

Parker County, Texas

Annual Financial Report

September 30, 2024

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Parker County, Texas
 Annual Financial Report
 Year Ended September 30, 2024
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Financial Section

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Independent Auditor's Report

To the Honorable County Judge
and County Commissioners' Court
Parker County, Texas

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements 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 the County, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and *Texas Grant Management Standards*, is also not a required part of the basic financial statements.

The combining statements and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
June 27, 2025

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Management's Discussion And Analysis

Management's discussion and analysis (MD&A) of Parker County's (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2024. The MD&A should be read in conjunction with the accompanying financial statements and the notes to those financial statements.

Financial Highlights

- The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources of the County at September 30, 2024 by \$99,181,293 (net position). Of this amount, \$31,672,987 is restricted for specific purposes and \$8,654,814 represents unrestricted net position. Net position also reflects net investment in capital assets of \$58,853,492.
- In contrast to the government-wide statements, the fund statements report a combined fund balance at September 30, 2024 of \$178,084,894; of which \$275 represents nonspendable fund balance, \$133,095,701 represents fund balance restricted for funding of debt service, capital projects, the lateral road fund, and federal and state programs, \$1,760,181 represents fund balance committed to state and special programs, and \$43,228,737 or 24% represents unassigned fund balance.
- The general fund reports a fund balance of \$45,075,739; of which \$228,406 represents amounts restricted for federal and state programs and \$1,618,596 represents amounts committed to state and special programs, with the remaining reported as unassigned. Unassigned fund balance for the general fund equals 54% of total final budgeted general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) other required supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the County as well as all liabilities (including long-term debt). Additionally, interfund activity has been eliminated.

The statement of net position presents information on all of the County's assets, deferred outflows of resources less liabilities and deferred inflows of resources with the remaining reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year using the full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general government; public safety; health and welfare; roads and bridges; law enforcement; judicial; recording; and tax assessing-collecting, along with interest and other costs.

The government-wide financial statements can be found on pages 17 and 18 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The County maintains forty-seven individual funds (excluding fiduciary funds), forty-two special revenue funds, a capital project fund, a debt service fund, a lateral road fund, an internal service fund and a general fund. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Lateral Road Fund, Capital Projects Tax Road Bonds Fund, the Debt Service Fund, and the American Rescue Plan Act (ARPA) Fund which are classified as major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages 19 and 22 of this report.

Proprietary funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among a government's various functions. The County uses an internal service fund to account for its self-insurance programs. Because these activities benefit governmental functions, they have been included with governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found on pages 23 through 25 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in separate Statement of Net Position and Statement of Changes in Net Position. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The fiduciary fund financial statements can be found on page 26 and 27 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 56 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pensions, OPEB and budget comparisons. The required supplementary information can be found on pages 59 through 64 of this report. Combining statements and schedules are also included in the report as other supplementary information and can be found on pages 70 through 95.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$99,181,293 as of September 30, 2024.

Parker County's Net Position

	Governmental Activities	
	2024	2023
Current and other assets	\$ 227,693,103	\$ 138,111,030
Capital assets, net of depreciation/amortization	136,600,944	124,670,441
Total assets	364,294,047	262,781,471
Deferred outflow of resources	9,569,702	13,753,804
Long-term liabilities, including due in one year	234,614,451	166,973,527
Unearned revenue	26,770,181	30,006,265
Other liabilities	11,780,987	9,676,668
Total liabilities	273,165,619	206,656,460
Deferred inflow of resources	1,516,837	1,369,542
Net position		
Net investment in capital assets	58,853,492	43,225,750
Restricted	31,672,987	26,564,756
Unrestricted	8,654,814	(1,281,233)
Total net position	\$ 99,181,293	\$ 68,509,273

Net investment in capital assets (e.g., land, buildings, infrastructure, furniture and equipment, and work in progress, etc.) less any related debt used to acquire those assets that is still outstanding is \$58,853,492. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional \$31,672,987 of the County's net position represents resources that are subject to external restrictions on how they may be used. All restricted assets of the County are being held for purposes established by state and local laws, future construction, and debt service requirements on the County's outstanding debt. The remaining net position in the amount of \$8,654,814 is unrestricted.

The County's governmental activities increased net position by \$30,672,020 during the current year. The total cost of all governmental activities this year was \$99,521,241. The amount that our taxpayers paid for these activities through property taxes was \$72,471,843 or 73%.

Parker County's Changes in Net Position

	Governmental Activities	
	2024	2023
Revenues		
Program revenues		
Charges for services	\$ 12,806,298	\$ 16,091,726
Operating grants and contributions	16,585,260	9,037,061
Capital grants and contributions	249,117	744,968
General revenues		
Property taxes	72,471,843	61,137,292
Sales and other taxes	17,838,887	17,097,177
Investment earnings and unrealized gains/losses	9,730,998	6,140,163
Gain on disposal	220,134	135,906
Other	290,724	212,415
Total revenues	130,193,261	110,596,708
Expenses		
General government	14,023,870	13,670,426
Roads and bridges	16,436,094	14,576,554
Public safety	2,022,721	1,279,698
Law enforcement	35,268,659	29,291,326
Judicial	16,369,986	15,219,779
Health and welfare	2,210,191	1,359,551
Recording	3,942,404	4,102,474
Tax assessing-collecting	1,833,638	1,737,734
Interest and other costs	7,413,678	5,131,279
Total expenses	99,521,241	86,368,821
Change in net position	30,672,020	24,227,887
Net position-beginning	68,509,273	44,281,386
Net position-ending	\$ 99,181,293	\$ 68,509,273

Revenues by Source

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- Program revenues of \$29,640,675 equaled 30% of governmental expenses of \$99,521,241. As expected, general revenues in the amount of \$100,332,452 provided the remaining support and coverage for expenses.
- 35% or \$35,268,659 of the expenses are law enforcement while this category provided 2% of total revenues.
- Roads and bridges and judicial account for \$32,806,080 or 33% of expenses while providing about 7% of total revenues.
- Operating grant revenues and contributions comprised about 13% of total revenues.

Financial Analysis of Governmental Funds

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

Governmental funds. The general government functions are reported in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$178,084,894 an increase of \$90,890,450 in comparison with the prior year. Approximately \$43,228,737 or 24% of the fund balance represents unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is made up of nonspendable fund balance of \$275, committed fund balance of \$1,760,181, and restricted fund balance of \$133,095,701. Committed fund balance is set aside for state and special programs while the restricted fund balance is set aside to pay debt service in the amount of \$3,628,379, fund capital projects in the amount of \$100,229,425, fund lateral roads in the amount of \$19,506,979, and federal and state programs in the amount of \$9,730,918.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, fund balance of the general fund was \$45,075,739, \$228,406 was restricted, \$1,618,596 was committed and the remainder was unassigned. As a measure of the general fund's liquidity, we compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents over 96% of total fund balance for the general fund.

The fund balance of the County's general fund increased by \$6,199,033, which is primarily due to less expenditures than revenue to operate the County.

The debt service fund has a total fund balance of \$3,628,379, all of which is restricted for debt service. The increase in the debt service fund was \$62,395.

The capital projects tax road bonds fund had a total fund balance of \$100,229,425 which is restricted for construction and improvements of roads and bridges or acquisition of County-owned buildings and equipment. The increase in fund balance during the current year in the capital projects funds was \$78,909,347 after capital outlay expenditures and bond proceeds from the issuance of debt during the current year.

The lateral road fund had a total fund balance of \$19,507,254, all of which is restricted for maintenance and construction of County roads and bridges. The net increase in fund balance during the current year in the lateral road fund was \$4,660,640 due to less expenditures than revenue.

General Fund Budgetary Highlights

The original fiscal year 2024 budget was adopted in September 2023, with total general fund expenditures in the amount of \$79,766,401.

In total, the original general fund budget for expenditures were \$574,445 less than the final general fund amended budget for expenditures.

Significant variations between the final budget and actual amounts include the following:

- Actual revenues were greater than budgeted by \$5,293,819 primarily due to the increase in sales tax collections, increase in investment earnings and unrealized gains on investments and miscellaneous revenue.
- Actual expenditures were \$6,458,726 less than budgeted primarily due to lower costs in general government, judicial and law enforcement expenditures than anticipated.

Capital Assets and Debt Administration

The capital assets of the County are those assets which are used in the performance of the County's functions including current year expenditures for infrastructure assets. At September 30, 2024, capital assets, net of accumulated depreciation, in the governmental activities totaled \$136,600,944. Depreciation and amortization on capital assets is recognized in the government-wide financial statements. Annual depreciation/amortization for buildings, improvements, infrastructure and machinery and equipment totaled \$9,252,073.

**Parker County's Capital Assets
(net of depreciation/amortization)**

	Governmental Activities	
	2024	2023
Land	\$ 25,207,995	\$ 22,829,505
Work in progress	7,495,370	26,812,560
Buildings and improvements	21,192,795	20,111,367
Infrastructure	61,640,149	39,719,749
Office furniture and equipment	2,915,404	2,971,204
Transportation equipment	5,627,885	3,703,255
Road maintenance equipment	9,563,153	5,491,727
Emergency management equipment	279,221	312,444
Right-to-use lease assets	1,287,583	878,609
Right-to-use subscription assets	1,276,044	1,757,638
Other	115,345	82,383
Total	\$ 136,600,944	\$ 124,670,441

Additional information on the County's capital assets can be found in Note 6 of this report.

Long-Term Liabilities

As of September 30, 2024, the County had unlimited tax road bonds, tax notes, and general obligation refunding bonds of \$204,740,000. Total leases payable were \$1,272,611. Total subscriptions payable were \$1,247,833. Financed purchases payable were \$697,810.

The County's total property tax rate for fiscal year 2024 was \$0.287098 per \$100 assessed valuation, of which \$0.046175 was for annual debt service, \$0.055986 was for maintenance of County roads accounted for in the lateral road fund with the remaining \$0.184937 levied on general maintenance and operations in the general fund. Revenue in each of the taxing funds represented approximately 58%, 70% and 97% for the General Fund, Lateral Road Fund and Debt Service Fund, respectively. The revenue generated through property taxes largely offset the expenditure incurred in the respective funds, as shown below.

	General Fund	Lateral Road Fund	Debt Service Fund
Property Taxes	\$ 46,445,996	\$ 14,499,239	\$ 11,604,108
Other Revenue	33,038,730	6,216,820	331,178
Total Revenue	<u>79,484,726</u>	<u>20,716,059</u>	<u>11,935,286</u>
Expenditures	73,882,120	16,320,673	11,872,891
Other Financing Sources (Uses)	596,427	265,254	-
Change in Fund Balance	<u>\$ 6,199,033</u>	<u>\$ 4,660,640</u>	<u>\$ 62,395</u>

Parker County's Outstanding Debt

	Governmental Activities	
	2024	2023
Unlimited tax road bonds	\$ 199,670,000	\$ 125,573,540
Tax notes	3,500,000	4,350,000
General obligation refunding bonds	1,570,000	3,090,000
Financed purchases	697,810	1,084,221
Leases payable	1,272,611	855,706
Subscriptions payable	1,247,833	1,740,903
Total	<u>\$ 207,958,254</u>	<u>\$ 136,694,370</u>

Additional information on the County's long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

The annual budget is developed to provide efficient and effective economic uses of the County's resources, as well as, a means to accomplish the highest priority objectives. Through the budget, the County Commissioners set the direction of the County, allocate its resources and establish its priorities.

In considering the County budget for fiscal year 2025, the County Commissioners and management considered that the County, which is located near the Fort Worth Metroplex, is anticipating an increase in new large businesses and retail sales, therefore sales tax revenues for the County are expected to increase approximately 9%.

Request for Information

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the appropriate financial office (County Auditor) at 1112 Santa Fe Drive, Weatherford, Texas, 76086 or (Parker County Judge) at 1 Courthouse Square, Weatherford, Texas 76086.

Basic Financial Statements

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Parker County, Texas
Statement of Net Position
September 30, 2024

Exhibit A-1

	Primary Government
	Governmental Activities
ASSETS	
Cash	\$ 3,933,549
Investments	215,242,452
Receivables, net of allowance	8,416,827
Prepaid expenses and other assets	100,275
Land and work in progress	32,703,365
Other capital assets, net of depreciation/amortization	103,897,579
Total assets	364,294,047
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	3,797,880
Deferred outflows related to pension	5,599,759
Deferred outflows related to OPEB	172,063
Total deferred outflows of resources	9,569,702
LIABILITIES	
Accounts payable and accrued liabilities	8,524,997
Accrued salaries and benefits payable	1,208,798
Accrued interest payable	1,353,252
Due to other governmental entities	693,940
Unearned revenue	26,770,181
Noncurrent liabilities	
Due within one year	10,679,243
Due in more than one year	223,935,208
Total liabilities	273,165,619
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to leases	1,233,066
Deferred inflows related to OPEB	283,771
Total deferred inflows of resources	1,516,837
NET POSITION	
Net investment in capital assets	58,853,492
Restricted for	
Debt service	2,320,392
Lateral road	19,621,677
State and federal programs	9,730,918
Unrestricted	8,654,814
TOTAL NET POSITION	\$ 99,181,293

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas
Statement of Activities
Year Ended September 30, 2024

Exhibit A-2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
PRIMARY GOVERNMENT					
Governmental activities					
General government	\$ 14,023,870	\$ 447,893	\$ 10,218,931	\$ -	\$ (3,357,046)
Roads and bridges	16,436,094	2,964,977	2,165,392	249,117	(11,056,608)
Public safety	2,022,721	71,784	976,834	-	(974,103)
Law enforcement	35,268,659	1,226,637	1,595,309	-	(32,446,713)
Judicial	16,369,986	2,713,477	1,598,024	-	(12,058,485)
Health and welfare	2,210,191	563,672	30,770	-	(1,615,749)
Recording	3,942,404	1,831,589	-	-	(2,110,815)
Tax assessing-collecting	1,833,638	2,986,269	-	-	1,152,631
Interest and other costs	7,413,678	-	-	-	(7,413,678)
TOTAL PRIMARY GOVERNMENT	\$ 99,521,241	\$ 12,806,298	\$ 16,585,260	\$ 249,117	(69,880,566)

General revenue	
Property taxes	72,471,843
Sales and other taxes	17,838,887
Investment earnings and unrealized gains/losses	9,730,998
Other general revenue	290,724
Total general revenues	100,332,452
Gain on disposal	220,134
Change in net position	30,672,020
Net position, beginning of year	68,509,273
NET POSITION, END OF YEAR	\$ 99,181,293

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas
 Balance Sheet – Governmental Funds
 September 30, 2024

