

SHACKELFORD COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2024

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FINANCIAL SECTION



EDGIN, PARKMAN, FLEMING & FLEMING, PC

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Independent Auditor's Report

The Honorable Judge John Viertel
and County Commissioners
Shackelford County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shackelford County, Texas, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Shackelford County, Texas as of September 30, 2024, and the respective changes in financial position thereof for the year then ended in conformity 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. 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 these 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Texas County and District Retirement System, the Schedule of Employer Contributions – Texas County and District Retirement System, and the Schedule of Changes in Total OPEB Liability and Related Ratios – Texas County and District Retirement System, identified in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and budgetary comparisons are fairly stated in all material respects in relation to the basic financial statements as a whole.



EDGIN, PARKMAN, FLEMING & FLEMING, PC

Wichita Falls, Texas
February 19, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Shackelford County, Texas, we offer readers of the County's Annual Financial Report this narrative overview and analysis of the County's financial performance during the fiscal year ended September 30, 2024. Please read it in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2024 by \$14,680,151 (net position). Of this amount, \$9,125,436 (unrestricted net position) may be used to meet the County's obligations.
- During the year, the County's total net position increased by \$965,645. The County's expenses, which totaled \$4,551,394, were less than the County's program revenues of \$1,249,896 and general revenues of \$4,267,143.
- The total cost of the County's programs increased \$246,145, or 6%, from the prior year. Most of this increase is due to expenses related to the new Senate Bill 22 funding for law enforcement.
- The governmental funds reported a fund balance this year of \$9,382,424, which is an increase of \$512,903 in comparison with the prior year amount.
- At the end of the current fiscal year, the total fund balance of the General Fund was \$8,470,385, or 239% of the total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

All of the County's services are reported in the government-wide financial statements, including administration, judicial, public transportation, and public safety. Property taxes, sales taxes, highway taxes, fees and commissions and intergovernmental grants finance most of the activities. Additionally, all capital and debt financing activities are reported here.

The government-wide financial statements are designed to provide readers 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 the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the County's financial position is improving or deteriorating.

The *statement of activities* details how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, 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 property taxes).

Fund Financial Statements

The County uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the County's most significant *funds* – not the County as a whole. Some funds are required by State law and or bond covenants. Other funds may be established by the County to control and manage money for particular purposes or to evidence appropriate use of certain taxes, grants, and other special revenues.

All of the funds of the County can be divided into two categories: governmental funds and fiduciary 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 short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's short-term financing requirements.

Because the focus on *governmental funds* is narrower than that of 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 County's short-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances. These reconciliations facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintained multiple governmental funds in fiscal year 2023-2024. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balance for the General Fund, the Precinct 1 Road & Bridge Fund, the Precinct 2 Road & Bridge Fund, the Precinct 3 Road & Bridge Fund, and the Precinct 4 Road & Bridge Fund, which are considered to be major funds. Financial data for the nonmajor governmental funds are combined into a single, aggregated presentation.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the County. 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 programs. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the County's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to obtain 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 certain *required supplementary information* that further explains and supports the information in the financial statements.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. Exhibited below in Table 1 are the County's net position summarized for the *governmental activities*.

Table 1 - County's Net Position

	Governmental Activities			
	2024	2023	\$ Change	% Change
Current and other assets	\$ 10,028,911	\$ 9,739,487	\$ 289,424	3%
Capital assets, net	8,591,700	9,183,196	(591,496)	-6%
Total Assets	18,620,611	18,922,683	(302,072)	-2%
Deferred Outflows	311,373	474,867	(163,494)	-34%
Current liabilities	263,261	359,579	(96,318)	-27%
Noncurrent liabilities	3,834,730	5,095,732	(1,261,002)	-25%
Total Liabilities	4,097,991	5,455,311	(1,357,320)	-25%
Deferred Inflows	153,842	227,733	(73,891)	-32%
Net position:				
Net investment in capital assets	4,923,190	4,567,601	355,589	8%
Restricted	631,525	613,828	17,697	3%
Unrestricted	9,125,436	8,533,077	592,359	7%
Total Net Position	\$ 14,680,151	\$ 13,714,506	\$ 965,645	7%

Net investment in capital assets (e.g. land, buildings, furniture, and equipment less any related debt used to acquire those assets that is still outstanding) is \$4,923,190. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. \$631,525 of net position is restricted for debt service. The remaining balance of net position of \$9,125,436 may be used to meet the County's ongoing obligations.

Changes in Net Position

The County's total revenues, both program and general, were \$5,517,039. A significant portion, 70%, of the County's revenue comes from property taxes. Grants and contributions (operating and capital combined) represented 10% of County revenue, while charges for services represented 13% of the County's revenue. Exhibited below in Table 2 are the County's revenues for the years ended September 30, 2024 and 2023 for the County's *governmental activities*.

Table 2 - County's Revenues

	Governmental Activities			
	2024	Percent	2023	Percent
Charges for services	\$ 701,036	13%	\$ 847,986	16%
Operating grants and contributions	261,292	5%	311,775	6%
Capital grants and contributions	287,568	5%	-	0%
Property taxes	3,870,695	70%	3,835,942	73%
Investment earnings	296,753	5%	236,663	5%
Miscellaneous	99,695	2%	2,368	0%
Total Revenues	\$ 5,517,039	100%	\$ 5,234,734	100%

Exhibited below in Table 3 are the County's expenses for the years ended September 30, 2024 and 2023 for the County's *governmental activities*. The total cost of all programs and services was \$4,551,394.

Table 3 - County's Expenses

	Governmental Activities			
	2024	Percent	2023	Percent
County Judge	\$ 88,235	2%	\$ 111,798	3%
County Clerk	184,436	4%	180,841	4%
County Treasurer	139,329	3%	157,521	4%
Justice of the Peace	149,728	3%	161,709	4%
County Tax Assessor/Collector	97,167	2%	105,352	2%
Public safety	1,549,405	34%	1,123,823	26%
Building maintenance	147,298	3%	118,156	3%
Agricultural Extension Agent	49,541	1%	54,697	1%
Nondepartmental	570,545	13%	644,385	15%
Library	44,312	1%	24,399	1%
Court	191,783	4%	232,688	5%
Information Technology	194,160	4%	135,465	3%
Elections	54,242	1%	19,711	0%
Constable	20,446	1%	21,354	1%
Public transportation	1,007,447	22%	1,111,924	26%
Courthouse security	1,275	0%	330	0%
Interest expense	62,045	2%	101,096	2%
Total Expenses	\$ 4,551,394	100%	\$ 4,305,249	100%

Governmental Activities

Table 4 presents the various revenue categories and gross costs of each of the County's functional areas for both the current and prior year. Following the table, we provide explanations for the significant or unusual fluctuations between the two years.

Table 4 - Changes in Net Position

	Governmental Activities			
	2024	2023	\$ Change	% Change
Revenues:				
Program revenues:				
Charges for services	\$ 701,036	\$ 847,986	\$ (146,950)	-17%
Operating grants and contributions	261,292	311,775	(50,483)	-16%
Capital grants and contributions	287,568	-	287,568	N/A
General revenues:				
Property taxes	3,870,695	3,835,942	34,753	1%
Investment earnings	296,753	236,663	60,090	25%
Miscellaneous	99,695	2,368	97,327	4110%
Total revenues	5,517,039	5,234,734	282,305	5%
Expenses:				
County Judge	88,235	111,798	(23,563)	-21%
County Clerk	184,436	180,841	3,595	2%
County Treasurer	139,329	157,521	(18,192)	-12%
Justice of the Peace	149,728	161,709	(11,981)	-7%
County Tax Assessor/Collector	97,167	105,352	(8,185)	-8%
Public safety	1,549,405	1,123,823	425,582	38%
Building maintenance	147,298	118,156	29,142	25%
Agricultural Extension Agent	49,541	54,697	(5,156)	-9%
Nondepartmental	570,545	791,268	(220,723)	-28%
Library	44,312	24,399	19,913	82%
Court	191,783	232,688	(40,905)	-18%
Information Technology	194,160	135,465	58,695	43%
Elections	54,242	19,711	34,531	175%
Constable	20,446	21,354	(908)	-4%
Public transportation	1,007,447	965,041	42,406	4%
Courthouse security	1,275	330	945	286%
Interest expense	62,045	101,096	(39,051)	-39%
Total expenses	4,551,394	4,305,249	246,145	6%
Change in net position	\$ 965,645	\$ 929,485	\$ 36,160	4%

- Charges for services decreased 17% due to miscellaneous revenues being classified as charges for services in the previous year.
- Overall grants and contributions (combined operating and capital) increased by \$237,085 mostly due to the new Senate Bill 22 funding from the State of Texas for law enforcement.
- Miscellaneous revenues increased due to a change in classification of some revenues in the current year, as well as a gain on sale of vehicles in the current year.
- Public safety expenses increased mostly due to the new Senate Bill 22 funding from the State of Texas for law enforcement.
- Nondepartmental expenses decreased due to a change in the allocation of expenses in the current year.

Table 5 presents the net cost of the County's governmental functions (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars, state aid, and other miscellaneous general revenues.

Table 5 - Net Cost of County Functions

	Governmental Activities			
	2024	Percent	2023	Percent
County Judge	\$ 63,035	2%	\$ 86,598	2%
County Clerk	104,906	3%	101,311	3%
County Treasurer	139,329	4%	157,521	5%
Justice of the Peace	(101,176)	-3%	(52,334)	-2%
County Tax Assessor/Collector	97,167	3%	105,352	3%
Public safety	1,330,174	40%	1,075,568	34%
Building maintenance	147,298	4%	118,156	4%
Agricultural Extension Agent	49,541	2%	54,697	2%
Nondepartmental	316,899	10%	351,642	11%
Library	44,312	1%	24,399	1%
Court	106,836	3%	203,521	6%
Information technology	194,160	6%	135,465	4%
Elections	54,242	2%	19,711	1%
Constable	10,955	0%	18,118	1%
Public transportation	680,500	21%	745,763	24%
Other	63,320	2%	-	1%
Net Costs	\$ 3,301,498	100%	\$ 3,145,488	100%

Financial Analysis of the County's Funds

As previously stated, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and segregation for particular purposes.

Governmental Funds

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

As of September 30, 2024, the County's governmental funds reported a combined ending fund balance of \$9,382,424, an increase of \$512,903 from the previous year. Table 6 illustrates the fund balances of the governmental funds.

