

HARTLEY COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

**FOR YEAR ENDED
SEPTEMBER 30, 2024**

HARTLEY COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
<u>Government-wide Financial Statements</u>	
Statement of Net Position	4
Statement of Activities	5
<u>Fund Financial Statements</u>	
Balance Sheet – Governmental Funds	6
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	9
Statement of Net Position – Internal Service Fund.....	10
Statement of Revenues, Expenditures and Changes in Net Position - Internal Service Fund	11
Statement of Cash Flows – Internal Service Fund.....	12
Statement of Fiduciary Net Position	13
Statement of Changes in Fiduciary Net Position	14
<u>Notes to Basic Financial Statements</u>	15
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.....	37

HARTLEY COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

	Page
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Road and Bridge Fund	39
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – SB22 Sheriff Fund.....	40
Schedule of Changes in Net Pension Liability and Related Ratios.....	41
Schedule of Employer Contributions	42
 OTHER SUPPLEMENTARY INFORMATION	
Combining Balance Sheet – Non-major Governmental Funds.....	44
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	47



To The Honorable County Judge and
Commissioners Comprising the
Commissioners' Court of
Hartley County, Texas

INDEPENDENT AUDITORS' REPORT

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hartley County, Texas, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hartley County, Texas, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hartley County, Texas'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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Hartley County, Texas'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 Hartley County, Texas'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 budgetary comparison schedules, the schedule of changes in net pension liability and related ratios, and the schedule of employer contributions on pages 37 – 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.

The County has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. The MD&A, 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. The independent auditors' opinion is not affected by the omission of the MD&A.

Supplementary Information

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

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC
Amarillo, Texas
November 11, 2024

BASIC FINANCIAL STATEMENTS

**HARTLEY COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 5,011,674
Accounts receivable, net	192,746
Delinquent taxes receivable, net	21,328
Due from other governmental entities	4,383
Prepaid expenses	35,871
Capital assets, net of accumulated depreciation	4,128,168
	9,394,170
Total assets	9,394,170
DEFERRED OUTFLOWS OF RESOURCES	
Pension contributions	161,491
Pension economic/demographic losses	29,992
Pension deficient earnings	37,626
	229,109
Total deferred outflows of resources	229,109
LIABILITIES	
Accounts payable	200,765
Due to other governmental entities	154,452
Deferred revenues	250,000
Accrued expenses	60,525
Deposits held in trust	109,440
Noncurrent liabilities:	
Due within one year	43,097
Due in more than one year	39,216
Net pension liability	18,588
	876,083
Total liabilities	876,083
NET POSITION	
Net investment in capital assets	4,071,786
Restricted by enabling legislation for:	
Special projects	169,689
Unrestricted	4,505,721
	8,747,196
Total net position	\$ 8,747,196

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

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Net Position</u>
					<u>Primary</u>
					<u>Government</u>
					<u>Governmental</u>
					<u>Activities</u>
Primary government					
Governmental Activities:					
Administrative	\$ 1,383,960	\$ 212,734	\$ 35,990	\$ -	\$ (1,135,236)
Judicial	635,249	153,558	145,049	-	(336,642)
Public facilities	254,019	-	-	-	(254,019)
Public safety	1,703,103	30,990	252,083	62,168	(1,357,862)
Road and bridge	910,521	363,939	14,448	-	(532,134)
Public service	171,407	-	-	-	(171,407)
Interest on long-term debt	398	-	-	-	(398)
Total	\$ 5,058,657	\$ 761,221	\$ 447,570	\$ 62,168	(3,787,698)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					3,830,326
Property taxes, levied for debt service					1
Mixed beverage taxes					13,295
Investment earnings					275,025
Miscellaneous					103,140
Gain from disposal of asset					36,948
Total general revenues					4,258,735
Change in net position					471,037
Net position - beginning					8,276,159
Net position - ending					\$ 8,747,196

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

**HARTLEY COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	General	Road and Bridge	SB22 Sheriff
ASSETS			
Cash and cash equivalents	\$ 4,035,735	\$ -	\$ 281,832
Accounts receivable, net	192,746	-	-
Taxes receivable, net	21,328	-	-
Due from other funds	65,555	168,597	-
Receivable from other governments	4,383	-	-
Prepaid expenditures	35,871	-	-
	\$ 4,355,618	\$ 168,597	\$ 281,832
LIABILITIES			
Accounts payable	\$ 200,765	\$ -	\$ -
Due to other funds	317,816	-	31,832
Due to other governmental entities	124,370	-	-
Deferred revenue	-	-	250,000
Accrued expenses	60,525	-	-
Deposits held in trust	109,440	-	-
	812,916	-	281,832
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	17,741	-	-
Unavailable revenue - other receivables	171,235	-	-
	188,976	-	-
FUND BALANCES			
Unspendable:			
Prepaid expenditures	35,871	-	-
Restricted:			
By enabling legislation for special projects	-	-	-
Committed for:			
Capital projects	-	-	-
Special revenues	-	168,597	-
Unassigned	3,317,855	-	-
	3,353,726	168,597	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 4,355,618	\$ 168,597	\$ 281,832

Total Nonmajor Funds	Total Governmental Funds
\$ 372,875	\$ 4,690,442
-	192,746
-	21,328
149,219	383,371
-	4,383
-	35,871
<u>\$ 522,094</u>	<u>\$ 5,328,141</u>
\$ -	\$ 200,765
7,723	357,371
30,082	154,452
-	250,000
-	60,525
-	109,440
<u>37,805</u>	<u>1,132,553</u>
-	17,741
-	171,235
<u>-</u>	<u>188,976</u>
-	35,871
169,689	169,689
314,600	314,600
-	168,597
-	3,317,855
<u>484,289</u>	<u>4,006,612</u>
<u>\$ 522,094</u>	<u>\$ 5,328,141</u>

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

This page left blank intentionally

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

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	\$	4,006,612
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		4,128,168
Long-term assets are not available to pay for current-period expenditures and, therefore, are shown as unavailable revenue in the fund financial statements.		188,976
Pension losses, deficient earnings, and changes in assumptions are shown as deferred outflows of resources in the government-wide financial statements.		
Pension economic/demographic losses		29,992
Pension deficient earnings		37,626
Pension contributions paid after the measurement date, December 31, 2023, and before September 30, 2024 are expensed in the governmental funds and shown as deferred outflows of resources in the government-wide financial statements.		161,491
The internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		295,232
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund financial statements:		
Capital leases		(56,382)
Accrued compensated absences		(25,931)
Net pension liability		(18,588)
		(100,891)
Net position - governmental activities	\$	8,747,196

