

VAN ZANDT COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

VAN ZANDT COUNTY, TEXAS

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SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge
and Commissioners' Court
Van Zandt 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 Van Zandt 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.

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

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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, and pension information 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 and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal and State Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas Grant Management Standards (TxGMS), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal and State Awards are 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 July 30, 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 the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

Waco, Texas
July 30, 2025

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VAN ZANDT COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2024

Our discussion and analysis of Van Zandt County's financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2024. Please read it in conjunction with the County's financial statements and related disclosures.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$34,209,371 (*net position*). Of this amount, \$15,494,978 (*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 \$1,704,377, mainly as the result of increases in revenues from property taxes and investment earnings compared to the prior year.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$20,901,731, an increase of \$1,399,070 in comparison with the prior year. The County has fund balance available for spending at the County's discretion as unassigned fund balance of \$9,565,156.
- At the end of the current fiscal year, unassigned fund balance for the General Fund totaled \$9,635,464, or 59% of General Fund expenditures for the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to service as introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, liabilities, and deferred outflows/inflows of resources, with the difference between the four reported as *net position*. Over time, increases and 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 showing how the government's net position changed during the most recent fiscal year. All changes in net positions are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, judicial, health and welfare, public safety, highways and bridges, sanitation, conservation and culture and recreation. The County had no business-type activities as of September 30, 2024.

Fund financial statements. A *fund* is a group of related accounts that is 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 compliance with finance-related legal requirements. All of 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 a government's near-term financing requirements.

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

The County maintained 29 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Road and Bridge Funds precincts #1-4, Debt Service Fund, and the ARP Act Grant Fund, all 7 of which are considered to be major funds. Data from the other 22 governmental funds are combined in a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report.

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning Van Zandt County, Texas' progress in funding its obligation to provide pension benefits to its employees. It also includes budgetary information for the General Fund and Road and Bridge Funds.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions and budgetary comparisons.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position of the County's governmental activities increased from \$32,504,994 to \$34,209,371. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislations, or other legal requirements – was \$15,494,978 as of September 30, 2024.

The net position of the County increased by \$1,704,377 in fiscal year 2024, as opposed to an increase of \$4,050,971 in fiscal year 2023. Additionally, total assets decreased by \$1,682,033 when compared to fiscal year 2023. The main factor that caused this decrease was a reduction in the amount of capital assets purchased in the current year.

**TABLE 1
VAN ZANDT COUNTY, TEXAS
NET POSITION**

	Governmental Activities	
	2024	2023
Current and other assets	\$ 31,279,273	\$ 32,591,710
Capital assets	<u>10,544,057</u>	<u>10,913,653</u>
Total assets	<u>41,823,330</u>	<u>43,505,363</u>
Deferred outflows of resources	<u>1,171,043</u>	<u>1,201,775</u>
Current liabilities	6,826,908	10,728,363
Non current liabilities	<u>1,958,094</u>	<u>1,303,956</u>
Total liabilities	<u>8,785,002</u>	<u>12,032,319</u>
Deferred inflows of resources	<u>-</u>	<u>169,825</u>
Net position		
Net invested in capital assets	9,266,606	9,909,765
Restricted	9,447,787	7,464,384
Unrestricted	<u>15,494,978</u>	<u>15,130,845</u>
Total net position	<u>\$ 34,209,371</u>	<u>\$ 32,504,994</u>

**TABLE 2
VAN ZANDT COUNTY, TEXAS
CHANGES IN NET POSITION**

	Governmental Activities	
	2024	2023
Revenues:		
Charges for services	\$ 5,355,360	\$ 4,833,704
Operating grants and contributions	6,314,900	1,878,367
General revenue:		
Property taxes	22,403,214	20,725,204
Miscellaneous	120,057	118,513
Gain on sale of capital assets	329,060	565,168
Interest income	<u>1,746,793</u>	<u>1,537,340</u>
Total revenues	<u>36,269,384</u>	<u>29,658,296</u>
Expenses:		
General government	10,738,628	6,030,795
Judicial	3,037,583	2,661,238
Public safety	8,275,455	6,484,184
Health and welfare	219,242	188,189
Highways and bridges	11,364,512	9,891,342
Culture and recreation	153,745	136,306
Conservation	639,495	87,556
Sanitation	96,477	91,197
Interest on long-term debt	<u>39,870</u>	<u>36,518</u>
Total expenses	<u>34,565,007</u>	<u>25,607,325</u>
Change in net position	1,704,377	4,050,971
Net position beginning of year	<u>32,504,994</u>	<u>28,454,023</u>
Net position end of year	<u>\$ 34,209,371</u>	<u>\$ 32,504,994</u>

THE COUNTY'S FUNDS

As the County completed the year, its governmental funds reported a combined fund balance of \$20,901,731 which represents a \$1,399,070 increase from the previous year.

Over the course of the year, the Commissioners' Court amended the County's budget several times. These amendments fall into two categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts that were estimated in September of 2023.) Also, the second category was the Commissioners' Court approving several changes in appropriations to prevent budget overruns.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

	Governmental Activities	
	2024	2023
Land	\$ 485,066	\$ 514,749
Buildings and improvements	2,426,105	2,856,569
Machinery and equipment	3,836,160	3,748,234
Right-to-use equipment	703,344	97,905
Right-to-use software	741,184	927,476
Infrastructure	2,352,198	2,768,720
Total	<u>\$ 10,544,057</u>	<u>\$ 10,913,653</u>

At the end of 2024, the County had approximately \$10,544,057 (net of accumulated depreciation) invested in a broad range of capital assets, including buildings and equipment, transportation equipment, and administrative and maintenance buildings and equipment.

There were no individual major additions to capital assets for the fiscal year, instead the County purchased various vehicles for use in public safety and County operations.

Debt

	Governmental Activities	
	2024	2023
Financing arrangements	\$ 72,714	\$ 199,067
Leases	622,838	98,954
SBITAs	581,899	705,867
Compensated absences	680,643	300,068
Total	<u>\$ 1,958,094</u>	<u>\$ 1,303,956</u>

At year-end, the County had \$72,714 in financing arrangements for various County equipment and vehicles. The County issued \$0 in new debt and paid \$126,353 in principal payments for the year. The County also had \$0 of Certificates of Obligation outstanding at year-end. The County paid in principal payments of \$0 on these obligations in fiscal year 2024.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County's General Fund balance of \$12,965,981 differs from the General Fund's budgetary fund balance of \$8,216,148. The primary reason for the difference was the County staying under budgeted expenditures by \$4,305,691.

The County budget is prepared in accordance with financial policies approved by the Commissioners' Court, and in accordance with accounting principles generally accepted in the United States. The budget is prepared by the Budget Officer and approved by the Commissioners' Court. The approved budget is used as a management control device during the year, and appropriations are set at the expenditure line-item level. Budgetary transfers between departments must be approved by the Commissioners' Court.

As confirmed by recent U.S. Census figures, Van Zandt has experienced a population growth of approximately 13% since 2010. Accordingly, the requirements for services to citizens, in addition to ongoing unfunded mandates from the state and federal governments, have increased substantially while revenue options available to County government continue to be severely limited. Even state-authorized increases to fees such as court costs are usually tied to dedicated funds to be turned over to the state with any local retainage dedicated and not available to the County for General Fund expenditures.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

For Fiscal Year 2025 the property tax rate is \$.40586960 and includes a \$.10 special road tax. The fiscal year 2025 budget is projected to raise additional property tax revenue of \$926,446, \$878,603 of which will be raised from new property added to the tax roll this year.

The County has considered many factors when setting the fiscal year 2025 budget and tax rates, with the overarching goal of maximizing revenue and minimizing expenditures to ensure fiscal sustainability into the future. The County expects expenditures to grow in future years, but at a slower pace than revenues.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's office, at 121 East Dallas, Room 102, Canton, Texas 75103.

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BASIC FINANCIAL STATEMENTS

VAN ZANDT COUNTY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

	<u>Primary Government</u> <u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 27,148,651
Receivables (net of allowance for uncollectable)	3,157,307
Due from other governments	14,878
Prepaid expenditures	1,545
Net pension asset	956,892
Capital assets:	
Nondepreciable	485,066
Depreciable (net of accumulated depreciation)	<u>10,058,991</u>
Total capital assets	<u>10,544,057</u>
Total assets	<u>41,823,330</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>1,171,043</u>
Total deferred outflows of resources	<u>1,171,043</u>
LIABILITIES	
Accounts payable	2,407,448
Accrued liabilities	276,022
Accrued interest payable	889
Due to other governments	65,836
Unearned revenue	4,076,713
Noncurrent liabilities:	
Due within one year	
Long-term debt	646,190
Due in more than one year	
Long-term debt	<u>1,311,904</u>
Total liabilities	<u>8,785,002</u>
NET POSITION	
Net investment in capital assets	9,266,606
Restricted for:	
Road and bridge	3,393,840
Court technology and security	94,818
Records management	1,652,561
Judicial	111,172
Public safety	1,396,047
Law library	117,435
Economic development	503,552
Disaster relief	999,442
Debt service	222,028
Net pension asset	956,892
Unrestricted	<u>15,494,978</u>
Total net position	<u>\$ 34,209,371</u>

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

VAN ZANDT 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	Revenue and Changes in Net Position
Primary Government:				Primary Governmental Activities
Governmental activities:				
General government	\$ 10,738,628	\$ 1,066,846	\$ 127,433	\$ (9,544,349)
Judicial	3,037,583	2,270,855	178,278	(588,450)
Public safety	8,275,455	589,317	5,500,442	(2,185,696)
Health and welfare	219,242	-	12,392	(206,850)
Highways and bridges	11,364,512	1,140,607	54,854	(10,169,051)
Cultural and recreation	153,745	7,731	-	(146,014)
Conservation	639,495	-	441,501	(197,994)
Sanitation	96,477	280,004	-	183,527
Interest on long-term debt	39,870	-	-	(39,870)
Total primary government	<u>\$ 34,565,007</u>	<u>\$ 5,355,360</u>	<u>\$ 6,314,900</u>	<u>\$ (22,894,747)</u>
General revenues:				
Property taxes				22,403,214
Investment earnings				1,746,793
Gain on sale of capital assets				329,060
Other				<u>120,057</u>
Total general revenues				<u>24,599,124</u>
Change in net position				1,704,377
Net position - beginning of year				<u>32,504,994</u>
Net position - end of year				<u>\$ 34,209,371</u>