Exhibit A-3

	General	Lateral Road	Capital Projects Tax Road Bonds	Debt Service Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash	\$ 644,578	\$ 280,351	\$ 1,712,580	\$ 62,956	\$ 207,235	\$ 307,140	\$ 3,214,840
Investments	44,225,708	18,512,016	113,086,433	4,157,173	13,684,258	10,448,195	204,113,783
Receivables, net of allowance							
Property taxes	334,577	161,018	-	83,537	-	-	579,132
Intergovernmental	3,622,074	-	221,238	-	-	16,665	3,859,977
Leases	1,259,292	-	-	-	-	-	1,259,292
Other	105,348	1,939,057	-	30,126	1,007	33,490	2,109,028
Prepaid items and other assets	-	275	-	-	-	-	275
Total assets	50,191,577	20,892,717	115,020,251	4,333,792	13,892,500	10,805,490	215,136,327
TOTAL ASSETS	\$ 50,191,577	\$ 20,892,717	\$ 115,020,251	\$ 4,333,792	\$ 13,892,500	\$ 10,805,490	\$ 215,136,327
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 2,685,276	\$ 1,083,805	\$ 1,613,102	\$ 660,148	\$ 575,043	\$ 260,378	\$ 6,877,752
Accrued salaries and benefits payable	882,621	186,960	-	-	-	53,205	1,122,786
Due to other governmental entities	121,130	-	-	-	-	572,810	693,940
Unearned revenue	-	-	13,177,724	-	13,317,457	275,000	26,770,181
Total liabilities	3,689,027	1,270,765	14,790,826	660,148	13,892,500	1,161,393	35,464,659
Deferred inflows of resources							
Leases	1,233,066	-	-	-	-	-	1,233,066
Property taxes	193,745	114,698	-	45,265	-	-	353,708
Total deferred inflows of resources	1,426,811	114,698	-	45,265	-	-	1,586,774
Fund balances							
Nonspendable							
Prepaid	-	275	-	-	-	-	275
Restricted for							
Debt service	-	-	-	3,628,379	-	-	3,628,379
Capital projects	-	-	100,229,425	-	-	-	100,229,425
Lateral road	-	19,506,979	-	-	-	-	19,506,979
Federal and state programs	228,406	-	-	-	-	9,502,512	9,730,918
Committed for state and special programs	1,618,596	-	-	-	-	141,585	1,760,181
Unassigned	43,228,737	-	-	-	-	-	43,228,737
Total fund balances	45,075,739	19,507,254	100,229,425	3,628,379	-	9,644,097	178,084,894
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 50,191,577	\$ 20,892,717	\$ 115,020,251	\$ 4,333,792	\$ 13,892,500	\$ 10,805,490	\$ 215,136,327

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2024

Exhibit A-4

TOTAL FUND BALANCES - GOVERNEMENTAL FUNDS	\$	178,084,894
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		136,600,944
Deferred outflows of resources related to the pension liability are not due in the current period, and therefore, have not been included in the fund financial statements.		5,599,759
Net deferred outflows and inflows of resources related to the OPEB liability are not due and payable in the current period, and therefore, have not been included in the fund financial statements.		
Deferred outflows related to OPEB	\$	172,063
Deferred inflows related to OPEB		(283,771)
Net deferred outflows and inflows		(111,708)
Accrued interest payable and arbitrage payable on long-term debt do not require current financial resources, therefore are not reported as liabilities in the governmental funds balance sheet.		(2,279,453)
Revenues earned but not available within sixty days of year-end are not recognized as revenue on the fund financial statements.		353,708
Noncurrent liabilities, including bonds payable, tax notes, leases, subscriptions, financed purchases, deferred premiums on issuance, compensated absences, pension and OPEB liability are not due and payable in the current period and therefore are not reported in the fund financial statements.		
Bonds payable and tax notes	\$	(204,740,000)
Financed purchases		(697,810)
Leases payable		(1,272,611)
Subscriptions payable		(1,247,833)
Deferred premiums on issuance		(13,521,369)
Net Pension liability		(10,425,695)
Total OPEB liability		(1,425,777)
Compensated absences		(1,283,356)
Total long-term liabilities		(234,614,451)
For debt refundings, the difference between the acquisition price and the net carrying amount of the debt has been deferred and amortized in the government-wide financial statements.		3,797,880
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the government-wide statement of net position.		11,749,720
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$	99,181,293

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Exhibit A-5

Statement of Revenues, Expenditures,
and Changes in Fund Balance – Governmental Funds
Year Ended September 30, 2024

	General	Lateral Road	Capital Projects Tax Road Bonds	Debt Service Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Property taxes	\$ 46,445,996	\$ 14,499,239	\$ -	\$ 11,604,108	\$ -	\$ -	\$ 72,549,343
Sales taxes	17,475,115	-	-	-	-	-	17,475,115
Intergovernmental	2,931,192	2,574,591	432,118	-	9,529,017	1,842,984	17,309,902
Fees of office	6,991,429	2,427,477	-	-	-	1,714,781	11,133,687
Investment earnings and unrealized gains/losses	4,081,719	966,448	4,152,550	294,764	-	235,516	9,730,997
Royalties	33,847	-	-	-	-	-	33,847
Miscellaneous	1,525,428	248,304	-	36,414	-	44,002	1,854,148
Total revenues	79,484,726	20,716,059	4,584,668	11,935,286	9,529,017	3,837,283	130,087,039
EXPENDITURES							
Current							
General government	11,017,966	-	2,640	-	-	173,584	11,194,190
Roads and bridges	-	7,638,616	-	-	3,907,648	-	11,546,264
Public safety	1,386,919	-	-	-	-	309,181	1,696,100
Law enforcement	31,766,823	-	-	-	54,539	52,432	31,873,794
Judicial	13,632,885	-	-	-	-	1,937,798	15,570,683
Health and welfare	1,389,307	-	-	-	728,897	-	2,118,204
Recording	3,417,411	-	-	-	-	410,819	3,828,230
Tax assessing-collecting	1,810,657	-	-	-	-	-	1,810,657
Capital outlay	7,954,523	8,567,775	5,672,681	-	4,837,933	395,274	27,428,186
Debt service							
Principal	1,364,545	107,719	-	6,168,540	-	75,194	7,715,998
Interest and other charges	141,084	6,563	-	5,704,351	-	-	5,851,998
Bond issuance costs	-	-	779,587	-	-	-	779,587
Total expenditures	73,882,120	16,320,673	6,454,908	11,872,891	9,529,017	3,354,282	121,413,891
Excess (deficiency) of revenues over (under) expenditures	5,602,606	4,395,386	(1,870,240)	62,395	-	483,001	8,673,148
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	-	355,365	355,365
Operating transfers out	(355,365)	-	-	-	-	-	(355,365)
Proceeds on sale of assets	50,809	166,725	-	-	-	3,163	220,697
Proceeds from leases	793,537	43,149	-	-	-	110,060	946,746
Bond proceeds	-	-	77,895,000	-	-	-	77,895,000
Proceeds from right-to-use subscription assets	107,446	55,380	-	-	-	107,446	270,272
Premium on long-term debt issued	-	-	2,884,587	-	-	-	2,884,587
Total other financing sources (uses)	596,427	265,254	80,779,587	-	-	576,034	82,217,302
NET CHANGES IN FUND BALANCES	6,199,033	4,660,640	78,909,347	62,395	-	1,059,035	90,890,450
FUND BALANCES, beginning of year	38,876,706	14,846,614	21,320,078	3,565,984	-	8,585,062	87,194,444
FUND BALANCES, end of year	\$ 45,075,739	\$ 19,507,254	\$ 100,229,425	\$ 3,628,379	\$ -	\$ 9,644,097	\$ 178,084,894

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Exhibit A-6

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended September 30, 2024

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

Net changes in fund balances - total governmental funds	\$	90,890,450	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of the assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization in the current period.</p>			
Capital outlay	\$	21,351,270	
Depreciation/amortization		<u>(9,252,073)</u>	12,099,197
The net effect of capital asset disposals and termination of leases and subscriptions decreases net position.			(563)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			(77,500)
Bond proceeds provide current financial resources to governmental funds while increasing long-term liabilities in the statement of net position.			(77,895,000)
Expenditures related to the County's participation in the Texas County and District Retirement System are recorded as they are paid in the governmental funds, but are recognized based on the change in net pension liability in the statement of activities.			1,873,210
Expenditures related to the County's participation in the Texas County and District Retirement System's Group Term Life program are recorded as they are paid in the governmental funds, but are recognized based on the change in total OPEB liability in the statement of activities.			(81,346)
Repayment of financed purchases, leases, subscriptions, general obligation bonds and unlimited tax road bonds principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			7,715,999
Proceeds from current year issuances of leases and subscriptions payable are shown as an other resource in the governmental funds, but are shown as an increase in long-term debt in the statement of net position.			(1,217,018)
Premiums associated with bonds payable are reported as an other financing source in governmental funds when bonds are issued. Amounts are reported net of amortization on the government-wide financial statements.			
Premium on bond issuance	\$	(2,884,587)	
Amortization of premiums		<u>1,157,550</u>	(1,727,037)
Current year amortization of the deferred charge on the issuance of refunding bonds is not reflected in the governmental funds, but is shown as a reduction of the net position in the government-wide financial statements.			(480,284)
<p>Some items reported in the statement of activities do not involve current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities are:</p>			
Changes in accrued interest payable	\$	(701,033)	
Changes in arbitrage payable		(794,752)	
Changes in compensated absences		<u>(70,105)</u>	(1,565,890)
Internal service funds are used by the County to account for health insurance activities. The net activity of the internal service fund is reported with governmental activities.			<u>1,137,802</u>
CHANGE IN NET POSITON OF GOVERNMENTAL ACTIVITIES - STATEMENT OF ACTIVITIES	\$		<u>30,672,020</u>

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Statement of Net Position – Proprietary Fund
September 30, 2024

Exhibit A-7

	<u>Insurance Escrow</u>
ASSETS	
Cash	\$ 718,709
Investments	11,128,669
Receivables, net of allowance	609,398
Prepaid items and other assets	<u>100,000</u>
Total assets	12,556,776
LIABILITIES	
Accounts payable and accrued liabilities	721,044
Accrued salaries and benefits payable	<u>86,012</u>
Total liabilities	807,056
NET POSITION	
Unrestricted	<u>11,749,720</u>
TOTAL NET POSITION	<u><u>\$ 11,749,720</u></u>

Parker County, Texas

Statement of Revenues, Expenses,
and Changes in Net Position – Proprietary Fund
Year Ended September 30, 2024

Exhibit A-8

	Insurance Escrow
OPERATING REVENUES	
Contributions	\$ 8,019,441
Total operating revenues	8,019,441
OPERATING EXPENSES	
Contractual	8,292,611
Total operating expenses	8,292,611
Operating loss	(273,170)
NONOPERATING REVENUES	
Miscellaneous	940,135
Interest	470,837
Total nonoperating revenues	1,410,972
Change in net position	1,137,802
NET POSITION, beginning of year	10,611,918
NET POSITION, end of year	\$ 11,749,720

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas
Statement of Cash Flows – Proprietary Fund
Year Ended September 30, 2024

Exhibit A-9

	Insurance Escrow
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from interfund services provided	\$ 7,581,924
Payments to providers	(8,341,533)
	<hr/>
Net cash used in operating activities	(759,609)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(1,373,570)
Interest and related income	470,837
Miscellaneous	940,135
	<hr/>
Net cash provided by investing activities	37,402
NET DECREASE IN CASH	(722,207)
CASH, beginning of year	<hr/> 1,440,916
CASH, end of year	<hr/> <hr/> \$ 718,709
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (273,170)
Adjustments to reconcile operating loss to net cash used in operating activities	
Increase in accounts receivable	(437,517)
Decrease in accounts payable	(48,922)
	<hr/>
NET CASH USED IN OPERATING ACTIVITIES	<hr/> <hr/> \$ (759,609)

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Statement of Net Position – Fiduciary Funds
September 30, 2024

Exhibit A-10

ASSETS

Cash	\$ 5,465,895
Investments	825,024
Accounts receivable	<u>37,956</u>
Total assets	6,328,875

LIABILITIES

Deposits held and due to others	<u>62,085</u>
Total liabilities	62,085

NET POSITION

Restricted - Individuals, organizations, and other governments	<u>6,266,790</u>
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TOTAL NET POSITION

\$ <u><u>6,266,790</u></u>

Parker County, Texas**Exhibit A-11**Statement of Changes in Net Position – Fiduciary Funds
September 30, 2024**ADDITIONS**

Vehicle registration fees collected for state	\$ 63,139,328
Judicial/statutory ordered collections due to others	7,837,079
Held for others	3,754,120
Interest earnings	182,864

Total additions 74,913,391

DEDUCTIONS

Vehicle registration due to state	63,375,282
Payments due under judicial order/statute	7,677,529
Payments to other governments and organizations	268,491
Payments to individuals	5,881,439

Total deductions 77,202,741

NET DECREASE IN FIDUCIARY NET POSITION (2,289,350)

NET POSITION - BEGINNING OF YEAR 8,556,140

NET POSITION - END OF YEAR \$ 6,266,790

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Parker County, Texas

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The financial statements of Parker County, Texas (the County) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Reporting Entity

The authority of county governments and their specific functions and responsibilities are created by and dependent upon laws and legal regulations of the Texas State Constitution. The County performs all local government functions within its jurisdiction. The County is governed by an elected County Judge and four County Commissioners elected from individual precincts. The Judge and Commissioners form the governing body as provided by state statute. Various branches of the County government are led by duly elected officials. The Commissioners' Court has governance responsibilities over all activities related to the County. The County receives funding from local, state and federal government sources and must comply with the requirements of these funding sources. The accompanying financial statements of the County present the financial position of the governmental activities and the respective changes in financial position. The County is not included in any other governmental reporting entity.

As required by GAAP, these financial statements present the County and its component unit, the Parker County Historical Society (the Society). A component unit is an entity for which the County is considered to be financially accountable.

The County created the entity to account for revenues and expenses associated with the preservation and restoration activities of the Society. The governing body is made up of members appointed by the Commissioner's Court. Upon dissolution of the Society, the assets of the Society shall be distributed to the County. The Society provides all of its services to the County. The Society is a blended component unit because, although legally separate, it is in substance part of the County's operations. As such, the Society has been included in the accompanying financial statements as the Historical Commission.

The County is a general purpose government providing the following services to its citizens: public safety, health and welfare, public transportation through roads and bridges, law enforcement, judicial, recording, tax assessing-collecting, and general and financial administrative services.

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the governmental, non-fiduciary, activities of the County. The effect of interfund transfers has been removed from the government-wide statements. Governmental activities are supported mainly by taxes and intergovernmental revenues.

Parker County, Texas

Notes to Financial Statements

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues. These statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Governmental Fund Financial Statements

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The General Fund, the Lateral Road Fund, the Capital Projects Tax Road Bonds Fund, the Debt Service Fund, and the American Rescue Plan Act (ARPA) Fund meet criteria as major governmental funds. Each major fund is reported in a separate column in the fund financial statements. Nonmajor funds include other Special Revenue Funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented within the Combining Statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due. Capital asset acquisitions are reported as expenditures in governmental funds.

Proprietary fund financial statements present the Internal Service Fund using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenue is recognized when earned and expenses are recognized at the time the liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary fund include the cost of contractual services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary fund level financial statements include custodial funds and use the economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The custodial funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other funds.

Parker County, Texas

Notes to Financial Statements

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Lateral Road Fund is a special revenue fund used to account for the maintenance and construction of County roads and bridges. Financing is provided primarily by an annual property tax levy. Additional revenue is provided by a charge on each auto registration and from fines levied by the County.

Capital Projects Tax Road Bonds Fund is used to account for the proceeds of the Unlimited Tax Road Bonds - Series 2013, Series 2017, Series 2024, Series 2024 and the Tax Note – Series 2015 which were obtained for constructing, improving, extending, expanding, upgrading and/or developing roads in the County, right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements, and payment of costs of issuance related to the bonds. The fund is also used to account for the proceeds of the Tax Note – Series 2021 which were obtained for the acquisition, construction, improvement and equipment of the Parker County Courthouse and a County annex facility, with any surplus proceeds to be used for the construction, acquisition, and equipment of other County buildings and for paying legal, fiscal, and engineering fees in connection with such projects.

Debt Service Fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

American Rescue Plan Act (ARPA) Fund is a special revenue fund used to account for the resources from the American Rescue Plan Act of 2021.

Additionally, the County reports the following fund types:

Other Governmental Funds are special revenue funds used to account for the proceeds of specific revenue sources which are set aside to finance particular functions or activities of the County.

The Insurance Escrow Fund is used to account for the group health insurance benefits provided to the County's departments on a cost reimbursement basis, and is an internal service fund.