**Table 6 - Governmental Funds - Fund Balances
September 30, 2024**

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Unassigned</u>	<u>Totals</u>
General Fund	\$ 69,498	\$ -	\$ -	\$ 8,400,887	\$ 8,470,385
Pct 1 Road & Bridge Fund	-	-	-	(200,964)	(200,964)
Pct 2 Road & Bridge Fund	-	-	-	(42,021)	(42,021)
Pct 3 Road & Bridge Fund	-	-	183,575	-	183,575
Pct 4 Road & Bridge Fund	-	-	-	(534,011)	(534,011)
Nonmajor Governmental Funds	-	631,525	873,935	-	1,505,460
Total Fund Balances	<u>\$ 69,498</u>	<u>\$ 631,525</u>	<u>\$ 1,057,510</u>	<u>\$ 7,623,891</u>	<u>\$ 9,382,424</u>

General Fund

At the end of the current fiscal year, the ending fund balance for the General Fund was \$8,470,385. The total fund balance represents 239% of the total General Fund expenditures for the year ended September 30, 2024. The fund balance increased \$742,867 in the current fiscal year.

General Fund revenues totaled \$4,355,808, an increase of \$124,233 or about 3% from the preceding year. The majority of the increase related to an increase in ad valorem tax revenues.

General Fund expenditures totaled \$3,542,724, a decrease of \$516,280, or about 13% from the preceding year due to a decrease in capital expenditures.

Precinct 1 Road & Bridge Fund

The Precinct 1 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 1. Precinct 1 revenues decreased due to a decrease in vehicle registration revenues. Precinct 1 expenditures decreased due to less capital expenditures in the current year.

Precinct 2 Road & Bridge Fund

The Precinct 2 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 2. Precinct 2 revenues decreased due to a decrease in vehicle registration revenues. Precinct 2 expenditures increased very slightly from the previous year.

Precinct 3 Road & Bridge Fund

The Precinct 3 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 3. Precinct 3 revenues decreased due to a decrease in vehicle registration revenues. Precinct 3 expenditures decreased due to less capital expenditures in the current year.

Precinct 4 Road & Bridge Fund

The Precinct 4 Road & Bridge Fund accounts for the activities necessary to maintain roads in Precinct 4. Precinct 4 revenues decreased due to a decrease in vehicle registration revenues. Precinct 4 expenditures decreased due to less capital expenditures in the current year.

Nonmajor Governmental Funds

Nonmajor governmental funds consist of the Debt Service Fund and various special revenue funds. Revenues and expenditures increased from the prior year mostly due to activity related to the Senate Bill 22 funding for the Sheriff’s Office.

General Fund Budgetary Highlights

Over the course of the year, the County did not revise its budget. Total actual expenditures were \$96,808 above total final budget amounts. Expenditures in most functional areas were below the budget amounts. Expenditures exceeded budgeted amounts in Sheriff’s Office (\$142,223), Nondepartmental (\$237,460) Library (\$1,054), Information Technology (\$20,060), and Law Enforcement Center (\$60,693).

On the other hand, revenues were \$521,302 above the final budgeted amounts. Ad valorem taxes were \$178,476 above the budgeted amount, along with Fees and commissions (\$119,899) and Investment earnings (\$198,782).

The County also received note proceeds of \$175,613 and proceeds from the sale of capital assets in the amount of \$52,500, both of which were unbudgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2024, the County had invested in a broad range of capital assets totaling \$8,591,700, net of accumulated depreciation, including land, buildings, equipment, and infrastructure. See Table 7 below.

Table 7 - Capital Assets, Net

	2024	2023	\$ Change	% Change
Land	\$ 60,578	\$ 60,578	\$ -	0%
Buildings and improvements	6,971,627	7,072,165	(100,538)	-1%
Equipment	1,034,088	1,079,524	(45,436)	-4%
Leased assets	98,210	152,771	(54,561)	-36%
Subscription assets	155,097	193,871	(38,774)	-20%
Infrastructure	272,100	293,385	(21,285)	-7%
Totals	\$ 8,591,700	\$ 8,852,294	\$ (260,594)	-3%

Additional information about the County’s capital assets is presented in the notes to the financial statements.

Long-term Debt

At September 30, 2024, the County had \$3,668,510 in general obligation bonds, bond premiums, notes payable, right-to-use leases, and subscription liabilities outstanding as shown in Table 8 below.

Table 8 - Long-term Debt

	<u>2024</u>	<u>2023</u>	<u>\$ Change</u>	<u>% Change</u>
General obligation bonds	\$ 2,505,000	\$ 2,825,000	\$ (320,000)	-11%
Bond premiums	117,471	159,893	(42,422)	-27%
Notes payable	784,948	919,375	(134,427)	-15%
Right-to-use leases	100,414	155,523	(55,109)	-35%
Subscription liabilities	160,677	195,791	(35,114)	-18%
Totals	<u>\$ 3,668,510</u>	<u>\$ 4,255,582</u>	<u>\$ (496,849)</u>	<u>-12%</u>

Additional information about the County's long-term debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Appraised value used for the 2024-2025 budget preparation is \$651,207,614, an increase of \$23,344,619, or about 4%, from the prior year. The total County tax rate was decreased from \$0.6631 to \$0.6573.

Revenues budgeted in the General Fund's budget are \$4,129,603, an increase of 8% from the final 2023-2024 budget of \$3,834,506. Most of this increase is due to an expected increase in ad valorem tax revenue.

Total General Fund expenditures are budgeted to be \$3,567,039 along with transfers out to other funds of \$320,000. Expenditures in most budget categories are similar to 2023-2024.

If these estimates are realized, the County's General Fund's fund balance is expected to increase approximately \$240,000 by September 30, 2025.

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 demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Treasurer's Office.

BASIC FINANCIAL STATEMENTS

SHACKELFORD COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	<u>Governmental Activities</u>
Assets	
Cash	\$ 8,408,254
Investments	1,146,452
Property taxes receivable (net)	218,836
Fines and fees receivable (net)	43,211
Lease receivables	77,358
Prepaid expenses	83,473
Net pension asset	51,327
Capital assets not being depreciated	60,578
Capital assets being depreciated (net)	8,531,122
Total assets	<u>18,620,611</u>
Deferred Outflows of Resources	
Pension-related	292,809
OPEB-related	18,564
Total deferred outflows of resources	<u>311,373</u>
Liabilities	
Accounts payable	77,180
Accrued payroll	99,998
Payroll deductions and withholdings	1,560
Accrued interest payable	7,506
Unearned revenue	77,017
Long-term liabilities:	
Portion due or payable within one year:	
Right-to-use leases	37,971
Subscription liabilities	37,372
Notes	405,140
Bonds	330,000
Compensated absences	25,950
Portion due or payable after one year:	
Right-to-use leases	62,443
Subscription liabilities	123,305
Notes	379,808
Bonds	2,175,000
Premiums on bonds	117,471
Total OPEB liability	140,270
Total liabilities	<u>4,097,991</u>
Deferred Inflows of Resources	
Pension-related	55,250
OPEB-related	21,234
Lease-related	77,358
Total deferred inflows of resources	<u>153,842</u>
Net Position	
Net investment in capital assets	4,923,190
Restricted for debt service	631,525
Unrestricted	9,125,436
Total net position	<u>\$ 14,680,151</u>

The accompanying notes are an integral part of this statement.

SHACKELFORD COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Primary government:					
<u>Governmental Activities:</u>					
County Judge	\$ 88,235	\$ -	\$ 25,200	\$ -	\$ (63,035)
County Clerk	184,436	79,530	-	-	(104,906)
County Treasurer	139,329	-	-	-	(139,329)
Justice of the Peace	149,728	250,904	-	-	101,176
County Tax Assessor/Collector	97,167	-	-	-	(97,167)
Public safety	1,549,405	16,177	141,610	61,444	(1,330,174)
Building maintenance	147,298	-	-	-	(147,298)
Agricultural Extension Agent	49,541	-	-	-	(49,541)
Nondepartmental	570,545	5,700	21,822	226,124	(316,899)
Library	44,312	-	-	-	(44,312)
Court	191,783	41,380	43,567	-	(106,836)
Information Technology	194,160	-	-	-	(194,160)
Elections	54,242	-	-	-	(54,242)
Constable	20,446	9,491	-	-	(10,955)
Public transportation	1,007,447	297,854	29,093	-	(680,500)
Courthouse security	1,275	-	-	-	(1,275)
Interest expense	62,045	-	-	-	(62,045)
Total governmental activities	<u>\$ 4,551,394</u>	<u>\$ 701,036</u>	<u>\$ 261,292</u>	<u>\$ 287,568</u>	<u>(3,301,498)</u>
General revenues:					
Property taxes, levied for general purposes					3,460,555
Property taxes, levied for debt service					410,140
Investment earnings					296,753
Miscellaneous					99,695
Total general revenues					<u>4,267,143</u>
Change in net position					965,645
Net position - beginning					<u>13,714,506</u>
Net position - ending					<u>\$ 14,680,151</u>

SHACKELFORD COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Precinct 1 Road & Bridge Fund	Precinct 2 Road & Bridge Fund	Precinct 3 Road & Bridge Fund
Assets				
Cash	\$ 5,141,767	\$ 471,113	\$ 379,761	\$ 420,927
Investments	1,035,447	12,154	-	-
Receivables:				
Property taxes (net)	193,908	-	-	-
Interfund	2,532,776	-	-	-
Fines and fees (net)	43,211	-	-	-
Lease	77,358	-	-	-
Prepaid expenditures	69,498	3,051	2,657	3,944
Total assets	<u>\$ 9,093,965</u>	<u>\$ 486,318</u>	<u>\$ 382,418</u>	<u>\$ 424,871</u>
Liabilities				
Accounts payable	\$ 62,942	\$ 3,541	\$ 2,336	\$ 336
Accrued payroll	71,987	3,411	1,996	3,132
Payroll deductions and withholdings	1,576	35	17	544
Interfund payables	172,598	680,295	420,090	237,284
Unearned revenue	-	-	-	-
Total liabilities	<u>309,103</u>	<u>687,282</u>	<u>424,439</u>	<u>241,296</u>
Deferred inflows of resources				
Unavailable revenue	<u>314,477</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable:				
Prepaid items	69,498	-	-	-
Restricted for:				
Debt service	-	-	-	-
Committed for:				
Public transportation	-	-	-	183,575
Special programs	-	-	-	-
Unassigned	8,400,887	(200,964)	(42,021)	-
Total fund balances	<u>8,470,385</u>	<u>(200,964)</u>	<u>(42,021)</u>	<u>183,575</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,093,965</u>	<u>\$ 486,318</u>	<u>\$ 382,418</u>	<u>\$ 424,871</u>

The accompanying notes are an integral part of this statement.