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

VAN ZANDT COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	<u>General</u>	<u>Road and Bridge Precinct #1</u>	<u>Road and Bridge Precinct #2</u>	<u>Road and Bridge Precinct #3</u>
ASSETS				
Cash and cash equivalents	\$ 13,468,236	\$ 982,500	\$ 1,183,157	\$ 629,531
Receivables (net of allowance for uncollectable) :				
Accounts	1,640,298	25,001	23,206	21,805
Property Taxes	807,211	111,730	151,459	140,842
Due from other governments	14,878	-	-	-
Prepaid expenditures	1,545	-	-	-
Due from other funds	<u>4,161</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>15,936,329</u>	<u>1,119,231</u>	<u>1,357,822</u>	<u>792,178</u>
LIABILITIES				
Accounts payable	608,758	472,205	61,741	249,997
Accrued Liabilities	180,927	14,681	12,450	39,540
Due to other governments	65,836	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	<u>5,922</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>861,443</u>	<u>486,886</u>	<u>74,191</u>	<u>289,537</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - fines	1,382,839	-	-	-
Unavailable revenue - property taxes	<u>726,066</u>	<u>100,790</u>	<u>129,901</u>	<u>125,964</u>
Total deferred inflows of resources	<u>2,108,905</u>	<u>100,790</u>	<u>129,901</u>	<u>125,964</u>
FUND BALANCES				
Nonspendable:				
Prepaid expenditures	1,545	-	-	-
Restricted for:				
Road and bridge	-	531,555	1,153,730	376,677
Court technology and security	-	-	-	-
Records management	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Debt service	-	-	-	-
Law library	-	-	-	-
Economic development	-	-	-	-
Disaster relief	-	-	-	-
Assigned for:				
Subsequent year's budget	3,328,972	-	-	-
Unassigned	<u>9,635,464</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>12,965,981</u>	<u>531,555</u>	<u>1,153,730</u>	<u>376,677</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,936,329</u>	<u>\$ 1,119,231</u>	<u>\$ 1,357,822</u>	<u>\$ 792,178</u>

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

Road and Bridge Precinct #4	Debt Service Fund	ARP Act Grant Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,196,802	\$ 184,790	\$ 5,481,886	\$ 4,021,749	\$ 27,148,651
18,438	-	-	74,338	1,803,086
110,774	32,205	-	-	1,354,221
-	-	-	-	14,878
-	-	-	-	1,545
-	5,922	-	-	10,083
<u>1,326,014</u>	<u>222,917</u>	<u>5,481,886</u>	<u>4,096,087</u>	<u>30,332,464</u>
338,186	-	478,474	198,087	2,407,448
12,605	-	-	15,819	276,022
-	-	-	-	65,836
-	-	4,038,674	38,039	4,076,713
-	-	-	4,161	10,083
<u>350,791</u>	<u>-</u>	<u>4,517,148</u>	<u>256,106</u>	<u>6,836,102</u>
-	-	-	-	1,382,839
<u>100,528</u>	<u>28,543</u>	<u>-</u>	<u>-</u>	<u>1,211,792</u>
<u>100,528</u>	<u>28,543</u>	<u>-</u>	<u>-</u>	<u>2,594,631</u>
-	-	-	-	1,545
874,695	-	-	-	2,936,657
-	-	-	94,818	94,818
-	-	-	1,652,561	1,652,561
-	-	-	111,172	111,172
-	-	-	1,396,047	1,396,047
-	194,374	-	-	194,374
-	-	-	117,435	117,435
-	-	-	503,552	503,552
-	-	964,738	34,704	999,442
-	-	-	-	3,328,972
-	-	-	(70,308)	9,565,156
<u>874,695</u>	<u>194,374</u>	<u>964,738</u>	<u>3,839,981</u>	<u>20,901,731</u>
<u>\$ 1,326,014</u>	<u>\$ 222,917</u>	<u>\$ 5,481,886</u>	<u>\$ 4,096,087</u>	<u>\$ 30,332,464</u>

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VAN ZANDT COUNTY, TEXAS

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

SEPTEMBER 30, 2024

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

Total fund balances of governmental funds	\$ 20,901,731
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the governmental funds balance sheet.	
Beginning capital assets, net of depreciation	10,913,653
Depreciation on capital assets, current year	(1,958,286)
Capital asset additions, net of disposals	1,588,690
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet.	(889)
Deferred outflows of resources represent the consumption of net position that are applicable to a future reported period.	1,171,043
Deferred inflows of resources are an acquisition of net position that is applicable to a future reporting period.	
Property taxes	1,211,792
Court fines	1,382,839
The net pension asset is not recognized in the current period and, therefore, is not reported in the governmental funds balance sheet.	956,892
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet.	
Financing arrangements	(72,714)
Leases	(622,838)
SBITAs	(581,899)
Compensated absences	(680,643)
Net position of governmental activities	<u>\$ 34,209,371</u>

VAN ZANDT COUNTY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General	Road and Bridge Precinct #1	Road and Bridge Precinct #2	Road and Bridge Precinct #3
REVENUES				
Property taxes	\$ 12,821,239	\$ 1,038,017	\$ 1,286,602	\$ 989,536
Property taxes - special road tax	-	1,101,378	1,386,951	1,432,613
Permits, licenses and fees	2,482,696	273,560	345,794	265,647
Investment earnings	850,543	71,305	88,491	65,442
Intergovernmental revenues	295,602	-	-	-
Other revenues and fees	<u>137,094</u>	<u>44,604</u>	<u>8,861</u>	<u>7,607</u>
Total revenues	<u>16,587,174</u>	<u>2,528,864</u>	<u>3,116,699</u>	<u>2,760,845</u>
EXPENDITURES				
Current:				
General government	4,430,436	-	-	-
Judicial	3,148,027	-	-	-
Public safety	6,960,582	-	-	-
Conservation	99,873	-	-	-
Highways and bridges	83,885	3,475,652	2,777,071	2,664,368
Cultural and recreation	160,763	-	-	-
Sanitation	98,701	-	-	-
Health and welfare	222,299	-	-	-
Capital outlay	925,259	14,000	141,473	136,458
Debt service:				
Principal retirement	245,334	262,837	-	23,855
Interest and fiscal charges	<u>19,285</u>	<u>13,406</u>	<u>-</u>	<u>775</u>
Total expenditures	<u>16,394,444</u>	<u>3,765,895</u>	<u>2,918,544</u>	<u>2,825,456</u>
Excess (deficiency) of revenues over (under) expenditures	<u>192,730</u>	<u>(1,237,031)</u>	<u>198,155</u>	<u>(64,611)</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	37,717	-	-	-
Sale of capital assets	294,863	191,641	41,250	16,060
Issuance of leases	60,561	675,186	-	-
Issuance of SBITAs	141,804	-	-	-
Transfers in	73,968	-	-	-
Transfers out	<u>(383,519)</u>	<u>(18,492)</u>	<u>(18,492)</u>	<u>(18,492)</u>
Total other financing sources (uses)	<u>225,394</u>	<u>848,335</u>	<u>22,758</u>	<u>(2,432)</u>
Net change in fund balances	418,124	(388,696)	220,913	(67,043)
Fund balances, Beginning	<u>12,547,857</u>	<u>920,251</u>	<u>932,817</u>	<u>443,720</u>
Fund balances, Ending	<u>\$ 12,965,981</u>	<u>\$ 531,555</u>	<u>\$ 1,153,730</u>	<u>\$ 376,677</u>

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

Road and Bridge Precinct #4	Debt Service Fund	ARP Act Grant Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 959,589	\$ 20,943	\$ -	\$ -	\$ 17,115,926
1,107,915	-	-	-	5,028,857
255,606	-	-	1,679,615	5,302,918
88,912	7,814	430,107	144,179	1,746,793
5,177	-	4,699,356	1,294,981	6,295,116
-	-	-	235	198,401
<u>2,417,199</u>	<u>28,757</u>	<u>5,129,463</u>	<u>3,119,010</u>	<u>35,688,011</u>
-	-	4,699,356	1,061,512	10,191,304
-	-	-	4,840	3,152,867
-	-	-	1,130,336	8,090,918
-	-	-	556,725	656,598
2,168,339	-	-	-	11,169,315
-	-	-	-	160,763
-	-	-	-	98,701
-	-	-	-	222,299
138,647	-	-	29,372	1,385,209
-	-	-	71,962	603,988
-	-	-	7,655	41,121
<u>2,306,986</u>	<u>-</u>	<u>4,699,356</u>	<u>2,862,402</u>	<u>35,773,083</u>
<u>110,213</u>	<u>28,757</u>	<u>430,107</u>	<u>256,608</u>	<u>(85,072)</u>
-	-	-	-	37,717
25,000	-	-	60	568,874
-	-	-	-	735,747
-	-	-	-	141,804
-	-	-	383,519	457,487
(18,492)	-	-	-	(457,487)
<u>6,508</u>	<u>-</u>	<u>-</u>	<u>383,579</u>	<u>1,484,142</u>
116,721	28,757	430,107	640,187	1,399,070
<u>757,974</u>	<u>165,617</u>	<u>534,631</u>	<u>3,199,794</u>	<u>19,502,661</u>
<u>\$ 874,695</u>	<u>\$ 194,374</u>	<u>\$ 964,738</u>	<u>\$ 3,839,981</u>	<u>\$ 20,901,731</u>

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VAN ZANDT COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2024

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

Net change in fund balances - total governmental funds \$ 1,399,070

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation in the current period exceeded capital outlay for County owned assets.

Expenditures for capital assets 988,670
Less: current year depreciation (1,958,286)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.

Insurance recoveries (37,717)
Sale of capital assets (568,874)
Gain on sale of capital assets 329,060

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Property taxes 258,431
Court fines (6,118)

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

Compensated absences (380,575)
Pension expense 1,075,477

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. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of long-term liabilities 603,988

Interest expense reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds.

1,251

Change in net position of governmental activities

\$ 1,704,377

VAN ZANDT COUNTY, TEXAS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

SEPTEMBER 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash and equivalents	\$ <u>5,680,396</u>
Total Assets	<u>5,680,396</u>
LIABILITIES	
Accounts payable	8,579
Due to other governments	<u>1,550,397</u>
Total Liabilities	<u>1,558,976</u>
NET POSITION	
Restricted for individuals and other governments	<u>4,121,420</u>
Total Net Position	\$ <u>4,121,420</u>

VAN ZANDT COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Fees on behalf of state comptroller	\$ 11,389,303
Fees on behalf of other governments	44,948
Bonds received	19,487
Fees on behalf of other contracting entities	759,996
Refunds and restitution	344,631
Commissary	137,090
Court registry	1,251,805
Trust accounts	233,924
Cash bonds	161,557
Escrow accounts	1,356,924
Interest earned	12,185
Total Additions	<u>15,711,850</u>
DEDUCTIONS	
Fees on behalf of state comptroller	11,391,577
Disbursements on behalf of contracting entities	774,289
Bond returns	141,110
Trust returns	421,828
Court registry returns	1,258,856
CD's	32,254
Commissary	65,329
Fees on behalf of other governments	30,569
Refunds and restitution	346,353
Escrow accounts	<u>1,848,363</u>
Total Deductions	<u>16,310,528</u>
Net Increase (Decrease) in Fiduciary Net Position	(598,678)
Net Position, Beginning	<u>4,720,098</u>
Net Position, Ending	<u>\$ 4,121,420</u>

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

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VAN ZANDT COUNTY, TEXAS

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Van Zandt County (the County) is a public corporation and political subdivision of the state of Texas. The Commissioners' Court, which is made up of four commissioners and County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general government (e.g., tax collection), judicial (courts, juries, district attorney, etc.) public safety (sheriff, constables, jails and community supervision, etc.), health and welfare (assistance to indigents, veteran services, etc.), highways and bridges, cultural and recreation, conservation, and sanitation.

The accounting and reporting policies of the County relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *State and Local Governments - Audit and Accounting Guide* and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the County are described below.

The basic financial statements are prepared in conformity with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. The County's statement of net position includes both noncurrent assets and noncurrent liabilities of the County. In addition, the government-wide statement of activities reflects depreciation expense on the County's capital assets, including infrastructure.