Custodial Funds are used to account for assets held by the County as an agent for individuals, business, other governments and/or other funds.

Parker County, Texas

Notes to Financial Statements

Budget and Budgetary Accounting

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

- A. Under the Property Tax Code, the County is required to calculate the "voter-approval tax rate" and "no-new-revenue" tax rate. If the proposed tax rate exceeds the no-new-revenue tax rate by more than 3.5%, referred to as the voter-approval tax rate, the County is required to hold an election. If voters do not approve, the tax rate is set at the voter-approval tax rate. Legislation does allow the County to "bank" unused amounts between the adopted tax rate and the voter-approval tax rate for up to three years. This is referred to as the unused increment rate and if used, would allow the County to exceed the voter-approval tax rate in a future year without requiring an election.
- B. Public hearings are conducted at the Parker County Courthouse and Courthouse Annex to obtain taxpayer comments.
- C. Prior to October 1, the budget is legally enacted through adoption of an order by Commissioners Court.
- D. Budgeted amounts may be transferred between line items of the budget within the same fund. Any amendments which alter the line items or total expenditures of any department must be approved by the Commissioners Court. There must be an emergency condition existing in order for the Court to increase the total budget.

Budgets for the various funds are adopted on a basis consistent with GAAP. Expenditures in excess of appropriations are required by state statutes to be reported down to the department level. The budgeted amounts presented in these statements are as originally adopted, or as amended by the Commissioners Court, during the year ended September 30, 2024.

Cash and Investments

The County follows the practice of pooling cash and investments of all funds held by the County Treasurer, except when otherwise requested, in order to facilitate the management of cash. Balances in cash and pooled investments are available on a demand basis to each fund. Investments are reported at fair value or amortized cost.

The County considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Prepaid Items and Other Assets

Prepaid items and other assets consist of inventories accounted for under the first-in first-out method and prepaid items reflecting expenditures associated with future accounting periods.

Parker County, Texas
Notes to Financial Statements

Capital Assets and Depreciation

Capital assets, which include land, buildings and improvements, office furniture and equipment, road maintenance equipment, transportation equipment, firefighting equipment, emergency management equipment, other equipment, and infrastructure assets (e.g. roads and bridges) are reported in the government-wide financial statements. Capital assets are defined as assets with a cost of \$5,000 or more. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Buildings and improvements	10 - 40 years
Infrastructure	20 years
Office furniture and equipment	3 - 20 years
Road maintenance equipment	3 - 10 years
Transportation equipment	3 - 5 years
Firefighting equipment	5 years
Emergency management equipment	5 years
Other equipment	5 years

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Upon new debt issuance, premiums and discounts are deferred and amortized over the life of the debt.

In the fund financial statements, governmental fund types recognized debt premiums and discounts, as well as issuance costs during the current period. The face amount of debt issued is reported as other financing sources, net of the applicable premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Leases

Lessee

The County is a lessee for non-cancelable leases of equipment and buildings. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. At the commencement of a lease, the County initially measures the lease liability at the present value of the 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 amounts of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Parker County, Texas

Notes to Financial Statements

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 is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price the County is reasonably certain to exercise.

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.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor

The County is a lessor for non-cancelable leases of facilities. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Lease receivables are reported with other assets and deferred inflows related to leases are reported with deferred inflows on the statement of net position and balance sheet.

Parker County, Texas

Notes to Financial Statements

Subscription-Based Information Technology Arrangements (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 an 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 are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the County is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, 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 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.

Parker County, Texas

Notes to Financial Statements

Deferred Outflows/Inflows of Resources

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

- Deferred loss on refunding – A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension liabilities – This difference is deferred and amortized over a closed five year period.
- Difference in expected actual pension/OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Deferred inflows related to leases are Initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following types of items that qualify for reporting in this category, the portion of the County's property tax levy that was not collected until more than 60 days after the year end and, therefore, is not considered available, and deferred inflows related to leases.

Fund Balances

Governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Classifications of governmental funds are as follows:

Nonspendable Fund Balance - includes amounts that are not in spendable form, not expected to be converted into cash within the current period or at all, or legally or contractually required to be maintained intact.

Restricted Fund Balance - includes amounts that are restricted for specific purposes stipulated by law or external resource providers. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance - includes amounts that can only be used for the specific purposes determined by a formal action of Commissioner's Court, which is the County's highest level of decision-making authority, and, conjunctively, require the same formal action by Commissioner's Court to remove or revise the enacted constraint limitations.

Parker County, Texas

Notes to Financial Statements

Assigned Fund Balance - includes amounts intended to be used for specific purposes that are neither restricted nor committed. Intent is expressed by the Commissioner's Court, but operationally the ability to implement the intent may be delegated to one or more persons. Designees may be listed in the County's fund balance policy or, alternatively, in the County's budgetary policy. The County had no assigned fund balance as of September 30, 2024.

Unassigned Fund Balance - represents the residual classification of all spendable amounts in the General Fund, not contained within the other classifications. The unassigned category is also used to report negative fund balances in all other funds.

It is the County's goal to achieve and maintain an unassigned General Fund balance of approximately 25% to 50% of budgeted expenditures for the fiscal year, to be used for unanticipated needs and to maintain restricted fund balance of the Debt Service Fund of approximately 25% of the following year's debt service requirements, to be used for debt service. At the end of fiscal year 2024, the unassigned General Fund balance was 54% of final budgeted expenditures and the Debt Service Fund balance was at 51% of the following year's debt service requirements.

Where appropriate, the County will use restricted, committed, and assigned fund balances, in that order, prior to using unassigned resources.

Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets - the component of net position that reports the difference between capital assets less the accumulated depreciation/amortization and the outstanding balance of debt net of premiums and discounts, excluding any unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Since some of the County's borrowings are from financed capital assets owned by other governments, the portion of the capital assets owned by other governments add to the above equation. As of September 30, 2024, an estimated \$39,700,000 are County financed capital assets owned by other governments. This amount is included in the net investment in capital assets.

Restricted net position - consists of external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments, enabling legislation, and constitutional provisions.

Unrestricted net position - represents net position not restricted for any project or other purpose.

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

Use of Estimates

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

Encumbrances

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at the end of the fiscal year. Encumbrances outstanding at that time are cancelled and become available for future appropriation.

Parker County, Texas

Notes to Financial Statements

Pension

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, County specific information about its Fiduciary Net Position in the Texas County and District Retirement System (TCDRS) and additions to/deductions from the County's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the County's Net Pension Liability is obtained from TCERS through a report prepared for the County by TCERS consulting actuary, Milliman, in compliance with GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Other Post-Employment Benefits

For purposes of measuring the total OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information has been determined based on the County's actuary report. For this purpose, OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Information regarding the County's Total OPEB Liability is obtained from TCERS through a report prepared for the County by TCERS consulting actuary, Milliman, in compliance with GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

Implementation of New Accounting Standards

GASB Statement No. 99, Omnibus 2022 (GASB 99), enhances comparability in accounting and financial reporting and improves consistency of authoritative literature by addressing 1) practice issues that have been identified during implementation and application of certain GASB statements and 2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases were implemented in the County's fiscal year 2022 financial statements in conjunction with GASB 87. The requirements related to PPPs and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. These requirements for GASB 99 were implemented in the County's fiscal year 2023 financial statements in conjunction with GASB 94 and GASB 96. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. These requirements for GASB 99 were implemented in the County's fiscal year 2024 financial statements with no impact to amounts previously reported.

GASB Statement No. 100, Accounting Changes and Error Corrections (GASB 100), enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement 1) defines accounting changes and corrections of errors; 2) prescribes the accounting and financial reporting for each type of accounting change and error corrections; and 3) clarifies required note disclosures. The requirements of this statement are effective for reporting periods beginning after June 15, 2023, with earlier application encouraged. GASB 100 was implemented in the County's fiscal year 2024 financial statements with no impact to amounts previously reported.

Parker County, Texas

Notes to Financial Statements

Note 2. Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the County to invest its funds under a written investment policy (the Investment Policy) that primarily emphasizes safety of principal, availability of liquidity to meet the County's obligations and market rate of return. The Investment Policy defines what constitutes the legal list of investments allowed under the policy, which excludes certain investment instruments allowed under chapter 2256 of the Texas Government Code.

The County's investments are invested pursuant to the Investment Policy, which is approved annually by Commissioners' Court. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment. In addition, it includes an investment strategy that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification, yield and management of maturities.

The County is authorized to invest in the following investment instruments provided that they meet the guidelines of the Investment Policy:

1. Obligations of the United States or its instrumentalities;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed or insured by the State of Texas or the United States or its instrumentalities;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States or its instrumentalities;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state that are rated A or higher by a nationally recognized investment rating firm;
6. Certificates of deposit that are guaranteed or insured by the FDIC or are secured as to principal by obligations described in Section 2256.009(a) of the Public Funds Investment Act or any other manner or amount provided by law for County deposits;
7. Fully collateralized repurchase agreements that have a defined termination date, are fully secured by obligations described in Section 2256.009(2) of the Public Funds Investment Act, and are placed through a primary government securities dealer or a bank domiciled in the State of Texas;
8. Banker's acceptances with the remaining term of 270 days or less, in the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1, or the equivalent by at least one nationally recognized credit rating agency;
9. Commercial paper that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a United States or state bank;
10. No-load money market mutual funds registered with the Securities and Exchange Commission (SEC) that have a dollar weighted average portfolio maturity of 90 days or less, and include in their investment objective the maintenance of a stable net asset value of \$1 for each share;
11. No-load mutual funds registered with the SEC, invested in obligations approved by the County that have an average weighted maturity of less than two years, continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent, and conformed to the eligibility of investment pools to receive and invest funds of investing entities; and
12. Eligible investment pools.

Parker County, Texas
Notes to Financial Statements

As of September 30, 2024, the County has the following pooled investments:

Investment Type	September 30, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)	Weighted Average Maturity
Investments not subject to fair value (amortized cost)					
Texas CLASS	\$ 110,453,373	\$ -	\$ -	\$ -	83 days
Investments by fair value level					
Money Market Mutual Funds	4,109,305	-	-	-	
CD Investments	-	371,294	-	-	399 days
U.S. Agency Securities	-	53,855,863	-	-	490 days
U.S. Treasury Bonds	-	47,277,641	-	-	195 days
Total	\$ 114,562,678	\$ 101,504,798	\$ -	\$ -	

The County categorizes its fair value measurements within the fair value hierarchy established by GAAP which establishes a three-level fair value hierarchy based on the inputs that are used to measure assets and liabilities. Financial instruments valued at net asset value (NAV) are excluded from the hierarchy. The Federated Government Obligation Fund Institutional Class is measured at net asset value and is therefore excluded from fair value reporting within the hierarchy.

The Texas CLASS investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality liquidity, and diversification requirements within the investment pool.

The investment pool transacts at a net asset value of \$1.00 per share, investments held are rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. Texas CLASS has a redemption notice period of one day and no maximum transaction amount. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. Texas CLASS is measured at net asset value and is therefore excluded from fair value reporting within the hierarchy.

Interest Rate Risk - The County limits exposure to fair value losses arising from interest rates by not directly investing in securities with maturity dates that exceed 2 years from the date of purchase. At September 30, 2024, 100% of the County's portfolio had maturity dates less than two years.

Credit Risk - Investments are exposed to credit risk if the security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. As of September 30, 2024, the County's investments are rated by Standard and Poor's (see credit ratings below). Certificate of deposits are not rated.

Investment Type	Credit Rating	Rating Agency
Texas CLASS	AAAm	Standard & Poor's
U.S. Agency Securities	AA+	Standard & Poor's

Concentration of Credit Risk - The County does not place a limit on the amount that may be invested.

Parker County, Texas

Notes to Financial Statements

Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized 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. At September 30, 2024, the County's deposits were insured or collateralized with securities held by the County or by its agent in the County's name.

Note 3. Property Tax

Taxes are levied on October 1 in conformity with Subtitle E, Texas Property Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1. Property taxes attach as an enforceable lien as of January 1 to secure the payment of all taxes, penalties, and interest ultimately imposed. The Parker County Appraisal District assesses and collects property taxes for the County. The tax rate for the year ended September 30, 2024, excluding that portion budgeted for the retirement of long-term debt principal and interest was 0.240923 per \$100 valuation. The total tax rate for all purposes was 0.287098 per \$100 valuation. The County's tax notes and bonds require an annual tax levy sufficient to pay principal and interest on the bonds with allowances being made for delinquent taxes.

Note 4. Delinquent Property Taxes

In the governmental fund financial statements, property taxes are recognized as revenue when collected including those collected 60 days after fiscal year end. Delinquent property taxes receivable represent all uncollected property taxes and an account for estimated uncollectible taxes (allowance) is established based on the County's collection history. Deferred inflows of resources are reported in connection with property taxes receivable for revenues that are not considered to be available. The County's taxes on real property are a lien against such property until paid.

The following schedule details delinquent property taxes receivable by fund at September 30, 2024:

Fund	Delinquent Taxes	Allowance	Net Receivable
General	\$ 1,265,619	\$ (931,042)	\$ 334,577
Debt service	315,999	(232,462)	83,537
Lateral road	451,379	(290,361)	161,018
Total	\$ 2,032,997	\$ (1,453,865)	\$ 579,132

Note 5. Compensatory Pay

County policy allows the accrual of vacation, compensatory time, and sick pay benefits for all employees other than elected officials. The expense of the benefits is recognized when incurred. Vacation and compensatory pay is paid upon termination if the employee gives two weeks' notice or is terminated by the County. The liability for accrued vacation and compensatory pay is included below with general long-term debt. At September 30, 2024 the value of accumulated vacation and compensatory benefits amounted to \$1,283,356. The General Fund has been used to liquidate the liability.

Parker County, Texas
Notes to Financial Statements

Note 6. Changes in Capital Assets

During the year ended September 30, 2024, the County completed various capital projects relating to infrastructure, roads and bridges, and rights-of-way.

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

	Beginning 10/1/2023	Additions	Deletions	Transfers	Balance 9/30/2024
Governmental activities					
Capital assets, not being depreciated / amortized					
Land	\$ 22,829,505	\$ 2,378,490	\$ -	\$ -	\$ 25,207,995
Work in progress	26,812,560	6,697,618	-	(26,014,808)	7,495,370
Total capital assets not being depreciated / amortized	49,642,065	9,076,108	-	(26,014,808)	32,703,365
Capital assets being depreciated / amortized					
Buildings and improvements	43,080,659	211,312	-	2,156,237	45,448,208
Infrastructure	165,576,708	670,774	-	23,858,571	190,106,053
Office furniture and equipment	10,410,352	977,533	72,897	-	11,314,988
Transportation equipment	9,765,369	3,410,294	329,747	-	12,845,916
Road maintenance equipment	21,576,291	5,616,086	553,058	-	26,639,319
Emergency management equipment	1,067,814	73,544	17,520	-	1,123,838
Right-to-use lease assets	2,027,752	946,745	328,980	-	2,645,517
Right-to-use subscription assets	2,443,888	270,270	205,517	-	2,508,641
Other	304,861	62,604	-	-	367,465
Total capital assets being depreciated / amortized	256,253,694	12,239,162	1,507,719	26,014,808	292,999,945
Less accumulated depreciation / amortization for					
Buildings and improvements	22,969,292	1,286,121	-	-	24,255,413
Infrastructure	125,856,959	2,608,945	-	-	128,465,904
Office furniture and equipment	7,439,148	1,032,955	72,432	(87)	8,399,584
Transportation equipment	6,062,114	1,480,977	329,747	4,687	7,218,031
Road maintenance equipment	16,084,564	1,549,260	553,058	(4,600)	17,076,166
Emergency management equipment	755,370	106,767	17,520	-	844,617
Right-to-use lease assets	1,149,143	405,542	196,751	-	1,357,934
Right-to-use subscription assets	686,250	751,864	205,517	-	1,232,597
Other	222,478	29,642	-	-	252,120
Total accumulated depreciation / amortization	181,225,318	9,252,073	1,375,025	-	189,102,366
Total capital assets being depreciated / amortized, net	75,028,376	2,987,089	132,694	26,014,808	103,897,579
Governmental activities capital assets, net	\$ 124,670,441	\$ 12,063,197	\$ 132,694	\$ -	\$ 136,600,944

Parker County, Texas
Notes to Financial Statements

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

Governmental activities		
General government	\$	2,215,565
Roads and bridges		4,543,734
Public safety		232,245
Law enforcement		1,707,923
Judicial		450,552
Health and welfare		42,208
Recording		59,846
		<hr/>
Total depreciation / amortization for governmental activities	\$	9,252,073
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Note 7. Lease Receivable

The County leases various facilities to lessees. These leases are being presented in aggregate. The County recognized \$98,499 in lease revenue and \$2,695 in interest revenue during the current fiscal year related to these leases. As of September 30, 2024, the County has \$1,259,292 remaining in lease receivables and \$1,233,066 remaining in deferred inflows recorded in the General Fund.