Precinct 4 Road & Bridge Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 515,605	\$ 1,479,081	\$ 8,408,254
98,851	-	1,146,452
-	24,928	218,836
-	172,598	2,705,374
-	-	43,211
-	-	77,358
4,323	-	83,473
<u>\$ 618,779</u>	<u>\$ 1,676,607</u>	<u>\$ 12,682,958</u>
\$ 8,025	\$ -	\$ 77,180
5,035	14,437	99,998
(612)	-	1,560
1,140,342	54,765	2,705,374
-	77,017	77,017
<u>1,152,790</u>	<u>146,219</u>	<u>2,961,129</u>
-	24,928	339,405
-	-	69,498
-	631,525	631,525
-	-	183,575
-	873,935	873,935
(534,011)	-	7,623,891
<u>(534,011)</u>	<u>1,505,460</u>	<u>9,382,424</u>
<u>\$ 618,779</u>	<u>\$ 1,676,607</u>	<u>\$ 12,682,958</u>

SHACKELFORD COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total fund balances - governmental funds (Exhibit A-3) \$ 9,382,424

Amounts reported for *governmental activities* in the Statement of Net Position (Exhibit A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of:

Gross capital assets	\$ 16,292,473	
Related accumulated depreciation	<u>7,700,773</u>	8,591,700

Property tax receivables and fines and fees receivables are not available to pay for current period expenditures and therefore are deferred in the funds.		262,047
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Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Right-to-use leases	100,414	
Subscription liabilities	160,677	
Notes payable	784,948	
Bonds payable	2,505,000	
Premiums on bonds payable	117,471	
Compensated absences	25,950	
Accrued interest	<u>7,506</u>	(3,701,966)

The County's net pension asset and related deferred outflows and inflows related to its participation in the Texas County and District Retirement System do not meet the criteria to be reported in the governmental funds financial statements. These items consist of:

Deferred outflows - pension related items	292,809	
Deferred inflows - pension related items	(55,250)	
Net pension asset	<u>51,327</u>	288,886

The County's total OPEB liability and related deferred inflows and outflows related to its participation in the Texas County and District Retirement System do not meet the criteria to be reported in the governmental funds financial statements. These items consist of:

Deferred outflows - OPEB related items	18,564	
Deferred inflows - OPEB related items	(21,234)	
Total OPEB liability	<u>(140,270)</u>	<u>(142,940)</u>

Total net position - governmental activities (Exhibit A-1)		<u>\$ 14,680,151</u>
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The accompanying notes are an integral part of this statement.

SHACKELFORD COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Precinct 1 Road & Bridge Fund	Precinct 2 Road & Bridge Fund	Precinct 3 Road & Bridge Fund
Revenues				
Ad valorem taxes	\$ 3,661,470	\$ -	\$ -	\$ -
Fees and commissions	345,044	65,116	58,973	84,672
Intergovernmental	76,121	6,910	6,671	7,670
Charges for services	14,025	-	-	-
Investment earnings	243,782	413	-	-
Other	15,366	320	-	28,175
Total revenues	<u>4,355,808</u>	<u>72,759</u>	<u>65,644</u>	<u>120,517</u>
Expenditures				
Current:				
County Judge	103,832	-	-	-
County Clerk	211,726	-	-	-
County Treasurer	145,292	-	-	-
Justice of the Peace	166,760	-	-	-
County Tax Assessor/Collector	111,113	-	-	-
Sheriff's Office	621,172	-	-	-
Building maintenance	147,298	-	-	-
Agricultural Extension Agent	55,266	-	-	-
Nondepartmental	395,832	-	-	-
Library	21,954	-	-	-
Court	207,291	-	-	-
Information Technology	194,160	-	-	-
Law Enforcement Center	774,935	-	-	-
Elections	44,663	-	-	-
Constable	23,531	-	-	-
Public transportation	-	187,629	173,003	228,664
Courthouse security	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	290,883	39,156	26,309	19,263
Interest expense and paying agent fees	27,016	5,446	4,633	4,633
Total expenditures	<u>3,542,724</u>	<u>232,231</u>	<u>203,945</u>	<u>252,560</u>
Excess of revenues over (under) expenditures	<u>813,084</u>	<u>(159,472)</u>	<u>(138,301)</u>	<u>(132,043)</u>
Other financing sources (uses):				
Transfers in	21,670	80,000	80,000	80,000
Transfers out	(320,000)	-	-	-
Issuance of notes payable	175,613	-	-	-
Proceeds from sale of capital assets	52,500	-	-	-
Total other financing sources (uses)	<u>(70,217)</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Net change in fund balance	<u>742,867</u>	<u>(79,472)</u>	<u>(58,301)</u>	<u>(52,043)</u>
Fund balances - beginning, as previously reported	7,727,518	(121,492)	16,280	235,618
Change in reporting entity - major to nonmajor fund	-	-	-	-
Fund balances - beginning, as restated	<u>7,727,518</u>	<u>(121,492)</u>	<u>16,280</u>	<u>235,618</u>
Fund balances - ending	<u>\$ 8,470,385</u>	<u>\$ (200,964)</u>	<u>\$ (42,021)</u>	<u>\$ 183,575</u>

The accompanying notes are an integral part of this statement.

Precinct 4 Road & Bridge Fund	(Previously Major) Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 431,275	\$ 4,092,745
89,094	-	32,908	675,807
7,842	-	448,059	553,273
-	-	-	14,025
4,204	-	48,354	296,753
4,621	-	-	48,482
<u>105,761</u>	<u>-</u>	<u>960,596</u>	<u>5,681,085</u>
-	-	-	103,832
-	-	991	212,717
-	-	-	145,292
-	-	1,440	168,200
-	-	-	111,113
-	-	125,660	746,832
-	-	-	147,298
-	-	-	55,266
-	-	-	395,832
-	-	-	21,954
-	-	-	207,291
-	-	-	194,160
-	-	98,439	873,374
-	-	-	44,663
-	-	-	23,531
296,790	-	-	886,086
-	-	1,275	1,275
-	-	226,124	226,124
24,652	-	320,000	720,263
4,264	-	65,200	111,192
<u>325,706</u>	<u>-</u>	<u>839,129</u>	<u>5,396,295</u>
<u>(219,945)</u>	<u>-</u>	<u>121,467</u>	<u>284,790</u>
80,000	-	-	341,670
-	-	(21,670)	(341,670)
-	-	-	175,613
-	-	-	52,500
<u>80,000</u>	<u>-</u>	<u>(21,670)</u>	<u>228,113</u>
<u>(139,945)</u>	<u>-</u>	<u>99,797</u>	<u>512,903</u>
(394,066)	566,697	838,966	8,869,521
-	(566,697)	566,697	-
<u>(394,066)</u>	<u>-</u>	<u>1,405,663</u>	<u>8,869,521</u>
<u>\$ (534,011)</u>	<u>\$ -</u>	<u>\$ 1,505,460</u>	<u>\$ 9,382,424</u>

SHACKELFORD 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

Net change in fund balances - total governmental funds (Exhibit A-5) \$ 512,903

Amounts reported for *governmental activities* in the Statement of Activities (Exhibit A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:

Capital outlay during the year	\$ 553,528	
Depreciation expense for the year	814,121	(260,593)

Because property tax receivables and fines and fees receivables will not be collected for several months after the County's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Deferred inflows of resources increased by this amount this year. (216,546)

The issuance of long-term debt provides current financial resources to governmental funds. However, the issuance increases long-term liabilities in the Statement of Net Position. Long-term debt issued in 2023-2024 was: (175,613)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in accrued interest is as follows:

Accrued interest at September 30, 2023	14,231	
Accrued interest at September 30, 2024	7,506	6,725

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. The long-term debt principal paid during the year was: 762,685

The County participates in an agent multiple-employer defined benefit pension plan. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. Payments were more than the actuarial expenses in the current year. 342,566

The County participates in an agent multiple-employer defined benefit OPEB plan. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. Payments were less than the actuarial expenses in the current year. (6,482)

Change in net position of governmental activities (Exhibit A-2) \$ 965,645

The accompanying notes are an integral part of this statement.

SHACKELFORD COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 22,603
Total assets	<u>22,603</u>
Liabilities	
None	<u>-</u>
Net Position	
Restricted	<u>\$ 22,603</u>

The accompanying notes are an integral part of this statement.

SHACKELFORD COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
Additions:	
Vehicle sales tax	\$ 186,072
Vehicle registrations	152,049
Miscellaneous	12,058
Total additions	<u>350,179</u>
Deductions:	
Vehicle sales tax	186,072
Vehicle registrations	152,049
Miscellaneous	13,124
Total deductions	<u>351,245</u>
Change in net position	<u>(1,066)</u>
Net position - beginning, as previously reported	275,581
Error correction	<u>(251,912)</u>
Net position - beginning, as restated	<u>23,669</u>
Net position - ending	<u><u>\$ 22,603</u></u>

The accompanying notes are an integral part of this statement.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Shackelford County, Texas (County) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. GAAP for local governments includes those principles prescribed by the Governmental Accounting Standards Board (GASB), which includes all statements and interpretations of the National Council on Governmental Accounting (NCGA) unless modified by the GASB, and those principles prescribed by the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units. The following is a summary of the more significant policies and practices used by the County.

A. Reporting Entity

The County provides a full range of services authorized by statute. Such services include general governmental services such as recording and licensing, maintaining the county and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation, and maintaining county roads and bridges.

The Commissioners' Court consists of four commissioners and the County Judge, all of whom are elected by the voters of Shackelford County. The Commissioners' Court is the policy-making body of the County and operates under provisions of state statute.

B. Basis of Presentation

Government-wide financial statements

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the County. For the most part, the effects of interfund activity have been removed from these statements.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (public works, public transportation, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting operational requirements of a particular function or segment, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund financial statements

Separate fund-based financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for governmental and enterprise) for the determination of major funds.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

The government-wide focus is more on the sustainability of the County as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

C. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. 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 in which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

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

Property tax associated with the current fiscal period are susceptible to accrual and have been recognized as revenues of the current fiscal period. These revenue items are considered to be measurable and available if received within sixty days of year-end.

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid general operating costs, fixed charges, and capital improvement costs that are not paid through other funds.