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

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

	<u>General</u>	<u>Road and Bridge</u>	<u>SB22 Sheriff</u>
REVENUES			
Property taxes	\$ 3,828,561	\$ -	\$ -
Other taxes	13,295	-	-
Licenses and fees	186,632	363,939	-
Fines and forfeitures	274,922	-	-
Intergovernmental	145,290	14,448	250,000
Investment earnings	141,588	90,980	2,734
Miscellaneous	94,380	6,500	-
	<u>4,684,668</u>	<u>475,867</u>	<u>252,734</u>
Total revenues			
EXPENDITURES			
Current:			
Administrative	1,363,996	-	-
Judicial	488,172	-	-
Public facilities	252,807	-	-
Public safety	1,397,973	-	136,611
Road and bridge	-	730,660	-
Public service	171,610	-	-
Debt service:			
Principal	62,973	-	-
Interest	398	-	-
Capital outlay	311,821	437,751	116,123
	<u>4,049,750</u>	<u>1,168,411</u>	<u>252,734</u>
Total expenditures			
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>634,918</u>	<u>(692,544)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from initiation of lease	103,901	-	-
Proceeds from disposition of assets	-	192,500	-
Transfers in	-	523,751	-
Transfers out	(590,000)	-	-
	<u>(486,099)</u>	<u>716,251</u>	<u>-</u>
Total other financing sources (uses)			
NET CHANGE IN FUND BALANCES	148,819	23,707	-
FUND BALANCES - BEGINNING	<u>3,204,907</u>	<u>144,890</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 3,353,726</u>	<u>\$ 168,597</u>	<u>\$ -</u>

Total Nonmajor Funds	Total Governmental Funds
\$ 1	\$ 3,828,562
-	13,295
37,028	587,599
14,149	289,071
100,000	509,738
22,260	257,562
2,260	103,140
<u>175,698</u>	<u>5,588,967</u>
27,973	1,391,969
131,199	619,371
-	252,807
8,572	1,543,156
-	730,660
-	171,610
-	62,973
-	398
90,994	956,689
<u>258,738</u>	<u>5,729,633</u>
<u>(83,040)</u>	<u>(140,666)</u>
-	103,901
-	192,500
40,000	563,751
-	(590,000)
<u>40,000</u>	<u>270,152</u>
(43,040)	129,486
<u>527,329</u>	<u>3,877,126</u>
<u>\$ 484,289</u>	<u>\$ 4,006,612</u>

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

**HARTLEY COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds:	\$	129,486
<p>Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.</p> <p>This is the amount by which capital outlays, \$956,689, exceeded depreciation, \$400,358, in the current period.</p>		
		556,331
<p>In the Statement of Activities, only the gain on the sale of capital assets is reported. However, in the governmental fund, the proceeds from the sale increase financial resources. Thus, the change in net assets differed from the change in fund balance by the net book value of the capital assets sold.</p>		
		(155,552)
<p>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. This amount represents the change in unavailable revenue.</p>		
		(113,684)
<p>In the Statement of Net Position, incurring debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayments of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position.</p>		
Debt issued or incurred:		
Capital leases		(10,267)
Subscription liability		(93,634)
Principal repayments:		
Capital leases		7,973
Subscription liability		55,000
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:</p>		
Compensated absences, net change		(9,073)
Deferred outflows of resources related to pensions, net change		(59,815)
Deferred inflows of resources related to pensions, net change		53,889
Net pension asset / liability, net change		66,671
<p>The internal service fund is used by management to charge the costs of health insurance to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.</p>		
		43,712
Change in net position - governmental activities	\$	471,037

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

**HARTLEY COUNTY, TEXAS
STATEMENT OF NET ASSETS
INTERNAL SERVICE FUND
SEPTEMBER 30, 2024**

ASSETS

Current assets:

Cash and cash equivalents	\$ 321,232
---------------------------	------------

Total current assets	<u>321,232</u>
----------------------	----------------

Total assets	<u><u>\$ 321,232</u></u>
--------------	--------------------------

LIABILITIES

Current liabilities:

Due to other funds	\$ 26,000
--------------------	-----------

Total current liabilities	<u>26,000</u>
---------------------------	---------------

Total liabilities	<u>26,000</u>
-------------------	---------------

NET ASSETS

Unrestricted	<u>295,232</u>
--------------	----------------

Total net assets	<u><u>\$ 295,232</u></u>
------------------	--------------------------

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

HARTLEY COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NON-OPERATING REVENUES (EXPENSES)	
Interest	<u>\$ 17,463</u>
Total non-operating revenue (expenses)	<u>17,463</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	17,463
Transfers in	265,000
Transfers out	<u>(238,751)</u>
CHANGE IN NET ASSETS	43,712
NET ASSETS AT BEGINNING OF YEAR	<u>251,520</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 295,232</u></u>

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

**HARTLEY COUNTY, TEXAS
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Net transfers from other funds	\$ 26,249
Increase in due to other funds	<u>26,000</u>
Net cash provided by noncapital financing activities	52,249
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest from cash deposits	<u>17,463</u>
Net cash provided by investing activities	<u>17,463</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	69,712
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>251,520</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 321,232</u></u>

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

HARTLEY COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

	ASSETS	County and District Clerk
Cash and cash equivalents		\$ 63,781
Total assets		\$ 63,781
	NET ASSETS	
Restricted for:		
Individuals		\$ 63,781
Total net position		\$ 63,781

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

HARTLEY COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>County and District Clerk</u>
Additions	
Investment earnings	\$ 1,016
Total additions	<u>1,016</u>
NET CHANGE IN NET POSITION	1,016
NET POSITION - BEGINNING	<u>62,765</u>
NET POSITION - ENDING	<u><u>\$ 63,781</u></u>

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

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Hartley County, Texas (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (generally accepted accounting principles) (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

A. Financial Reporting Entity

The County, incorporated in 1891, is a public corporation and political subdivision of the State of Texas. The County is governed by the Commissioners Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County provides a variety of services to advance the welfare, morale, comfort, safety and convenience of the County and its citizens.

The definition of the reporting entity is based primarily on the notion of financial accountability. The elected officials governing the County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity, but also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either, it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the County.

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

Government-Wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-like activities*, which rely to a significant extent on fees and charges for support.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Fines and forfeitures are recognized when they have been assessed and adjudicated and earned. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

B. Financial Statement Presentation, Measurement Focus and Basis of Accounting – Continuation

Government-Wide Statements – Continuation

The Statement of Activities demonstrates the degree to which the direct expenses of the County’s programs are offset by those programs’ revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the program and 2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Taxes and other items not included among program revenue are reported instead as *general revenue*.