Principal and interest requirements to maturity for the lease receivable as of September 30, 2024 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 90,595	\$ 2,679	\$ 93,274
2026	90,810	2,465	93,275
2027	92,505	2,248	94,753
2028	93,783	2,027	95,810
2029	45,458	1,844	47,302
2030-2034	154,951	8,226	163,177
2035-2039	172,394	6,485	178,879
2040-2044	192,391	4,544	196,935
2045-2049	215,325	2,376	217,701
2050-2052	111,080	295	111,375
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Total	\$ 1,259,292	\$ 33,189	\$ 1,292,481
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Parker County, Texas
Notes to Financial Statements

Note 8. Long-Term Debt

The County's long-term liabilities consist of bond indebtedness and related deferred premiums on issuance, tax notes, compensated absences, financed purchases, leases payable, subscriptions payable, net pension liability and net OPEB liability. The debt service requirements for unlimited tax road bonds, unlimited tax refunding bonds, general obligation bonds, and tax notes are accounted for in the debt service fund and governmental activities. The obligations for leases payable, subscriptions payable, financed purchases, net pension liability and net OPEB liability are typically liquidated with resources of the general fund and lateral road fund.

A summary of changes in governmental activities long-term debt are as follows:

	October 1, 2023	Additions	Retirements	September 30, 2024	Due Within One Year
General Obligation Refunding Bonds, Series 2014	\$ 2,575,000	\$ -	\$ 1,265,000	\$ 1,310,000	\$ 1,310,000
General Obligation Refunding Bonds, Series 2015	515,000	-	255,000	260,000	260,000
Unlimited Tax Refunding, Series 2016	46,140,000	-	1,980,000	44,160,000	2,085,000
Unlimited Tax Road Bonds 2017	34,655,000	-	745,000	33,910,000	875,000
Unlimited Tax Road Bonds 2020	30,035,000	-	790,000	29,245,000	830,000
Unlimited Tax Refunding, Series 2020	14,743,540	-	283,540	14,460,000	920,000
Unlimited Tax Road Bonds 2024	-	77,895,000	-	77,895,000	-
Tax Note, Series 2021	4,350,000	-	850,000	3,500,000	860,000
Deferred premiums on issuance	11,794,332	2,884,587	1,157,550	13,521,369	1,157,550
Financed purchases	1,084,221	-	386,411	697,810	126,827
Leases payable	855,706	946,745	529,840	1,272,611	373,410
Subscriptions payable	1,740,903	270,269	763,339	1,247,833	598,100
Net pension liability	15,987,626	-	5,561,931	10,425,695	-
Total OPEB liability	1,283,948	141,829	-	1,425,777	-
Compensated absences	1,213,251	1,583,743	1,513,638	1,283,356	1,283,356
Totals	\$ 166,973,527	\$ 83,722,173	\$ 16,081,249	\$ 234,614,451	\$ 10,679,243

Unlimited Tax Road Bonds

The County issued \$36,325,000 in unlimited tax road bonds in February 2017 for the purpose of (1) construction, acquisition by purchase, maintenance, and operation of macadamized, graveled or paved roads, or in aid thereof, within the County, including, but not limited to, constructing, improving, extending, expanding, upgrading and/or developing roads in the county, including right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements. Principal payments are due in annual installments on February 15. The bonds are scheduled to mature in February of 2042. Interest is payable February 15 and August 15, at interest rates ranging from 2.0% to 5.0%. The outstanding balance at September 30, 2024 was \$33,910,000.

The County issued \$31,505,000 in unlimited tax road bonds in March of 2020 for the purpose of construction, acquisition by purchase, maintenance, and operation of macadamized, graveled or paved roads, or in aid thereof, within the County, including, but not limited to, constructing, improving, extending, expanding, upgrading and/or developing roads in the county, including right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements. Principal payments are due in annual installments on February 15. The bonds are scheduled to mature in February of 2046. Interest is payable February 15 and August 15, at interest rates ranging from 3.5% to 3.75%. The outstanding balance at September 30, 2024 was \$29,245,000.

Parker County, Texas

Notes to Financial Statements

The County issued \$77,895,000 in unlimited tax road bonds in April of 2024 for the purpose of construction, acquisition by purchase, maintenance, and operation of macadamized, graveled or paved roads, or in aid thereof, within the County, including, but not limited to, constructing, improving, extending, expanding, upgrading and/or developing roads in the county, including right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements. Principal payments are due in annual installments on February 15. The bonds are scheduled to mature in February of 2049. Interest is payable February 15 and August 15, at interest rates ranging from 4.0% to 5.0%. The outstanding balance at September 30, 2024 was \$77,895,000.

Unlimited Tax Refunding Bonds

The County issued \$53,350,000 in unlimited tax refunding bonds in April of 2016 with interest rates ranging from 2.0% to 5.0%. The proceeds were used to advance refund \$53,885,000 of Unlimited Tax Road Bond, Series 2009 which had interest rates ranging from 3.0% to 5.25%. The proceeds were placed in an irrevocable trust with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, \$53,885,000 of Unlimited Tax Road Bonds, Series 2009 are considered defeased, and the liability for those bonds has been removed from the Statement of Net Position. The outstanding balance at September 30, 2024 was \$44,160,000.

The County issued \$15,729,412 in unlimited tax refunding bonds in November 2020, with interest rates ranging from 0.395% to 2.682%. The proceeds were used to advance refund \$15,730,000 of Unlimited Tax Road Bonds, Series 2013. The net proceeds of \$16,571,446 were deposited in an irrevocable trust with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, a portion of the 2013 bonds are considered defeased, and the liability for those bonds have been removed from the statement of net position. The outstanding balance at September 30, 2024 was \$14,460,000.

General Obligation Refunding Bonds

The County issued General Obligation Refunding Bonds, Series 2014 in the amount of \$12,645,000 with interest rates between 0.393% and 3.469%. Principal payments are due in annual installments on February 15. Interest is due on February 15 and August 15 of each year. The bonds are scheduled to mature in February of 2025. The outstanding balance on the Series 2014 bonds at September 30, 2024 was \$1,310,000.

The County issued General Obligation Refunding Bonds, Series 2015 in the amount of \$2,435,000 with an interest rate of 2.09%. Principal payments are due in annual installments on February 15. Interest is due on February 15 and August 15 of each year. The bonds are scheduled to mature in February of 2025. The outstanding balance at September 30, 2024 was \$260,000.

Current requirements for bonded indebtedness of the County are accounted for in the Debt Service fund.

Tax Notes

The County issued Tax Note, Series 2021 in April of 2021 in the amount of \$6,000,000 with an interest rate of 1.13% to fund capital projects related to building renovations. Principal payments are due in annual installments on February 15. Interest is due on February 15 and August 15. The note is scheduled to mature in February of 2028. The outstanding balance at September 30, 2024 was \$3,500,000.

Parker County, Texas
Notes to Financial Statements

Debt service requirements for the outstanding tax notes and bonds are as follows:

Year	Principal	Interest	Total
2025	\$ 7,140,000	\$ 9,470,174	\$ 16,610,174
2026	8,800,000	7,937,909	16,737,909
2027	7,830,000	7,620,562	15,450,562
2028	8,120,000	7,331,531	15,451,531
2029	8,275,000	7,018,501	15,293,501
2030-2034	54,240,000	29,065,765	83,305,765
2035-2039	41,780,000	18,834,468	60,614,468
2040-2044	38,965,000	9,862,012	48,827,012
2045-2049	29,590,000	2,903,166	32,493,166
	<u>\$ 204,740,000</u>	<u>\$ 100,044,088</u>	<u>\$ 304,784,088</u>

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed or are not performed correctly, a liability to the County could result. The County periodically engages an arbitrage consultant to perform the calculations in accordance with the Internal Revenue Service's rules and regulations. The County has recorded an arbitrage liability in the amount of \$925,771 as of September 30, 2024.

Leases Payable

The County has entered into multiple lease agreements as lessee. The leases allow the right-to-use equipment over the term of the lease. The County is required to make payments at its incremental borrowing rate or interest rate stated or implied within the leases.

The lease rate, term, and ending lease liability are as follows:

	Interest Rate(s)	Liability at Commencement	Lease Term in Years	Ending Balance September 30, 2024
Equipment	3.11-3.51%	\$ 1,987,575	2022-2029	\$ 1,272,611

Parker County, Texas
Notes to Financial Statements

Principal and interest requirements to maturity for lease payables as of September 30, 2024 are as follows:

Year	Principal	Interest	Total
2025	\$ 373,410	\$ 40,572	\$ 413,982
2026	386,015	27,968	413,983
2027	319,616	14,938	334,554
2028	178,418	3,943	182,361
2029	15,152	44	15,196
Total	\$ 1,272,611	\$ 87,465	\$ 1,360,076

The value of the right-to-use assets at the end of the current fiscal year was \$2,645,517 and had accumulated amortization of \$1,357,934.

Subscription Based Information Technology Arrangements (SBITA)

The County has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The County is required to make payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

	Interest Rate(s)	Subscription Term in Years	Ending Balance September 30, 2024
Software	2.43-3.63%	2023-2028	\$ 1,247,833

The future principal and interest SBITA payments as of September 30, 2024 are as follows:

Year	Principal	Interest	Total
2025	\$ 598,100	\$ 35,791	\$ 633,891
2026	382,875	20,553	403,428
2027	242,862	8,598	251,460
2028	23,996	679	24,675
Total	\$ 1,247,833	\$ 65,621	\$ 1,313,454

The value of the subscription assets as of the end of the current fiscal year was \$2,508,641 and had accumulated amortization of \$1,232,597.

Parker County, Texas
Notes to Financial Statements

Financed Purchases

During a prior fiscal year, the County entered into agreements for the lease-purchase of equipment, with each agreement having a maximum allowable amount equal to the principal due as scheduled. Equipment purchased through the agreements are pledged as security for repayment of the lease liability. Events of default under the agreements include nonpayment events and covenant noncompliance. In the event of default, the Lessor may declare the entire amount of payments to the end of the term immediately past due and payable and request lessee to return the equipment to the lessor.

The future debt service principal and interest payment requirements for the agreements are as follows:

Year	Principal	Interest	Total
2025	\$ 126,827	\$ 33,397	\$ 160,224
2026	132,897	27,327	160,224
2027	139,257	20,967	160,224
2028	145,923	14,302	160,225
2029	152,906	7,318	160,224
Total	\$ 697,810	\$ 103,311	\$ 801,121

Note 9. Retirement Plan

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 868 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report on a calendar year basis. The annual comprehensive financial report is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034. This report is also available at www.tcdrs.org.

The plan provisions are adopted by the Commissioners Court 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, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 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 their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the Commissioners Court 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 employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Parker County, Texas

Notes to Financial Statements

Contributions

The employer has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually, however the County may elect to contribute at a rate higher than the actuarially determined rate or make additional lump sum contributions on an ad hoc basis to pay down their liabilities faster, pre-fund benefit enhancements and/or buffer against future adverse experience. The employer contributed using the actuarially determined rate of 13.3% for the months of the calendar years 2024 and 2023, respectively.

The deposit rate payable by the employee members for calendar years 2024 and 2023 is the rate of 7% as adopted by the Commissioner’s Court. The employee contribution rate and the employer contribution rate may be changed by the Commissioner’s Court of the employer within the options available in the TCDRS Act.

Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2023
Actuarial cost method	Entry Age (level percentage of pay)
Asset valuation method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary increase	Varies by age and service
	4.70% average over career, including inflation
Investment rate of return	7.50%, net of administrative and investment expenses, including inflation
Payroll growth	3.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 7.50%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Parker County, Texas
Notes to Financial Statements

Best estimates of geometric real rates of return for each major asset class included in TCDRS' target asset allocation as of December 31, 2023 are summarized below:

Asset Class	Target Allocation ⁽¹⁾	Geometric Real ⁽²⁾
US Equities	11.50%	4.75%
Global Equities	2.50%	4.75%
International Equities - Developed	5.00%	4.75%
International Equities - Emerging	6.00%	4.75%
Investment - Grade Bonds	3.00%	2.35%
Strategic Credit	9.00%	3.65%
Direct Lending	16.00%	7.25%
Distressed Debt	4.00%	6.90%
REIT Equities	2.00%	4.10%
Master Limited Partnerships (MLPs)	2.00%	5.20%
Private Real Estate Partnerships	6.00%	5.70%
Private Equity	25.00%	7.75%
Hedge Funds	6.00%	3.25%
Cash Equivalents	2.00%	0.60%
Total	100.00%	

(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.

Discount Rate Sensitivity Analysis

The following schedule shows the impact on the net pension liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.60%) in measuring the net pension liability at December 31, 2023:

	1% Decrease in Discount Rate (6.60%)	Discount Rate (7.60%)	1% Increase in Discount Rate (8.60%)
Total pension liability	\$ 189,944,534	\$ 167,963,377	\$ 149,507,230
Fiduciary net pension	157,537,682	157,537,682	157,537,682
Net pension liability / (asset)	\$ 32,406,852	\$ 10,425,695	\$ (8,030,452)

Parker County, Texas
Notes to Financial Statements

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The below schedule presents the changes in the Net Pension Liability as of December 31, 2023:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at December 31, 2022	\$ 157,522,799	\$ 141,535,173	\$ 15,987,626
Service cost	4,247,371	-	4,247,371
Interest on total pension liability	12,044,828	-	12,044,828
Effect of economic/demographic gains or losses	842,117	-	842,117
Refund of contributions	(254,151)	(254,151)	-
Benefit payments	(6,439,588)	(6,439,588)	-
Administrative expenses	-	(82,261)	82,261
Member contributions	-	2,421,507	(2,421,507)
Net investment income	-	15,559,282	(15,559,282)
Employer contributions	-	4,718,602	(4,718,602)
Other	-	79,117	(79,117)
Balance at December 31, 2023	\$ 167,963,376	\$ 157,537,681	\$ 10,425,695

At September 30, 2024, the County reported \$10,425,695 for the net pension liability and pension expense of \$3,207,755 related to the December 31, 2023 valuation. The breakdown of the components of pension expense follows:

	Pension Expense
Service cost	\$ 4,247,371
Interest on total pension liability ⁽¹⁾	12,044,828
Administrative expenses	82,261
Member contributions	(2,421,507)
Expected investment return net of investment expenses	(10,773,207)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	580,212
Recognition of assumption changes or inputs	2,023,809
Recognition of investment gains or losses	(2,496,895)
Other ⁽²⁾	(79,117)
Pension expense	\$ 3,207,755

(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.