For financial reporting purposes, based on standards established by GASB Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, these financial statements present the County (the primary government) and its component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria; the primary government appoints the voting majority of its board and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government. Under these standards, the County has no component units which are required to be reported, discretely or blended, in combination with the primary government.

Government-wide Financial Statements

The **government-wide financial statements** include the Statement of Net Position and the Statement of Activities. Government-wide statements report, except for County fiduciary activity, information on all of the activities of the County. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes, intergovernmental revenues, and charges for services.

B. 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. Under this measurement focus, 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. Fines and forfeitures are recognized when they have been assessed and adjudicated and earned. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

The Statement of Activities reflects the degree to which the direct expenses of the County's programs are offset by those programs' revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or function. Program revenues for governmental activities include those generated from general government, judicial, public safety, highways and bridges, cultural and recreation, and sanitation. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, the Road and Bridge Funds, the Debt Service Fund, and the ARP Act Grant Fund are classified as major governmental funds. Each major fund is reported in separate columns in the fund financial statements. Non-major funds include Special Revenue funds. The combined amounts for these funds are reflected in a single column in the Fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for all non-major funds are presented within Combining Schedules.

Fund Financial Statements

Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers revenues as available if they are collected within 60 days after the fiscal year ends. Expenditure generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when a payment is due.

Property tax revenues, the County's primary revenue source, is susceptible to accrual and is considered available to the extent of delinquent taxes collected within 60 days after the end of the fiscal period. Grant and entitlement revenues are also subject to accrual. Encumbrances are used during the year and any liquidated items expire at year end.

Governmental funds are accounted for using the current financial resources measurement focus. This means that only current assets, current liabilities, and current deferred outflows/inflows of resources are generally included on their balance sheet. Their reported fund balance (net current assets and current deferred outflows of resources) is considered a measure of "available spending resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and current deferred outflows of resources. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

The County's accounts are organized and operated on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund equity, revenues and expenses or expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Separate financial statements are provided for governmental funds and fiduciary funds, although the latter are excluded from the government-wide statements.

The County reports the following major governmental funds:

- The **General Fund** is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, permits, licenses and fees, intergovernmental revenues and investment earnings. Primary expenditures are for general government, judicial, public safety, health and welfare, conservation, highways and bridges, cultural and recreation and sanitation.

- The **Road and Bridge Funds** account for the activities associated with the building, maintaining, or improving roads, highways, and bridges within the County, including maintenance of road and bridge facilities. Major revenue sources include property taxes and charges for services.
- The **Debt Service Fund** is used to account for the payment of the County's debt. Major revenue sources are from property taxes.
- The **ARP Act Grant Fund** is used to account for expenditures and receipts related to the coronavirus local fiscal recovery fund grant program. The purpose of this grant is to help alleviate the costs incurred by the County as a result of the COVID-19 pandemic.

Additionally, the County reports the following fund type:

- The **Custodial Funds** are used to account for assets that the County holds on behalf of others as their agent.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. 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 revenue. Likewise, general revenue includes all taxes.

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

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and local government investment pools.

The County's investment in local government investment pools are reported at net asset value per share and are classified as cash equivalents. TexPool and Texas Class operate in accordance with appropriate laws and regulations.

2. 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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advance between funds, are 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.

All trade and property tax receivables are shown net of an allowance for uncollectables. Trade amounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectables. The property tax receivable allowance is equal to 24 percent of outstanding property taxes as of September 30, 2024.

Property taxes are levied on October 1 and attach as an enforceable lien on property as of January 1. Statements are mailed on October 1, or as soon thereafter as possible, and are due upon receipt. All unpaid taxes become delinquent if not paid before February 1 of the following year.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund financial statements are offset by a reservation of fund balance which indicates they do not represent "available spendable resources." Prepaids are accounted for using the consumption method. Under the consumption method, prepaids are recorded as expenditures when they are used.

4. Capital Assets

Capital assets are tangible and intangible, which include land, buildings, improvements, machinery and equipment, and infrastructure assets (e.g., roads and bridges) are reported in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$5,000 or more and estimated useful lives in excess of one year. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-50
Improvements	5-50
Machinery and equipment	5-20
Right-to-use assets	3-10

5. Compensated Absences

The County allows full time regular employees to accumulate unused vacation time, based on years of service, to a maximum of 20 days and unused sick time to a maximum of 60 days. All full-time employees may also accumulate compensatory time up to 40 hours. Upon termination, vacation leave and compensatory time computed under these provisions will be paid to the employees if two weeks' written notice is given. Accumulated sick leave is not paid upon termination but will be paid only upon illness while in the employment of the County. All vacation pay is accrued when incurred in the government-wide financial statements.

The regular workweek is based on 40 hours actually worked. Overtime, unless required to be paid by Federal statutes, is accumulated as compensatory (comp) time and earned at time and half for non-exempt employees and at straight time for exempt employees. Comp time is accumulated and either taken off or paid at the employee's current rate of pay on termination, resignation, retirement or death.

6. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates 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, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Leases

The County has entered into various lease agreements as a lessee. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate, if available. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

- The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability or lease asset.

Lessee. The County is a lessee for noncancellable leases of equipment. The County recognizes a lease liability in the government-wide financial statements. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

8. Subscription-Based Information Technology Arrangements

The County is a participant in subscription-based IT arrangements (SBITAs). The County recognizes a liability and an intangible right-to-use asset in the government-wide financial statements.

At the commencement of a SBITA, the County initially measures the liability at the present value of payments expected to be made during the agreement term. Subsequently, the liability is reduced by the principal portion of payments made. The asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include how the County determines (1) the discount rate it uses to discount the expected payments to present value, (2) agreement term, and (3) agreed upon payments.

- The County uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate.
- The agreement term includes the noncancellable period of the SBITA.
- The agreed upon payments included in the measurement of the liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

These right to use assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

9. 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 had the following items that qualify for reporting in this category.

- Changes in actuarial assumptions and other inputs for pension – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to the future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following types of items that qualify for reporting in this category.

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- 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.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.

10. 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 disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

11. 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.

12. Net Position Flow Assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

13. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

14. Fund Balance Classification

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 board resolution of the Commissioners' Court, the County's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the 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 specific purpose but are neither restricted nor committed. This intent is determined by the Commissioners' Court or County Auditor.
- **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 funds to 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.

15. Equity Classification

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, and adding back unspent proceeds. 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.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

The ETCOG Residential Grant, Victim Coordinator Grant, and the Soil Conservation funds have a deficit fund balance of (\$3,457), (\$971), and (\$65,857) respectively. These deficits are primarily the result of the timing of receipt of grant proceeds relative to expenditures and are expected to reverse within the next year.

III. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

Cash and investments as of September 30, 2024 consist of and are classified in the accompanying financial statements as follows:

Statement of net position:	
Governmental activities	
Cash and cash equivalents	\$ 29,832,259
 Total cash and cash equivalents	 \$ 29,832,259
 Cash on hand	 \$ 5,003
Checking and savings account	2,906,388
External investment pools	26,920,868
	<u>\$ 29,832,259</u>

All deposits are held in the County's main depository or sub-depository bank except funds held in trust by the Justice of the Peace offices number 1 and 4, and Auto Registration, which are not under a sub-depository contract.

As of September 30, 2024, the County had the following cash equivalents:

<u>Investment Type</u>	<u>Net Asset Value</u>	<u>Weighted Average Maturity (Days)</u>
TexPool	\$ 8,506,346	26
Texas CLASS	18,414,522	83
 Total fair value	 \$ 26,920,868	

The Public Funds Investment Act (Government Code Chapter 2256) 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: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposits, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

TexPool and Texas Class have a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the average dollar-weighted maturity of its portfolio to a maximum of 365 days.

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the average dollar-weighted maturity of its portfolio to a maximum of 365 days.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations, those of its agencies and instrumentalities, or direct obligations of Texas or its agencies instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2024, the carrying value of the County's deposit balance was fully collateralized with securities held by the pledging financial institution in the County's name of by FDIC insurance.

Credit Risk. It is the County's policy, as defined in the Texas Public Funds Investment Act, to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization.

The State Comptroller of Public Accounts exercised oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAAM by Standard & Poor's. As a requirement to maintain the rating weekly portfolio, information must be submitted to Standard & Poor's, as well as the Office of the Comptroller of Public Accounts for review.

The County also invests in Municipal Investors Service Corporation (MBIA), Texas Class. MBIA Texas Class is organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. These two Acts provide for the creation of public funds investment pools and authorize eligible governmental entities to invest their public funds and funds under their control through the investment pools. MBIA is currently rated AAAM by Standard & Poor's and has an investment objective of achieving and maintaining a stable net asset value of \$1.00 per share.

Receivables

Receivables as of year-end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectable accounts, are as follows:

	General	Road & Bridge	Debt Service	Nonmajor Funds	Total
Receivables:					
Taxes	\$ 1,065,161	\$ 678,338	\$ 42,496	\$ -	\$ 1,785,995
Accounts	14,085,857	88,450	-	74,331	14,248,638
Gross receivables	15,151,018	766,788	42,496	74,331	16,034,633
Less: allowance for					
uncollectable	(12,703,509)	(163,533)	(10,291)	-	(12,877,333)
Net total receivables	\$ 2,447,509	\$ 603,255	\$ 32,205	\$ 74,331	\$ 3,157,300

Capital Assets

Capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 514,749	\$ -	\$ (29,683)	\$ 485,066
Total capital assets, not being depreciated	514,749	-	(29,683)	485,066
Capital assets, being depreciated:				
Buildings and improvements	9,380,551	-	(407,406)	8,973,145
Machinery and equipment	12,595,954	988,670	(945,430)	12,639,194
Infrastructure	8,311,778	-	(1,000)	8,310,778
Right to use - software	1,193,204	141,804	(16,316)	1,318,692
Right to use - equipment	209,693	735,747	(12,470)	932,970
Total capital assets being depreciated	31,691,180	1,866,221	(1,382,622)	32,174,779
Less accumulated depreciation:				
Buildings and improvements	(6,523,982)	(227,425)	204,367	(6,547,040)
Machinery and equipment	(8,847,720)	(856,935)	901,621	(8,803,034)
Infrastructure	(5,543,058)	(415,522)	-	(5,958,580)
Right to use - software	(265,728)	(328,096)	16,316	(577,508)
Right to use - equipment	(111,788)	(130,308)	12,470	(229,626)
Total accumulated depreciation	(21,292,276)	(1,958,286)	1,134,774	(22,115,788)
Total capital assets, being depreciated, net	10,398,904	(92,065)	(247,848)	10,058,991
Governmental activities capital assets, net	\$ 10,913,653	\$ (92,065)	\$ (277,531)	\$ 10,544,057

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

Governmental activities:	
General government	\$ 725,588
Public safety	289,835
Highways and bridges	942,863
Total depreciation expense - governmental activities	\$ 1,958,286

Interfund Balances and Transfers

The composition of interfund balances of as September 30, 2024, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Funds	\$ 4,161
Debt Service	General Fund	5,922
		\$ 10,083

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

	Transfer In	
	General	Nonmajor Governmental
Transfer out:		
General	\$ -	\$ 383,519
Road & Bridge 1-4	73,968	-
Total transfers	\$ 73,968	\$ 383,519

Long-Term Liabilities

Financing Arrangements

The County has entered into financing an arrangement for the purchase of certain road and bridge equipment. This agreement is classified as a financing arrangement because title passes to the County at the end of the agreement term and is included as a financed purchase in the Long-Term Debt portion of the government-wide statements.