The Precinct 1 Road & Bridge Fund accounts for revenues and expenditures related to the construction and maintenance of roads and bridges within Precinct 1.

The Precinct 2 Road & Bridge Fund accounts for revenues and expenditures related to the construction and maintenance of roads and bridges within Precinct 2.

The Precinct 3 Road & Bridge Fund accounts for revenues and expenditures related to the construction and maintenance of roads and bridges within Precinct 3.

The Precinct 4 Road & Bridge Fund accounts for revenues and expenditures related to the construction and maintenance of roads and bridges within Precinct 4.

Nonmajor governmental funds is a summarization of all other governmental funds, which includes various special revenue funds.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

The County additionally reports the following fund types:

Fiduciary funds are used to account for funds that are held on a purely custodial basis.

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

D. Assets, liabilities and net assets or equity

1. Cash, cash equivalents and investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Interest earned on investments is recorded in the funds in which the investments are recorded.

2. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the time received.

Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-40 years
Equipment	5-10 years
Right-to-use leased assets	3-20 years
Subscription assets	6 years
Infrastructure	20 years

3. Prepaid Items

Certain payments to vendors, if any, reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Leases Receivable

The County is the lessor in a lease agreement for the use of County-owned property. The lease began in 2021 and is for a period of twenty years. The remaining lease receivables are valued at \$77,358 as of September 30, 2024. The County received principal payments of \$2,632 and interest income of \$2,368 from these leases in the current year.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

5. 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 represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The amounts reported by the County in this category relate to the County's participation in the Texas County and District Retirement System (TCDRS) pension and other post-employment benefit (OPEB) plans.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable property taxes receivable (\$218,836), unavailable fines and fees receivable (\$43,211), and unavailable lease receivable (\$77,358) cannot be recognized as revenue in the governmental funds until they are received. The County also reports items in this category related to the County's participation in the TCERS pension and OPEB plans.

6. Subscription-Based Information Technology Agreements (SBITAs)

The County has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The County recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The County recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

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

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

The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

The subscription term includes the noncancellable period of the SBITA.

Subscription payments included in the measurement of the subscription liability is composed of fixed payments and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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

7. Right-to-Use Lease Liabilities

The County is a lessee for two non-cancellable leases of property and equipment. The County recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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 the shorter of the lease term or its useful life.

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. 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 non-cancellable period of the lease.

Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that the County is reasonably certain to exercise, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

8. Compensated Absences

Employees accumulate earned but unused vacation and compensatory time. A liability is recorded on the government-wide level for this accumulated leave.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

9. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the County's Commissioners' Court. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the General Fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose 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.

10. Transactions Between Funds

Outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or non-routine transfers of equity between funds are accounted for as transfers.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

11. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The County participates in the Texas Association of Counties Property and Casualty Self Insurance Fund. As an insured member, the County is not obligated to reimburse the pool for losses. The County has not had any significant reductions in insurance coverage, nor have insurance settlements for the last three fiscal years exceeded insurance coverage. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements.

12. Use of Estimates

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

13. Pensions

The fiduciary net position of the TCDRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting, the same basis as is reported by TCDRS in their Annual Comprehensive Financial Report. This includes for purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCDRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. Other Post-Employment Benefits

The amounts related to the TCDRS OPEB plan have been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TCDRS. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go-plan and all cash is held in a cash account.

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY

A. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", violations of finance-related legal and contractual provisions are reported below, along with actions taken to address such violations.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY (CONT'D.)

For the year ended September 30, 2024, the County's expenditures exceeded budgeted amounts in the following areas of the General Fund: Sheriff's Office (\$142,223), Nondepartmental (\$237,460), Library (\$1,054), Information Technology (\$20,060), and Law Enforcement Center (\$60,693) and in total (\$96,808). In addition, the County's expenditures exceeded budgeted amounts in Precinct 1 Road & Bridge Fund (\$11,173), Precinct 2 Road & Bridge Fund (\$14,845, and Precinct 4 Road & Bridge (\$20,284).

The County will monitor expenditures more closely in the future and make an necessary budget amendments.

B. Deficit Fund Balance or Net Position of Individual Funds

As of September 30, 2024, the County had three funds with deficit fund balances: Precinct 1 Road & Bridge Fund (\$200,964), Precinct 2 Road & Bridge Fund (\$42,021), and Precinct 4 Road & Bridge Fund (\$534,011). These deficits will be alleviated by future operations or through transfers from the General Fund.

NOTE 3 - DEPOSITS AND INVESTMENTS

A. Deposits

All of the County's demand and time depository accounts are held in local banking institutions. At September 30, 2024, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments), excluding balances in custodial accounts, was \$9,554,706 and the bank balance was \$9,789,806. At September 30, 2024, \$827,097 of the County's deposits were not covered by FDIC insurance or pledged collateral. The remaining deposits of \$8,462,709 (bank balance) were covered by FDIC insurance or secured by pledged collateral from the County's depository.

B. Investments

The County is required by Government Code Chapter 2256, The Public Funds Investment Act (Act) to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, maturity and the quality and capability of investment management; include a list of the types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the County adhered to the requirements of the Act. Additionally, investment practices of the County were in accordance with local policies.

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (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 funds.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 3 - DEPOSITS AND INVESTMENTS (CONT'D.)

The County's investments at September 30, 2024, are shown below:

<u>Investment or Investment Type</u>	<u>Weighted Maturity (Months)</u>	<u>Fair Value</u>
Certificates of deposit	5.7	<u>\$1,146,452</u>

The County categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

The County values its certificate of deposits using Level 2 inputs (statements from depositories).

C. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

1. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the County was not significantly exposed to credit risk.

2. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the County's name.

At year end, the County was not exposed to custodial credit risk.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 3 - DEPOSITS AND INVESTMENTS (CONT'D.)

3. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the County was not exposed to concentration of credit risk.

4. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the County was not exposed to interest rate risk.

5. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the County was not exposed to foreign currency risk.

D. Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

NOTE 4 - PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1 of the prior year. Taxes are levied on October 1, and do not begin to accrue interest until February 1. The County is permitted by the Municipal Finance Law of the State of Texas to levy taxes (exclusive of those amounts levied to service long-term debt) up to \$.80 per \$100 of assessed valuation for general services, permanent improvements, road and bridge and jury fund purposes. The combined tax rate to finance general government for the year ended September 30, 2024, was \$0.5745 per \$100 valuation, including \$0.4145 for general operations and \$0.16 for road and bridge operations.

Allowances for uncollectible tax receivables within the General and Road & Bridge Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

At September 30, 2024, net property taxes receivable is calculated as follows:

Gross property taxes receivable	\$341,583
Allowance for uncollectible taxes	<u>(122,747)</u>
Net property taxes receivable	<u>\$218,836</u>

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 4 - PROPERTY TAXES (CONT'D.)

Of the \$341,583 of property taxes receivable at September 30, 2024, the County expects to collect approximately \$100,000 within one year. This is similar to the amount of delinquent taxes received in previous years.

NOTE 5 - FINES AND FEES RECEIVABLE

Fines and fees receivable represent amounts due to the County for outstanding citations.

The allowance for uncollectible fines and fees receivable within the funds is based upon historical experience collecting fines. Uncollectible fines and fees are periodically written off.

At September 30, 2024, net fines and fees receivable is calculated as follows:

Gross fines and fees receivable	\$604,136
Allowance for uncollectible fines and fees	<u>(560,925)</u>
Net fines and fees receivable	<u>\$ 43,211</u>

Of the \$604,136 of gross fines and fees receivable at September 30, 2024, the County expects to collect approximately \$25,000 within a year. This is similar to the amount of delinquent fines and fees receivable collected in the current year.

NOTE 6 - INTERFUND BALANCES

Balances due to and from other funds at September 30, 2024, were as follows:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Precinct 1 R&B Fund	\$ 680,295	Short-term loan
General Fund	Precinct 2 R&B Fund	420,090	Short-term loan
General Fund	Precinct 3 R&B Fund	237,284	Short-term loan
General Fund	Precinct 4 R&B Fund	1,140,342	Short-term loan
General Fund	Nonmajor Governmental Funds	54,765	Short-term loan
Nonmajor Governmental Funds	General Fund	<u>172,598</u>	Short-term loan
	Total	<u>\$2,705,374</u>	

Transfers to and from other funds during the year ended September 30, 2024 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
Nonmajor Governmental Funds	General Fund	\$ 21,670	Reimbursement
General Fund	Precinct 1 R&B Fund	80,000	Supplement operations
General Fund	Precinct 2 R&B Fund	80,000	Supplement operations
General Fund	Precinct 3 R&B Fund	80,000	Supplement operations
General Fund	Precinct 4 R&B Fund	<u>80,000</u>	Supplement operations
	Total	<u>\$341,670</u>	

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 7 - CAPITAL ASSETS

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

Governmental activities:	Balance October 1, 2023	Increases	Decreases	Balance September 30, 2024
Capital assets not being depreciated:				
Land	\$ 60,578	\$ -	\$ -	\$ 60,578
Capital assets being depreciated:				
Buildings and improvements	10,757,719	198,089	-	10,955,808
Equipment	3,831,437	355,438	368,842	3,818,033
Right-to-use leased equipment	273,290	-	86,970	186,320
Subscription assets	232,645	-	-	232,645
Infrastructure	<u>1,039,089</u>	<u>-</u>	<u>-</u>	<u>1,039,089</u>
Total capital assets being depreciated	<u>16,134,180</u>	<u>553,527</u>	<u>455,812</u>	<u>16,231,895</u>
Less accumulated depreciation for:				
Buildings and improvements	3,685,554	298,627	-	3,984,181
Equipment	2,751,913	400,874	368,842	2,783,945
Right-to-use leased equipment	120,519	54,561	86,970	88,110
Subscription assets	38,774	38,774	-	77,548
Infrastructure	<u>745,704</u>	<u>21,285</u>	<u>-</u>	<u>766,989</u>
Total accumulated depreciation	<u>7,342,464</u>	<u>814,121</u>	<u>455,812</u>	<u>7,700,773</u>
Total capital assets being depreciated, net	<u>8,791,716</u>	<u>(260,594)</u>	<u>-</u>	<u>8,531,122</u>
Governmental activities capital assets, net	<u>\$ 8,852,294</u>	<u>(\$ 260,594)</u>	<u>\$ -</u>	<u>\$ 8,591,700</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Public Safety	\$269,862
Public Transportation	314,620
Nondepartmental	174,713
Library	22,358
County Treasurer	14,002
Elections	13,326
Court	2,253
Library	<u>2,987</u>
Total governmental depreciation	<u>\$814,121</u>

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 8 - LONG-TERM LIABILITIES

Long-term liabilities transactions for the year ended September 30, 2024 are summarized as follows:

	<u>Balance</u> <u>10/1/23</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>9/30/24</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
General obligation bonds	\$2,825,000	\$ -	\$320,000	\$2,505,000	\$330,000
Bond premiums	159,893	-	42,422	117,471	-
Notes payable	919,375	175,613	310,040	784,948	405,140
Right-to-use leases	155,523	-	55,109	100,414	37,971
Subscription liabilities	195,791	-	35,114	160,677	37,372
Compensated absences	25,950	-	-	25,950	25,950
Totals	<u>\$4,281,532</u>	<u>\$175,613</u>	<u>\$762,685</u>	<u>\$3,694,460</u>	<u>\$836,433</u>

For governmental activities, compensated absences are generally liquidated by the General Fund.