Parker County, Texas
Notes to Financial Statements

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,001,829	\$ -
Net difference between projected and actual investment earnings	775,536	-
Contributions subsequent to the measurement date	3,822,394	-
Total	<u>\$ 5,599,759</u>	<u>\$ -</u>

The \$3,822,394 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the pension liability for the measurement year ending December 31, 2024 (i.e. recognized in the County's financial statements for the year ended September 30, 2025). Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31	Pension Expense Amount
2024	\$ (526,023)
2025	(36,329)
2026	3,296,932
2027	(957,215)
Total	<u>\$ 1,777,365</u>

Note 10. Postemployment Benefits other than Pensions

Plan Description

The County participates in a defined-benefit group-term life insurance plan operated by TCDRS. This plan is referred to as the Group Term Life Fund (GTLF). This optional plan provides group term life insurance coverage to current eligible employees and, if elected by employers, to retired employees. As the GTLF covers both active and retiree participants, with no segregation of assets, the GTLF is considered to be a single-employer unfunded OPEB plan.

For purposes of calculating the total OPEB liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

Parker County, Texas
Notes to Financial Statements

Membership in the plan at December 31, 2023, the date of the latest actuarial valuation, consists of the following:

Inactive employees currently receiving benefits	277
Inactive employees entitled to but not yet receiving benefits	128
Active employees	524
Total	929

Actuarial Assumptions

The OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions. All actuarial assumptions that determined the total OPEB liability as of December 31, 2023 were based on the results of an actuarial experience study for the period January 1, 2017 - December 31, 2020, except where required to be different by GASB 75.

Annual rates of disability and annual rates of retirement were based on a service-related table. Mortality rates for depositing members were based on 135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. Mortality rates for Service retirees, beneficiaries and non-depositing members were based on 135% of Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. Mortality rates for disabled retirees were based on 160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Discount Rate

Because the Group Term Life Fund is considered an unfunded trust under GASB Statement No. 75, paragraph 155, the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Based on the 20 Year Bond GO Index published by bondbuyer.com as of the measurement date of December 31, 2023, a discount rate of 3.26% is used.

	OPEB Liability
Beginning Liability	\$ 1,283,948
Changes for the year:	
Service cost	38,688
Interest (on total OPEB liability)	48,565
Difference between expected and actual experience	(18,679)
Changes of assumptions	107,848
Benefit payments, including refunds of employee contributions	(34,593)
Net changes	141,829
Ending Liability	\$ 1,425,777

Parker County, Texas
Notes to Financial Statements

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.26%) in measuring the total OPEB liability at December 31, 2023:

	1% Decrease in Discount Rate (2.26%)	Discount Rate (3.26%)	1% Increase in Discount Rate (4.26%)
Total OPEB liability	\$ 1,708,412	\$ 1,425,777	\$ 1,205,916

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

For the year ended September 30, 2024, the County recognized OPEB expense of \$118,665.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,122	\$ 17,172
Changes of assumptions	134,223	266,599
Contributions made subsequent to measurement date	28,718	-
Total	\$ 172,063	\$ 283,771

The \$28,718 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the measurement year ending December 31, 2024 (i.e. recognized in the County's financial statements for the year ended September 30, 2025). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31	Net deferred outflows (inflows) of resources
2024	\$ (28,438)
2025	(61,830)
2026	(67,991)
2027	17,833
Total	\$ (140,426)

Parker County, Texas

Notes to Financial Statements

Note 11. Commitments and Contingencies

The County participates in several programs that are subject to audit by various State and Federal Agencies. These programs have complex compliance requirements. Should State or Federal auditors discover areas of material noncompliance, those County funds may be subject to refund if so determined by administrative audit review.

The County is subject to various lawsuits. Although the outcome of any litigation is not presently determinable, it is the opinion of the County's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

Note 12. Risk Management

The County is exposed to various risks of loss related to torts, theft of; damage to and destruction of assets; errors and omissions; and natural disasters. To reduce its risk of exposure in these areas, the County is a member of the Texas Association of Counties Risk Pool (the pool) for property. The pool is a public entity risk pool and was created based on the general objectives of formulating, developing and administering a program of self-insurance for the membership and obtaining lower costs for coverages. The pool coverage is offered through interlocal agreements between the pool and counties. The pool has the power to establish fees, contributions and methods for establishing rates. Under contract with the pool, the Texas Association of Counties (the Association) provides for such services as claims administration and management, underwriting, loss control services and training, and financial reporting for its members. The Association submits sealed bids to counties during the bid process. The pool is governed by a Board of Directors made up of employees or officials of counties which are members of the pool. Member counties make contributions to the pool based on fixed premiums, and the pool provides insurance coverage and applicable reinsurance or stop loss coverage to prevent extraordinary or catastrophic losses. The County purchases a fully insured program for general liability and workers' compensation coverage through the Association.

The insurance policies carry various deductibles and aggregate maximum loss totals. The by-laws of the pool are detailed in a separate document which can be obtained from the Texas Association of Counties, 1210 San Antonio Street, Austin, TX 78701.

There have been no significant reductions in coverage from the coverage in the past fiscal year, and there have been no settlements exceeding insurance coverage in the current or past three fiscal years.

Note 13. Tax Abatements

The County has economic development agreements which are negotiated under Chapter 381 of the Texas Local Government Code. This act allows localities to rebate property taxes for economic development purposes which include business relocation, retention and expansion.

The County has entered into agreements that reduce property taxes. The agreements call for a 50% rebate of County general and road property taxes paid for a period of 10 years. Property taxes for County debt service are excluded from the property tax rebate. Each agreement requires a developer to maintain a minimum assessed valuation. Property taxes rebated for the fiscal year ended September 30, 2024 amounted to \$52,785.

Parker County, Texas

Notes to Financial Statements

Note 14. Healthcare Coverage

During the year ended September 30, 2024, employees of the County were covered by a self-funded health insurance plan (the Plan). The County contributes each month to employee coverage. Employees authorize payroll withholdings to pay for a portion of the premium. The Plan is accounted for in the Insurance Escrow Fund (the Fund), an internal service fund. Should the Plan's income from operations for a given Plan year be inadequate to pay the ultimate cost of claims incurred in that Plan year, the General Fund of the County is liable to pay the additional claims.

Estimates of claims payable and of claims incurred but not reported at September 30, 2024, are reflected as accounts and claims payable of the Fund. The Plan is funded to discharge liabilities of the Fund as they become due. As of September 30, 2024, the County had \$512,881 in claims incurred but not reported, which has been included on the Proprietary Fund Statement of Net Position within accounts payable and accrued liabilities.

Required Supplementary Information

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Parker County, Texas

Texas County District Retirement System Schedule of Changes in Employer's Net Pension Liability and Related Ratios for the Employees of Parker County Year Ended September 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 4,247,371	\$ 4,008,329	\$ 4,005,583	\$ 3,510,624	\$ 3,361,530	\$ 3,271,658	\$ 3,393,141	\$ 3,460,575	\$ 2,887,467	\$ 2,748,729
Interest (on the total pension liability)	12,044,828	11,277,345	10,546,855	9,866,046	9,218,976	8,556,590	7,918,571	7,222,780	6,688,056	6,158,291
Effect of plan changes	-	-	-	-	-	-	-	-	(556,380)	-
Effect of assumption changes or inputs	-	-	127,463	7,925,291	-	-	278,709	-	845,089	-
Effect of economic/demographic (gains) or losses	842,117	740,483	358,866	259,760	114,506	598,793	206,343	(395,797)	(487,692)	174,522
Benefit payments/refunds of contributions	(6,693,738)	(5,658,694)	(5,209,123)	(4,960,312)	(4,754,858)	(3,939,643)	(3,662,750)	(3,135,686)	(2,701,616)	(2,798,116)
Net Change in Total Pension Liability	10,440,578	10,367,463	9,829,644	16,601,409	7,940,154	8,487,398	8,134,014	7,151,872	6,674,924	6,283,426
Total Pension Liability - Beginning	157,522,799	147,155,336	137,325,692	120,724,283	112,784,129	104,296,731	96,162,717	89,010,845	82,335,921	76,052,495
Total Pension Liability - Ending (a)	\$ 167,963,377	\$ 157,522,799	\$ 147,155,336	\$ 137,325,692	\$ 120,724,283	\$ 112,784,129	\$ 104,296,731	\$ 96,162,717	\$ 89,010,845	\$ 82,335,921
Plan Fiduciary Net Position										
Contributions - Employer	\$ 4,718,602	\$ 4,244,915	\$ 3,523,555	\$ 3,446,240	\$ 3,098,369	\$ 2,905,299	\$ 2,672,957	\$ 2,576,021	\$ 2,557,388	\$ 2,317,316
Contributions - Employee	2,421,507	2,178,380	1,984,305	1,996,111	1,893,924	1,779,272	1,713,434	1,674,294	1,627,429	1,475,998
Investment income net of investment expenses	15,559,282	(8,826,010)	26,895,755	11,412,481	15,556,204	(1,776,522)	12,127,987	5,644,776	(1,089,605)	4,721,721
Benefit payments/refunds of contributions	(6,693,738)	(5,658,695)	(5,209,123)	(4,960,312)	(4,754,858)	(3,939,643)	(3,662,750)	(3,135,686)	(2,701,616)	(2,798,116)
Administrative expense	(82,261)	(82,942)	(80,852)	(89,483)	(84,176)	(76,087)	(63,714)	(61,520)	(54,895)	(56,458)
Other	79,117	232,307	42,142	24,084	23,517	31,476	9,097	(53,623)	34,155	(100,779)
Net Change in Plan Fiduciary Net Position	16,002,509	(7,912,045)	27,155,782	11,829,121	15,732,980	(1,076,205)	12,797,011	6,644,262	372,856	5,559,682
Plan Fiduciary Net Position - Beginning	141,535,173	149,447,218	122,291,436	110,462,315	94,729,335	95,805,540	83,008,529	76,364,267	75,991,412	70,431,730
Plan Fiduciary Net Position - Ending (b)	\$ 157,537,682	\$ 141,535,173	\$ 149,447,218	\$ 122,291,436	\$ 110,462,315	\$ 94,729,335	\$ 95,805,540	\$ 83,008,529	\$ 76,364,267	\$ 75,991,412
Net Pension Liability - Ending (a) - (b)	\$ 10,425,695	\$ 15,987,626	\$ (2,291,882)	\$ 15,034,256	\$ 10,261,968	\$ 18,054,794	\$ 8,491,191	\$ 13,154,188	\$ 12,646,577	\$ 6,344,509
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.79%	89.85%	101.56%	89.05%	91.50%	83.99%	91.86%	86.32%	85.79%	92.29%
Covered Employee Payroll	\$ 34,592,961	\$ 31,119,712	\$ 28,347,219	\$ 27,725,175	\$ 26,756,214	\$ 25,418,178	\$ 24,477,626	\$ 23,918,485	\$ 23,248,980	\$ 21,085,679
Net Pension Liability as a Percentage of Covered Employee Payroll	30.14%	51.37%	-8.09%	54.23%	38.35%	71.03%	34.69%	55.00%	54.40%	30.09%

Notes to Schedule:

As of December 31 - Measurement date

Benefit changes. There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of assumptions. There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

Parker County, Texas
Texas County District Retirement System
Schedule of Employer Contributions
Year Ended September 30, 2024

	Year Ended December 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 4,393,306	\$ 4,142,034	\$ 3,492,377	\$ 3,446,240	\$ 3,098,369	\$ 2,905,299	\$ 2,672,957	\$ 2,576,021	\$ 2,557,388	\$ 2,317,316
Contributions in relation to the actuarially determined contribution	4,718,602	4,244,915	3,523,555	3,446,240	3,098,369	2,905,299	2,672,957	2,576,021	2,557,388	2,317,316
Contribution deficiency (excess)	\$ (325,296)	\$ (102,881)	\$ (31,178)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 34,592,961	\$ 31,119,712	\$ 28,347,219	\$ 27,725,175	\$ 26,756,214	\$ 25,418,178	\$ 24,477,626	\$ 23,918,485	\$ 23,248,980	\$ 21,085,679
Contributions as a percentage of covered-employee payroll	13.6%	13.6%	12.4%	12.4%	11.6%	11.4%	10.9%	10.8%	11.0%	11.0%

Notes to Schedule:

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	13.5 years (based on contribution rate calculated in 12/31/23 valuation)
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	Varies by age and service. 4.7% average over career including inflation.
Investment rate of return	7.50%, net of investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	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: No changes in plan provisions were reflected in the Schedule.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule. 2022: New investment return and inflation assumptions were reflected. 2023: No changes in plan provisions were reflected in the Schedule.

Parker County, Texas

Texas County District Retirement System Schedule of Changes in Employer's Total OPEB Liability and Related Ratios for the Employees of Parker County Year Ended September 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 38,688	\$ 61,478	\$ 58,188	\$ 45,026	\$ 28,288	\$ 33,924	\$ 33,002
Interest (on the total OPEB liability)	48,565	34,956	34,023	37,618	41,642	38,051	38,075
Effect of assumption changes or inputs	107,848	(444,333)	33,682	172,347	286,937	(122,132)	52,130
Effect of economic/demographic (gains) or losses	(18,679)	15,204	(2,888)	(5,371)	12,306	(9,889)	(4,045)
Benefit payments/refunds of contributions	(34,593)	(37,344)	(31,182)	(30,498)	(26,756)	(22,876)	(19,582)
Net Change in Total OPEB Liability	141,829	(370,039)	91,823	219,122	342,417	(82,922)	99,580
Total OPEB Liability - Beginning	1,283,948	1,653,987	1,562,164	1,343,042	1,000,625	1,083,547	983,967
Total OPEB Liability - Ending (a)	<u>\$ 1,425,777</u>	<u>\$ 1,283,948</u>	<u>\$ 1,653,987</u>	<u>\$ 1,562,164</u>	<u>\$ 1,343,042</u>	<u>\$ 1,000,625</u>	<u>\$ 1,083,547</u>
Covered Employee Payroll	\$ 34,592,961	\$ 31,119,712	\$ 28,347,219	\$ 27,725,175	\$ 26,756,214	\$ 25,418,178	\$ 24,477,626
Total OPEB Liability as a Percentage of Covered Employee Payroll	4.12%	4.13%	5.83%	5.63%	5.02%	3.94%	4.43%

Notes to Schedule:

As of December 31 - Measurement date

Only seven years of data is presented in accordance with GASB 75, Paragraph 245. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