Fiduciary funds are excluded in the government-wide presentation of the financial statements.

Fund-Level Statements

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes and other revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on governmental long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Grant and entitlement revenues are also susceptible to accrual. These funds are accounted for on a spending “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Any fiduciary funds, including custodial funds, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using an economic resources measurement focus.

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

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

B. Financial Statement Presentation, Measurement Focus and Basis of Accounting – Continuation

Fund-Level Statements – Continuation

The County reports the following major governmental funds:

The **General Fund** is the general operating fund of the County. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for administrative, judicial, public facilities, public safety, public services, capital acquisition, and debt service.

The **Road and Bridge Fund** is a special revenue fund used to account for the revenues derived from property taxes and license fees levied for purposes of road and bridge expenditures and debt service.

The **SB22 Sheriff Fund** is a special revenue fund used to account for the grant revenues derived from Texas Senate Bill 22. The grant funds are restricted to enhancing salaries and certain capital purchases within the Sheriff's Department.

Additionally, the County reports the following fund types:

Internal Service Fund – The *Fleet Maintenance Fund* is used to pay for fleet capital expenditures of the County.

Special Revenue Funds – *Special Revenue Funds* account for the proceeds of specific revenue sources (other than fiduciary funds) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds – *Capital Projects Funds* account for financial resources to be used for the acquisition or construction of major capital facilities.

Custodial Funds – *Custodial Funds* account for assets received by the governmental unit in its capacity as trustee or agent for the County, other governmental entities, or individuals. The receipts and disbursements of such funds are governed by the terms of the statutes, ordinances, regulations or other authority.

C. Use of Restricted Assets

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Net Position or Equity

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and deposits within public fund investment pools as well as investments in certificates of deposits with an original maturity of 90 days or less. Statutes authorize the County to keep funds in demand deposits, time deposits, or securities of the United States. The County's custodial banks are required to pledge for the purpose of securing County funds, securities of the following kind, in an amount equal to the amount of such County funds: bonds and notes of the United States, securities of indebtedness of the United States, bonds of the State of Texas, or of any county, city, or independent school district, and various other bonds as described in Texas Statutes. TexPool and Texas LOGIC are duly chartered and administered by the Texas Treasury Safekeeping Trust Company and the portfolio normally consists of U.S. T-Bills or T-Notes, collateralized certificates of deposit, and repurchase agreements. The carrying value (cost) and market value are equal for these deposits.

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

The Act requires an annual audit of investment policies. Audit procedures in this area, conducted as a part of the audit of the basic financial statements, disclosed that in areas of investment practices, management has reported and established appropriate policies. The County adheres to the requirements of the Act. Additionally, investment practices of the County are in accordance with local policies.

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the noncurrent portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Amounts due from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursement for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts. Receivables are shown net of an allowance for uncollectible accounts of \$2,764,833.

Revenues received in advance of the costs being incurred are recorded as unavailable revenue in the fund statements.

Payables consist of vendor obligations for goods and services as well as funds payable to others when the criteria for their release have been met.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Net Position or Equity – Continuation

3. Property Tax Calendar and Revenues

Property taxes are based on taxable value at January 1 and become due October 1 and past due after January 31 of the following year unless the half payment option is elected in which one-half the tax is due November 30, and the balance the following June 30. Tax collections after February 1 are treated as late payments and are subject to penalty and interest. Uncollected taxes from the current tax roll become delinquent on July 1 and are subject to additional penalties and interest. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior years' levies are shown net of an allowance for uncollectible accounts of \$27,144.

4. Restricted Assets/Funds

The following accounts reflect restricted status by third-party or statutory obligations for specific purposes:

- Other Non-Major Governmental fund balances (amounts restricted for other specific purposes such as management, preservation, and archiving of public records, enhancement of law enforcement operations with seized funds, personnel and security for the courthouse, technology requirements for the justice court, administration of pre-trial diversion programs, and enhancement of the county attorney operations with fees from processing dishonored and forged checks. All restrictions are enacted according to Texas statutes.)

5. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The County uses the consumption method to record its prepaid items which requires reporting these items as assets and deferring the recognition of expenditures until the period in which prepaid items are used or consumed. In the fund financial statements, they are offset by a designation of nonspendable fund balance which indicates they do not represent "available spendable resources".

6. Capital Assets

Capital assets, which include land, buildings and improvements, infrastructure, and equipment, are reported in the government-wide financial statements. The County has opted to not retroactively report infrastructure assets. According to the County's capitalization policy, capital assets, such as equipment, are defined as individual assets (or systems of assets) having a cost of \$5,000 or more and an estimated useful life in excess of one year. 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.

When capital assets are purchased, they are capitalized and depreciated in the government-wide financial statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Net Position or Equity – Continuation

6. Capital Assets – Continuation

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

Buildings and improvements	25-40 years
Infrastructure	40 years
Equipment	3-10 years

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has multiple items that qualify for reporting in this category. They are the contributions and other items related to the County’s pension plan reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has multiple items that qualify for reporting in this category. One item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other items are related to the County’s pension plan and are reported in the government-wide statement of net position.

8. Compensated Absences

A liability for unused vacation and comp time for all full-time employees is calculated and reported in the government-wide financial statements. For financial reporting, the following criteria must be met to be considered as compensated absences:

- leave or compensation is attributable to services already rendered
- leave or compensation is not contingent on a specific event (such as illness).

Per GASB Interpretation No. 6, liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

Regular full-time employees are entitled to vacation of up to twelve days per year as earned. Vacation time earned, but not taken, is paid upon termination, but cannot be accumulated beyond one calendar year. Accrued vacation leave benefits are accrued in the government-wide financial statements.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Net Position or Equity – Continuation

9. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

In the fund financial statements, the face amount of debt issued is reported as other financing sources.

10. Pensions

For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's Texas County and District Retirement System Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Fund Balances

As prescribed by GASB Statement No. 54, 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. Fund balance for governmental funds can consist of the following:

Non-spendable Fund Balance – includes amounts that are (a) not in spendable forms, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the County's highest level of decision-making authority, the Commissioners' Court. Commitments may be changed or lifted only by the County taking the same formal action that imposed the constraint originally (for example: resolution or ordinance).

Assigned Fund Balance – includes amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by (a) Commissioners' Court or (b) a body (budget, finance committee, or County Official) to which the assigned amounts are to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) that are not classified as non-spendable, restricted or committed.

Unassigned Fund Balance – this classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Net Position or Equity – Continuation

12. Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three categories.

Net Investment in Capital Assets – This amount consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments, enabling legislation, constitutional provisions.

