<u>70,708</u>
FUND BALANCES - ENDING	<u>\$ 11,758</u>	<u>\$ 60,123</u>	<u>\$ 7,255</u>	<u>\$ 79,712</u>

Special Revenue				Capital Projects
Sheriff Department	ARP Grant	Senate Bill 22	DA Salary	Courthouse Project
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
14,567	150,799	100,695	27,500	-
-	-	-	-	15,734
19,860	-	-	-	-
750	256	863	38	315
-	-	-	-	-
<u>35,177</u>	<u>151,055</u>	<u>101,558</u>	<u>27,538</u>	<u>16,049</u>
-	-	-	-	-
-	-	25,583	-	-
-	-	75,975	26,047	-
32,959	-	-	-	-
-	-	-	-	-
-	245,799	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>32,959</u>	<u>245,799</u>	<u>101,558</u>	<u>26,047</u>	<u>-</u>
<u>2,218</u>	<u>(94,744)</u>	<u>-</u>	<u>1,491</u>	<u>16,049</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,218</u>	<u>(94,744)</u>	<u>-</u>	<u>1,491</u>	<u>16,049</u>
<u>71,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,871</u>
-	94,744	-	-	-
<u>71,981</u>	<u>94,744</u>	<u>-</u>	<u>-</u>	<u>24,871</u>
<u>\$ 74,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,491</u>	<u>\$ 40,920</u>

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HILL COUNTY, TEXAS**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE****NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Debt Service	Non-Major Governmental Funds
REVENUES		
Taxes:		
Property	\$ 658,058	\$ 1,899,018
Sales	-	376,126
Other	-	56,539
Intergovernmental	-	421,365
Charges for services	-	594,894
Fines and forfeitures	-	25,750
Investment earnings	14,221	132,781
Miscellaneous	-	244,829
Total Revenues	<u>672,279</u>	<u>3,751,302</u>
EXPENDITURES		
Current:		
General government	-	102,739
Legal	-	26,131
Judicial	-	989,194
Public safety	-	82,258
Culture and recreation	-	1,207
Health and welfare	-	1,241,180
Debt service:		
Principal	595,000	595,000
Interest and fiscal charges	<u>90,052</u>	<u>90,052</u>
Total Expenditures	<u>685,052</u>	<u>3,127,761</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(12,773)</u>	<u>623,541</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	340,005
Transfers out	-	(575,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(234,995)</u>
NET CHANGE IN FUND BALANCES	(12,773)	388,546
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	<u>118,049</u>	<u>3,067,440</u>
ADJUSTMENTS		
Change within financial reporting entity (major to nonmajor fund)	-	-
FUND BALANCE - BEGINNING, AS RESTATED	<u>118,049</u>	<u>3,019,495</u>
FUND BALANCES - ENDING	<u>\$ 105,276</u>	<u>\$ 3,408,041</u>

HILL COUNTY, TEXAS**COUNTY CLERK FUND**
(COUNTY CLERK RECORDS, PROBATE EDUCATION AND COUNTY CLERK ARCHIVE SUBFUNDS)**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**
IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 165,600	\$ 165,600	\$ 181,002	\$ 15,402
Investment earnings	<u>19,400</u>	<u>19,400</u>	<u>70,281</u>	<u>50,881</u>
Total Revenues	<u>185,000</u>	<u>185,000</u>	<u>251,283</u>	<u>66,283</u>
EXPENDITURES				
Current:				
General administration	<u>176,679</u>	<u>176,679</u>	<u>46,501</u>	<u>130,178</u>
Total Expenditures	<u>176,679</u>	<u>176,679</u>	<u>46,501</u>	<u>130,178</u>
Net Change in Fund Balance	8,321	8,321	204,782	196,461
Fund Balances - Beginning	<u>1,414,600</u>	<u>1,414,600</u>	<u>1,414,600</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,422,921</u>	<u>\$ 1,422,921</u>	<u>\$ 1,619,382</u>	<u>\$ 196,461</u>