The following is a summary of the outstanding financing arrangements as of September 30, 2024:

Name	Original Issue Amount	Maturity Date	Interest Rate	Current Balance
Governmental Capital Corporation - Contract #9471	\$ 279,508	4/19/2025	2.72%	\$ 72,714
				<u>\$ 72,714</u>

Debt Service requirements to maturity for the financing arrangements are as follows:

Year Ending September 30,	Principal	Interest	Total Requirements
2025	\$ 72,714	\$ 1,978	\$ 74,692
Total	<u>\$ 72,714</u>	<u>\$ 1,978</u>	<u>\$ 74,692</u>

Leases

The County entered into multiple leases as lessee for the right to use various equipment and buildings. The County is required to make fixed monthly payments between \$1,197 and \$42,898. The leases bear an average interest of 3.4%.

Debt service requirements to maturity for the leases are as follows:

Year Ending September 30,	Principal	Interest	Total Requirements
2025	\$ 195,719	\$ 14,344	\$ 210,063
2026	174,097	9,502	183,599
2027	153,650	4,987	158,637
2028	98,565	1,077	99,642
2029	807	5	812
Total	<u>\$ 622,838</u>	<u>\$ 29,915</u>	<u>\$ 652,753</u>

SBITAs

As of 09/30/2024, the County had 16 active subscriptions. The subscriptions have payments that range from \$150 to \$84,452 and interest rates that range from 2.0186% to 5.1858%.

Future debt service payments to maturity for the SBITAs are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 241,628	\$ 15,791	\$ 257,419
2026	188,099	9,253	197,352
2027	76,851	5,185	82,036
2028	33,185	2,716	35,901
2029	34,363	1,538	35,901
2030-2034	<u>7,773</u>	<u>775</u>	<u>8,548</u>
Total	<u>\$ 581,899</u>	<u>\$ 35,258</u>	<u>\$ 617,157</u>

Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Financing arrangements	\$ 199,067	\$ -	\$ 126,353	\$ 72,714	\$ 72,714
Leases	98,954	735,747	211,863	622,838	195,719
SBITAs	705,867	141,804	265,772	581,899	241,628
Compensated absences	300,068	1,569,911	1,189,336	680,643	136,129
Total governmental activities					
Long-term liabilities	\$ 1,303,956	\$ 2,447,462	\$ 1,793,324	\$ 1,958,094	\$ 646,190

For the governmental activities, compensated absences are generally liquidated by the General Fund and Road & Bridge funds. Financing arrangements, leases and SBITAs are secured by the financed and leased assets.

IV. 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. The County's risk management program encompasses various means of protecting the County against loss by obtaining property, casualty, liability and other coverage through participation in the Texas Association of Counties – County Government Risk Management Pool, a public entity risk pool. The County pays an annual premium for its coverage. As claims are filed, the County pays the applicable deductible amount and the risk pool pays the additional amounts over the deductible, up to the applicable limit of liability. As of September 30, 2024, the County had no liability for unpaid claims or adjustments under policies carried with the risk pool. During the year ended September 30, 2024, there was no reduction in insurance coverage from the prior year. There were no settlements in the prior three fiscal years, which exceeded insurance coverage carried by the County.

As of October 1, 2004, employees of the County were covered by a health insurance plan. All premiums were paid to a licensed insurer. The plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

V. CONTINGENT LIABILITIES

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

There are currently claims and lawsuits pending against the County. It is the opinion of the County Attorney and County Staff that there is no pending litigation against the County that, if decided against the County, would have material adverse effect upon the operations of the County.

VI. DEFINED BENEFIT PENSION PLAN

Plan Description

Van Zandt County participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report that can be obtained at www.tcdrs.org.

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 ages 60 and above with eight 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 contribution 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.

Plan Membership

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

Inactive employees or beneficiaries currently receiving benefits	174
Inactive employees entitled to but not yet receiving benefits	484
Active employees	<u>232</u>
	<u>890</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 7.48% and 7.59% in calendar years 2023 and 2024, respectively. The County's contributions to TCDRS for the year ended September 30, 2024, were \$869,894 were equal to the required contributions.

Net Pension Asset

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

Actuarial Assumptions

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

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

The County has no automatic cost-of-living adjustments (COLA), nor one that is 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 retirees.

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

Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% 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 Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% 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 Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% 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. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

The long-term expected rate of return on pension plan investments is 7.6%. 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 long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2024 information for a 10-year time horizon.

Note that the valuation assumption for the long-term expected return is re-assessed in detail at a minimum of every four years and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

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 (Expected minus Inflation) ⁽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) Index	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 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 rates used to measure the Total Pension Liability was 7.6%. The projection of cash flows used to determine the discount rate assumed that the employee and employer contributions will be made at the rates specified in the statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability/(Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at 12/31/2022	\$ 37,654,148	\$ 37,674,656	\$ (20,508)
Changes for the year:			
Service cost	964,089	-	964,089
Interest on total pension liability ⁽¹⁾	2,850,990	-	2,850,990
Effect of economic/demographic gains or losses	752,272	-	752,272
Refund of contributions	(199,063)	(199,063)	-
Benefit payments	(2,052,580)	(2,052,580)	-
Administrative expenses	-	(21,371)	21,371
Member contributions	-	686,181	(686,181)
Net investment income	-	4,132,250	(4,132,250)
Employer contributions	-	733,227	(733,227)
Other ⁽²⁾	-	(26,552)	26,552
Balance at 12/31/2023	\$ 39,969,856	\$ 40,926,748	\$ (956,892)

⁽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.

The required schedule of changes in the County's net pension liability (asset) and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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 Van Zandt County 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	\$ 44,826,190	\$ 39,969,856	\$ 35,884,703
Fiduciary net position	<u>40,926,748</u>	<u>40,926,748</u>	<u>40,926,748</u>
Net pension liability/(asset)	<u>\$ 3,899,442</u>	<u>\$ (956,892)</u>	<u>\$ (5,042,045)</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 on the Internet 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 income of (\$204,534).

At September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 376,136
Net difference between projected and actual investment earnings	120,163
Contributions made subsequent to the measurement date	<u>674,744</u>
Total	<u>\$ 1,171,043</u>

County contributions subsequent to the measurement date of \$1,171,043 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability for the year ending September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	
2025	\$ 83,936
2026	(146,936)
2027	819,661
2028	(260,362)

VII. NEW ACCOUNTING GUIDANCE

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

GASB 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.

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REQUIRED SUPPLEMENTARY INFORMATION

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY (ASSET)
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement Date December 31	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 782,515	\$ 796,066	\$ 981,737	\$ 906,342
Interest on total pension liability	1,820,701	1,932,289	2,044,552	2,188,341
Effect of plan changes	-	(98,883)	-	-
Effect of assumption changes or inputs	-	267,104	-	99,350
Effect of economic/demographic (gains) or losses	(51,704)	(136,245)	(177,662)	(53,732)
Benefit payments/refunds of contributions	<u>(1,220,569)</u>	<u>(1,307,127)</u>	<u>(1,461,724)</u>	<u>(1,536,659)</u>
Net change in total pension liability	1,330,943	1,453,204	1,386,903	1,603,642
Total pension liability, beginning	<u>22,692,554</u>	<u>24,023,497</u>	<u>25,476,701</u>	<u>26,863,604</u>
Total pension liability, ending (a)	<u>\$ 24,023,497</u>	<u>\$ 25,476,701</u>	<u>\$ 26,863,604</u>	<u>\$ 28,467,246</u>
Fiduciary Net Position				
Employer contributions	\$ 552,153	\$ 580,642	\$ 564,398	\$ 537,372
Member contributions	453,117	498,099	497,579	506,244
Investment income net of investment expenses	1,557,818	(24,407)	1,772,702	3,706,326
Benefit payments/refunds of contributions	(1,220,569)	(1,307,127)	(1,461,724)	(1,536,659)
Administrative expenses	(18,133)	(17,320)	(19,257)	(19,042)
Other	<u>(1,752)</u>	<u>13,222</u>	<u>134,251</u>	<u>(6,787)</u>
Net change in fiduciary net position	1,322,634	(256,891)	1,487,949	3,187,454
Fiduciary net position, beginning	<u>22,892,506</u>	<u>24,215,140</u>	<u>23,958,249</u>	<u>25,446,198</u>
Fiduciary net position, ending (b)	<u>\$ 24,215,140</u>	<u>\$ 23,958,249</u>	<u>\$ 25,446,198</u>	<u>\$ 28,633,652</u>
Net pension liability/(asset), ending = (a)-(b)	<u>\$ (191,643)</u>	<u>\$ 1,518,452</u>	<u>\$ 1,417,406</u>	<u>\$ (166,406)</u>
Fiduciary net position as a % of total pension liability	100.80%	94.04%	94.72%	100.58%
Pensionable covered payroll	\$ 6,473,107	\$ 7,115,698	\$ 7,108,278	\$ 7,222,134
Net pension liability/(asset) as a % of covered payroll	-2.96%	21.34%	19.94%	-2.30%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 871,792	\$ 878,701	\$ 856,653	\$ 812,528	\$ 1,009,290	\$ 964,089
2,314,465	2,433,024	2,545,639	2,613,780	2,753,751	2,850,990
-	-	-	-	-	-
-	-	1,773,054	(191,989)	-	-
(56,246)	(97,492)	(293,215)	352,698	(339,649)	752,272
<u>(1,561,175)</u>	<u>(1,789,730)</u>	<u>(1,814,521)</u>	<u>(1,933,149)</u>	<u>(1,951,306)</u>	<u>(2,251,643)</u>
1,568,836	1,424,503	3,067,610	1,653,868	1,472,086	2,315,708
<u>28,467,246</u>	<u>30,036,082</u>	<u>31,460,584</u>	<u>34,528,194</u>	<u>36,182,062</u>	<u>37,654,148</u>
<u>\$ 30,036,082</u>	<u>\$ 31,460,585</u>	<u>\$ 34,528,194</u>	<u>\$ 36,182,062</u>	<u>\$ 37,654,148</u>	<u>\$ 39,969,856</u>
\$ 576,948	\$ 592,371	\$ 640,536	\$ 658,281	\$ 757,982	\$ 733,227
520,443	540,627	548,139	578,163	599,533	686,181
(538,619)	4,532,832	3,245,876	7,390,704	(2,333,726)	4,132,250
(1,561,175)	(1,789,730)	(1,814,521)	(1,933,149)	(1,951,306)	(2,251,643)
(22,167)	(23,953)	(24,887)	(22,005)	(22,078)	(21,371)
<u>(10,941)</u>	<u>(18,106)</u>	<u>(15,405)</u>	<u>(10,052)</u>	<u>(49,611)</u>	<u>(26,552)</u>
(1,035,511)	3,834,041	2,579,738	6,661,942	(2,999,206)	3,252,092
<u>28,633,652</u>	<u>27,598,141</u>	<u>31,432,182</u>	<u>34,011,920</u>	<u>40,673,862</u>	<u>37,674,656</u>
\$ 27,598,141	\$ 31,432,182	\$ 34,011,920	\$ 40,673,862	\$ 37,674,656	\$ 40,926,748
<u>\$ 2,437,941</u>	<u>\$ 28,403</u>	<u>\$ 516,274</u>	<u>\$ (4,491,800)</u>	<u>\$ (20,508)</u>	<u>\$ (956,892)</u>
91.88%	99.91%	98.50%	112.41%	100.05%	102.39%
\$ 7,434,894	\$ 7,723,239	\$ 8,317,546	\$ 8,259,477	\$ 8,564,751	\$ 9,802,582
32.79%	0.37%	6.21%	-54.38%	-0.24%	-9.76%

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VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER 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	Actual Contribution as a % of Covered Payroll
2015	\$ 559,065	\$ 559,065	\$ -	\$ 6,781,850	8.2%
2016	563,702	563,705	-	7,032,802	8.0%
2017	545,832	545,832	-	7,215,223	7.6%
2018	556,336	556,336	-	7,250,803	7.7%
2019	594,450	594,450	-	7,725,649	7.7%
2020	626,543	626,543	-	8,136,926	7.7%
2021	648,290	648,290	-	8,044,474	8.1%
2022	759,129	759,129	-	8,808,366	8.6%
2023	720,824	720,824	-	9,256,322	7.8%
2024	869,896	869,896	-	11,498,888	7.6%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Timing	Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.
Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	16.2 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 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods	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	2017: New Annuity Purchase Rates for benefits earned after 2017.