Total debt service requirements to maturity, excluding bond premiums, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 810,483	\$ 86,412	\$ 896,895
2026	785,489	60,085	845,574
2027	395,283	39,611	434,894
2028	403,671	26,151	429,822
2029	372,255	13,845	386,100
2030-2034	767,150	10,425	777,575
2035-2039	13,750	1,250	15,000
2040	2,958	42	3,000
Totals	<u>\$3,551,039</u>	<u>\$237,822</u>	<u>\$3,788,860</u>

General Obligation Bonds

The County's general obligation bonds consist entirely of the General Obligation Refunding Bonds, Series 2021, which are current interest bonds The County originally issued bonds in 2011 to finance the construction of a new Law Enforcement Center.

The bonds require escalating annual principal payments of varying amounts ranging from \$305,000 to \$380,000. Principal payments began on February 15, 2022 with the final payment to be made on February 15, 2031. Interest rates on the annual installments range from 1.0% to 3.0% with interest payments made on February 15 and August 15 each year.

Debt service requirements to maturity on the bonds, excluding bond premiums, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 330,000	\$ 55,100	\$ 385,100
2026	340,000	45,050	385,050
2027	350,000	34,700	384,700
2028	360,000	24,050	384,050
2029	370,000	13,100	383,100
2030-2031	755,000	7,575	762,575
Totals	<u>\$2,505,000</u>	<u>\$179,575</u>	<u>\$2,684,575</u>

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 8 - LONG-TERM LIABILITIES (CONT'D.)

Notes Payable

Obligations under notes payable are as follows:

\$258,450 John Deere motor grader due in sixty monthly installments of \$2,054 followed by a balloon payment of \$166,566 in November 2024, with interest due monthly, stated at 2.50% with First National Leasing Company (FNLC) (Precinct 1)	\$166,049
\$268,582 Caterpillar motor grader due in sixty monthly installments of \$2,579 followed by a balloon payment of \$140,000 in December 2025, with interest due monthly, stated at 2.50% with FNLC (Precinct 2)	170,619
\$244,278 Caterpillar motor grader due in sixty monthly installments of \$1,991 followed by a balloon payment of \$155,000 in December 2025, with interest due monthly, stated at 2.50% with FNLC (Precinct 3)	174,418
\$232,510 John Deere motor grader due in sixty monthly installments of \$2,224 followed by a balloon payment of \$125,000 in August 2025, with interest due monthly, stated at 2.50% with FNLC (Precinct 4)	143,857
\$58,538 Chevrolet Silverado due to three annual installments of \$18,871 followed by a balloon payment of \$10,000 in June 2026, with interest due annually, stated at 6.25% with American National Leasing Company (ANLC) (Sheriff)	43,335
\$58,538 Chevrolet Silverado due to three annual installments of \$18,871 followed by a balloon payment of \$10,000 in June 2026, with interest due annually, stated at 6.25% with ANLC (Sheriff)	43,335
\$58,538 Chevrolet Silverado due to three annual installments of \$18,871 followed by a balloon payment of \$10,000 in June 2026, with interest due annually, stated at 6.25% with ANLC (Sheriff)	<u>43,335</u>
Total	<u>\$784,948</u>

Note payable service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$405,140	\$20,168	\$425,308
2028	<u>379,808</u>	<u>7,230</u>	<u>387,038</u>
Totals	<u>\$784,948</u>	<u>\$27,398</u>	<u>\$812,346</u>

Right-to-use Lease Liabilities

The County has entered into multiple lease agreements for various equipment and tower space used throughout the County. These agreements range in length from three to twenty years. The effective interest rates on these leases range from 2.48% to 5.05%.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 8 - LONG-TERM LIABILITIES (CONT'D.)

Right-to-use lease liabilities debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 37,971	\$ 2,161	\$ 40,132
2026	25,906	1,224	27,130
2027	2,948	890	3,838
2028	2,476	803	3,279
2029	2,255	745	3,000
2030-2034	12,150	2,850	15,000
2035-2039	13,750	1,250	15,000
2040	<u>2,958</u>	<u>162</u>	<u>3,000</u>
Totals	<u>\$100,414</u>	<u>\$10,084</u>	<u>\$110,379</u>

Subscription Liabilities

The County has entered into various agreements that are considered to be subscription-based information technology agreements (SBITAs). Each of these software agreements is estimated to have a life of six years and interest has been imputed at a rate of 6.25%.

Subscription liabilities debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 37,372	\$ 8,984	\$ 46,356
2026	39,776	6,580	46,356
2027	42,334	4,022	46,356
2028	<u>41,195</u>	<u>1,298</u>	<u>42,493</u>
Totals	<u>\$160,677</u>	<u>\$20,884</u>	<u>\$181,561</u>

NOTE 9 - DEFINED BENEFIT PENSION PLAN

A. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through 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 over 890 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis that is publicly available at www.tcdrs.org.

The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 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 8 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 the County.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONT'D.)

B. Benefits Provided

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

Employees Covered by Benefit Terms

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	35
Inactive employees entitled to but not yet receiving benefits	50
Active employees	42

C. Contributions

The County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County's actuarially determined rate was 14.52% for the months of the accounting year in 2023, and 14.26% for the months of the accounting year in 2024. Based on these percentages, the County's required contributions for fiscal year 2024 were \$235,944. However, the County contributed \$276,013 during fiscal year 2024, an excess of \$40,069.

The contribution rate payable by the employee members for fiscal year 2024 is the rate of 7% as adopted by the Commissioners' Court of the County. The employee contribution rate and the County contribution rate may be changed by the Commissioners' Court of the County within the options available in the TCDRS Act.

D. Net Pension Liability (Asset)

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

Actuarial Assumptions

The 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.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONT'D.)

Actuarial assumptions that determined the total pension liability as of December 31, 2023 were based on the results of an actuarial experience study.

Real rate of return	5.00% per year
Inflation	2.50% per year
Long-term investment return	7.50% per year, net of pension plan investments expenses
Growth in membership	0.00% per year
Payroll growth	3.00% per year

Salary increases were based on a service-related table. The mortality rates for active members were based on 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after that. The mortality rate for service retirees, beneficiaries, and non-depositing members was based on 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. The mortality rates for disabled retirees were based on 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

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 below are based on January 2024 information for a 10-year time horizon.

The valuation assumption for long-term expected return is re-assessed 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 2024 meeting.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONT'D.)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Benchmark</u>	<u>Target Allocation</u> ⁽¹⁾	<u>Geometric Real Rate of Return (Expected minus Inflation)</u> ⁽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%	4.95%
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 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.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONT'D.)

Discount Rate

The projected fiduciary net position was determined to be sufficient compared to projected benefit payments. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be sufficient to pay projected benefit payments in all future years. Therefore, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments (7.60%).

Changes in Net Pension Liability / (Asset)

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Fiduciary Net Position (b)</u>	<u>Net Pension Liability / (Asset) (a) – (b)</u>
Balances as of December 31, 2022	\$ 9,756,251	\$ 9,437,611	\$ 318,640
Changes for the year:			
Service cost	214,736	-	214,736
Interest on total pension liability	735,749	-	735,749
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	72,627	-	72,627
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(25,723)	(25,723)	-
Benefit payments	(565,261)	(565,261)	-
Administrative expense	-	(5,347)	5,347
Member contributions	-	104,288	(104,288)
Net investment income	-	1,035,023	(1,035,023)
Employer contributions	-	266,708	(266,708)
Other changes	<u>-</u>	<u>(7,593)</u>	<u>7,593</u>
Balances as of December 31, 2023	<u>\$10,188,379</u>	<u>\$10,239,706</u>	<u>(\$ 51,327)</u>

Sensitivity Analysis

The following presents the net pension liability (asset) of the County, calculated using the discount rate of 7.60%, as well as what the County's net pension liability / (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONT'D.)

	1% Decrease <u>6.60%</u>	Current Discount Rate <u>7.60%</u>	1% Increase <u>8.60%</u>
Net pension liability / (asset)	<u>\$1,061,357</u>	<u>(\$51,327)</u>	<u>(\$1,001,938)</u>

Pension Expense

	<u>January 1, 2023 to December 31, 2023</u>
Service cost	\$214,736
Interest on total pension liability ⁽¹⁾	735,749
Effect of plan changes	-
Administrative expenses	5,347
Member contributions	(104,288)
Expected investment return net of investment expenses	(708,569)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	(12,748)
Recognition of assumption changes or inputs	(15,989)
Recognition of investment gains or losses	(192,269)
Other ⁽²⁾	<u>7,594</u>
Pension expense	<u>(\$ 70,437)</u>

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

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

Deferred Outflows / Inflows of Resources

As of December 31, 2023, the deferred outflows and inflows of resources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 48,418	\$55,250
Changes of assumptions	-	-
Net difference between projected and actual earnings	27,123	-
Contributions made subsequent to measurement date	<u>217,268</u>	<u>-</u>
Total	<u>\$292,809</u>	<u>\$55,250</u>

\$217,268 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the plan year ending December 31, 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:

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONT'D.)

<u>Year Ended December 31:</u>	
2024	(\$105,882)
2025	(14,021)
2026	205,484
2027	(65,290)

NOTE 10 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN

A. Plan Description

The County participates in the retiree Group Term Life (GTL) program provided by TCDRS which is a statewide, multiple-employer, public employee retirement system. All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year and are eligible for the TCDRS pension plan. Only employers that have elected participation in the retiree GTL program are included in the OPEB plan.