HILL COUNTY, TEXAS

COUNTY CLERK PROBATE COURT PRESERVATION FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	15	15	59	44
Total Revenues	15	15	59	44
EXPENDITURES				
Current:				
General administration	1,500	1,500	-	1,500
Total Expenditures	1,500	1,500	-	1,500
Net Change in Fund Balance	(1,485)	(1,485)	59	1,544
Fund Balances - Beginning	5,925	5,925	5,925	-
Fund Balances - Ending	<u>\$ 4,440</u>	<u>\$ 4,440</u>	<u>\$ 5,984</u>	<u>\$ 1,544</u>

HILL COUNTY, TEXAS**COUNTY SPECIALTY COURT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Charges for services	\$ 6,000	\$ 6,000	\$ 8,052	\$ 2,052
Investment earnings	96	96	432	336
Total Revenues	<u>6,096</u>	<u>6,096</u>	<u>8,484</u>	<u>2,388</u>
EXPENDITURES				
Current:				
General administration	<u>5,400</u>	<u>5,400</u>	-	5,400
Total Expenditures	<u>5,400</u>	<u>5,400</u>	-	5,400
Net Change in Fund Balance	696	696	8,484	7,788
Fund Balances - Beginning	<u>40,190</u>	<u>40,190</u>	<u>40,190</u>	-
Fund Balances - Ending	<u>\$ 40,886</u>	<u>\$ 40,886</u>	<u>\$ 48,674</u>	<u>\$ 7,788</u>

HILL COUNTY, TEXAS**COURTHOUSE SECURITY FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 20,900	\$ 20,900	\$ 30,014	\$ 9,114
Investment earnings	100	100	3,710	3,610
Total Revenues	<u>21,000</u>	<u>21,000</u>	<u>33,724</u>	<u>12,724</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Net Change in Fund Balance	6,000	6,000	18,724	12,724
Fund Balances - Beginning	<u>83,490</u>	<u>83,490</u>	<u>83,490</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 89,490</u>	<u>\$ 89,490</u>	<u>\$ 102,214</u>	<u>\$ 12,724</u>

HILL COUNTY, TEXAS**D.A. FORFEITED PROPERTY FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 1,000	\$ 1,000	\$ 6,921	\$ 5,921
Miscellaneous	<u>35,000</u>	<u>35,000</u>	<u>134,707</u>	<u>99,707</u>
Total Revenues	<u>36,000</u>	<u>36,000</u>	<u>141,628</u>	<u>105,628</u>
EXPENDITURES				
Current:				
Judicial	<u>98,460</u>	<u>98,460</u>	<u>104,165</u>	<u>(5,705)</u>
Total Expenditures	<u>98,460</u>	<u>98,460</u>	<u>104,165</u>	<u>(5,705)</u>
Net Change in Fund Balance	(62,460)	(62,460)	37,463	99,923
Fund Balances - Beginning	<u>228,959</u>	<u>228,959</u>	<u>228,959</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 166,499</u>	<u>\$ 166,499</u>	<u>\$ 266,422</u>	<u>\$ 99,923</u>

HILL COUNTY, TEXAS

DISTRICT CLERK ARCHIVE FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 500	\$ 500	\$ 263	\$ (237)
Interest	18	18	173	155
Total Revenues	<u>518</u>	<u>518</u>	<u>436</u>	<u>(82)</u>
EXPENDITURES				
Current:				
General government	<u>20,000</u>	<u>20,000</u>	<u>250</u>	<u>19,750</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>250</u>	<u>19,750</u>
Net Change in Fund Balance	(19,482)	(19,482)	186	19,668
Fund Balances - Beginning	<u>17,323</u>	<u>17,323</u>	<u>17,323</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (2,159)</u>	<u>\$ (2,159)</u>	<u>\$ 17,509</u>	<u>\$ 19,668</u>