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Property Taxes:				
Taxes - current	\$ 12,632,948	\$ 12,632,948	\$ 12,390,133	\$ (242,815)
Taxes - delinquent	190,000	190,000	186,808	(3,192)
Penalty and collection fees	<u>150,000</u>	<u>150,000</u>	<u>244,298</u>	<u>94,298</u>
Total Property Taxes	<u>12,972,948</u>	<u>12,972,948</u>	<u>12,821,239</u>	<u>(151,709)</u>
Fees of Office:				
County judge	5,870	5,870	5,386	(484)
County sheriff	55,394	55,394	57,310	1,916
County clerk fees	530,179	530,179	426,313	(103,866)
County library fees	6,272	6,272	7,731	1,459
Tyler eagle internet	22,809	22,809	16,856	(5,953)
Tax assessor-collector	640,509	640,509	651,426	10,917
Child safety-tax office	85,474	85,474	86,687	1,213
District attorney	6,408	6,408	2,245	(4,163)
District clerk	122,408	122,408	112,132	(10,276)
Justice of the peace	91,395	91,395	85,567	(5,828)
Constable	36,476	36,476	50,013	13,537
Probation	3	3	-	(3)
County court at law	287,454	287,454	130,749	(156,705)
Jury fees	31,306	31,306	58,532	27,226
District court	229,052	229,052	182,766	(46,286)
Justice court	215,663	215,663	169,058	(46,605)
Legal fees/reimbursements	96,588	96,588	58,961	(37,627)
Abatement officer	309,100	309,100	295,920	(13,180)
Citizens collection station	<u>90,718</u>	<u>90,718</u>	<u>85,044</u>	<u>(5,674)</u>
Total fees	<u>2,863,078</u>	<u>2,863,078</u>	<u>2,482,696</u>	<u>(380,382)</u>
Intergovernmental Revenues:				
Intergovernmental revenues	<u>368,715</u>	<u>368,715</u>	<u>295,602</u>	<u>(73,113)</u>
Total Intergovernmental Revenues	<u>368,715</u>	<u>368,715</u>	<u>295,602</u>	<u>(73,113)</u>
Investment Earnings:				
Depository interest	<u>436,555</u>	<u>436,555</u>	<u>850,543</u>	<u>413,988</u>
Total Investment Earnings	<u>436,555</u>	<u>436,555</u>	<u>850,543</u>	<u>413,988</u>
Other Revenues and Fees:				
Rentals	8,040	8,040	18,900	10,860
Lease-adult probation	2,000	2,000	2,934	934
Other revenues	42,750	42,750	114,771	72,021
Open records request	<u>652</u>	<u>652</u>	<u>489</u>	<u>(163)</u>
Total Other Revenues and Fees	<u>53,442</u>	<u>53,442</u>	<u>137,094</u>	<u>83,652</u>
Total Revenues	<u>\$ 16,694,738</u>	<u>\$ 16,694,738</u>	<u>\$ 16,587,174</u>	<u>\$ (107,564)</u>

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
EXPENDITURES				
General Government:				
County judge	\$ 187,392	\$ 187,392	\$ 186,268	\$ 1,124
Commissioners court	350	350	290	60
Human Resources	137,255	137,255	129,880	7,375
County clerk	453,920	453,920	393,431	60,489
Elections	152,684	152,684	146,057	6,627
Non-department	538,500	538,500	465,131	73,369
Contracts	742,843	742,843	763,718	(20,875)
Veterans	20,719	20,719	19,686	1,033
Collection department	-	-	416	(416)
County auditor	333,055	333,055	321,539	11,516
County treasurer	207,446	207,446	208,188	(742)
Tax collector	481,088	481,088	470,265	10,823
Data processing	862,185	862,185	917,869	(55,684)
	64,260	64,260	16,130	48,130
Public buildings	<u>412,123</u>	<u>412,123</u>	<u>391,568</u>	<u>20,555</u>
Total General Government	<u>4,593,820</u>	<u>4,593,820</u>	<u>4,430,436</u>	<u>163,384</u>
Judicial System:				
County court	10,000	10,000	10,233	(233)
Juvenile county court	15,000	15,000	14,066	934
District courts	678,606	678,606	574,803	103,803
Adult district court	340,613	340,613	316,858	23,755
County court at law	473,944	473,944	482,950	(9,006)
District clerk	419,071	419,071	310,250	108,821
Justices of the peace	622,328	622,328	575,866	46,462
District attorney	<u>891,059</u>	<u>891,059</u>	<u>863,001</u>	<u>28,058</u>
Total Judicial System	<u>3,450,621</u>	<u>3,450,621</u>	<u>3,148,027</u>	<u>302,594</u>
Public Safety:				
Constables	330,130	330,130	318,534	11,596
Adult probation	2,500	2,500	349	2,151
Abatement Officer	286,315	286,315	258,391	27,924
Emergency management	17,551	17,551	16,629	922
Sheriff's department	5,948,287	5,948,287	2,604,684	3,343,603
Dispatch	760,270	760,270	744,322	15,948
Jail	3,043,980	3,043,980	2,964,006	79,974
Department of public safety	<u>53,399</u>	<u>53,399</u>	<u>53,667</u>	<u>(268)</u>
Total Public Safety	<u>10,442,432</u>	<u>10,442,432</u>	<u>6,960,582</u>	<u>3,481,850</u>
Conservation:				
Extension service	<u>123,305</u>	<u>123,305</u>	<u>99,873</u>	<u>23,432</u>
Total Conservation	<u>\$ 123,305</u>	<u>\$ 123,305</u>	<u>\$ 99,873</u>	<u>\$ 23,432</u>

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
EXPENDITURES (Cont'd)				
Culture and Recreation:				
County free library	\$ 176,442	\$ 176,442	\$ 160,763	\$ 15,679
Total Culture and Recreation	<u>176,442</u>	<u>176,442</u>	<u>160,763</u>	<u>15,679</u>
Highways and Bridges:				
Support	<u>83,440</u>	<u>83,440</u>	<u>83,885</u>	<u>(445)</u>
Total Highways and Bridges	<u>83,440</u>	<u>83,440</u>	<u>83,885</u>	<u>(445)</u>
Sanitation:				
Collection	<u>113,544</u>	<u>113,544</u>	<u>98,701</u>	<u>14,843</u>
Total Sanitation	<u>113,544</u>	<u>113,544</u>	<u>98,701</u>	<u>14,843</u>
Health & Welfare				
Indigent health	62,473	62,473	62,636	(163)
Office	<u>176,495</u>	<u>176,495</u>	<u>159,663</u>	<u>16,832</u>
Total Health & Welfare	<u>238,968</u>	<u>238,968</u>	<u>222,299</u>	<u>16,669</u>
Capital Outlay:				
Jail	60,000	60,000	16,463	43,537
Sheriff's department	667,455	667,455	617,782	49,673
	120,095	120,095	120,070	25
Buildings	<u>400,000</u>	<u>400,000</u>	<u>170,944</u>	<u>229,056</u>
Total Capital Outlay	\$ <u>1,247,550</u>	\$ <u>1,247,550</u>	\$ <u>925,259</u>	\$ <u>322,291</u>

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
EXPENDITURES (Cont'd)				
Debt Service:				
Principal	\$ 230,013	\$ 230,013	\$ 245,334	\$ (15,321)
Interest	-	-	19,285	(19,285)
Total Debt Service	<u>230,013</u>	<u>230,013</u>	<u>264,619</u>	<u>(34,606)</u>
Total Expenditures	<u>20,700,135</u>	<u>20,700,135</u>	<u>16,394,444</u>	<u>4,305,691</u>
Excess of Revenues Over Expenditures	(4,005,397)	(4,005,397)	192,730	4,198,127
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	(26,155)	(26,155)	37,717	63,872
Sale of capital assets	-	-	294,863	294,863
Issuance of leases	-	-	60,561	60,561
Issuance of SBITAs	-	-	141,804	141,804
Transfers in	83,268	83,268	73,968	(9,300)
Transfers out	<u>(383,425)</u>	<u>(383,425)</u>	<u>(383,519)</u>	<u>(94)</u>
Total Other Financing Sources (Uses)	<u>(326,312)</u>	<u>(326,312)</u>	<u>225,394</u>	<u>551,706</u>
NET CHANGE IN FUND BALANCE	(4,331,709)	(4,331,709)	418,124	4,749,833
FUND BALANCE, BEGINNING	<u>12,547,857</u>	<u>12,547,857</u>	<u>12,547,857</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 8,216,148</u>	<u>\$ 8,216,148</u>	<u>\$ 12,965,981</u>	<u>\$ 4,749,833</u>