Unrestricted Net Position – This amount includes all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

13. Fund Balance Policies

When the County incurs an expenditure for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first, then unrestricted funds. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Committed fund balance amounts may be used for other purposes with appropriate action by the Commissioners’ Court to either modify or rescind a fund balance commitment. Commitments are typically done through adoption and amendment of the budget.

The County’s highest level of decision-making authority is the Commissioners’ Court. The Court has not yet delegated the authority to assign fund balance amounts to a specific individual nor does it have a policy to authorize the assignment of fund balances outside the Court.

14. Use of Estimates

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

1. Prior to September 1, the proposed budget is submitted to the Commissioners' Court.
2. The Commissioners' Court provides for a public hearing on the County budget subsequent to August 15, and prior to the levy of taxes by the Commissioners' Court.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – Continuation

A. Budgetary Information – Continuation

3. Prior to October 1, the budget is legally adopted by order of the Commissioners' Court for the General Fund, the Road and Bridge Special Revenue Fund, and all other funds of the County.
4. The budget is prepared by fund and department with the legal level of control at the department level. Administrative control is maintained through the establishment of more detailed account or object class budgets within the departments. Emergency expenditures to meet unusual and unforeseen conditions which could not, by reasonable diligent thought and attention, have been included in the original budget, whereby total expenditures of a department have been increased must be authorized by the Court as emergency amendments to the original budget. Management may not amend the budget at any level without approval of the Commissioners' Court. The Court has the authority to make such changes in the budget, in its judgment of facts, the law warrant, and the interest of the taxpayers demand, provided the amounts budgeted for the current expenditures from the various funds for the County do not exceed appropriations, including fund balances from the prior fiscal periods. Amounts shown in the financial statements represent the original budget amounts and all supplemental appropriations. Supplemental appropriations to the original adopted budget are in the Final Budget Amounts column of the Budgetary Comparison Schedule for the General Fund, the Road and Bridge Special Revenue Fund, and the SB22 Sheriff Special Revenue Fund.
5. Budgets for the General Fund, Road and Bridge Special Revenue Fund, and other funds are adopted on a basis consistent with GAAP on the modified accrual basis of accounting on an annual basis.
6. Formal budgetary integration on an annual basis is employed as a management control device during the year for the General Fund, the Road and Bridge Special Revenue Fund, and other funds of the County.
7. All appropriations, except those in grant funds, lapse at the end of the County's fiscal year and may be re-budgeted the next year.

B. Excess of Disbursements Over Appropriations

For the year ended September 30, 2024, disbursements exceeded appropriations in the following departments: General Fund: County Attorney (\$240), Debt Service (\$2,973), and Capital outlay (\$98,901), Road and Bridge: Capital Outlay (\$247,751), and SB22 Sheriff: Public Safety (\$1,811). The excess expenditures were covered by excess revenues, lower than budgeted expenditures in other departments, and proceeds from the initiation of leases.

NOTE 3 – PROPERTY TAX

The State of Texas Constitutional tax rate limit for both operations and debt service is \$.80 on each \$100 of assessed valuation. The tax rate on the 2023 tax roll was \$.4065 per \$100, which means that the County has a tax margin of \$.3935 per \$100 and could raise up to \$3,711,530 in additional revenue from the 2023 assessed valuation of \$943,209,571 before the limit is reached.

Real and personal property values are assessed for the period January 1 to December 31, as of January 1 at which date property taxes attach as an enforceable lien on property. Taxes are levied by October 1 of the current year and are collected from October 1 to June 30 of the following year. Payments received after February 1 are considered late and are subject to penalty and interest. Taxes become delinquent on July 1 of the following year.

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 – DEPOSITS AND INVESTMENTS

Following is a reconciliation of the County’s cash and deposit balances as of September 30, 2024:

Cash and deposit balances consist of:

Petty cash funds	\$	1,200
Bank deposits		364,419
Texas LOGIC		2,482,132
TexPool		2,227,704
		2,227,704
Total	\$	5,075,455

Cash and deposit balances are reported in the basic financial statements as follows:

Government-wide Statement of Net Position:		
Unrestricted	\$	5,011,674
Statement of Fiduciary Net Position: Agency Funds		63,781
		63,781
Total	\$	5,075,455

Custodial credit risk – deposits. As of September 30, 2024, the carrying amount of the County's deposits with financial institutions was \$364,419 and the bank's balance was \$385,077. The entire bank balance, \$385,077 was insured through the Federal Depository Insurance Corporation (FDIC).

As of September 30, 2024, the County had \$2,482,132 and \$2,227,704, respectively invested with the Texas LOGIC and Texas Treasury Safekeeping Trust Company (TexPool). The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code, provide for the creation of public funds investment pools, such as TexPool and Texas LOGIC, through which political subdivisions and other entities may invest public funds. The State Comptroller of Public Accounts exercises oversight responsibility over both funds. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally the State Comptroller has established an advisory board composed of both participants of the pools and other persons who do not have a business relationship with either pool. The advisory board members review the investment policy and management fee structure.

Both investment pools use amortized cost to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. TexPool and Texas LOGIC do not place any limitations or restrictions such as notice periods or maximum transaction amounts, on withdrawals. TexPool and Texas LOGIC have a credit rating of AAA from Standard & Poor’s Financial Services. Local government investment pools in this rating category meet the highest standards for credit quality, conservative investment policies, and safety of principle. TexPool and Texas LOGIC invest in a quality portfolio of debt securities investments that are legally permissible for local governments in the state.

Interest rate risk is the risk that adverse changes in interest rates will result in an adverse effect on the fair value of an investment. The County manages its exposure to interest rate risk by maintaining its cash in interest-bearing demand accounts, or in certificates of deposit with weighted average maturities of one year or less.

Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. State law and County policy limit investments in local government pools to those rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 – DEPOSITS AND INVESTMENTS – Continuation

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single insurer. As of September 30, 2024, 92.82% of the County’s carrying value of cash was invested in pooled investment accounts. All other cash was deposited with the County’s depository bank and was adequately secured as described above.

NOTE 5 – CAPITAL ASSETS

Capital assets are recorded at cost or, if donated, at fair market value at the date of receipt. In accordance with GASB Statement No. 34, depreciation policies were adopted to include useful lives and classification by function. As stated earlier, the County has not opted to report its infrastructure retroactively.