HILL COUNTY, TEXAS**ELECTION MACHINE LEASE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 160	\$ 160	\$ 368	\$ 208
Miscellaneous	-	-	16,700	16,700
Total Revenues	160	160	17,068	16,908
EXPENDITURES				
Current:				
Elections	10,000	10,000	-	10,000
Total Expenditures	10,000	10,000	-	10,000
Net Change in Fund Balance	(9,840)	(9,840)	17,068	26,908
Fund Balances - Beginning	36,282	36,282	36,282	-
Fund Balances - Ending	\$ 26,442	\$ 26,442	\$ 53,350	\$ 26,908

HILL COUNTY, TEXAS**HILL COUNTY TOURISM FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Other	\$ 25,000	\$ 25,000	\$ 56,539	\$ 31,539
Investment earnings	<u>780</u>	<u>780</u>	<u>5,937</u>	<u>5,157</u>
Total Revenues	<u>25,780</u>	<u>25,780</u>	<u>62,476</u>	<u>36,696</u>
EXPENDITURES				
Current:				
General government	<u>61,605</u>	<u>61,605</u>	<u>47,409</u>	<u>14,196</u>
Total Expenditures	<u>61,605</u>	<u>61,605</u>	<u>47,409</u>	<u>14,196</u>
Net Change in Fund Balance	(35,825)	(35,825)	15,067	50,892
Fund Balances - Beginning	<u>134,694</u>	<u>134,694</u>	<u>134,694</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 98,869</u>	<u>\$ 98,869</u>	<u>\$ 149,761</u>	<u>\$ 50,892</u>

HILL COUNTY, TEXAS**INDIGENT HEALTH CARE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 1,284,183	\$ 1,284,183	\$ 1,240,960	\$ (43,223)
Sales	333,240	333,240	376,126	42,886
Investment earnings	4,180	-	-	-
Miscellaneous	12,000	12,000	27,681	15,681
Total Revenues	<u>1,633,603</u>	<u>1,629,423</u>	<u>1,644,767</u>	<u>15,344</u>
EXPENDITURES				
Current:				
Health and welfare	<u>1,079,138</u>	<u>1,079,138</u>	<u>993,341</u>	<u>85,797</u>
Total Expenditures	<u>1,079,138</u>	<u>1,079,138</u>	<u>993,341</u>	<u>85,797</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>554,465</u>	<u>550,285</u>	<u>651,426</u>	<u>101,141</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(550,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(550,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>
Net Change in Fund Balance	4,465	285	101,426	101,141
Fund Balances - Beginning	<u>2,270</u>	<u>2,270</u>	<u>2,270</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 6,735</u>	<u>\$ 2,555</u>	<u>\$ 103,696</u>	<u>\$ 101,141</u>

HILL COUNTY, TEXAS**JURY FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 55,680	\$ 55,680	\$ 63,145	\$ 7,465
Charges for services	266,584	266,584	271,098	4,514
Investment earnings	150	150	289	139
Miscellaneous	-	-	35,054	35,054
Total Revenues	<u>322,414</u>	<u>322,414</u>	<u>369,586</u>	<u>47,172</u>
EXPENDITURES				
Current:				
Judicial	<u>559,750</u>	<u>659,750</u>	<u>729,007</u>	<u>(69,257)</u>
Total Expenditures	<u>559,750</u>	<u>659,750</u>	<u>729,007</u>	<u>(69,257)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(237,336)</u>	<u>(337,336)</u>	<u>(359,421)</u>	<u>(22,085)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>240,005</u>	<u>340,005</u>	<u>340,005</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>240,005</u>	<u>340,005</u>	<u>340,005</u>	<u>-</u>
Net Change in Fund Balance	2,669	2,669	(19,416)	(22,085)
Fund Balances - Beginning	<u>(2,651)</u>	<u>(2,651)</u>	<u>(2,651)</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 18</u>	<u>\$ 18</u>	<u>\$ (22,067)</u>	<u>\$ (22,085)</u>