B. Benefits Provided

The plan provides a \$5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees of employers that have elected participation in the retiree GTL program. The OPEB benefit is a fixed \$5,000 lump-sum benefit. No future increases are assumed in the \$5,000 benefit amount. Benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of January 1 each year.

Employees Covered by Benefit Terms

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	28
Inactive employees entitled to but not yet receiving benefits	10
Active employees	42

C. Contributions

Contributions made to the retiree GTL program are held in the GTL fund. The GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan. The County's contribution rate for the retiree GTL program is calculated annually on an actuarial basis and is equal to the cost of providing a one-year death benefit equal to \$5,000.

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 10 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (CONT'D.)

D. Changes in Total OPEB Liability

	<u>Changes in Total OPEB Liability</u>
Balances as of December 31, 2022	\$122,626
Changes for the year:	
Service cost	3,225
Interest on total OPEB liability ⁽¹⁾	4,643
Changes of benefit terms ⁽²⁾	-
Effect of economic/demographic (gains) or losses	2,211
Effect of assumptions changes or inputs ⁽³⁾	9,651
Benefit payments	(2,086)
Other	<u>-</u>
Balance as of December 31, 2023	<u>\$140,270</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.
⁽²⁾ No plan changes valued.
⁽³⁾ Reflects change in discount rate.

Sensitivity Analysis

The following presents the total OPEB liability of the County, calculated using the discount rate of 3.26%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26%) or 1 percentage point higher (4.26%) than the current rate. Note that the healthcare cost trend rate does not affect the total OPEB liability, so sensitivity to the healthcare cost trend rate is not shown.

	1% Decrease <u>2.26%</u>	Current Discount Rate <u>3.26%</u>	1% Increase <u>4.26%</u>
Total OPEB liability	<u>\$165,215</u>	<u>\$140,270</u>	<u>\$120,502</u>

E. OPEB Expense

	<u>January 1, 2023 to December 31, 2023</u>
Service cost	\$3,225
Interest on total pension liability ⁽¹⁾	4,643
Effect of plan changes	-
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	329
Recognition of assumption changes or inputs	1,615
Other	<u>-</u>
OPEB expense	<u>\$9,812</u>

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

SHACKELFORD COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2024

NOTE 10 - DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (CONT'D.)

F. Deferred Outflows/Inflows of Resources

As of September 30, 2024, the deferred outflows and inflows of resources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,291	\$ 1,222
Changes of assumptions	11,204	20,012
Contributions made subsequent to measurement date	<u>5,069</u>	<u>-</u>
Total	<u>\$18,564</u>	<u>\$21,234</u>

\$5,069 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the plan year ending December 31, 2024. The remaining amounts of the County's deferred outflows of resources and deferred inflows of resources related to OPEB benefits will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	
2024	(\$3,187)
2025	(7,516)
2026	2,964

NOTE 11 - COMMITMENTS AND CONTINGENCIES

The County participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENT

GASB Statement No. 101, *Compensated Absences*, is effective for fiscal years beginning after December 15, 2023. The objective of GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective will be achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Though GASB Statement No. 101 will be effective for the fiscal year 2024-25, the financial impact is not known at this time.

NOTE 13 - ERROR CORRECTION

For the year ended September 30, 2023, the County included bank accounts for which they have no control as fiduciary funds. This reporting was corrected in the current year, which resulted in a decrease to beginning net position of the fiduciary funds of \$251,912.

REQUIRED SUPPLEMENTARY INFORMATION

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 3,482,994	\$ 3,482,994	\$ 3,661,470	\$ 178,476
Fees and commissions	225,145	225,145	345,044	119,899
Intergovernmental	68,767	68,767	76,121	7,354
Charges for services	5,000	5,000	14,025	9,025
Investment earnings	45,000	45,000	243,782	198,782
Other	7,600	7,600	15,366	7,766
Total revenues	<u>3,834,506</u>	<u>3,834,506</u>	<u>4,355,808</u>	<u>521,302</u>
Expenditures				
County Judge	123,605	123,605	103,832	19,773
County Clerk	234,489	234,489	211,726	22,763
County Treasurer	172,653	172,653	162,032	10,621
Justice of the Peace	172,707	172,707	169,454	3,253
County Tax Assessor/Collector	117,764	117,764	111,113	6,651
Sheriff's Office	503,801	503,801	646,024	(142,223)
Building maintenance	370,939	370,939	147,298	223,641
Agricultural Extension Agent	63,575	63,575	55,266	8,309
Nondepartmental	427,577	427,577	665,037	(237,460)
Library	20,900	20,900	21,954	(1,054)
Court	263,646	263,646	210,861	52,785
Information Technology	174,100	174,100	194,160	(20,060)
Law Enforcement Center	715,080	715,080	775,773	(60,693)
Elections	61,277	61,277	44,663	16,614
Constable	23,803	23,803	23,531	272
Total expenditures	<u>3,445,916</u>	<u>3,445,916</u>	<u>3,542,724</u>	<u>(96,808)</u>
Excess of revenues over (under) expenditures	<u>388,590</u>	<u>388,590</u>	<u>813,084</u>	<u>424,494</u>
Other financing sources (uses):				
Transfers in	-	-	21,670	21,670
Transfers out	(320,000)	(320,000)	(320,000)	-
Proceeds from issuance of notes payable	-	-	175,613	175,613
Proceeds from sale of capital assets	-	-	52,500	52,500
Total other financing sources (uses)	<u>(320,000)</u>	<u>(320,000)</u>	<u>(70,217)</u>	<u>249,783</u>
Net change in fund balance	68,590	68,590	742,867	674,277
Fund balances - beginning	7,727,516	7,727,516	7,727,516	-
Fund balances - ending	<u>\$ 7,796,106</u>	<u>\$ 7,796,106</u>	<u>\$ 8,470,383</u>	<u>\$ 674,277</u>

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - PRECINCT 1 ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 60,450	\$ 60,450	\$ 65,116	\$ 4,666
Intergovernmental	6,500	6,500	6,910	410
Investment earnings	-	-	413	413
Other	-	-	320	320
Total revenues	<u>66,950</u>	<u>66,950</u>	<u>72,759</u>	<u>5,809</u>
Expenditures				
Public transportation	221,058	221,058	232,231	(11,173)
Total expenditures	<u>221,058</u>	<u>221,058</u>	<u>232,231</u>	<u>(11,173)</u>
Excess of revenues over (under) expenditures	<u>(154,108)</u>	<u>(154,108)</u>	<u>(159,472)</u>	<u>(5,364)</u>
Other financing sources (uses):				
Transfers in	80,000	80,000	80,000	-
Proceeds from sale of capital assets	6,500	6,500	-	(6,500)
Total other financing sources (uses)	<u>86,500</u>	<u>86,500</u>	<u>80,000</u>	<u>(6,500)</u>
Net change in fund balance	(67,608)	(67,608)	(79,472)	(11,864)
Fund balances - beginning	(121,492)	(121,492)	(121,492)	-
Fund balances - ending	<u>\$ (189,100)</u>	<u>\$ (189,100)</u>	<u>\$ (200,964)</u>	<u>\$ (11,864)</u>

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - PRECINCT 2 ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 55,450	\$ 55,450	\$ 58,973	\$ 3,523
Intergovernmental	6,300	6,300	6,671	371
Total revenues	<u>61,750</u>	<u>61,750</u>	<u>65,644</u>	<u>3,894</u>
Expenditures				
Public transportation	189,100	189,100	203,945	(14,845)
Total expenditures	<u>189,100</u>	<u>189,100</u>	<u>203,945</u>	<u>(14,845)</u>
Excess of revenues over (under) expenditures	<u>(127,350)</u>	<u>(127,350)</u>	<u>(138,301)</u>	<u>(10,951)</u>
Other financing sources (uses):				
Transfers in	80,000	80,000	80,000	-
Proceeds from sale of capital assets	6,300	6,300	-	(6,300)
Total other financing sources (uses)	<u>86,300</u>	<u>86,300</u>	<u>80,000</u>	<u>(6,300)</u>
Net change in fund balance	(41,050)	(41,050)	(58,301)	(17,251)
Fund balances - beginning	16,280	16,280	16,280	-
Fund balances - ending	<u>\$ (24,770)</u>	<u>\$ (24,770)</u>	<u>\$ (42,021)</u>	<u>\$ (17,251)</u>

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - PRECINCT 3 ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 80,500	\$ 80,500	\$ 84,672	\$ 4,172
Intergovernmental	7,300	7,300	7,670	370
Other	-	-	28,175	28,175
Total revenues	<u>87,800</u>	<u>87,800</u>	<u>120,517</u>	<u>32,717</u>
Expenditures				
Public transportation	231,510	280,669	252,560	28,109
Total expenditures	<u>231,510</u>	<u>280,669</u>	<u>252,560</u>	<u>28,109</u>
Excess of revenues over (under) expenditures	<u>(143,710)</u>	<u>(192,869)</u>	<u>(132,043)</u>	<u>60,826</u>
Other financing sources (uses):				
Transfers in	80,000	80,000	80,000	-
Proceeds from sale of capital assets	7,300	7,300	-	(7,300)
Total other financing sources (uses)	<u>87,300</u>	<u>87,300</u>	<u>80,000</u>	<u>(7,300)</u>
Net change in fund balance	(56,410)	(105,569)	(52,043)	53,526
Fund balances - beginning	235,618	235,618	235,618	-
Fund balances - ending	<u>\$ 179,208</u>	<u>\$ 130,049</u>	<u>\$ 183,575</u>	<u>\$ 53,526</u>

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - PRECINCT 4 ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 84,500	\$ 84,500	\$ 89,094	\$ 4,594
Intergovernmental	7,500	7,500	7,842	342
Investment earnings	-	-	4,204	4,204
Other	-	-	4,621	4,621
Total revenues	<u>92,000</u>	<u>92,000</u>	<u>105,761</u>	<u>13,761</u>
Expenditures				
Public transportation	305,422	305,422	325,706	(20,284)
Total expenditures	<u>305,422</u>	<u>305,422</u>	<u>325,706</u>	<u>(20,284)</u>
Excess of revenues over (under) expenditures	<u>(213,422)</u>	<u>(213,422)</u>	<u>(219,945)</u>	<u>(6,523)</u>
Other financing sources (uses):				
Transfers in	80,000	80,000	80,000	-
Proceeds from sale of capital assets	7,500	7,500	-	(7,500)
Total other financing sources (uses)	<u>87,500</u>	<u>87,500</u>	<u>80,000</u>	<u>(7,500)</u>
Net change in fund balance	(125,922)	(125,922)	(139,945)	(14,023)
Fund balances - beginning	(394,066)	(394,066)	(394,066)	-
Fund balances - ending	<u>\$ (519,988)</u>	<u>\$ (519,988)</u>	<u>\$ (534,011)</u>	<u>\$ (14,023)</u>