Parker County, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
General Fund
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 46,482,650	\$ 46,482,650	\$ 46,445,996	\$ (36,654)
Sales taxes	16,000,000	16,000,000	17,475,115	1,475,115
Intergovernmental	2,157,575	2,602,384	2,931,192	328,808
Fees of office	6,902,505	6,902,505	6,991,429	88,924
Investment earnings and unrealized gain/loss	1,000,000	1,000,000	4,081,719	3,081,719
Royalties	50,000	50,000	33,847	(16,153)
Miscellaneous	1,011,332	1,153,368	1,525,428	372,060
Total revenues	73,604,062	74,190,907	79,484,726	5,293,819
EXPENDITURES				
General government				
Commissioners' court	96,600	96,600	88,204	8,396
County judge	474,150	478,650	453,886	24,764
Veterans' service officer	84,176	84,176	83,291	885
Non-departmental	4,696,286	4,436,205	2,625,819	1,810,386
Election expenses	1,197,252	1,197,252	936,000	261,252
County auditor	907,327	907,327	885,418	21,909
County treasurer	628,393	628,393	615,640	12,753
Building and grounds	2,390,034	2,428,334	2,250,293	178,041
North convenience center	508,953	508,953	462,929	46,024
South convenience center	254,309	269,309	251,172	18,137
Purchasing administration	412,639	412,639	409,656	2,983
Information technology	2,072,858	2,152,304	1,393,394	758,910
Social services	243,906	243,906	181,971	61,935
County extension services	408,909	408,909	380,293	28,616
Total general government	14,375,792	14,252,957	11,017,966	3,234,991
Public safety				
Emergency management	996,475	999,475	865,878	133,597
Fire protection	626,322	634,494	521,041	113,453
Total public safety	1,622,797	1,633,969	1,386,919	247,050
Law enforcement				
Jail	12,502,280	12,927,207	12,644,711	282,496
Constable #1	562,088	562,738	550,444	12,294
Constable #2	812,876	814,822	788,905	25,917
Constable #3	491,965	491,965	481,219	10,746
Constable #4	343,288	343,244	336,308	6,936
Sheriff administration	15,647,928	15,605,417	15,017,178	588,239
Sheriff investigation	150,084	106,704	70,648	36,056
Sheriff dispatching	10,360	10,860	7,984	2,876
Sheriff patrol	828,296	884,287	654,960	229,327
Training division	86,691	90,064	76,450	13,614
Jail transfer	137,621	139,915	75,580	64,335
Narcotics task force	178,015	153,015	131,506	21,509
Game warden	1,750	1,750	-	1,750
Animal control	807,531	801,838	777,667	24,171
Highway patrol (North)	70,081	70,081	69,599	482
Highway patrol (South)	87,304	87,304	83,664	3,640
Total law enforcement	32,718,158	33,091,211	31,766,823	1,324,388

Parker County, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
General Fund – Continued
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Judicial				
District court 43rd	1,247,925	1,247,925	963,351	284,574
District court 415th	1,125,012	1,125,012	1,066,731	58,281
County court-at-law #1	1,039,667	1,039,667	971,239	68,428
County court-at-law #2	1,149,727	1,149,727	1,255,735	(106,008)
Justice of the peace #1	513,118	513,118	512,482	636
Justice of the peace #2	621,737	621,737	598,426	23,311
Justice of the peace #3	667,845	667,845	678,344	(10,499)
Justice of the peace #4	593,397	593,397	575,987	17,410
County attorney	3,366,568	3,366,568	3,262,578	103,990
District attorney	2,380,748	2,381,601	2,122,007	259,594
Adult probation	13,185	13,185	3,329	9,856
Probate	199,884	199,884	193,315	6,569
Juvenile probation	2,080,140	2,388,969	1,429,361	959,608
Total judicial	14,998,953	15,308,635	13,632,885	1,675,750
Health and welfare				
Medical examiner-investigator	714,842	719,242	690,192	29,050
911 addressing	158,488	158,488	156,467	2,021
Sanitations	640,289	645,028	542,648	102,380
Total health and welfare	1,513,619	1,522,758	1,389,307	133,451
Recording				
County clerk	705,853	706,358	697,051	9,307
County clerk court division	1,193,956	1,193,451	1,159,166	34,285
District clerk	1,604,854	1,604,854	1,561,194	43,660
Total recording	3,504,663	3,504,663	3,417,411	87,252
Tax assessing-collecting	1,889,266	1,893,222	1,810,657	82,565
Total tax assessing-collecting	1,889,266	1,893,222	1,810,657	82,565
Capital outlay	8,556,521	8,546,799	7,954,523	592,276
Total capital outlay	8,556,521	8,546,799	7,954,523	592,276
Debt service				
Principal	519,724	519,724	1,364,545	(844,821)
Interest	66,908	66,908	141,084	(74,176)
Total debt service	586,632	586,632	1,505,629	(918,997)
Total expenditures	79,766,401	80,340,846	73,882,120	6,458,726
Excess (deficiency) of revenues over (under) expenditures	(6,162,339)	(6,149,939)	5,602,606	11,752,545
OTHER FINANCING SOURCES (USES)				
Operating transfers in	17,800	17,800	-	(17,800)
Operating transfers out	(224,000)	(236,401)	(355,365)	(118,964)
Proceeds from leases	-	-	793,537	793,537
Proceeds from right-to-use subscription assets	-	-	107,446	107,446
Proceeds on sale of assets	15,000	15,000	50,809	35,809
Total other financing sources (uses)	(191,200)	(203,601)	596,427	800,028
Net changes in fund balances	(6,353,539)	(6,353,540)	6,199,033	12,552,573
FUND BALANCES, October 1	38,876,706	38,876,706	38,876,706	-
FUND BALANCES, September 30	\$ 32,523,167	\$ 32,523,166	\$ 45,075,739	\$ 12,552,573

Parker County, Texas

Schedule of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
Lateral Road Fund
Year Ended September 30, 2024

Exhibit B-2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 14,486,576	\$ 14,486,576	\$ 14,499,239	\$ 12,663
Intergovernmental	2,171,587	2,229,007	2,574,591	345,584
Fees of office	2,288,500	2,288,500	2,427,477	138,977
Interest	317,500	317,500	966,448	648,948
Miscellaneous	2,250	182,886	248,304	65,418
Total revenues	19,266,413	19,504,469	20,716,059	1,211,590
EXPENDITURES				
Roads and bridges				
General	1,330,371	1,330,371	-	1,330,371
Precinct 1	3,305,499	3,331,088	2,675,889	655,199
Precinct 2	3,479,188	3,417,270	2,904,293	512,977
Precinct 3	3,969,536	4,239,280	957,684	3,281,596
Precinct 4	2,948,655	3,029,281	1,100,750	1,928,531
Total roads and bridges	15,033,249	15,347,290	7,638,616	7,708,674
Capital outlay				
Precinct 1	1,569,456	1,592,274	1,573,058	19,216
Precinct 2	1,942,286	2,014,286	1,897,238	117,048
Precinct 3	6,885,941	6,766,055	4,539,646	2,226,409
Precinct 4	2,912,000	2,861,000	557,833	2,303,167
Total capital outlay	13,309,683	13,233,615	8,567,775	4,665,840
Debt service				
Precinct 1	86,732	86,816	93,508	(6,692)
Precinct 2	-	-	6,777	(6,777)
Precinct 3	-	-	7,421	(7,421)
Precinct 4	-	-	6,576	(6,576)
Total debt service	86,732	86,816	114,282	(27,466)
Total expenditures	28,429,664	28,667,721	16,320,673	12,347,048
Excess (deficiency) of revenues over (under) expenditures	(9,163,251)	(9,163,252)	4,395,386	13,558,638
OTHER FINANCING SOURCES				
Proceeds from leases	-	-	43,149	43,149
Proceeds from right-to-use subscription assets	-	-	55,380	55,380
Proceeds on sale of assets	-	-	166,725	166,725
Total other financing sources	-	-	265,254	265,254
NET CHANGE IN FUND BALANCES	(9,163,251)	(9,163,252)	4,660,640	13,823,892
FUND BALANCES, October 1	14,846,614	14,846,614	14,846,614	-
FUND BALANCES, September 30	\$ 5,683,363	\$ 5,683,362	\$ 19,507,254	\$ 13,823,892

Supplementary Information

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Nonmajor funds – Special Revenue Funds

Historical Commission Fund - To account for revenues and expenses associated with the preservation and restoration activities of the Parker County Historical Society, a blended component unit of Parker County, Texas.

Estray Fund - To account for the proceeds and expenses associated with the capture and sale of stray livestock.

Abandoned Vehicle Fund - To account for the proceeds and expenses associated with abandoned vehicles sold at public auction.

Courthouse Security Fund - To account for proceeds and expenses associated with courthouse security measures.

Voter Registration Fund - Monies received by the Elections for registering new voters and keeping voter registration lists up to date.

Sheriff's Forfeiture Federal Share Fund - Monies received through federal forfeitures held for use by the Sheriff in drug enforcement activities.

Contract Elections Fund - Monies received and disbursed in conducting elections.

Pre-Trial Intervention Fund - To account for revenues and expenses associated with pre-trial intervention for the County Attorney.

Sheriff's Evidence Fund - Monies not returned to the defendant held for use by the Sheriff in drug enforcement activities.

Sheriff's Forfeiture Fund - Monies not returned to the defendant held for use by the Sheriff in drug enforcement activities.

Law Enforcement Officers Standards and Education (LEOSE) Fund - These funds are allocated by the Legislature to be used for continuing education of Law Enforcement Officers.

District Attorney State Supplement Fund - To account for revenues from the State and expenses associated with the District Attorney's office salary supplements and part time employees.

Special District Attorney Fund - To account for the collection of fees from felony hot checks (over \$750) and expenses associated with law enforcement supplemental salaries and equipment purchases.

Special County Attorney Fund - To account for the collection of fees from misdemeanor hot checks (under \$750) and expenses associated with law enforcement supplemental salaries and equipment purchases.

District Attorney Awarded Fund - To account for the proceeds and expenses associated with property seizures in criminal cases under current law.

Justice Technology Fund - To account for revenues and expenses associated with the justice of the peace technology.

Law Library Fund - The County and District Clerks collect fees which are used for publications and maintenance of the law library located on the basement of the district courthouse.

Nonmajor funds – Special Revenue Funds (Continued)

Road and Bridge Escrow Fund - To account for funds held for road maintenance bonds.

Juvenile Probation Fees and Grant Fund - To account for proceeds collected at a local level and restricted for expenses in association with the social education of juvenile probationers and to account for the grant proceeds and expenses to support basic juvenile probation services and assist the board in adhering to the standards and policies.

Adult Probation Bond Fund - To account for revenues and expenses associated with the supervision bond fees of adult probationers in Parker County.

District Court Records Technology Fund - To account for revenues and expenses associated with the district court records technology.

Justice Court Security Fund - To account for the security protection for all justice of the peace courts.

County/District Technology Fund - To account for revenues and expenses associated with the district and county technology.

County Clerk Records Management Fund - To account for proceeds and expenses associated with record management and preservation by the County Clerk office as required by State Law.

County Clerk Vital Records Fund - To account for fees received and expenses associated with County Clerk employees to attend vital statistic training seminars.

Records Management County Wide Fund - To account for the proceeds and expenses associated with records management and preservation county wide as required by State Law.

District Clerk Records Management Fund - To account for the proceeds and expenses associated with record management and preservation by the District Clerk office as required by State Law.

Court Reporters Service Fund - To account for proceeds and expenses associated with court reporting services.

District Clerk Fund - The County collects fees that can be used for Dispute Resolution court cases.

Court Record Preservation Fund - To account for fees and related expenditures to preserve court records.

Documentation Preservation Fund - To account for the County records archive revenues.

Child Abuse Prevention Fund - To account for the collection of fines by the County and District Clerks in certain criminal cases. The monies are to be used only to fund child abuse prevention programs in the County.

Specialty Court Fund - To account for specialty court programs established under Subtitle K, Title 2, Government Code.

Nonmajor funds – Special Revenue Funds (Continued)

DA Pretrial Intervention – To account for revenues and expenses associated with pre-trial intervention for the District Attorney.

Court Facility – To account for the construction, renovation, or improvement of court facilities or to pay debt service and issuance costs on related bonds.

Language Access – To account for language access services for individuals appearing before the court or receiving court services.

Court-Initiated Guardianship – To account for supplemental funds used to pay guardians and attorneys ad litem appointed under Estates Code Chapter 1102, and to support guardianship programs for indigent incapacitated persons without suitable family.

Judicial Education & Support - To account for the probate court judge and staff's continuing education, including travel, and the county's share of the presiding statutory probate judge's compensation under Section 25.0022, Government Code.

Opioid Settlement – To account for funds obtained under the Opioid Abatement Trust Fund.

Veterans Service – To account for funds donated by jurors for use by the Veterans County Service Office.

Other Grant Funds - To account for grants not accounted for in other funds.

Parker County, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024

Special Revenue Funds				
	Historical Commission	Estray	Abandoned Vehicle	Courthouse Security
ASSETS				
Cash	\$ 294	\$ 506	\$ 405	\$ 3,662
Investments	141,291	33,410	26,732	241,742
Receivables:				
Intergovernmental	-	-	-	-
Other	-	-	-	2,117
Total assets	141,585	33,916	27,137	247,521
TOTAL ASSETS	\$ 141,585	\$ 33,916	\$ 27,137	\$ 247,521
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 146
Accrued salaries and benefits payable	-	-	-	2,070
Due to other governmental entities	-	-	-	-
Unearned Revenue	-	-	-	-
Total liabilities	-	-	-	2,216
Fund balances:				
Restricted for state and federal programs	-	33,916	27,137	245,305
Committed for state and special programs	141,585	-	-	-
Total fund balances	141,585	33,916	27,137	245,305
TOTAL LIABILITIES AND FUND BALANCES	\$ 141,585	\$ 33,916	\$ 27,137	\$ 247,521

Special Revenue Funds

Voter Registration	Sheriff's Forfeiture Federal Share	Contract Elections	Pre-Trial Intervention	Sheriff's Evidence	Sheriff's Forfeiture
\$ 332	\$ 4,246	\$ 4,566	\$ 1,015	\$ 155	\$ 44,235
21,895	280,331	301,420	67,032	10,210	63,279
-	-	-	-	-	-
-	-	-	-	-	3,163
22,227	284,577	305,986	68,047	10,365	110,677
<u>\$ 22,227</u>	<u>\$ 284,577</u>	<u>\$ 305,986</u>	<u>\$ 68,047</u>	<u>\$ 10,365</u>	<u>\$ 110,677</u>
\$ -	\$ 1,294	\$ 39,194	\$ -	\$ -	\$ 250
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,294	39,194	-	-	250
22,227	283,283	266,792	68,047	10,365	110,427
-	-	-	-	-	-
22,227	283,283	266,792	68,047	10,365	110,427
<u>\$ 22,227</u>	<u>\$ 284,577</u>	<u>\$ 305,986</u>	<u>\$ 68,047</u>	<u>\$ 10,365</u>	<u>\$ 110,677</u>

Parker County, Texas

Combining Balance Sheet

Nonmajor Governmental Funds – Continued

September 30, 2024

	Special Revenue Funds			
	LEOSE	District Attorney State Supplement	Special District Attorney	Special County Attorney
ASSETS				
Cash	\$ 13,763	\$ -	\$ 410	\$ 124
Investments	21,270	3,527	27,062	8,189
Receivables:				
Intergovernmental	-	-	-	-
Other	-	-	-	165
Total assets	35,033	3,527	27,472	8,478
TOTAL ASSETS	\$ 35,033	\$ 3,527	\$ 27,472	\$ 8,478
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 150
Accrued salaries and benefits payable	-	711	-	-
Due to other governmental entities	-	-	-	-
Unearned Revenue	-	-	-	-
Total liabilities	-	711	-	150
Fund balances:				
Restricted for state and federal programs	35,033	2,816	27,472	8,328
Committed for state and special programs	-	-	-	-
Total fund balances	35,033	2,816	27,472	8,328
TOTAL LIABILITIES AND FUND BALANCES	\$ 35,033	\$ 3,527	\$ 27,472	\$ 8,478

Special Revenue Funds

District Attorney Awarded	Justice Technology Fund	Law Library	Road and Bridge Escrow	Juvenile Probation Fees and Grant	Adult Probation Bond Fund
\$ 9,316	\$ 8,913	\$ 8,412	\$ 8,545	\$ 96,298	\$ 2,987
361,857	588,472	555,419	564,265	399,246	197,220
-	-	-	-	16,665	-
-	94	3,491	-	-	8,833
371,173	597,479	567,322	572,810	512,209	209,040
<u>\$ 371,173</u>	<u>\$ 597,479</u>	<u>\$ 567,322</u>	<u>\$ 572,810</u>	<u>\$ 512,209</u>	<u>\$ 209,040</u>
\$ 89	\$ 412	\$ 786	\$ -	\$ 45,907	\$ 5,370
-	-	-	-	21,730	9,347
-	-	-	572,810	-	-
-	-	-	-	-	-
89	412	786	572,810	67,637	14,717
371,084	597,067	566,536	-	444,572	194,323
-	-	-	-	-	-
371,084	597,067	566,536	-	444,572	194,323
<u>\$ 371,173</u>	<u>\$ 597,479</u>	<u>\$ 567,322</u>	<u>\$ 572,810</u>	<u>\$ 512,209</u>	<u>\$ 209,040</u>