HILL COUNTY, TEXAS**JUSTICE COURT TECHNOLOGY FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Charges for services	\$ 6,300	\$ 6,300	\$ 8,689	\$ 2,389
Investment earnings	180	180	1,046	866
Total Revenues	<u>6,480</u>	<u>6,480</u>	<u>9,735</u>	<u>3,255</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	-
Total Other Financing Sources (Uses)	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	-
Net Change in Fund Balance	(3,520)	(3,520)	(265)	3,255
Fund Balances - Beginning	<u>48,134</u>	<u>48,134</u>	<u>48,134</u>	-
Fund Balances - Ending	<u>\$ 44,614</u>	<u>\$ 44,614</u>	<u>\$ 47,869</u>	<u>\$ 3,255</u>

HILL COUNTY, TEXAS**LAW LIBRARY FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 30,460	\$ 30,460	\$ 27,850	\$ (2,610)
Investment earnings	300	300	1,742	1,442
Total Revenues	<u>30,760</u>	<u>30,760</u>	<u>29,592</u>	<u>(1,168)</u>
EXPENDITURES				
Current:				
Judicial	<u>27,500</u>	<u>27,500</u>	<u>24,577</u>	<u>2,923</u>
Total Expenditures	<u>27,500</u>	<u>27,500</u>	<u>24,577</u>	<u>2,923</u>
Net Change in Fund Balance	3,260	3,260	5,015	1,755
Fund Balances - Beginning	<u>55,108</u>	<u>55,108</u>	<u>55,108</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 58,368</u>	<u>\$ 58,368</u>	<u>\$ 60,123</u>	<u>\$ 1,755</u>

HILL COUNTY, TEXAS**RECORDS PRESERVATION AND MANAGEMENT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 24,000	\$ 24,000	\$ 35,180	\$ 11,180
Investment earnings	50	50	2,895	2,845
Total Revenues	<u>24,050</u>	<u>24,050</u>	<u>38,075</u>	<u>14,025</u>
EXPENDITURES				
Current:				
Judicial	<u>61,255</u>	<u>61,255</u>	<u>29,071</u>	<u>32,184</u>
Total Expenditures	<u>61,255</u>	<u>61,255</u>	<u>29,071</u>	<u>32,184</u>
Net Change in Fund Balance	(37,205)	(37,205)	9,004	46,209
Fund Balances - Beginning	<u>70,708</u>	<u>70,708</u>	<u>70,708</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 33,503</u>	<u>\$ 33,503</u>	<u>\$ 79,712</u>	<u>\$ 46,209</u>

HILL COUNTY, TEXAS**SHERIFF DEPARTMENT FUND**

(LAW ENFORCEMENT EDUCATION, FEDERAL SEIZURES, FEDERAL DoT, INVESTIGATIVE SUBFUNDS)

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

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 14,567	\$ 14,567
Fines and forfeitures	13,000	13,000	19,860	6,860
Investment earnings	200	200	750	550
Total Revenues	<u>13,200</u>	<u>13,200</u>	<u>35,177</u>	<u>21,977</u>
EXPENDITURES				
Current:				
Public safety	<u>41,000</u>	<u>41,000</u>	<u>32,959</u>	<u>8,041</u>
Total Expenditures	<u>41,000</u>	<u>41,000</u>	<u>32,959</u>	<u>8,041</u>
Net Change in Fund Balance	(27,800)	(27,800)	2,218	30,018
Fund Balances - Beginning	<u>71,981</u>	<u>71,981</u>	<u>71,981</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 44,181</u>	<u>\$ 44,181</u>	<u>\$ 74,199</u>	<u>\$ 30,018</u>

HILL COUNTY, TEXAS**ARP GRANT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 150,799	\$ 150,799
Investment earnings	<u>24,000</u>	<u>24,000</u>	<u>256</u>	<u>(23,744)</u>
Total Revenues	<u>24,000</u>	<u>24,000</u>	<u>151,055</u>	<u>127,055</u>
EXPENDITURES				
Current:				
Health and welfare	<u>826,073</u>	<u>826,073</u>	<u>245,799</u>	<u>580,274</u>
Total Expenditures	<u>826,073</u>	<u>826,073</u>	<u>245,799</u>	<u>580,274</u>
Net Change in Fund Balance	(802,073)	(802,073)	(94,744)	707,329
Fund Balances - Beginning	<u>94,744</u>	<u>94,744</u>	<u>94,744</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (707,329)</u>	<u>\$ (707,329)</u>	<u>\$ -</u>	<u>\$ 707,329</u>