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land and land improvements	\$ 22,129	\$ -	\$ -	\$ -	\$ 22,129
Construction in progress	14,470	298,914	-	-	313,384
	<u>36,599</u>	<u>298,914</u>	<u>-</u>	<u>-</u>	<u>335,513</u>
Total capital assets, not being depreciated					
	<u>36,599</u>	<u>298,914</u>	<u>-</u>	<u>-</u>	<u>335,513</u>
Capital assets, being depreciated:					
Buildings and improvements	2,801,604	-	-	-	2,801,604
Infrastructure	731,808	-	-	-	731,808
Equipment	3,096,880	553,874	(276,202)	-	3,374,552
Leased equipment	40,634	10,267	(10,659)	-	40,242
Subscription asset	-	93,634	-	-	93,634
	<u>6,670,926</u>	<u>657,775</u>	<u>(286,861)</u>	<u>-</u>	<u>7,041,840</u>
Total capital assets, being depreciated					
	<u>6,670,926</u>	<u>657,775</u>	<u>(286,861)</u>	<u>-</u>	<u>7,041,840</u>
Less accumulated depreciation for:					
Buildings and improvements	(1,179,135)	(61,341)	-	-	(1,240,476)
Infrastructure	(115,621)	(18,295)	-	-	(133,916)
Equipment	(1,659,498)	(303,476)	120,650	-	(1,842,324)
Leased equipment	(25,882)	(7,883)	10,659	-	(23,106)
Subscription asset	-	(9,363)	-	-	(9,363)
	<u>(2,980,136)</u>	<u>(400,358)</u>	<u>131,309</u>	<u>-</u>	<u>(3,249,185)</u>
Total accumulated depreciation					
	<u>(2,980,136)</u>	<u>(400,358)</u>	<u>131,309</u>	<u>-</u>	<u>(3,249,185)</u>
Total capital assets, being depreciated, net					
	<u>3,690,790</u>	<u>257,417</u>	<u>(155,552)</u>	<u>-</u>	<u>3,792,655</u>
Governmental activities capital assets, net					
	<u>\$ 3,727,389</u>	<u>\$ 556,331</u>	<u>\$ (155,552)</u>	<u>\$ -</u>	<u>\$ 4,128,168</u>

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5 – CAPITAL ASSETS – Continuation

Depreciation expense for the year ended September 30, 2024 was charged to the functions/programs of the primary government as follows:

Governmental activities	
Administrative	\$ 32,678
Judicial	19,188
Public facilities	1,993
Public safety	159,862
Road and bridge	186,637
Total Depreciation Expense	\$ 400,358

NOTE 6 – RETIREMENT PLAN

Plan Description: Hartley County provides retirement and death benefits for all of its employees, except temporary 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 several nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 and is available at www.tcdrs.org.

Benefits Provided: The plan provisions are adopted by the governing body of the County (employer), 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 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

Employees Covered by Benefit Terms: At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	34
Inactive employees entitled to but not yet receiving benefits	34
Active employees	31

Contributions: The County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually.

Continued

**HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 – RETIREMENT PLAN – Continuation

The County contributed using the actuarially determined rate of 11.41% for the months of the accounting year in 2023 and 14.34% for the months of the accounting year in 2024. The contribution rate payable by the employee members is 7.0% for fiscal year 2024 as adopted by the governing body of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

Net Pension Liability: The County’s net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability or asset, was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017-2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pension liability as of December 31, 2023. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

TCDRS system-wide economic assumptions:

Real rate of return	5.00%
Inflation	2.50%
Long-term investment return	7.50%

The assumed long-term investment return of 7.5% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 7.5% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.

Employer-specific economic assumptions:

Growth in membership	0.00%
Payroll growth for funding calculations	2.00%

The payroll growth assumption is for the aggregate covered payroll of an employer.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – RETIREMENT PLAN – Continuation

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

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

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

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

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – RETIREMENT PLAN – Continuation

- (1) Target asset allocation adopted at the March 2024 TCDRS Board Meeting.
- (2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.2%, per Cliffwater's 2024 capital market assumptions.
- (3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.
- (4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.
- (5) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Discount Rate: The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments.

The funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act are such that a depletion is not projected to occur.

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

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – RETIREMENT PLAN – Continuation

Changes in the Net Pension Liability / (Asset):

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2022	\$ 8,310,924	\$ 8,225,665	\$ 85,259
Changes for the year:			
Service cost	219,197	-	219,197
Interest on total pension liability (1)	634,361	-	634,361
Effect of plan changes (2)	476,342	-	476,342
Effect of economic/demographic gains or losses	36,206	-	36,206
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(11,476)	(11,476)	-
Benefit payments	(361,894)	(361,894)	-
Administrative expenses	-	(4,848)	4,848
Member contributions	-	103,208	(103,208)
Net investment income	-	905,475	(905,475)
Employer contributions	-	418,229	(418,229)
Other (3)	-	10,713	(10,713)
Balances as of December 31, 2023	<u>\$ 9,303,660</u>	<u>\$ 9,285,072</u>	<u>\$ 18,588</u>

- (1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.
(2) No plan changes valued.
(3) Relates to allocation of system-wide items.

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

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 10,305,799	\$ 9,303,660	\$ 8,436,726
Fiduciary net position	9,285,072	9,285,072	9,285,072
Net pension liability / (asset)	<u>\$ 1,020,727</u>	<u>\$ 18,588</u>	<u>\$ (848,346)</u>

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – RETIREMENT PLAN – Continuation

Pension plan fiduciary net position: Detailed information about the pension plan’s fiduciary net position is available in the separately issued TCDRS financial report.

Pension Expense / (Income):

	January 1, 2023 to December 31, 2023
Service cost	\$ 219,197
Interest on total pension liability (1)	634,361
Effect of plan changes	476,342
Administrative expenses	4,848
Member contributions	(103,208)
Expected investment return net of investment expenses	(630,893)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(20,147)
Recognition of assumption changes or inputs	(15,818)
Recognition of investment gains or losses	(158,528)
Other (2)	(10,713)
Pension expense / (income)	\$ 395,441

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

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

Deferred Inflows / Outflows of Resources: As of September 30, 2024, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 29,992
Changes of assumptions	-	-
Net difference between projected and actual earnings	-	37,626
Contributions made subsequent to measurement date	N/A	161,491

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – RETIREMENT PLAN – Continuation

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:	
2024	\$ (41,519)
2025	(16,600)
2026	180,655
2027	(54,918)
2028	-
Thereafter	-

NOTE 7 – POSTEMPLOYMENT DEFINED BENEFIT GROUP TERM LIFE INSURANCE PLAN

Plan Description

Hartley County, Texas participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by the Texas County & District Retirement System (TCDRS). This plan is referred to as the Group Term Life Fund (GLTF). This optional plan provides group term life insurance coverage to current eligible employees.