Parker County, Texas

Combining Balance Sheet

Nonmajor Governmental Funds – Continued

September 30, 2024

	Special Revenue Funds			
	District Court Records Technology	Justice Court Security	County/ District Technology	County Clerk Records Management
ASSETS				
Cash	\$ 315	\$ 2,334	\$ 649	\$ 32,582
Investments	20,795	154,176	42,789	2,151,558
Receivables:				
Intergovernmental	-	-	-	-
Other	-	30	124	1,700
Total assets	21,110	156,540	43,562	2,185,840
TOTAL ASSETS	\$ 21,110	\$ 156,540	\$ 43,562	\$ 2,185,840
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 82
Accrued salaries and benefits payable	-	-	-	1,856
Due to other governmental entities	-	-	-	-
Unearned Revenue	-	-	-	-
Total liabilities	-	-	-	1,938
Fund balances:				
Restricted for state and federal programs	21,110	156,540	43,562	2,183,902
Committed for state and special programs	-	-	-	-
Total fund balances	21,110	156,540	43,562	2,183,902
TOTAL LIABILITIES AND FUND BALANCES	\$ 21,110	\$ 156,540	\$ 43,562	\$ 2,185,840

Special Revenue Funds						
County Clerk Vital Records	Records Management County Wide	District Clerk Records Management	Court Reporters Service	District Clerk	Court Record Preservation	
\$ 698	\$ 9,867	\$ 119	\$ 6,691	\$ 7,498	\$ 1,534	
46,102	651,581	7,835	441,803	495,099	101,296	
-	-	-	-	-	-	-
32	4,662	-	2,499	1,517	-	-
46,832	666,110	7,954	450,993	504,114	102,830	
<u>\$ 46,832</u>	<u>\$ 666,110</u>	<u>\$ 7,954</u>	<u>\$ 450,993</u>	<u>\$ 504,114</u>	<u>\$ 102,830</u>	
\$ -	\$ -	\$ -	\$ 3,737	\$ -	\$ -	
-	-	-	712	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	4,449	-	-	-
46,832	666,110	7,954	446,544	504,114	102,830	
-	-	-	-	-	-	-
46,832	666,110	7,954	446,544	504,114	102,830	
<u>\$ 46,832</u>	<u>\$ 666,110</u>	<u>\$ 7,954</u>	<u>\$ 450,993</u>	<u>\$ 504,114</u>	<u>\$ 102,830</u>	

Parker County, Texas
 Combining Balance Sheet
 Nonmajor Governmental Funds – Continued
 September 30, 2024

	Special Revenue Funds			
	Document Preservation	Child Abuse Prevention	Specialty Court	DA Pretrial Intervention
ASSETS				
Cash	\$ 21,156	\$ 43	\$ 1,214	\$ 349
Investments	1,396,986	2,814	80,258	23,051
Receivables:				
Intergovernmental	-	-	-	-
Other	1,705	14	737	-
Total assets	1,419,847	2,871	82,209	23,400
TOTAL ASSETS	\$ 1,419,847	\$ 2,871	\$ 82,209	\$ 23,400
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 42	\$ -	\$ -	\$ -
Accrued salaries and benefits payable	2,982	-	-	-
Due to other governmental entities	-	-	-	-
Unearned Revenue	-	-	-	-
Total liabilities	3,024	-	-	-
Fund balances:				
Restricted for state and federal programs	1,416,823	2,871	82,209	23,400
Committed for state and special programs	-	-	-	-
Total fund balances	1,416,823	2,871	82,209	23,400
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,419,847	\$ 2,871	\$ 82,209	\$ 23,400

Special Revenue Funds

Court Facility	Language Access	Court-Initiated Guardianship	Judicial Education & Support	Opioid Settlement	Veterans Service	Other Grant Funds	Total Non-major Governmental Funds
\$ 1,802	\$ 652	\$ 821	\$ 126	\$ 2,665	\$ 20	\$ 7,821	\$ 307,140
118,965	43,010	54,195	8,328	175,927	1,325	516,433	10,448,195
-	-	-	-	-	-	-	16,665
1,983	309	270	45	-	-	-	33,490
122,750	43,971	55,286	8,499	178,592	1,345	524,254	10,805,490
<u>\$ 122,750</u>	<u>\$ 43,971</u>	<u>\$ 55,286</u>	<u>\$ 8,499</u>	<u>\$ 178,592</u>	<u>\$ 1,345</u>	<u>\$ 524,254</u>	<u>\$ 10,805,490</u>
\$ -	\$ 1,479	\$ -	\$ -	\$ -	\$ -	\$ 161,440	\$ 260,378
-	-	-	-	-	-	13,797	53,205
-	-	-	-	-	-	-	572,810
-	-	-	-	-	-	275,000	275,000
-	1,479	-	-	-	-	450,237	1,161,393
122,750	42,492	55,286	8,499	178,592	1,345	74,017	9,502,512
-	-	-	-	-	-	-	141,585
122,750	42,492	55,286	8,499	178,592	1,345	74,017	9,644,097
<u>\$ 122,750</u>	<u>\$ 43,971</u>	<u>\$ 55,286</u>	<u>\$ 8,499</u>	<u>\$ 178,592</u>	<u>\$ 1,345</u>	<u>\$ 524,254</u>	<u>\$ 10,805,490</u>

Parker County, Texas

Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balance
 Nonmajor Governmental Funds
 Year Ended September 30, 2024

	Special Revenue Funds			
	Historical Commission	Estray	Abandoned Vehicle	Courthouse Security
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fees of office	-	-	-	103,925
Interest	8,807	-	-	-
Miscellaneous	-	29,657	-	-
Total revenues	8,807	29,657	-	103,925
EXPENDITURES				
Current				
General government	13,664	-	-	-
Public safety	-	-	-	146,840
Law enforcement	-	14,999	-	-
Judicial	-	-	-	-
Recording	-	-	-	-
Capital outlays	-	-	-	-
Debt service				
Principal	-	-	-	-
Total expenditures	13,664	14,999	-	146,840
Excess (deficiency) of revenues over (under) expenditures	(4,857)	14,658	-	(42,915)
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	-	-	-
Proceeds from leases	-	-	-	-
Proceeds from right-to-use subscription assets	-	-	-	-
Operating transfers in	24,000	-	-	-
Total other financing sources	24,000	-	-	-
NET CHANGES IN FUND BALANCES	19,143	14,658	-	(42,915)
Fund balances - beginning of year	122,442	19,258	27,137	288,220
Fund balances - end of year	\$ 141,585	\$ 33,916	\$ 27,137	\$ 245,305

Special Revenue Funds						
Voter Registration	Sheriff's Forfeiture Federal Share	Contract Elections	Pre-Trial Intervention	Sheriff's Evidence	Sheriff's Forfeiture	
\$ 17,747	\$ 210,043	\$ -	\$ -	\$ -	\$ -	
-	-	123,459	-	-	-	
-	10,927	-	-	-	4,844	
-	-	-	-	-	5,851	
17,747	220,970	123,459	-	-	10,695	
17,747	-	102,949	-	-	-	
-	-	-	-	-	-	
-	20,616	-	-	-	8,947	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	103,909	110,060	-	-	40,815	
-	-	39,194	-	-	-	
17,747	124,525	252,203	-	-	49,762	
-	96,445	(128,744)	-	-	(39,067)	
-	-	-	-	-	3,163	
-	-	110,060	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	110,060	-	-	3,163	
-	96,445	(18,684)	-	-	(35,904)	
22,227	186,838	285,476	68,047	10,365	146,331	
\$ 22,227	\$ 283,283	\$ 266,792	\$ 68,047	\$ 10,365	\$ 110,427	

Parker County, Texas

Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balance
 Nonmajor Governmental Funds – Continued
 Year Ended September 30, 2024

	Special Revenue Funds			
	LEOSE	District Attorney State Supplement	Special District Attorney	Special County Attorney
REVENUES				
Intergovernmental	\$ -	\$ 22,500	\$ -	\$ -
Fees of office	20,986	-	225	356
Interest	-	-	1,435	467
Miscellaneous	-	-	-	-
Total revenues	20,986	22,500	1,660	823
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Law enforcement	7,870	-	-	-
Judicial	1,950	21,861	60	1,764
Recording	-	-	-	-
Capital outlays	-	-	-	-
Debt service				
Principal	-	-	-	-
Total expenditures	9,820	21,861	60	1,764
Excess (deficiency) of revenues over (under) expenditures	11,166	639	1,600	(941)
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	-	-	-
Proceeds from leases	-	-	-	-
Proceeds from right-to-use subscription assets	-	-	-	-
Operating transfers in	-	-	-	-
Total other financing sources	-	-	-	-
NET CHANGES IN FUND BALANCES	11,166	639	1,600	(941)
Fund balances - beginning of year	23,867	2,177	25,872	9,269
Fund balances - end of year	\$ 35,033	\$ 2,816	\$ 27,472	\$ 8,328

Special Revenue Funds					
District Attorney Awarded	Justice Technology Fund	Law Library	Road and Bridge Escrow	Juvenile Probation Fees and Grant	Adult Probation Bond Fund
\$ -	\$ -	\$ -	\$ -	\$ 979,666	\$ -
-	24,289	112,379	-	6,662	221,449
19,774	-	-	-	2,241	5,799
7,756	-	-	-	-	-
27,530	24,289	112,379	-	988,569	227,248
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,546	14,453	31,521	-	940,589	470,125
-	-	-	-	-	-
107,446	-	-	-	-	-
36,000	-	-	-	-	-
147,992	14,453	31,521	-	940,589	470,125
(120,462)	9,836	80,858	-	47,980	(242,877)
-	-	-	-	-	-
-	-	-	-	-	-
107,446	-	-	-	-	-
-	-	-	-	131,365	200,000
107,446	-	-	-	131,365	200,000
(13,016)	9,836	80,858	-	179,345	(42,877)
384,100	587,231	485,678	-	265,227	237,200
<u>\$ 371,084</u>	<u>\$ 597,067</u>	<u>\$ 566,536</u>	<u>\$ -</u>	<u>\$ 444,572</u>	<u>\$ 194,323</u>

Parker County, Texas

Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balance
 Nonmajor Governmental Funds – Continued
 Year Ended September 30, 2024

	Special Revenue Funds			
	District Court Records Technology	Justice Court Security	County/ District Technology	County Clerk Records Management
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fees of office	-	7,480	3,943	339,038
Interest	-	-	-	111,221
Miscellaneous	-	-	-	-
Total revenues	-	7,480	3,943	450,259
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Law enforcement	-	-	-	-
Judicial	-	470	-	-
Recording	30,000	-	3,491	143,402
Capital outlays	-	5,494	-	-
Debt service				
Principal	-	-	-	-
Total expenditures	30,000	5,964	3,491	143,402
Excess (deficiency) of revenues over (under) expenditures	(30,000)	1,516	452	306,857
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	-	-	-
Proceeds from leases	-	-	-	-
Proceeds from right-to-use subscription assets	-	-	-	-
Operating transfers in	-	-	-	-
Total other financing sources	-	-	-	-
NET CHANGES IN FUND BALANCES	(30,000)	1,516	452	306,857
Fund balances - beginning of year	51,110	155,024	43,110	1,877,045
Fund balances - end of year	\$ 21,110	\$ 156,540	\$ 43,562	\$ 2,183,902

Special Revenue Funds					
County Clerk Vital Records	Records Management County Wide	District Clerk Records Management	Court Reporters Service	District Clerk	Court Record Preservation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7,607	128,814	-	81,718	64,647	-
-	-	-	-	-	-
-	-	-	-	-	-
7,607	128,814	-	81,718	64,647	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	50,967	-	-
1,403	-	25,819	-	-	86,239
-	-	-	-	-	-
-	-	-	-	-	-
1,403	-	25,819	50,967	-	86,239
6,204	128,814	(25,819)	30,751	64,647	(86,239)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,204	128,814	(25,819)	30,751	64,647	(86,239)
40,628	537,296	33,773	415,793	439,467	189,069
\$ 46,832	\$ 666,110	\$ 7,954	\$ 446,544	\$ 504,114	\$ 102,830

Parker County, Texas

Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balance
 Nonmajor Governmental Funds – Continued
 Year Ended September 30, 2024

	Special Revenue Funds			
	Document Preservation	Child Abuse Prevention	Specialty Court Fund	DA Pretrial Intervention
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fees of office	334,395	366	21,540	4,200
Interest	69,285	-	-	-
Miscellaneous	-	-	-	-
Total revenues	403,680	366	21,540	4,200
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Law enforcement	-	-	-	-
Judicial	-	-	-	-
Recording	120,465	-	-	-
Capital outlays	-	-	-	-
Debt service				
Principal	-	-	-	-
Total expenditures	120,465	-	-	-
Excess (deficiency) of revenues over (under) expenditures	283,215	366	21,540	4,200
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	-	-	-
Proceeds from leases	-	-	-	-
Proceeds from right-to-use subscription assets	-	-	-	-
Operating transfers in	-	-	-	-
Total other financing sources	-	-	-	-
NET CHANGES IN FUND BALANCES	283,215	366	21,540	4,200
Fund balances - beginning of year	1,133,608	2,505	60,669	19,200
	-	-	-	-
Fund balances - end of year	\$ 1,416,823	\$ 2,871	\$ 82,209	\$ 23,400

Special Revenue Funds

Court Facility	Language Access	Court-Initiated Guardianship	Judicial Education & Support	Opioid Settlement	Veterans Service	Other Grant Funds	Total Non-major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 29,086	\$ -	\$ 583,942	\$ 1,842,984
64,048	19,485	20,670	3,100	-	-	-	1,714,781
-	-	-	-	-	-	716	235,516
-	-	-	-	-	738	-	44,002
64,048	19,485	20,670	3,100	29,086	738	584,658	3,837,283
39,224	-	-	-	-	-	-	173,584
-	-	-	-	-	-	162,341	309,181
-	-	-	-	-	-	-	52,432
-	5,440	-	-	-	-	394,052	1,937,798
-	-	-	-	-	-	-	410,819
-	-	-	-	-	-	27,550	395,274
-	-	-	-	-	-	-	75,194
39,224	5,440	-	-	-	-	583,943	3,354,282
24,824	14,045	20,670	3,100	29,086	738	715	483,001
-	-	-	-	-	-	-	3,163
-	-	-	-	-	-	-	110,060
-	-	-	-	-	-	-	107,446
-	-	-	-	-	-	-	355,365
-	-	-	-	-	-	-	576,034
24,824	14,045	20,670	3,100	29,086	738	715	1,059,035
97,926	28,447	34,616	5,399	149,506	607	73,302	8,585,062
-	-	-	-	-	-	-	-
\$ 122,750	\$ 42,492	\$ 55,286	\$ 8,499	\$ 178,592	\$ 1,345	\$ 74,017	\$ 9,644,097

Fiduciary Funds

Fiduciary Funds - To account for assets held by the County as an agent for individuals, private organizations, other governmental units or other funds.

Sheriff's Jail Trust Account - This account is used to temporarily hold cash bonds, fines, and sheriff's sale proceeds.

Auto Registration Account - To account for monies received for registering automobiles in Parker County.

Vehicle Inventory Tax Escrow - To account for monies collected and held in escrow for vehicle inventory tax account.