HILL COUNTY, TEXAS**DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 575,316	\$ 575,316	\$ 658,058	\$ 82,742
Investment earnings	<u>10,600</u>	<u>10,600</u>	<u>14,221</u>	<u>3,621</u>
Total Revenues	<u>585,916</u>	<u>585,916</u>	<u>672,279</u>	<u>86,363</u>
EXPENDITURES				
Debt service:				
Principal	595,000	595,000	595,000	-
Interest and other	<u>90,592</u>	<u>90,592</u>	<u>90,052</u>	<u>540</u>
Total Expenditures	<u>685,592</u>	<u>685,592</u>	<u>685,052</u>	<u>540</u>
Net Change in Fund Balance	(99,676)	(99,676)	(12,773)	86,903
Fund Balances - Beginning	<u>118,049</u>	<u>118,049</u>	<u>118,049</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 18,373</u>	<u>\$ 18,373</u>	<u>\$ 105,276</u>	<u>\$ 86,903</u>

HILL COUNTY, TEXAS

ROAD AND BRIDGE SUBFUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 2024

	Road and Bridge General	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3
ASSETS				
Cash and cash equivalents	\$ 12,672	\$ 255,145	\$ 9,148	\$ 164,199
Receivables (net of allowance for uncollectibles)	1,970	48,356	47,050	54,307
Due from other governments	-	172,350	-	-
Due from other funds	<u>4,512</u>	<u>11,113</u>	<u>138,476</u>	<u>103,508</u>
Total Assets	<u>19,154</u>	<u>486,964</u>	<u>194,674</u>	<u>322,014</u>
LIABILITIES				
Accounts payable	1,058	24,873	32,912	11,856
Accrued liabilities	<u>8,509</u>	<u>21,142</u>	<u>19,064</u>	<u>18,847</u>
Total Liabilities	<u>9,567</u>	<u>46,015</u>	<u>51,976</u>	<u>30,703</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	<u>-</u>	<u>27,028</u>	<u>26,862</u>	<u>30,676</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>27,028</u>	<u>26,862</u>	<u>30,676</u>
FUND BALANCES				
Restricted for:				
Public transportation	<u>9,587</u>	<u>413,921</u>	<u>115,836</u>	<u>260,635</u>
Total Fund Balances	<u>9,587</u>	<u>413,921</u>	<u>115,836</u>	<u>260,635</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,154</u>	<u>\$ 486,964</u>	<u>\$ 194,674</u>	<u>\$ 322,014</u>

Road and Bridge No. 4	Lateral Road No. 1	Lateral Road No. 2	Lateral Road No. 3	Lateral Road No. 4	Total Road and Bridge
\$ 51,126	\$ 205,923	\$ 110,475	\$ 319,088	\$ 75,637	\$ 1,203,413
45,371	60,105	59,736	68,217	57,770	442,882
-	-	-	-	-	172,350
<u>20,003</u>	<u>125,000</u>	<u>116,760</u>	<u>250,000</u>	<u>75,000</u>	<u>844,372</u>
<u>116,500</u>	<u>391,028</u>	<u>286,971</u>	<u>637,305</u>	<u>208,407</u>	<u>2,663,017</u>
1,973	16,544	11,080	30,886	25,491	156,673
<u>16,184</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,746</u>
<u>18,157</u>	<u>16,544</u>	<u>11,080</u>	<u>30,886</u>	<u>25,491</u>	<u>240,419</u>
25,977	56,960	56,610	64,647	54,747	343,507
<u>25,977</u>	<u>56,960</u>	<u>56,610</u>	<u>64,647</u>	<u>54,747</u>	<u>343,507</u>
72,366	317,524	219,281	541,772	128,169	2,079,091
<u>72,366</u>	<u>317,524</u>	<u>219,281</u>	<u>541,772</u>	<u>128,169</u>	<u>2,079,091</u>
<u>\$ 116,500</u>	<u>\$ 391,028</u>	<u>\$ 286,971</u>	<u>\$ 637,305</u>	<u>\$ 208,407</u>	<u>\$ 2,663,017</u>