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SPECIAL REVENUE FUND - ROAD AND BRIDGE - PRECINCT 1
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Property Taxes:				
Taxes - current	\$ 1,012,320	\$ 1,012,320	\$ 1,003,112	\$ (9,208)
Taxes - delinquent	20,002	20,002	15,125	(4,877)
Penalty/interest	<u>17,927</u>	<u>17,927</u>	<u>19,780</u>	<u>1,853</u>
Total Property Taxes:	<u>1,050,249</u>	<u>1,050,249</u>	<u>1,038,017</u>	<u>(12,232)</u>
Property taxes - special road tax:				
Taxes - special road tax - current	1,082,605	1,082,605	1,068,751	(13,854)
Taxes - special road tax - delinquent	14,227	14,227	12,482	(1,745)
Penalty/interest - special road tax	<u>14,838</u>	<u>14,838</u>	<u>20,145</u>	<u>5,307</u>
Total Property taxes - special road tax	<u>1,111,670</u>	<u>1,111,670</u>	<u>1,101,378</u>	<u>(10,292)</u>
Permits, Licenses and Fees:				
Other Fees	<u>274,242</u>	<u>274,242</u>	<u>273,560</u>	<u>(682)</u>
Total Permits, Licenses and Fees	<u>274,242</u>	<u>274,242</u>	<u>273,560</u>	<u>(682)</u>
Investment Earnings:				
Depository interest	<u>54,892</u>	<u>54,892</u>	<u>71,305</u>	<u>16,413</u>
Total Investment Earnings	<u>54,892</u>	<u>54,892</u>	<u>71,305</u>	<u>16,413</u>
Other Revenue:				
Other misc. revenue	<u>43,677</u>	<u>43,677</u>	<u>44,604</u>	<u>927</u>
Total Other Revenue	<u>43,677</u>	<u>43,677</u>	<u>44,604</u>	<u>927</u>
Total Revenues	<u>2,534,730</u>	<u>2,534,730</u>	<u>2,528,864</u>	<u>(5,866)</u>
EXPENDITURES				
Current:				
Highways and bridges	<u>2,887,986</u>	<u>2,887,986</u>	<u>3,475,652</u>	<u>(587,666)</u>
Total Highways and Bridges	<u>2,887,986</u>	<u>2,887,986</u>	<u>3,475,652</u>	<u>(587,666)</u>
Capital Outlay:				
Equipment	<u>44,000</u>	<u>44,000</u>	<u>14,000</u>	<u>30,000</u>
Total Capital Outlay	<u>44,000</u>	<u>44,000</u>	<u>14,000</u>	<u>30,000</u>
Debt Service:				
Principal payments	271,498	271,498	262,837	8,661
Interest and fiscal charges	<u>4,934</u>	<u>4,934</u>	<u>13,406</u>	<u>(8,472)</u>
Total Debt Service	<u>276,432</u>	<u>276,432</u>	<u>276,243</u>	<u>189</u>
Total Expenditures	<u>3,208,418</u>	<u>3,208,418</u>	<u>3,765,895</u>	<u>(557,477)</u>
Excess of Revenues Over (Under) Expenditures	<u>(673,688)</u>	<u>(673,688)</u>	<u>(1,237,031)</u>	<u>(563,343)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	(180,341)	(180,341)	191,641	371,982
Issuance of leases	-	-	675,186	675,186
Transfers out	<u>(18,500)</u>	<u>(18,500)</u>	<u>(18,492)</u>	<u>(8)</u>
Total Other Financing Sources (Uses)	<u>(198,841)</u>	<u>(198,841)</u>	<u>848,335</u>	<u>1,047,160</u>
NET CHANGE IN FUND BALANCE	(872,529)	(872,529)	(388,696)	483,833
FUND BALANCE, BEGINNING	<u>920,251</u>	<u>920,251</u>	<u>920,251</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 47,722</u>	<u>\$ 47,722</u>	<u>\$ 531,555</u>	<u>\$ 483,833</u>

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SPECIAL REVENUE FUND - ROAD AND BRIDGE- PRECINCT 2
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Tax Revenue:				
Taxes - current	\$ 1,235,502	\$ 1,235,502	\$ 1,243,334	\$ 7,832
Taxes - delinquent	24,795	24,795	18,749	(6,046)
Penalty/interest	22,222	22,222	24,519	2,297
Total Property Taxes:	<u>1,282,519</u>	<u>1,282,519</u>	<u>1,286,602</u>	<u>4,083</u>
Property taxes - special road tax:				
Taxes - special road tax - current	1,362,274	1,362,274	1,345,895	(16,379)
Taxes - special road tax - delinquent	17,902	17,902	15,707	(2,195)
Penalty/interest - special road tax	18,670	18,670	25,349	6,679
Total Property taxes - special road tax	<u>1,398,846</u>	<u>1,398,846</u>	<u>1,386,951</u>	<u>(11,895)</u>
Permits, Licenses and Fees:				
Other fees	346,128	346,128	345,794	(334)
Total Permits, Licenses and Fees	<u>346,128</u>	<u>346,128</u>	<u>345,794</u>	<u>(334)</u>
Investment Earnings:				
Depository interest	80,928	80,928	88,491	7,563
Total Investment Earnings	<u>80,928</u>	<u>80,928</u>	<u>88,491</u>	<u>7,563</u>
Other Revenues:				
Donations	8,861	8,861	8,861	-
Total Other Revenues	<u>8,861</u>	<u>8,861</u>	<u>8,861</u>	<u>-</u>
Total Revenues	<u>3,117,282</u>	<u>3,117,282</u>	<u>3,116,699</u>	<u>(583)</u>
EXPENDITURES				
Current:				
Highways and bridges	3,062,514	3,062,514	2,777,071	285,443
Total Highways and Bridges	<u>3,062,514</u>	<u>3,062,514</u>	<u>2,777,071</u>	<u>285,443</u>
Capital Outlay:				
Capital outlay	145,390	145,390	141,473	3,917
Total Capital Outlays	<u>145,390</u>	<u>145,390</u>	<u>141,473</u>	<u>3,917</u>
Total Expenditures	<u>3,207,904</u>	<u>3,207,904</u>	<u>2,918,544</u>	<u>289,360</u>
Excess of Revenues Over (Under) Expenditures	<u>(90,622)</u>	<u>(90,622)</u>	<u>198,155</u>	<u>288,777</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	41,250	41,250
Transfers out	(21,590)	(21,590)	(18,492)	3,098
Total Other Financing Source (Uses)	<u>(21,590)</u>	<u>(21,590)</u>	<u>22,758</u>	<u>44,348</u>
NET CHANGE IN FUND BALANCE	<u>(112,212)</u>	<u>(112,212)</u>	<u>220,913</u>	<u>333,125</u>
FUND BALANCE, BEGINNING	<u>932,817</u>	<u>932,817</u>	<u>932,817</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 820,605</u>	<u>\$ 820,605</u>	<u>\$ 1,153,730</u>	<u>\$ 333,125</u>

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SPECIAL REVENUE FUND - ROAD AND BRIDGE - PRECINCT 3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Tax Revenue:				
Taxes - current	\$ 1,018,216	\$ 1,018,216	\$ 956,269	\$ (61,947)
Taxes - delinquent	19,064	19,064	14,415	(4,649)
Penalty/interest	17,085	17,085	18,852	1,767
Total Property Taxes:	<u>1,054,365</u>	<u>1,054,365</u>	<u>989,536</u>	<u>(64,829)</u>
Property taxes - special road tax:				
Taxes - special road tax - current	1,407,238	1,407,238	1,390,203	(17,035)
Taxes - special road tax - delinquent	18,493	18,493	16,225	(2,268)
Penalty/interest - special road tax	19,287	19,287	26,185	6,898
Total Property taxes - special road tax	<u>1,445,018</u>	<u>1,445,018</u>	<u>1,432,613</u>	<u>(12,405)</u>
Permits, Licenses and Fees:				
Other fees	261,944	261,944	265,647	3,703
Total Permits, Licenses and Fees	<u>261,944</u>	<u>261,944</u>	<u>265,647</u>	<u>3,703</u>
Investment Earning:				
Depository interest	41,244	41,244	65,442	24,198
Total Investment Earning	<u>41,244</u>	<u>41,244</u>	<u>65,442</u>	<u>24,198</u>
Other Revenue:				
Miscellaneous	-	-	7,607	7,607
Total Other Revenue	<u>-</u>	<u>-</u>	<u>7,607</u>	<u>7,607</u>
Total Revenues	<u>2,802,571</u>	<u>2,802,571</u>	<u>2,760,845</u>	<u>(41,726)</u>
EXPENDITURES				
Current:				
Highways and bridges	2,854,499	2,854,499	2,664,368	190,131
Total Highways and Bridges	<u>2,854,499</u>	<u>2,854,499</u>	<u>2,664,368</u>	<u>190,131</u>
Capital Outlay:				
Equipment	156,560	156,560	136,458	20,102
Total Capital Outlay	<u>156,560</u>	<u>156,560</u>	<u>136,458</u>	<u>20,102</u>
Debt Service:				
Principal payments	23,856	23,856	23,855	1
Interest and fiscal charges	776	776	775	1
Total Debt Services	<u>24,632</u>	<u>24,632</u>	<u>24,630</u>	<u>2</u>
Total Expenditures	<u>3,035,691</u>	<u>3,035,691</u>	<u>2,825,456</u>	<u>210,235</u>
Excess of Revenues Over (Under) Expenditures	<u>(233,120)</u>	<u>(233,120)</u>	<u>(64,611)</u>	<u>168,509</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	(16,060)	(16,060)	16,060	32,120
Transfers out	(21,589)	(21,589)	(18,492)	3,097
Total Other Financing Sources (Uses)	<u>(37,649)</u>	<u>(37,649)</u>	<u>(2,432)</u>	<u>35,217</u>
NET CHANGE IN FUND BALANCE	(270,769)	(270,769)	(67,043)	203,726
FUND BALANCE, BEGINNING	<u>443,720</u>	<u>443,720</u>	<u>443,720</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 172,951</u>	<u>\$ 172,951</u>	<u>\$ 376,677</u>	<u>\$ 203,726</u>

VAN ZANDT COUNTY, TEXAS

REQUIRED SUPPLEMENTARY INFORMATION
SPECIAL REVENUE FUND - ROAD AND BRIDGE - PRECINCT 4
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget Original	Budget Final	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Tax Revenue:				
Taxes - current	\$ 944,945	\$ 944,945	\$ 927,328	\$ (17,617)
Taxes - delinquent	18,487	18,487	13,979	(4,508)
Penalty/interest	16,569	16,569	18,282	1,713
Total Property Taxes:	980,001	980,001	959,589	(20,412)
Property taxes - special road tax:				
Taxes - special road tax - current	1,089,028	1,089,028	1,075,095	(13,933)
Taxes - special road tax - delinquent	14,311	14,311	12,556	(1,755)
Penalty/interest - special road tax	14,925	14,925	20,264	5,339
Total Property taxes - special road tax	1,118,264	1,118,264	1,107,915	(10,349)
Permits, Licenses and Fees:				
Other fees	254,863	254,863	255,606	743
Total Permits, Licenses and Fees	254,863	254,863	255,606	743
Investment Earnings:				
Depository interest	62,627	62,627	88,912	26,285
Total Investment Earnings	62,627	62,627	88,912	26,285
Intergovernmental Revenue:				
Grant revenue	-	-	5,177	5,177
Total Intergovernmental Revenue	-	-	5,177	5,177
Total Revenues	2,415,755	2,415,755	2,417,199	1,444
EXPENDITURES				
Current:				
Highways and bridges	2,305,303	2,305,303	2,168,339	136,964
Total Highway and Bridges	2,305,303	2,305,303	2,168,339	136,964
Capital Outlay:				
Equipment	139,723	139,723	138,647	1,076
Total Capital Outlay	139,723	139,723	138,647	1,076
Total Expenditures	2,445,026	2,445,026	2,306,986	138,040
Excess of Revenues Over (Under) Expenditures	(29,271)	(29,271)	110,213	139,484
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	25,000	25,000	25,000	-
Transfers out	(21,589)	(21,589)	(18,492)	3,097
Total Other Financing Sources (Uses)	3,411	3,411	6,508	3,097
NET CHANGE IN FUND BALANCE	(25,860)	(25,860)	116,721	142,581
FUND BALANCE, BEGINNING	757,974	757,974	757,974	-
FUND BALANCE, ENDING	\$ 732,114	\$ 732,114	\$ 874,695	\$ 142,581

VAN ZANDT COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2024

Budgetary Information

The Commissioners' Court adopted an "appropriated budget" for the General Fund and Road and Bridge Precincts #1 - 4, which is included in the Special Revenue Funds. An appropriated budget is also adopted for the Debt Service Fund. The County is required to present the adopted and final amended budgeted revenue and expenditures for each of these funds. The County compares the final amended budget to actual revenue and expenditures. An appropriated budget is not adopted for the ARP Act Grant Fund.