The GTLF is a separate trust administered by the TCDRS board of trustees. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for the GTLF. This report is available at www.tcdrs.org. TCDRS' CAFR may also be obtained by writing to the Texas County & District System, P.O. Box 2034, Austin, TX 78768-2034, or by calling 800-823-7782.

Funding Policy

Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. Hartley County, Texas contributions to the GTLF for the year ended September 30, 2024, 2023 and 2022, were \$3,300, \$3,397, and 4,241, respectively, which equaled the contractually required contributions each year.

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8 – INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual Fund Inter-fund Receivables and Payables

Fund	Inter-fund Receivables	Inter-fund Payables
General Fund	\$ 65,555	\$ 317,816
Special Revenue Funds:		
Road and Bridge	168,597	-
SB22 Sheriff	-	31,832
Records Management/Preservation	16,452	-
Records Archive	11,056	-
Seized Property	50,290	-
Courthouse Security	20,372	-
Justice Court Technology	22,964	-
Justice Building Security	3,435	-
District Clerk Technology	495	-
Truancy Prevention and Diversion	3,360	-
County Specialty Court	5,741	-
County Law Library	13,001	-
County Jury	2,053	-
SB22 County Prosecutor	-	3,528
Capital Project Fund	-	4,195
Internal Service Fund:		
Fleet maintenance	-	26,000
	<u>\$ 383,371</u>	<u>\$ 383,371</u>

The primary purpose of inter-fund receivables and payables is the reimbursement of the Special Revenue funds for day to day operations as all County funds are pooled in the General Fund.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8 – INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS – Continuation

Individual Inter-fund Transfers

Fund	Inter-fund Transfers In	Inter-fund Transfers Out
General Fund	\$ -	\$ 590,000
Special Revenue Funds:		
Road and Bridge	523,751	-
County Jury	5,000	-
Capital Project Fund	35,000	-
Internal Service Fund:		
Fleet maintenance	265,000	238,751
	<u>\$ 828,751</u>	<u>\$ 828,751</u>

The primary purpose for inter-fund transfers was for the General Fund to supplement the Road and Bridge and Fleet Maintenance funds in the current year.

NOTE 9 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The County has entered into a subscription-based information technology arrangement (SBITA) for use in the Sheriff's Department. For the year ended September 30, 2024 liability payments amounted to \$55,000. The SBITA has an interest rate of 3.705% with a maturity date of March 31, 2029.

NOTE 10 – LONG-TERM LIABILITIES

The County has entered in multiple capital leases for copiers and other equipment. One copier lease has a maturity date of November 20, 2028 and an interest rate of 3.76%, while the remaining four leases all mature during the fiscal year ending September 30, 2026 and have interest rates between .632% and .940%.

Changes in long-term obligations for the year ended September 30, 2024, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital leases	\$ 15,454	\$ 10,267	\$ (7,973)	\$ 17,748	\$ 8,028
Subscription liability	-	93,634	(55,000)	38,634	9,138
Compensated absences	16,858	45,173	(36,100)	25,931	25,931
Governmental activity long-term liabilities	<u>\$ 32,312</u>	<u>\$ 149,074</u>	<u>\$ (99,073)</u>	<u>\$ 82,313</u>	<u>\$ 43,097</u>

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 10 – LONG-TERM LIABILITIES - Continuation

Debt service requirements at September 30, 2024, are as follows:

Fiscal Year	Total	Capital leases		Subscription liability	
		Interest	Principal	Interest	Principal
2025	\$ 18,941	\$ 343	\$ 8,028	\$ 1,432	\$ 9,138
2026	15,829	226	5,033	1,094	9,476
2027	12,826	140	2,116	742	9,828
2028	12,826	59	2,197	378	10,192
2029	376	2	374		-
	<u>\$ 60,798</u>	<u>\$ 770</u>	<u>\$ 17,748</u>	<u>\$ 3,646</u>	<u>\$ 38,634</u>

The County incurred interest expense of \$398 during the year ended September 30, 2024.

NOTE 10 – CONCENTRATION OF TAXPAYERS

As of September 30, 2024, the following taxpayers accounted for a significant portion of the County’s total tax levy.

Taxpayer	Industry	Tax Amount	Percent of Total Levy
Taxpayer A	Agriculture	\$ 278,707	7.27 %
Taxpayer B	Agriculture	205,376	5.36
Taxpayer C	Railroad	208,559	5.44

NOTE 11 – RISK MANAGEMENT

The County’s major areas of risk management are: public officials’, law enforcement, and automobile liability, general comprehensive liability and property damage, workers’ compensation, and employee health insurance. The County has obtained insurance with an insurance company and a public entity risk pool in which all risk is transferred to those entities for all the above areas. The County pays a deductible per incident except on the employee health insurance in which the deductible is the responsibility of the employee. There have been no significant reductions in insurance coverage from the prior year and settlements have not exceeded insurance coverage for the current year.

NOTE 12 – PROBATION DEPARMENTS

Juvenile Probation Department

The Dallam, Hartley and Sherman Counties Juvenile Probation Department (Department) is a joint venture between the Counties. Each County makes a contribution to the Department based on a predetermined percentage of budgeted expenditures. The Department is governed by the Juvenile Probation Board whose members are the District Judge, the three County Judges and one citizen member appointed by the Board.

Continued

HARTLEY COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 12 – PROBATION DEPARMENTS – Continuation

The Department operates on a fiscal year ending August 31 and issues a statement of revenues, expenditures and changes in fund balance – budget and actual. This financial statement is issued on a regulatory basis of accounting as mandated by the Texas Juvenile Justice Division. This report is solely the TJJD special revenue grant funds and not the Department as a whole.

Summarized information of the Dallam, Hartley and Sherman Counties Juvenile Probation Department for the year ended August 31, 2024 is as follows:

Department revenues:	
TJJD grant revenues - audited	\$ 199,421
Local funding - unaudited	103,000
Other revenues - unaudited	<u>7,405</u>
Total revenues	<u>309,826</u>
Department expenditures:	
Grant expenditures - audited	199,421
Local expenditures - unaudited	<u>76,606</u>
Total expenditures	<u>276,027</u>
Excess of Revenues over / (under) Expenditures	<u><u>\$ 33,799</u></u>
Total assets - unaudited	<u><u>\$ 100,603</u></u>
Fund balance - unaudited	<u><u>\$ 100,603</u></u>

Community Supervision and Corrections (Adult Probation)

The 69th District CSCD is a joint venture between Dallam, Hartley, Sherman and Moore Counties. The County’s local funding to this department for the year ended September 30, 2024 was \$4,472. This funding was not audited after it was sent to the CSCD by the County.