HILL COUNTY, TEXAS

ROAD AND BRIDGE SUBFUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Road and Bridge General	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3
REVENUES				
Taxes:				
Property	\$ -	\$ 327,472	\$ 325,469	\$ 371,674
Sales	-	97,713	97,111	110,901
Intergovernmental	34,500	11,845	11,772	13,444
License and permits	-	229,187	228,023	254,804
Charges for services	139,728	-	-	-
Investment earnings	(39)	28,768	18,250	27,882
Contributions and donations	-	-	-	-
Miscellaneous	1,084	1,804	4,138	1,668
Total Revenues	<u>175,273</u>	<u>696,789</u>	<u>684,763</u>	<u>780,373</u>
EXPENDITURES				
Public transportation	376,300	814,327	749,203	689,478
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>376,300</u>	<u>814,327</u>	<u>749,203</u>	<u>689,478</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(201,027)	(117,538)	(64,440)	90,895
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	-	-
Issuance of financed purchases	-	-	-	-
Transfers in	175,000	100,000	100,000	100,000
Transfers out	-	-	-	(120,000)
Total Other Financing Sources (Uses)	<u>175,000</u>	<u>100,000</u>	<u>100,000</u>	<u>(20,000)</u>
Net Changes in Fund Balances	(26,027)	(17,538)	35,560	70,895
Fund Balances - Beginning	<u>35,614</u>	<u>431,459</u>	<u>80,276</u>	<u>189,740</u>
Fund Balances - Ending	<u>\$ 9,587</u>	<u>\$ 413,921</u>	<u>\$ 115,836</u>	<u>\$ 260,635</u>

Road and Bridge No. 4	Lateral Road No. 1	Lateral Road No. 2	Lateral Road No. 3	Lateral Road No. 4	Total Road and Bridge
\$ 314,753	\$ 748,246	\$ 743,656	\$ 849,236	\$ 719,172	\$ 4,399,678
93,914	-	-	-	-	399,639
11,385	-	-	-	-	82,946
221,813	-	-	-	-	933,827
-	-	-	-	-	139,728
4,427	-	-	-	-	79,288
-	46,500	-	-	34,500	81,000
1,022	-	-	-	-	9,716
<u>647,314</u>	<u>794,746</u>	<u>743,656</u>	<u>849,236</u>	<u>753,672</u>	<u>6,125,822</u>
983,538	484,704	748,221	642,526	378,856	5,867,153
-	106,238	-	120,830	229,828	456,896
-	18,061	-	3,102	32,021	53,184
<u>983,538</u>	<u>609,003</u>	<u>748,221</u>	<u>766,458</u>	<u>640,705</u>	<u>6,377,233</u>
(336,224)	185,743	(4,565)	82,778	112,967	(251,411)
2,712	-	51,950	92,501	35,800	182,963
144,998	-	-	-	-	144,998
220,000	-	40,000	-	-	735,000
-	(40,000)	-	-	-	(160,000)
<u>367,710</u>	<u>(40,000)</u>	<u>91,950</u>	<u>92,501</u>	<u>35,800</u>	<u>902,961</u>
31,486	145,743	87,385	175,279	148,767	651,550
<u>40,880</u>	<u>171,781</u>	<u>131,896</u>	<u>366,493</u>	<u>(20,598)</u>	<u>1,427,541</u>
<u>\$ 72,366</u>	<u>\$ 317,524</u>	<u>\$ 219,281</u>	<u>\$ 541,772</u>	<u>\$ 128,169</u>	<u>\$ 2,079,091</u>