The following procedures are followed in establishing the budget:

1. Prior to September 1, the County prepares a budget for the next succeeding fiscal year beginning October 1. The operating budget includes proposed expenditures and the means of financing them. The budget is prepared on the GAAP basis of accounting.
2. Public meetings are conducted to obtain taxpayer comments.
3. The budget is then legally enacted through adoption by the Commissioners' Court. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Court. Amendments are presented to the Court at its regular meetings. Each amendment must have Court approval. As required by law, such amendments made before the fact, are reflected in the official minutes of the Court, and are not made after fiscal year-end. Because the County has a policy of careful budgetary control, several amendments were necessary during the year. However, none of these were significant.
4. Each budget is controlled at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Court. All budget appropriations lapse at year-end.
5. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at September 30, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. The County had no outstanding end-of-year encumbrances.

OTHER SUPPLEMENTARY INFORMATION

VAN ZANDT COUNTY, TEXAS

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2024

	<u>Law Library</u>	<u>Records Management</u>	<u>Building Security</u>
ASSETS			
Cash and investments	\$ 116,006	\$ 1,650,518	\$ 21,003
Receivables (net of allowance for uncollectable)			
Accounts	3,150	23,014	2,654
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>119,156</u>	<u>1,673,532</u>	<u>23,657</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	1,721	20,971	1,518
Accrued liabilities	-	-	1,537
Unearned revenue	-	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>1,721</u>	<u>20,971</u>	<u>3,055</u>
Fund Balances:			
Restricted:			
Court technology and security	-	-	20,602
Records management	-	1,652,561	-
Judicial	-	-	-
Public safety	-	-	-
Law library	117,435	-	-
Conservation	-	-	-
Economic development	-	-	-
Disaster relief	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>117,435</u>	<u>1,652,561</u>	<u>20,602</u>
Total Liabilities and Fund Balances	<u>\$ 119,156</u>	<u>\$ 1,673,532</u>	<u>\$ 23,657</u>

District Attorney Check Collection	District Attorney Supplemental	TLEOSE	Justice Court Technology	Justice Court Building Security	Asset Forfeiture	Supplemental Guardianship
\$ 6,362	\$ 65,439	\$ 46,735	\$ 60,031	\$ 13,497	\$ 347,368	\$ 59,765
-	7,500	-	675	205	-	460
-	-	-	-	-	-	-
<u>6,362</u>	<u>72,939</u>	<u>46,735</u>	<u>60,706</u>	<u>13,702</u>	<u>347,368</u>	<u>60,225</u>
-	1,038	-	-	192	1,301	-
-	5,282	-	-	-	186	-
-	36,487	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>42,807</u>	<u>-</u>	<u>-</u>	<u>192</u>	<u>1,487</u>	<u>-</u>
-	-	-	60,706	13,510	-	-
-	-	-	-	-	-	-
6,362	30,132	-	-	-	-	60,225
-	-	46,735	-	-	345,881	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,362</u>	<u>30,132</u>	<u>46,735</u>	<u>60,706</u>	<u>13,510</u>	<u>345,881</u>	<u>60,225</u>
<u>\$ 6,362</u>	<u>\$ 72,939</u>	<u>\$ 46,735</u>	<u>\$ 60,706</u>	<u>\$ 13,702</u>	<u>\$ 347,368</u>	<u>\$ 60,225</u>

VAN ZANDT COUNTY, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	County Child Abuse	Appellate Justice	Juvenile Probation
ASSETS			
Cash and investments	\$ 13,562	\$ 1,305	\$ 1,002,911
Receivables (net of allowance for uncollectable)			
Accounts	16	455	3
Due from other governments	-	-	-
Total Assets	<u>13,578</u>	<u>1,760</u>	<u>1,002,914</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	-	885	5,312
Accrued liabilities	-	-	-
Unearned revenue	-	-	-
Due to other funds	-	-	-
Total Liabilities	<u>-</u>	<u>885</u>	<u>5,312</u>
Fund Balances:			
Restricted:			
Court technology and security	-	-	-
Records management	-	-	-
Judicial	13,578	875	-
Public safety	-	-	997,602
Law library	-	-	-
Conservation	-	-	-
Economic development	-	-	-
Disaster relief	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>13,578</u>	<u>875</u>	<u>997,602</u>
Total Liabilities and Fund Balances	<u>\$ 13,578</u>	<u>\$ 1,760</u>	<u>\$ 1,002,914</u>

Soil Conservation District	ETCOG Residential Grant	Victim Coordinator Grant	Capital Credit Economic Development	HAVA Cares Grant	Contribution Relief Fund	Rural Law Enforcement	Total Nonmajor Governmental Funds
\$ 32,574	\$ -	\$ -	\$ 503,552	\$ 18,621	\$ 16,083	\$ 46,417	\$ 4,021,749
36,206	-	-	-	-	-	-	74,338
-	-	-	-	-	-	-	-
<u>68,780</u>	<u>-</u>	<u>-</u>	<u>503,552</u>	<u>18,621</u>	<u>16,083</u>	<u>46,417</u>	<u>4,096,087</u>
134,637	-	290	-	-	-	30,222	198,087
-	-	-	-	-	-	8,814	15,819
-	-	-	-	-	-	1,552	38,039
-	3,457	704	-	-	-	-	4,161
<u>134,637</u>	<u>3,457</u>	<u>994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,588</u>	<u>256,106</u>
-	-	-	-	-	-	-	94,818
-	-	-	-	-	-	-	1,652,561
-	-	-	-	-	-	-	111,172
-	-	-	-	-	-	5,829	1,396,047
-	-	-	-	-	-	-	117,435
-	-	-	-	-	-	-	-
-	-	-	503,552	-	-	-	503,552
-	-	-	-	18,621	16,083	-	34,704
<u>(65,857)</u>	<u>(3,457)</u>	<u>(994)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(70,308)</u>
<u>(65,857)</u>	<u>(3,457)</u>	<u>(994)</u>	<u>503,552</u>	<u>18,621</u>	<u>16,083</u>	<u>5,829</u>	<u>3,839,981</u>
<u>\$ 68,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 503,552</u>	<u>\$ 18,621</u>	<u>\$ 16,083</u>	<u>\$ 46,417</u>	<u>\$ 4,096,087</u>

VAN ZANDT COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Law Library	Records Management	Building Security
REVENUES			
Permits, licenses and fees	\$ 33,530	\$ 258,572	\$ 30,498
Intergovernmental	-	-	-
Investment earnings	5,229	80,021	1,583
Other	-	-	-
Total Revenues	<u>38,759</u>	<u>338,593</u>	<u>32,081</u>
EXPENDITURES			
Current:			
General government	-	67,266	87,495
Judicial	60	-	-
Public safety	-	-	-
Conservation	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	20,017	51,945	-
Interest and fiscal charges	<u>3,296</u>	<u>4,359</u>	<u>-</u>
Total Expenditures	<u>23,373</u>	<u>123,570</u>	<u>87,495</u>
EXCESS (DEFICIENCY) OVER REVENUES OVER (UNDER) EXPENDITURES	15,386	215,023	(55,414)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	34,992
Sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>34,992</u>
NET CHANGE IN FUND BALANCES	15,386	215,023	(20,422)
FUND BALANCES, BEGINNING	<u>102,049</u>	<u>1,437,538</u>	<u>41,024</u>
FUND BALANCES, ENDING	<u>\$ 117,435</u>	<u>\$ 1,652,561</u>	<u>\$ 20,602</u>

District Attorney Check Collection	District Attorney Supplemental	TLEOSE	Justice Court Technology	Justice Court Building Security	Asset Forfeiture	Supplemental Guardianship
\$ 920	\$ -	\$ -	\$ 7,207	\$ 2,158	\$ 738,497	\$ 5,620
-	261,013	13,934	-	-	-	-
183	2,384	1,381	263	650	15,810	2,771
-	-	-	-	-	-	-
<u>1,103</u>	<u>263,397</u>	<u>15,315</u>	<u>7,470</u>	<u>2,808</u>	<u>754,307</u>	<u>8,391</u>
-	238,512	-	7,350	2,248	573,492	450
-	-	1,212	-	-	257	-
-	-	-	-	-	-	-
-	-	-	-	-	29,372	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>238,512</u>	<u>1,212</u>	<u>7,350</u>	<u>2,248</u>	<u>603,121</u>	<u>450</u>
1,103	24,885	14,103	120	560	151,186	7,941
-	-	-	-	-	-	-
-	-	-	-	-	60	-
-	-	-	-	-	60	-
1,103	24,885	14,103	120	560	151,246	7,941
5,259	5,247	32,632	60,586	12,950	194,635	52,284
<u>\$ 6,362</u>	<u>\$ 30,132</u>	<u>\$ 46,735</u>	<u>\$ 60,706</u>	<u>\$ 13,510</u>	<u>\$ 345,881</u>	<u>\$ 60,225</u>

VAN ZANDT COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>County Child Abuse</u>	<u>Appellate Justice</u>	<u>Juvenile Probation</u>
REVENUES			
Permits, licenses and fees	\$ 205	\$ 4,800	\$ 555,566
Intergovernmental	-	-	28,060
Investment earnings	642	-	-
Other	-	-	235
Total Revenues	<u>847</u>	<u>4,800</u>	<u>583,861</u>
EXPENDITURES			
Current:			
General government	-	-	-
Judicial	-	4,780	-
Public safety	-	-	630,419
Conservation	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>-</u>	<u>4,780</u>	<u>630,419</u>
EXCESS (DEFICIENCY) OVER REVENUES OVER (UNDER) EXPENDITURES	847	20	(46,558)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	324,996
Sale of capital assets	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>324,996</u>
NET CHANGE IN FUND BALANCES	847	20	278,438
FUND BALANCES, BEGINNING	<u>12,731</u>	<u>855</u>	<u>719,164</u>
FUND BALANCES, ENDING	<u>\$ 13,578</u>	<u>\$ 875</u>	<u>\$ 997,602</u>

Soil Conservation District	ETCOG Residential Grant	Victim Coordinator Grant	Capital Credit Economic Development	HAVA Cares Grant	Contribution Relief Fund	Rural Law Enforcement	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 42,042	\$ -	\$ -	\$ -	\$ 1,679,615
441,501	3,826	48,199	-	-	-	498,448	1,294,981
1,810	-	-	24,702	921	-	5,829	144,179
-	-	-	-	-	-	-	235
<u>443,311</u>	<u>3,826</u>	<u>48,199</u>	<u>66,744</u>	<u>921</u>	<u>-</u>	<u>504,277</u>	<u>3,119,010</u>
-	3,946	65,753	15,000	-	-	-	1,061,512
-	-	-	-	-	-	-	4,840
-	-	-	-	-	-	498,448	1,130,336
556,725	-	-	-	-	-	-	556,725
-	-	-	-	-	-	-	29,372
-	-	-	-	-	-	-	71,962
-	-	-	-	-	-	-	7,655
<u>556,725</u>	<u>3,946</u>	<u>65,753</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>498,448</u>	<u>2,862,402</u>
(113,414)	(120)	(17,554)	51,744	921	-	5,829	256,608
6,000	-	17,531	-	-	-	-	383,519
-	-	-	-	-	-	-	60
<u>6,000</u>	<u>-</u>	<u>17,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>383,579</u>
(107,414)	(120)	(23)	51,744	921	-	5,829	640,187
<u>41,557</u>	<u>(3,337)</u>	<u>(971)</u>	<u>451,808</u>	<u>17,700</u>	<u>16,083</u>	<u>-</u>	<u>3,199,794</u>
<u>\$ (65,857)</u>	<u>\$ (3,457)</u>	<u>\$ (994)</u>	<u>\$ 503,552</u>	<u>\$ 18,621</u>	<u>\$ 16,083</u>	<u>\$ 5,829</u>	<u>\$ 3,839,981</u>