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

	2023	2022	2021
Total Pension Liability			
Service cost	\$ 214,736	\$ 237,310	\$ 245,614
Interest on total pension liability	735,749	721,419	692,782
Effect of plan changes	-	-	-
Effect of economic/demographic (gains) or losses	-	-	(47,969)
Effect of assumptions changes or inputs	72,627	(165,748)	54,874
Benefit payments/refunds of contributions	(590,984)	(573,048)	(547,823)
Net change in total pension liability	432,128	219,933	397,478
Total pension liability (asset), beginning	9,756,251	9,536,318	9,138,840
Total pension liability (asset), ending (a)	<u>\$ 10,188,379</u>	<u>\$ 9,756,251</u>	<u>\$ 9,536,318</u>
Fiduciary Net Position			
Employer contributions	\$ 266,708	\$ 268,364	\$ 245,900
Member contributions	104,288	106,954	102,822
Investment income net of investment expenses	1,035,023	(583,645)	1,863,519
Benefit payments/refunds of contributions	(590,984)	(573,048)	(547,823)
Administrative expenses	(5,347)	(5,531)	(5,543)
Other	(7,593)	(19,276)	(3,276)
Net change in fiduciary net position	802,095	(806,182)	1,655,599
Fiduciary net position, beginning	9,437,611	10,243,793	8,588,194
Fiduciary net position, ending (b)	<u>\$ 10,239,706</u>	<u>\$ 9,437,611</u>	<u>\$ 10,243,793</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ (51,327)</u>	<u>\$ 318,640</u>	<u>\$ (707,475)</u>
Fiduciary net position as a % of total pension liability	<u>100.50%</u>	<u>96.73%</u>	<u>107.42%</u>
Pensionable covered payroll	<u>\$ 1,489,832</u>	<u>\$ 1,527,919</u>	<u>\$ 1,468,888</u>
Net pension liability (asset) as a % of covered payroll	<u>-3.45%</u>	<u>20.85%</u>	<u>-48.16%</u>

EXHIBIT B-6

2020	2019	2018	2017	2016	2015	2014
\$ 239,426	\$ 194,757	\$ 200,787	\$ 189,868	\$ 189,925	\$ 190,682	\$ 177,804
677,764	651,760	623,846	581,821	538,994	513,596	482,591
-	-	-	-	-	(21,180)	-
442,102	-	-	70,210	-	73,814	-
(98,141)	(86,656)	(36,117)	22,487	18,432	(133,221)	(66,829)
(491,123)	(476,122)	(401,097)	(313,566)	(317,119)	(252,077)	(234,078)
<u>770,028</u>	<u>283,739</u>	<u>387,419</u>	<u>550,820</u>	<u>430,232</u>	<u>371,614</u>	<u>359,488</u>
<u>8,368,812</u>	<u>8,085,073</u>	<u>7,697,654</u>	<u>7,146,834</u>	<u>6,716,602</u>	<u>6,344,988</u>	<u>5,985,500</u>
<u>\$ 9,138,840</u>	<u>\$ 8,368,812</u>	<u>\$ 8,085,073</u>	<u>\$ 7,697,654</u>	<u>\$ 7,146,834</u>	<u>\$ 6,716,602</u>	<u>\$ 6,344,988</u>
\$ 239,981	\$ 211,929	\$ 200,249	\$ 181,545	\$ 170,200	\$ 181,075	\$ 264,991
98,932	94,852	88,438	85,347	82,966	81,429	79,115
819,051	1,144,312	(135,830)	926,077	440,398	(101,542)	373,465
(491,123)	(476,122)	(401,097)	(313,566)	(317,119)	(252,077)	(234,078)
(6,284)	(6,044)	(5,596)	(4,804)	(4,783)	(4,317)	(4,493)
(3,718)	(4,693)	(2,623)	(670)	29,914	(12,157)	(35,152)
<u>656,839</u>	<u>964,234</u>	<u>(256,459)</u>	<u>873,929</u>	<u>401,576</u>	<u>(107,589)</u>	<u>443,848</u>
<u>7,931,355</u>	<u>6,967,121</u>	<u>7,223,580</u>	<u>6,349,651</u>	<u>5,948,075</u>	<u>6,055,664</u>	<u>5,611,816</u>
<u>\$ 8,588,194</u>	<u>\$ 7,931,355</u>	<u>\$ 6,967,121</u>	<u>\$ 7,223,580</u>	<u>\$ 6,349,651</u>	<u>\$ 5,948,075</u>	<u>\$ 6,055,664</u>
<u>\$ 550,646</u>	<u>\$ 437,457</u>	<u>\$ 1,117,952</u>	<u>\$ 474,074</u>	<u>\$ 797,183</u>	<u>\$ 768,527</u>	<u>\$ 289,324</u>
<u>93.97%</u>	<u>94.77%</u>	<u>86.17%</u>	<u>93.84%</u>	<u>88.85%</u>	<u>88.56%</u>	<u>95.44%</u>
<u>\$ 1,413,313</u>	<u>\$ 1,355,035</u>	<u>\$ 1,263,400</u>	<u>\$ 1,219,242</u>	<u>\$ 1,185,234</u>	<u>\$ 1,163,267</u>	<u>\$ 1,130,217</u>
<u>38.96%</u>	<u>32.28%</u>	<u>88.49%</u>	<u>38.88%</u>	<u>67.26%</u>	<u>66.07%</u>	<u>25.60%</u>

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

<u>Year Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll (1)</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2015	\$ 191,459	\$ 264,992	\$ (73,533)	\$ 1,130,217	23.4%
2016	179,608	181,075	(1,467)	1,163,267	15.6%
2017	170,200	170,200	-	1,185,234	14.4%
2018	181,645	181,545	100	1,219,242	14.9%
2019	200,249	200,249	-	1,263,400	15.9%
2020	211,928	211,928	-	1,355,035	15.6%
2021	239,981	239,981	-	1,413,313	17.0%
2022	213,576	245,900	(32,324)	1,468,888	16.7%
2023	231,175	268,364	(37,189)	1,527,919	17.6%
2024	235,944	276,013	(40,069)	1,647,097	16.8%

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

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

<i>Actuarial Cost Method</i>	Entry Age (level percentage of pay)
<i>Amortization Method</i>	Level percentage of payroll; closed
<i>Remaining Amortization Period</i>	16.9 years (based on contribution rate calculated in 12/31/2023 valuation)
<i>Asset Valuation Method</i>	5-year smoothed market
<i>Inflation</i>	2.50%
<i>Salary increases</i>	Varies by age and service. 4.7% average over career including inflation.
<i>Investment rate of return</i>	7.50%, net of administrative and investment expenses, including inflation
<i>Retirement age</i>	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.
<i>Mortality</i>	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.
<i>Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions</i>	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.
<i>Changes in Plan Provisions Reflected in the Schedule of Employer Contributions</i>	2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.

SHACKELFORD COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability			
Service cost	\$ 3,225	\$ 5,559	\$ 5,063
Interest on total OPEB liability	4,643	3,348	3,213
Effect of plan changes	-	-	-
Effect of economic/demographic (gains) or losses	9,651	(40,026)	2,720
Effect of assumptions changes or inputs	2,211	(1,914)	2,535
Benefit payments/refunds of contributions	<u>(2,086)</u>	<u>(2,597)</u>	<u>(3,525)</u>
Net change in total OPEB liability	17,644	(35,630)	10,006
Total OPEB liability (asset), beginning	122,626	158,256	148,250
Total OPEB liability (asset), ending	<u>\$ 140,270</u>	<u>\$ 122,626</u>	<u>\$ 158,256</u>
Pensionable covered payroll	<u>\$ 1,489,832</u>	<u>\$ 1,527,919</u>	<u>\$ 1,468,888</u>
Total OPEB liability (asset) as a % of covered payroll	<u>9.42%</u>	<u>8.03%</u>	<u>10.77%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been prepared.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
\$ 7,566	\$ 2,820	\$ 3,021	\$ 2,115
3,608	4,034	3,733	3,951
-	-	-	-
16,422	26,217	(11,090)	4,680
(1,327)	(562)	(2,260)	(4,620)
(4,240)	(3,659)	(3,032)	(3,048)
<u>22,029</u>	<u>28,850</u>	<u>(9,628)</u>	<u>3,078</u>
126,221	97,371	106,999	103,921
<u>\$ 148,250</u>	<u>\$ 126,221</u>	<u>\$ 97,371</u>	<u>\$ 106,999</u>
<u>\$ 1,413,313</u>	<u>\$ 1,355,035</u>	<u>\$ 1,263,400</u>	<u>\$ 1,219,242</u>
<u>10.49%</u>	<u>9.31%</u>	<u>7.71%</u>	<u>8.78%</u>

SHACKELFORD COUNTY, TEXAS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

Budget

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The County and many other governments revise their original budgets over the course of the year for a variety of reasons. Therefore, the County will report the government's original budget as well as the comparison of the final budget and actual results.

The County adheres to the following procedures in establishing the operating budget reflected in the basic financial statements:

The County begins the budget process in July of each year, with each department submitting a proposed budget for the upcoming year. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted. The budget is legally enacted by the Commissioner's Court through passage of appropriation and tax levying ordinances prior to September 30 and is published under a separate cover.

An annual budget is legally adopted for the General Fund and each of the four Road and Bridge Precincts. The budgets are prepared on a basis similar to generally accepted accounting principles. However, the County's budget is adopted by department only. For purposes of the budgetary comparison schedules, the County presents all expenditures within a department and does not separately report capital outlay and debt service expenditures.

For the year ended September 30, 2024, the County's expenditures exceeded budgeted amounts in the following areas of the General Fund: Sheriff's Office (\$142,223), Nondepartmental (\$237,460), Library (\$1,054), Information Technology (\$20,060), and Law Enforcement Center (\$60,693) and in total (\$96,808). In addition, the County's expenditures exceeded budgeted amounts in Precinct 1 Road & Bridge Fund (\$11,173), Precinct 2 Road & Bridge Fund (\$14,845), and Precinct 4 Road & Bridge (\$20,284).

Texas County and District Retirement System Defined Benefit Pension Plan

There were no changes to benefit terms or assumptions during the current year.