This page left blank intentionally

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

HARTLEY COUNTY, TEXAS
GENERAL
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 3,847,147	\$ 3,847,147	\$ 3,828,561	\$ (18,586)
Other taxes	10,000	10,000	13,295	3,295
Licenses and fees	181,700	181,700	186,632	4,932
Fines and forfeitures	252,500	252,500	274,922	22,422
Intergovernmental	329,746	329,746	145,290	(184,456)
Investment earnings	80,000	80,000	141,588	61,588
Miscellaneous	25,000	25,000	94,380	69,380
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	4,726,093	4,726,093	4,684,668	(41,425)
EXPENDITURES				
Current:				
Administrative				
County Judge	145,322	145,322	141,002	4,320
County Treasurer	157,490	157,490	152,016	5,474
District and County Clerk	349,471	349,471	332,411	17,060
Administrative	420,150	411,725	374,519	37,206
Tax Collector	369,402	369,402	364,048	5,354
	<hr/>	<hr/>	<hr/>	<hr/>
Total administrative	1,441,835	1,433,410	1,363,996	69,414
Judicial				
County Attorney	139,552	139,552	139,792	(240)
Justice of the Peace	213,353	213,353	169,339	44,014
District Judge	48,027	48,027	45,422	2,605
District Attorney	85,600	85,600	75,485	10,115
Judicial	130,653	130,653	58,134	72,519
	<hr/>	<hr/>	<hr/>	<hr/>
Total judicial	617,185	617,185	488,172	129,013
Public facilities				
Building operations	144,229	144,229	124,551	19,678
Rita Blanca Lake	35,000	35,000	35,000	-
Bi-County Library	95,000	95,000	93,256	1,744
	<hr/>	<hr/>	<hr/>	<hr/>
Total public facilities	274,229	274,229	252,807	21,422

Continued

HARTLEY COUNTY, TEXAS
GENERAL
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Continuation	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Public safety				
Sheriff's department	\$ 881,563	\$ 829,563	\$ 632,288	\$ 197,275
Fire protection	260,987	260,987	259,177	1,810
Ambulance service	76,800	76,800	76,800	-
Probation	38,542	38,542	27,432	11,110
Dallam/Hartley County Jail	543,000	543,000	402,276	140,724
Total public safety	<u>1,800,892</u>	<u>1,748,892</u>	<u>1,397,973</u>	<u>350,919</u>
Public service				
Public service	29,500	29,500	22,059	7,441
Extension service	137,500	137,500	136,079	1,421
Veteran's service	14,109	14,109	13,472	637
Total public service	<u>181,109</u>	<u>181,109</u>	<u>171,610</u>	<u>9,499</u>
Debt service:				
Principal	-	60,000	62,973	(2,973)
Interest	-	425	398	27
Total debt service	<u>-</u>	<u>60,425</u>	<u>63,371</u>	<u>(2,946)</u>
Capital outlay	<u>264,920</u>	<u>212,920</u>	<u>311,821</u>	<u>(98,901)</u>
Total expenditures	<u>4,580,170</u>	<u>4,528,170</u>	<u>4,049,750</u>	<u>478,420</u>
EXCESS OF REVENUES				
OVER EXPENDITURES	<u>145,923</u>	<u>197,923</u>	<u>634,918</u>	<u>436,995</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from initiation of lease	-	-	103,901	103,901
Transfers out	<u>(555,000)</u>	<u>(590,000)</u>	<u>(590,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(555,000)</u>	<u>(590,000)</u>	<u>(486,099)</u>	<u>103,901</u>
NET CHANGE IN FUND BALANCE	(409,077)	(392,077)	148,819	540,896
FUND BALANCE - BEGINNING	<u>3,204,907</u>	<u>3,204,907</u>	<u>3,204,907</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 2,795,830</u>	<u>\$ 2,812,830</u>	<u>\$ 3,353,726</u>	<u>\$ 540,896</u>

HARTLEY COUNTY, TEXAS
ROAD AND BRIDGE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and fees	\$ 360,000	\$ 360,000	\$ 363,939	\$ 3,939
Intergovernmental	15,000	15,000	14,448	(552)
Investment earnings	65,000	65,000	90,980	25,980
Miscellaneous	4,000	4,000	6,500	2,500
	<u>444,000</u>	<u>444,000</u>	<u>475,867</u>	<u>31,867</u>
EXPENDITURES				
Current:				
Road and bridge				
Precinct 1	188,376	188,376	186,564	1,812
Precinct 2	165,548	165,548	138,525	27,023
Precinct 3	180,814	180,814	143,972	36,842
Precinct 4	183,798	183,798	146,927	36,871
County Wide	157,000	157,000	114,672	42,328
	<u>875,536</u>	<u>875,536</u>	<u>730,660</u>	<u>144,876</u>
Capital outlay	-	190,000	437,751	(247,751)
	<u>875,536</u>	<u>1,065,536</u>	<u>1,168,411</u>	<u>(102,875)</u>
EXCESS OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(431,536)</u>	<u>(621,536)</u>	<u>(692,544)</u>	<u>(71,008)</u>
OTHER FINANCING SOURCES				
Proceeds from disposition of assets	18,000	18,000	192,500	174,500
Transfers in	285,000	475,000	523,751	48,751
	<u>303,000</u>	<u>493,000</u>	<u>716,251</u>	<u>223,251</u>
NET CHANGE IN FUND BALANCE	(128,536)	(128,536)	23,707	152,243
FUND BALANCE - BEGINNING	<u>144,890</u>	<u>144,890</u>	<u>144,890</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 16,354</u>	<u>\$ 16,354</u>	<u>\$ 168,597</u>	<u>\$ 152,243</u>

HARTLEY COUNTY, TEXAS
SB22 SHERIFF
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 250,000	\$ 250,000	\$ -
Investment earnings	-	1,000	2,734	1,734
Total revenues	<u>-</u>	<u>251,000</u>	<u>252,734</u>	<u>1,734</u>
EXPENDITURES				
Current:				
Public safety				
Sheriff's department	-	134,800	136,611	(1,811)
Total road and bridge	-	134,800	136,611	(1,811)
Capital outlay	-	116,200	116,123	77
Total expenditures	<u>-</u>	<u>251,000</u>	<u>252,734</u>	<u>(1,734)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HARTLEY COUNTY, TEXAS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Years