HILL COUNTY, TEXAS**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

SEPTEMBER 30, 2024

	Custodial Funds		
	HCCF DC Civil	Criminal Justice	District Attorney Seizure Account
ASSETS			
Cash and cash equivalents	\$ 1,146,502	\$ 107,076	\$ 104,583
Due from other governments	-	-	-
Accounts receivable	-	1	-
Total assets	<u>1,146,502</u>	<u>107,077</u>	<u>104,583</u>
LIABILITIES			
Accounts payable	-	107,309	-
Accrued liabilities	-	-	-
Total liabilities	<u>-</u>	<u>107,309</u>	<u>-</u>
NET POSITION			
Restricted for:			
Individuals and organizations	<u>1,146,502</u>	<u>(232)</u>	<u>104,583</u>
Total net position	<u>\$ 1,146,502</u>	<u>\$ (232)</u>	<u>\$ 104,583</u>

Custodial Funds			
County Officer Accounts	Adult Probation	Juvenile Probation	Total Custodial Funds
\$ 1,710,452	\$ 922,628	\$ 454,084	\$ 4,445,325
-	-	58,702	58,702
205	-	6,510	6,716
<u>1,710,657</u>	<u>922,628</u>	<u>519,296</u>	<u>4,510,743</u>
46,390	8,147	61,273	223,119
-	39,920	18,894	58,814
<u>46,390</u>	<u>48,067</u>	<u>80,167</u>	<u>281,933</u>
<u>1,664,267</u>	<u>874,561</u>	<u>439,129</u>	<u>4,228,810</u>
<u>\$ 1,664,267</u>	<u>\$ 874,561</u>	<u>\$ 439,129</u>	<u>\$ 4,228,810</u>

HILL COUNTY, TEXAS**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Custodial Funds		
	HCCF DC Civil	Criminal Justice	District Attorney Seizure Account
ADDITIONS			
State fees	\$ -	\$ 407,341	\$ -
Receipts from other governments	-	-	-
Receipts from other individuals	-	-	-
Charges for services	-	-	-
Court fees	4,655,296	-	-
Interest income	-	-	1,873
Miscellaneous	-	-	-
Total additions	<u>4,655,296</u>	<u>407,341</u>	<u>149,445</u>
DEDUCTIONS			
Distributions to other governments	-	407,342	151,817
Distributions to others	<u>4,457,295</u>	<u>-</u>	<u>-</u>
Total deductions	<u>4,457,295</u>	<u>407,342</u>	<u>151,817</u>
Net increase (decrease) in fiduciary net position	198,001	(1)	(2,372)
Net position - beginning	<u>948,501</u>	<u>(231)</u>	<u>106,955</u>
Net position - ending	<u>\$ 1,146,502</u>	<u>\$ (232)</u>	<u>\$ 104,583</u>

Custodial Funds			
County Officer Accounts	Adult Probation	Juvenile Probation	Total Custodial Funds
\$ 473,946	\$ -	\$ -	\$ 881,287
-	650,327	966,148	1,616,475
42,557,937	-	-	42,557,937
-	540,018	97,229	637,247
-	-	-	4,655,296
-	20,128	3,539	25,540
-	670	4,214	4,884
<u>43,031,883</u>	<u>1,211,143</u>	<u>1,071,130</u>	<u>50,526,238</u>
42,712,651	-	-	43,271,810
<u>473,946</u>	<u>1,037,250</u>	<u>840,156</u>	<u>6,808,647</u>
<u>43,186,597</u>	<u>1,037,250</u>	<u>840,156</u>	<u>50,080,457</u>
(154,714)	173,893	230,974	445,781
<u>1,818,981</u>	<u>700,668</u>	<u>208,155</u>	<u>3,783,029</u>
<u>\$ 1,664,267</u>	<u>\$ 874,561</u>	<u>\$ 439,129</u>	<u>\$ 4,228,810</u>

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