County Clerk's Court Fund Account - To account for monies received from individuals or the adult probation department to pay for court fees.

County Attorney's Escrow Account - To account for monies received by the County Attorney's office for NSF checks.

County Clerk's Deposit Account - To account for monies received from court issued bonds.

County Clerk's Bond Account - To account for monies received from court issued bonds.

County Clerk's Registry Account - To account for monies used for condemnation suits and for defendants to reimburse the County Treasurer for court appointed attorneys.

County Clerk's Individual Trust Account - To account for monies in trust for several individuals.

District Court Deposit Account - To account for monies received by the District Clerk for court fees.

District Clerk's Registry Account - To account for monies received by court order in care of an individual. Also cash bonds are accounted for in this account.

District Clerk's Individual Trust Accounts - To account for monies in trust for several individuals.

Sheriff's Office Inmate Trust Account - To account for inmates' monies which were confiscated during arrests and to hold deposits from family members of the inmates.

County Jail Commissary Fund - To account for funds held in the inmates' names for personal purchases.

Adult Probation Funds - To account for funds relating to the adult probation supervision grant and the adult probation CCP grant.

V.I.T. Interest Account - To account for interest earned on the Vehicle Inventory Tax for the T.A.C. to defray the cost of administration of the prepayment procedure.

District Attorney Trust Account - To account for monies in trust for several individuals.

Fiduciary Funds (continued)

District Attorney Restitution Account – To account for monies received by the District Attorney's office for restitution ordered for victims.

County Clerk's Probate Fund - To account for monies received by court order in care of an individual.

TPWD Funds Account – To account for monies received for the taxation of water vehicles for Texas Parks and Wildlife Department.

Juvenile Probation Restitution Account - To account for monies received by Juvenile Probation for probation fees received prior to distribution to the County.

CSCD Restitution Account - To account for monies received by Adult Probation for probation fees received prior to distribution by the County and other entities.

Constable Trust Fund - To account for assets temporarily held from Constable sale proceeds.

Parker County, Texas

Combining Statement of Net Position –
 Fiduciary Funds
 September 30, 2024

	Sheriff's Jail Trust Account	Auto Registration Account	Vehicle Inventory Tax Escrow	County Clerk's Court Fund Account	County Attorney's Escrow Account
ASSETS					
Cash	\$ 36,509	\$ 509,777	\$ 982,740	\$ 57,078	\$ 6,534
Investments	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	36,509	509,777	982,740	57,078	6,534
LIABILITIES					
Deposits held and due to others	-	-	-	-	-
Total liabilities	-	-	-	-	-
NET POSITION					
Restricted - Individuals, organizations, and other governments	36,509	509,777	982,740	57,078	6,534
Total net position	\$ 36,509	\$ 509,777	\$ 982,740	\$ 57,078	\$ 6,534

County Clerk's Deposit Account	County Clerk's Bond Account	County Clerk's Registry Account	County Clerk's Individual Trust Account	District Court Deposit Account	District Clerk's Registry Account	District Clerk's Individual Trust Account
\$ 275,155	\$ 236,578	\$ 677,440	\$ 731,196	\$ 107,582	\$ 1,174,412	\$ 281,058
-	-	-	-	-	-	-
-	-	-	-	-	-	-
275,155	236,578	677,440	731,196	107,582	1,174,412	281,058
-	-	-	-	-	-	-
-	-	-	-	-	-	-
275,155	236,578	677,440	731,196	107,582	1,174,412	281,058
<u>\$ 275,155</u>	<u>\$ 236,578</u>	<u>\$ 677,440</u>	<u>\$ 731,196</u>	<u>\$ 107,582</u>	<u>\$ 1,174,412</u>	<u>\$ 281,058</u>

Parker County, Texas

Combining Statement of Net Position –
 Fiduciary Funds – Continued
 September 30, 2024

	Sherriff's Office Inmate Trust Account	County Jail Commissary Fund	Adult Probation Fund	V.I.T Interest Account	District Attorney Trust Account
ASSETS					
Cash	\$ 85,274	\$ 106,447	\$ 7,350	\$ 93,660	\$ 61,537
Investments	-	-	825,024	-	-
Accounts receivable	-	-	37,956	-	-
Total assets	85,274	106,447	870,330	93,660	61,537
LIABILITIES					
Deposits held and due to others	-	-	62,085	-	-
Total liabilities	-	-	62,085	-	-
NET POSITION					
Restricted - Individuals, organizations, and other governments	85,274	106,447	808,245	93,660	61,537
Total net position	\$ 85,274	\$ 106,447	\$ 808,245	\$ 93,660	\$ 61,537

County Clerk's Probate Fund	TPWD Funds Account	Juvenile Probation Restitution Account	CSCD Restitution Account	Constable Trust Account	Total Fiduciary Funds
\$ 31,139	\$ 231	\$ 4,198	\$ -	\$ -	\$ 5,465,895
-	-	-	-	-	825,024
-	-	-	-	-	37,956
31,139	231	4,198	-	-	6,328,875
-	-	-	-	-	62,085
-	-	-	-	-	62,085
31,139	231	4,198	-	-	6,266,790
<u>\$ 31,139</u>	<u>\$ 231</u>	<u>\$ 4,198</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,266,790</u>

Parker County, Texas

Combining Statement of Changes in Net Position –
Fiduciary Funds
September 30, 2024

	Sheriff's Jail Trust Account	Auto Registration Account	Vehicle Inventory Tax Escrow	County Clerk's Court Fund Account	County Attorney's Escrow Account
ADDITIONS					
Vehicle registration fees collected for state	\$ -	\$ 61,348,179	\$ 1,533,034	\$ -	\$ -
Judicial/statutory ordered collections due to others	-	-	-	898,268	-
Held for others	482,527	-	-	-	6,869
Interest earnings	-	-	41,558	-	12
Total additions	482,527	61,348,179	1,574,592	898,268	6,881
DEDUCTIONS					
Vehicle registration due to state	-	61,458,221	1,657,922	-	-
Payments due under judicial order/statute	-	-	-	892,171	-
Payments to other governments and organizations	-	-	42,168	-	-
Payments to individuals	455,763	-	-	-	2,493
Total deductions	455,763	61,458,221	1,700,090	892,171	2,493
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	26,764	(110,042)	(125,498)	6,097	4,388
NET POSITION - BEGINNING OF YEAR	9,745	619,819	1,108,238	50,981	2,146
NET POSITION - END OF YEAR	\$ 36,509	\$ 509,777	\$ 982,740	\$ 57,078	\$ 6,534

County Clerk's Deposit Account	County Clerk's Bond Account	County Clerk's Registry Account	County Clerk's Individual Trust Account	District Court Deposit Account	District Clerk's Registry Account	District Clerk's Individual Trust Account
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	1,567,887	-	-
-	224,191	253,181	27,397	-	1,626,452	108,133
-	-	-	33,827	-	-	5,890
-	224,191	253,181	61,224	1,567,887	1,626,452	114,023
-	-	-	-	-	-	-
-	-	-	-	1,573,767	-	-
-	-	-	-	-	-	-
41,042	184,637	172,287	2,315,662	-	1,808,457	34,574
41,042	184,637	172,287	2,315,662	1,573,767	1,808,457	34,574
(41,042)	39,554	80,894	(2,254,438)	(5,880)	(182,005)	79,449
316,197	197,024	596,546	2,985,634	113,462	1,356,417	201,609
\$ 275,155	\$ 236,578	\$ 677,440	\$ 731,196	\$ 107,582	\$ 1,174,412	\$ 281,058

Parker County, Texas

Combining Statement of Changes in Net Position –
Fiduciary Funds – Continued
September 30, 2024

	Sherriff's Office Inmate Trust Account	County Jail Commissary Fund	Adult Probation Fund	V.I.T Interest Account
ADDITIONS				
Vehicle registration fees collected for state	\$ -	\$ -	\$ -	\$ -
Judicial/statutory ordered collections due to others	-	-	2,372,866	-
Held for others	867,906	147,673	-	-
Interest earnings	-	-	44,122	46,619
Total additions	867,906	147,673	2,416,988	46,619
DEDUCTIONS				
Vehicle registration due to state	-	-	-	-
Payments due under judicial order/statute	-	-	2,205,551	-
Payments to other governments and organizations	-	189,482	-	15,257
Payments to individuals	861,284	-	-	-
Total deductions	861,284	189,482	2,205,551	15,257
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	6,622	(41,809)	211,437	31,362
NET POSITION - BEGINNING OF YEAR	78,652	148,256	596,808	62,298
NET POSITION - END OF YEAR	\$ 85,274	\$ 106,447	\$ 808,245	\$ 93,660

District Attorney Trust Account	County Clerk's Probate Fund	TPWD Funds Account	Juvenile Probation Restitution Account	CSCD Restitution Account	Constable Trust Fund	Total Fiduciary Funds
\$ -	\$ -	\$ 258,115	\$ -	\$ -	\$ -	\$ 63,139,328
-	-	-	10,727	2,475,855	511,476	7,837,079
7,716	2,075	-	-	-	-	3,754,120
3,340	-	-	-	7,496	-	182,864
11,056	2,075	258,115	10,727	2,483,351	511,476	74,913,391
-	-	259,139	-	-	-	63,375,282
-	-	-	11,213	2,483,351	511,476	7,677,529
21,584	-	-	-	-	-	268,491
-	5,240	-	-	-	-	5,881,439
21,584	5,240	259,139	11,213	2,483,351	511,476	77,202,741
(10,528)	(3,165)	(1,024)	(486)	-	-	(2,289,350)
72,065	34,304	1,255	4,684	-	-	8,556,140
\$ 61,537	\$ 31,139	\$ 231	\$ 4,198	\$ -	\$ -	\$ 6,266,790

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Federal and State Award Programs

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

To the Honorable County Judge
and County Commissioners' Court
Parker County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Parker County, Texas (the County), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 27, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

The Honorable County Judge
and County Commissioners' Court
Parker County, Texas

Purpose of This Report

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
June 27, 2025

**Independent Auditor's Report on Compliance for
Each Major Federal and State Program and Report on Internal Control
over Compliance Required by the Uniform Guidance
and the Texas Grant Management Standards**

To the Honorable County Judge
and County Commissioners' Court
Parker County, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

The Honorable County Judge
and County Commissioners' Court
Parker County, Texas

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

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
June 27, 2025

Parker County, Texas

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2024

I. Summary of the Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified that are not considered a material weakness? Reported Yes None

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes No

Significant deficiency (ies) identified that are not Considered a material weakness? Yes None Reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that were required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major program:

<u>Program/Cluster Name</u>	<u>Assistance Listing #</u>	<u>Amount</u>
COVID-19 - American Rescue Plan Act	21.027	\$ 9,529,017

The dollar threshold used to distinguish between type A and type B programs. \$ 750,000

Auditee qualified as a low-risk auditee? Yes No

Parker County, Texas

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2024

IV. Summary of Prior Year Findings

Finding 2023-001 – Reporting

Major State Program: SH 121 Funds Old Weatherford Rd Improvements

Status: Corrected

Finding 2023-002 – Cash Management

Major State Program: SH 121 Funds Old Weatherford Rd Improvements

Status: Corrected

Parker County, Texas
 Schedule of Expenditures of Federal Awards
 For the Year Ended September 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-through Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE			
Direct Programs			
Equitable Sharing Program	16.922	NCIC# 1840000	\$ 124,525
Total Direct Programs			124,525
Passed Through Texas Department of Criminal Justice			
State Criminal Alien Assistance Program (SCAAP)	16.606	15PBJA-23-RR-05931-SCAA	31,889
Total Passed Through Texas Department of Criminal Justice			31,889
TOTAL U.S. DEPARTMENT OF JUSTICE			156,414
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through Texas Department of Transportation			
US 180 and FM 730 Widening	20.205	CSJ 0008-03-119 & 1601-01-032	91,666
Total Passed Through Texas Department of Transportation			91,666
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			91,666
U.S. DEPARTMENT OF TREASURY			
Direct Programs			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	9,529,017
Total Direct Programs			9,529,017
TOTAL U.S. DEPARTMENT OF TREASURY			9,529,017
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Texas Department of State Health Services			
Public Health Emergency Preparedness - Cities Readiness Grant FY 2024	93.069	HHS001311300010 & HHS001311300010 A1	54,141
Public Health Emergency Preparedness - Cities Readiness Grant FY 2025	93.069	HHS001439300018	1,337
Total Passed Through Texas Department of State Health Services			55,478
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			55,478
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 9,832,575

Parker County, Texas

Schedule of Expenditures of State Awards For the Year Ended September 30, 2024

State Grantor/ Pass-Through Grantor/ Program Title	Pass-through Identifying Number	State Expenditures
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY		
Direct Programs		
Government Alternative Fuel Fleet (GAFF)	582-23-45525-GF	\$ 138,000
Texas Natural Gas Vehicle Grant Program (TNGVGP)	582-23-43336-NV	1,645,081
Texas Natural Gas Vehicle Grant Program (TNGVGP)	582-23-43337-NV	195,615
Total Direct Programs		<u>1,978,696</u>
TOTAL TEXAS COMMISSION ON ENVIRONMENTAL QUALITY		1,978,696
TEXAS DEPARTMENT OF TRANSPORTATION		
Direct Programs		
County Transportation Infrastructure Fund	CTIF-02-184	134,535
Old Weatherford Road Bicycle & Pedestrian Improvements	CSJ 0902-38-140	183,001
US 180 and FM 730 Widening	CSJ 0008-03-119 & 1601-01-032	22,916
Total Direct Programs		<u>340,452</u>
TOTAL TEXAS DEPARTMENT OF TRANSPORTATION		340,452
TEXAS INDIGENT DEFENSE COMMISSION		
Direct Programs		
Texas Indigent Defense Formula Grant	212-24-184	72,543
Total Direct Programs		<u>72,543</u>
TOTAL TEXAS INDIGENT DEFENSE COMMISSION		72,543
OFFICE OF THE ATTORNEY GENERAL		
Direct Programs		
Statewide Automated Victim Notification Services Grant	20222344900-467-01	18,030
Total Direct Programs		<u>18,030</u>
TOTAL OFFICE OF THE ATTORNEY GENERAL		18,030
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS		
Direct Programs		
Rural Law Enforcement Salary Assistance Program	IA-0000000483	193,929
Rural Law Enforcement Salary Assistance Program	IA-0000000372	200,123
Rural Law Enforcement Salary Assistance Program	IA-0000000354	500,000
Total Direct Programs		<u>894,052</u>
TOTAL TEXAS COMPTROLLER OF PUBLIC ACCOUNTS		894,052
OFFICE OF THE GOVERNOR CRIMINAL JUSTICE DIVISION		
Direct Programs		
Engaging Youth & Preventing Truancy	3994304	81,349
Body Armor Grant Program	3498104 & 3498105	56,912
Total Direct Programs		<u>138,261</u>
TOTAL OFFICE OF THE GOVERNOR CRIMINAL JUSTICE DIVISION		138,261
TOTAL EXPENDITURES OF STATE AWARDS		<u>\$ 3,442,034</u>

Parker County, Texas

Notes to Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2024

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County, and is presented on the modified accrual basis of accounting as described in Note 1 to the basic financial statements for the year ended September 30, 2024. The information in the Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards* (Uniform Guidance), and the Texas Grant Management Standards (TxGMS).

The County elected not to use the de minimis indirect cost rate as allowed in the Uniform Guidance, section 414.

Note 2. Loans

At year-end, the County had no loans or loan guarantees outstanding with federal awarding agencies.

Note 3. Subrecipients

Of the federal and state expenditures presented in the schedules, the County provided no amounts in federal or state awards to subrecipients during the year ended September 30, 2024.