Texas County and District Retirement System Defined OPEB Plan

There were no changes to benefit terms during the current year.

The discount rate used to calculate the total OPEB liability decreased from 3.72% to 3.26% in the current year.

***COMBINING STATEMENTS AND BUDGET COMPARISONS
AS SUPPLEMENTARY INFORMATION***

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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

	Debt Service Fund	County Clerk Records Management Fund	Courthouse Security Fund	District Clerk Records Management Fund
Assets				
Cash	\$ 631,525	\$ 139,837	\$ 99,717	\$ 14,794
Receivables:				
Property taxes (net)	24,928	-	-	-
Interfund	-	24,313	6,587	3,568
Total assets	<u>\$ 656,453</u>	<u>\$ 164,150</u>	<u>\$ 106,304</u>	<u>\$ 18,362</u>
Liabilities				
Accrued payroll	\$ -	\$ -	\$ -	\$ -
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources				
Unavailable revenue	24,928	-	-	-
Fund balances				
Restricted for:				
Debt service	631,525	-	-	-
Special programs	-	164,150	106,304	18,362
Total fund balances	<u>631,525</u>	<u>164,150</u>	<u>106,304</u>	<u>18,362</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 656,453</u>	<u>\$ 164,150</u>	<u>\$ 106,304</u>	<u>\$ 18,362</u>

**EXHIBIT C-1
(Page 1 of 2)**

<u>BVS Fund</u>	<u>County Clerk Archive Fund</u>	<u>General Records Management Fund</u>	<u>District Clerk Archive Fund</u>	<u>Court Record Preservation Fund</u>	<u>JP Technology Fund</u>
\$ 5,702	\$ 181,969	\$ 22,080	\$ 9,393	\$ 14,753	\$ 24,660
-	-	-	-	-	-
345	95,454	4,989	31,822	1,788	3,537
<u>\$ 6,047</u>	<u>\$ 277,423</u>	<u>\$ 27,069</u>	<u>\$ 41,215</u>	<u>\$ 16,541</u>	<u>\$ 28,197</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,047	277,423	27,069	41,215	16,541	28,197
<u>6,047</u>	<u>277,423</u>	<u>27,069</u>	<u>41,215</u>	<u>16,541</u>	<u>28,197</u>
<u>\$ 6,047</u>	<u>\$ 277,423</u>	<u>\$ 27,069</u>	<u>\$ 41,215</u>	<u>\$ 16,541</u>	<u>\$ 28,197</u>

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

	Sheriff Seizure Fund	Sheriff Commissary Fund	Grant Fund	TDEM Grant Fund
Assets				
Cash	\$ 7,698	\$ 37,936	\$ 54,410	\$ 45,318
Receivables:				
Property taxes (net)	-	-	-	-
Interfund	159	-	-	-
Total assets	<u>\$ 7,857</u>	<u>\$ 37,936</u>	<u>\$ 54,410</u>	<u>\$ 45,318</u>
Liabilities				
Accrued payroll	\$ -	\$ -	\$ -	\$ -
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources				
None	-	-	-	-
Fund balances				
Restricted for:				
Debt service	-	-	-	-
Special programs	7,857	37,936	54,410	45,318
Total fund balances	<u>7,857</u>	<u>37,936</u>	<u>54,410</u>	<u>45,318</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,857</u>	<u>\$ 37,936</u>	<u>\$ 54,410</u>	<u>\$ 45,318</u>

EXHIBIT C-1
(Page 2 of 2)

CLFRF Fund	Senate Bill 22 Fund	FFB Fund	District Clerk Technology Fund	Capital Credits Fund	Total Nonmajor Governmental Funds
\$ 43,746	\$ 122,316	\$ 8,293	\$ 1,463	\$ 13,471	\$ 1,479,081
-	-	-	-	-	24,928
-	-	-	36	-	172,598
<u>\$ 43,746</u>	<u>\$ 122,316</u>	<u>\$ 8,293</u>	<u>\$ 1,499</u>	<u>\$ 13,471</u>	<u>\$ 1,676,607</u>
\$ -	\$ 14,437	\$ -	\$ -	\$ -	\$ 14,437
-	54,765	-	-	-	54,765
27,130	49,887	-	-	-	77,017
<u>27,130</u>	<u>119,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,219</u>
-	-	-	-	-	24,928
-	-	-	-	-	631,525
16,616	3,227	8,293	1,499	13,471	873,935
<u>16,616</u>	<u>3,227</u>	<u>8,293</u>	<u>1,499</u>	<u>13,471</u>	<u>1,505,460</u>
<u>\$ 43,746</u>	<u>\$ 122,316</u>	<u>\$ 8,293</u>	<u>\$ 1,499</u>	<u>\$ 13,471</u>	<u>\$ 1,676,607</u>

SHACKELFORD COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Debt Service Fund	County Clerk Records Management Fund	Courthouse Security Fund	District Clerk Records Management Fund
Revenues				
Ad valorem taxes	\$ 431,275	\$ -	\$ -	\$ -
Fees and commissions	-	9,100	5,884	20
Intergovernmental	-	-	-	-
Interest earnings	18,753	4,059	2,907	436
Total revenues	<u>450,028</u>	<u>13,159</u>	<u>8,791</u>	<u>456</u>
Expenditures				
Current:				
County Clerk	-	991	-	-
Justice of the Peace	-	-	-	-
Sheriff's Office	-	-	-	-
Law Enforcement Center	-	-	-	-
Courthouse security	-	-	1,275	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	320,000	-	-	-
Interest expense and paying agent fees	65,200	-	-	-
Total expenditures	<u>385,200</u>	<u>991</u>	<u>1,275</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>64,828</u>	<u>12,168</u>	<u>7,516</u>	<u>456</u>
Other financing sources (uses):				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>64,828</u>	<u>12,168</u>	<u>7,516</u>	<u>456</u>
Fund balances - beginning, as previously reported	-	151,982	98,788	17,906
Change in reporting entity - major to nonmajor fund	566,697	-	-	-
Fund balances - beginning, as restated	<u>566,697</u>	<u>151,982</u>	<u>98,788</u>	<u>17,906</u>
Fund balances - ending	<u>\$ 631,525</u>	<u>\$ 164,150</u>	<u>\$ 106,304</u>	<u>\$ 18,362</u>

BVS Fund	County Clerk Archive Fund	General Records Management Fund	District Clerk Archive Fund	Court Record Preservation Fund	JP Technology Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
76	10,100	177	1,205	1,655	3,003
-	-	-	-	-	-
167	5,283	649	267	420	780
<u>243</u>	<u>15,383</u>	<u>826</u>	<u>1,472</u>	<u>2,075</u>	<u>3,783</u>
-	-	-	-	-	-
-	-	-	-	-	1,440
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,440
<u>243</u>	<u>15,383</u>	<u>826</u>	<u>1,472</u>	<u>2,075</u>	<u>2,343</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>243</u>	<u>15,383</u>	<u>826</u>	<u>1,472</u>	<u>2,075</u>	<u>2,343</u>
5,804	262,040	26,243	39,743	14,466	25,854
-	-	-	-	-	-
<u>5,804</u>	<u>262,040</u>	<u>26,243</u>	<u>39,743</u>	<u>14,466</u>	<u>25,854</u>
<u>\$ 6,047</u>	<u>\$ 277,423</u>	<u>\$ 27,069</u>	<u>\$ 41,215</u>	<u>\$ 16,541</u>	<u>\$ 28,197</u>

SHACKELFORD COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Sheriff Seizure Fund	Sheriff Commissary Fund	Grant Fund	TDEM Grant Fund
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Fees and commissions	-	1,552	-	-
Intergovernmental	-	-	-	-
Interest earnings	240	-	1,605	1,335
Total revenues	<u>240</u>	<u>1,552</u>	<u>1,605</u>	<u>1,335</u>
Expenditures				
Current:				
County Clerk	-	-	-	-
Justice of the Peace	-	-	-	-
Sheriff's Office	2,165	-	-	-
Law Enforcement Center	-	-	-	-
Courthouse security	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest expense and paying agent fees	-	-	-	-
Total expenditures	<u>2,165</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(1,925)</u>	<u>1,552</u>	<u>1,605</u>	<u>1,335</u>
Other financing sources (uses):				
Transfers out	-	-	(21,670)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(21,670)</u>	<u>-</u>
Net change in fund balance	<u>(1,925)</u>	<u>1,552</u>	<u>(20,065)</u>	<u>1,335</u>
Fund balances - beginning, as previously reported	9,782	36,384	74,475	43,983
Change in reporting entity - major to nonmajor fund	-	-	-	-
Fund balances - beginning, as restated	<u>9,782</u>	<u>36,384</u>	<u>74,475</u>	<u>43,983</u>
Fund balances - ending	<u>\$ 7,857</u>	<u>\$ 37,936</u>	<u>\$ 54,410</u>	<u>\$ 45,318</u>

EXHIBIT C-2
(Page 2 of 2)

CLFRF Fund	Senate Bill 22 Fund	FFB Fund	District Clerk Technology Fund	Capital Credits Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 431,275
-	-	-	136	-	32,908
247,946	200,113	-	-	-	448,059
4,496	3,226	3,272	61	398	48,354
<u>252,442</u>	<u>203,339</u>	<u>3,272</u>	<u>197</u>	<u>398</u>	<u>960,596</u>
-	-	-	-	-	991
-	-	-	-	-	1,440
21,822	101,673	-	-	-	125,660
-	98,439	-	-	-	98,439
-	-	-	-	-	1,275
226,124	-	-	-	-	226,124
-	-	-	-	-	320,000
-	-	-	-	-	65,200
<u>247,946</u>	<u>200,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>839,129</u>
<u>4,496</u>	<u>3,227</u>	<u>3,272</u>	<u>197</u>	<u>398</u>	<u>121,467</u>
-	-	-	-	-	(21,670)
-	-	-	-	-	(21,670)
<u>4,496</u>	<u>3,227</u>	<u>3,272</u>	<u>197</u>	<u>398</u>	<u>99,797</u>
12,120	-	5,021	1,302	13,073	838,966
-	-	-	-	-	566,697
<u>12,120</u>	<u>-</u>	<u>5,021</u>	<u>1,302</u>	<u>13,073</u>	<u>1,405,663</u>
<u>\$ 16,616</u>	<u>\$ 3,227</u>	<u>\$ 8,293</u>	<u>\$ 1,499</u>	<u>\$ 13,471</u>	<u>\$ 1,505,460</u>