VAN ZANDT COUNTY, TEXAS

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

SEPTEMBER 30, 2024

	<u>Justice of the Peace</u>	<u>County Clerk</u>	<u>District Clerk</u>	<u>Tax Assessor/ Collector</u>
ASSETS				
Cash and equivalents	\$ 28,020	\$ 896,188	\$ 2,544,194	\$ 694,854
Total Assets	<u>28,020</u>	<u>896,188</u>	<u>2,544,194</u>	<u>694,854</u>
LIABILITIES				
Accounts payable	-	-	-	-
Due to other governments	<u>28,020</u>	<u>-</u>	<u>-</u>	<u>673,018</u>
Total Liabilities	<u>28,020</u>	<u>-</u>	<u>-</u>	<u>673,018</u>
NET POSITION				
Restricted for individuals and other governments	<u>-</u>	<u>896,188</u>	<u>2,544,194</u>	<u>21,836</u>
Total Net Position	<u>\$ -</u>	<u>\$ 896,188</u>	<u>\$ 2,544,194</u>	<u>\$ 21,836</u>

<u>District Attorney</u>	<u>CSCD</u>	<u>Juvenile Probation</u>	<u>Sheriff</u>	<u>Total Custodial Funds</u>
<u>\$ 227,294</u>	<u>\$ 597,259</u>	<u>\$ 317,978</u>	<u>\$ 374,609</u>	<u>\$ 5,680,396</u>
<u>227,294</u>	<u>597,259</u>	<u>317,978</u>	<u>374,609</u>	<u>5,680,396</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>8,579</u>	<u>8,579</u>
<u>-</u>	<u>520,597</u>	<u>323,762</u>	<u>5,000</u>	<u>1,550,397</u>
<u>-</u>	<u>520,597</u>	<u>323,762</u>	<u>13,579</u>	<u>1,558,976</u>
<u>227,294</u>	<u>76,662</u>	<u>(5,784)</u>	<u>361,030</u>	<u>4,121,420</u>
<u>\$ 227,294</u>	<u>\$ 76,662</u>	<u>\$ (5,784)</u>	<u>\$ 361,030</u>	<u>\$ 4,121,420</u>

VAN ZANDT COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Justice of the Peace	County Clerk	District Clerk	Tax Assessor/ Collector
ADDITIONS				
Fees on behalf of state comptroller	\$ 180,647	\$ 45,139	\$ 66,025	\$ 11,096,872
Fees on behalf of other governments	13,289	-	8,970	6,085
Bonds received	-	-		-
Fees on behalf of other contracting entities	41,899	1,954	1,807	-
Refunds and restitution	47	18,158	61,432	-
Commissary	-	-		-
Court registry	-	-	1,251,805	-
Trust accounts	-	233,924		-
Cash bonds	-	46,934	38,980	-
Escrow accounts	-	1,289		-
Interest earned	-	888	507	884
Total Additions	<u>235,882</u>	<u>348,286</u>	<u>1,429,526</u>	<u>11,103,841</u>
DEDUCTIONS				
Fees on behalf of state comptroller	180,647	47,413	66,025	11,096,872
Disbursements on behalf of contracting entities	41,899	1,954	8,970	6,085
Bond returns	-	20,000	23,480	-
Trust returns	-	405,279	16,549	-
Court registry returns	-	-	1,258,856	-
CD's	-	-	32,254	-
Commissary	-	-	-	-
Fees on behalf of other governments	13,289	15,473	1,807	-
Refunds and restitution	47	18,158	61,432	1,042
Escrow accounts	<u>6,377</u>	<u>1,953</u>	<u>-</u>	<u>-</u>
Total Deductions	<u>242,259</u>	<u>510,230</u>	<u>1,469,373</u>	<u>11,103,999</u>
Net Increase (Decrease) in Fiduciary Net Position	(6,377)	(161,944)	(39,847)	(158)
Net Position, Beginning	<u>6,377</u>	<u>1,058,132</u>	<u>2,584,041</u>	<u>21,994</u>
Net Position, Ending	<u>\$ -</u>	<u>\$ 896,188</u>	<u>\$ 2,544,194</u>	<u>\$ 21,836</u>

District Attorney	CSCD	Juvenile Probation	Sheriff	Total Custodial Funds
\$ -	\$ 620	\$ -	\$ -	\$ 11,389,303
-	16,604	-	-	44,948
-	19,487	-	-	19,487
-	128,431	585,905	-	759,996
49,049	215,107	838	-	344,631
-	-	-	137,090	137,090
-	-	-	-	1,251,805
-	-	-	-	233,924
-	-	-	75,643	161,557
1,078,467	-	-	277,168	1,356,924
-	373	9,533	-	12,185
<u>1,127,516</u>	<u>380,622</u>	<u>596,276</u>	<u>489,901</u>	<u>15,711,850</u>
-	620	-	-	11,391,577
-	71,917	643,464	-	774,289
-	19,487	-	78,143	141,110
-	-	-	-	421,828
-	-	-	-	1,258,856
-	-	-	-	32,254
-	-	-	65,329	65,329
-	-	-	-	30,569
49,458	215,378	838	-	346,353
<u>1,558,169</u>	<u>-</u>	<u>-</u>	<u>281,864</u>	<u>1,848,363</u>
<u>1,607,627</u>	<u>307,402</u>	<u>644,302</u>	<u>425,336</u>	<u>16,310,528</u>
(480,111)	73,220	(48,026)	64,565	(598,678)
<u>707,405</u>	<u>3,442</u>	<u>42,242</u>	<u>296,465</u>	<u>4,720,098</u>
<u>\$ 227,294</u>	<u>\$ 76,662</u>	<u>\$ (5,784)</u>	<u>\$ 361,030</u>	<u>\$ 4,121,420</u>

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COMPLIANCE SECTION



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable County Judge
and Commissioners' Court
Van Zandt County, Texas

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Van Zandt 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, and have issued our report thereon dated July 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

OFFICE LOCATIONS

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Waco, Texas
July 30, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE
AND THE STATE OF TEXAS GRANT MANAGEMENT STANDARDS**

Honorable County Judge
and Commissioners' Court
Van Zandt County, Texas

Report on Compliance for Each Major Federal and State Programs

Opinion on Each Major Federal and State Programs

We have audited Van Zandt County, Texas' (the "County") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the State of Texas Grant Management Standards (TxGMS) that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2024. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal and State Programs

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

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state programs. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal and state programs.

OFFICE LOCATIONS

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about County's compliance with the requirements of each major federal and state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, and TxGMS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

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

Waco, Texas
July 30, 2025

VAN ZANDT COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>Federal Awards</u>			
<u>U.S. Department of Agriculture</u>			
Passed through the Texas Department of Agriculture:			
National School Lunch Program	10.555	246TX332N1199	\$ 27,499
Commodity Storage Delivery Reimbursement	10.560	246TX312N2533	366
Subtotal Child Nutrition Cluster			27,865
Total Texas Department of Agriculture			27,865
Total U.S. Department of Agriculture			27,865
<u>U.S. Department of Justice</u>			
Passed through the Texas Office of the Governor:			
Victim Assistance Project	16.575	2830709	48,199
Total Texas Office of the Governor			48,199
Total U.S. Department of Justice			48,199
<u>U.S. Department of Treasury</u>			
Passed through the Texas Division of Emergency Management:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	SLT 4545	4,699,356
Total Texas Division of Emergency Management			4,699,356
Total U.S. Department of Treasury			4,699,356
<u>U.S. Department of Health and Human Services</u>			
Passed through the Texas Department of Family and Protective Services:			
Title IV-E Legal Services	93.658	HHS000285100025	33,892
Total Texas Department of Family and Protective Services			33,892
Total U.S. Department of Health and Human Services			33,892
Total Expenditures of Federal Awards			\$ 4,809,312

VAN ZANDT COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2024

State Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Identifying Number	State Expenditures
<u>State Awards</u>		
<u>Texas Office of the Attorney General</u>		
Passed through the Commission on State Emergency Communications: Statewide Automated Victim Notification System (SAVNS)	01186	\$ 18,030
Total passed through Commission on State Emergency Communications		<u>18,030</u>
Total Texas Office of the Attorney General		<u>18,030</u>
<u>Texas Commission on Environmental Quality (TCEQ)</u>		
Passed through East Texas Council of Governments: Solid Waste Grant	18-06-21	6,000
Total passed through East Texas Council of Governments		<u>6,000</u>
Total Texas Commission on Environmental Quality		<u>6,000</u>
<u>Texas State Soil and Water Conservation Board</u>		
Cedar Creek Dam 126	CED126	441,501
Total Texas State Soil and Water Conservation Board		<u>441,501</u>
<u>Texas Office of Court Administration</u>		
Passed through the Texas Indigent Defense Commission: Indigent Defense Formula Grant	212-23-234	10,666
Total passed through the Texas Indigent Defense Commission		<u>10,666</u>
Total Texas Office of Court Administration		<u>10,666</u>
<u>Texas Secretary of State</u>		
Chapter 19 Election	310857-22	5,381
Total Texas Secretary of State		<u>5,381</u>
<u>Office of the Texas Comptroller</u>		
Rural Law Enforcement Grants - Senate Bill 22: District Attorney's Office	IA-0000000261	238,513
Rural Constable's Office Salary Assistance Program	IA-0000000057	659
Rural Law Enforcement Grants - Senate Bill 22: Sheriff's Office	IA-0000000120	498,448
Total Office of the Texas Comptroller		<u>737,620</u>
Total Expenditures of State Awards		\$ <u>1,219,198</u>

VAN ZANDT COUNTY, TEXAS

**NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AND STATE AWARDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Basis of Accounting

The Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note I of the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and TxGMS. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Basis of Presentation

The Schedule of Expenditures of Federal and State Awards presents the activity of all applicable federal and state award programs of the County. The County's reporting entity is defined in Note I of the basic financial statements. Federal and state awards received directly from federal and state agencies, as well as awards passed through other government agencies, are included on the Schedule of Expenditures of Federal and State Awards.

Indirect Costs

The County has elected not to use the de minimis indirect cost rate as allowed in the Uniform Guidance.

Subrecipients

The County did not pass any federal and state awards through to any subrecipients.

VAN ZANDT COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Summary of Auditor's Results

Financial Statements:

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal and State Awards:

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 100.516(a) or the State of Texas, Texas Grant Management Standards (TxGMS)	No
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Identification of major federal program:

Assistance Listing Number(s):	Name of Program or Cluster:
21.027	Coronavirus State and Local Fiscal Recovery Fund - COVID-19

Identification of major state program:	Rural Law Enforcement Grants - Senate Bill 22
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Dollar threshold used to distinguish between type A and type B federal programs	\$750,000
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Dollar threshold used to distinguish between type A and type B state programs	\$750,000
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Auditee qualified as low-risk auditee for federal single audit?	Yes
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Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs for Federal and State Awards

None

VAN ZANDT COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

None