	Year Ended December 31,			
	2023	2022	2021	2020
Total Pension Liability:				
Service cost	\$ 219,197	\$ 212,533	\$ 206,655	\$ 195,013
Interest on total pension liability	634,361	599,071	579,861	559,495
Effect of plan changes	476,342	-	-	-
Effect of assumption changes or inputs	-	-	(47,454)	355,979
Effect of economic/demographic (gains) or losses	36,206	17,565	(114,215)	(35,325)
Benefit payments/refunds of contributions	(373,370)	(369,673)	(385,969)	(343,202)
Net change in total pension liability	992,736	459,496	238,878	731,960
Total pension liability, beginning	8,310,924	7,851,428	7,612,550	6,880,590
Total pension liability, ending (a)	<u>\$ 9,303,660</u>	<u>\$ 8,310,924</u>	<u>\$ 7,851,428</u>	<u>\$ 7,612,550</u>
Fiduciary Net Position:				
Employer contributions	\$ 418,229	\$ 191,312	\$ 172,456	\$ 167,001
Member contributions	103,208	99,939	93,005	92,485
Investment income net of investment expenses	905,475	(510,537)	1,600,439	696,503
Benefit payments/refunds of contributions	(373,370)	(369,673)	(385,969)	(343,202)
Administrative expenses	(4,848)	(4,820)	(4,773)	(5,378)
Other	10,713	(3,671)	(1,388)	(1,809)
Net change in fiduciary net position	1,059,407	(597,450)	1,473,770	605,600
Fiduciary net position, beginning	8,225,665	8,823,115	7,349,345	6,743,745
Fiduciary net position, ending (b)	<u>\$ 9,285,072</u>	<u>\$ 8,225,665</u>	<u>\$ 8,823,115</u>	<u>\$ 7,349,345</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 18,588</u>	<u>\$ 85,259</u>	<u>\$ (971,687)</u>	<u>\$ 263,205</u>
Fiduciary net position as a % of total pension liability	99.80%	98.97%	112.38%	96.54%
Pensionable covered payroll	\$ 1,474,406	\$ 1,427,701	\$ 1,328,637	\$ 1,321,210
Net pension liability as a % of covered payroll	1.26%	5.97%	-73.13%	19.92%

Year Ended December 31,

	2019	2018	2017	2016	2015	2014
\$	187,723	\$ 184,608	\$ 173,241	\$ 178,859	\$ 169,108	\$ 161,733
	526,265	494,060	473,244	436,667	414,343	382,961
	-	-	-	-	(11,623)	-
	-	-	52,073	-	55,658	-
	35,454	35,687	(158,674)	44,181	(59,939)	70,159
	<u>(349,651)</u>	<u>(291,235)</u>	<u>(297,169)</u>	<u>(290,355)</u>	<u>(260,504)</u>	<u>(245,033)</u>
	399,791	423,120	242,715	369,352	307,043	369,820
	<u>6,480,799</u>	<u>6,057,679</u>	<u>5,814,964</u>	<u>5,445,612</u>	<u>5,138,569</u>	<u>4,768,749</u>
	<u>6,880,590</u>	<u>\$ 6,480,799</u>	<u>\$ 6,057,679</u>	<u>\$ 5,814,964</u>	<u>\$ 5,445,612</u>	<u>\$ 5,138,569</u>
	148,787	158,658	\$ 147,463	\$ 140,902	\$ 135,823	\$ 146,877
	89,477	86,160	83,111	78,528	76,000	75,822
	968,183	(113,421)	780,100	370,431	(10,034)	321,048
	(349,651)	(291,235)	(297,169)	(290,355)	(260,504)	(245,033)
	(5,139)	(4,735)	(4,030)	(4,021)	(3,607)	(3,750)
	<u>(2,874)</u>	<u>(774)</u>	<u>(930)</u>	<u>54,547</u>	<u>38,439</u>	<u>22,876</u>
	848,783	(165,347)	708,545	350,032	(23,883)	317,840
	<u>5,894,962</u>	<u>6,060,309</u>	<u>5,351,764</u>	<u>5,001,732</u>	<u>5,025,615</u>	<u>4,707,775</u>
	<u>6,743,745</u>	<u>\$ 5,894,962</u>	<u>\$ 6,060,309</u>	<u>\$ 5,351,764</u>	<u>\$ 5,001,732</u>	<u>\$ 5,025,615</u>
	<u>136,845</u>	<u>\$ 585,837</u>	<u>\$ (2,630)</u>	<u>\$ 463,200</u>	<u>\$ 443,880</u>	<u>\$ 112,954</u>
	98.01%	90.96%	100.04%	92.03%	91.85%	97.80%
	1,278,240	1,230,857	\$ 1,187,304	\$ 1,121,830	\$ 1,085,717	\$ 1,083,165
	10.71%	47.60%	-0.22%	41.29%	40.88%	10.43%

HARTLEY COUNTY, TEXAS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Ten Fiscal Years

Year Ending September 30:	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ 138,379	\$ 138,379	\$ -	\$ 1,082,277	12.8%
2016	139,935	139,935	-	1,115,280	12.5%
2017	141,926	141,926	-	1,139,404	12.5%
2018	157,349	157,349	-	1,233,118	12.8%
2019	152,392	152,392	-	1,272,891	12.0%
2020	162,016	162,016	-	1,308,953	12.4%
2021	169,409	169,409	-	1,314,478	12.9%
2022	187,571	187,571	-	1,411,383	13.3%
2023	175,444	175,444	-	1,470,072	11.9%
2024	206,186	456,186	(250,000)	1,517,872	30.1%

HARTLEY COUNTY, TEXAS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Ten Fiscal Years

Notes to Schedule:

Valuation Date Actuarially determined contribution rates are calculated each 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 (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	16.9 years (based on contribution rate calculated in 12/31/2023 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	7.5%, net of administrative and investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the PUB-2010 General Retirees Table for males and 120% of the PUB-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods 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: New investment return and inflation assumptions were reflected.
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: No changes in plan provisions were reflected in the Schedule. 2023: No changes in plan provisions were reflected in the Schedule.

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

This page left blank intentionally

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific sources that are legally restricted to expenditures for specified purposes.

Records Management/Preservation – The Records Management/Preservation Fund accounts for revenue from fees collected by the County and District Clerk on court cases. The fees are dedicated by law to be used for specific records management and preservation projects of the office.

Records Archives – The Records Archives Fund accounts for revenue from fees collected by the County and District Clerk on court cases. The fees are dedicated by law to be used for specific records archiving projects of the office.

Seized Property – The Seized Property Fund accounts for proceeds from asset forfeitures and seizures collected by the County Sheriff to statutorily supplement the cost of the Sheriff's office.

Courthouse Security – The Courthouse Security Fund accounts for statutory filing fees collected by the District and County Clerks which are dedicated by law to maintain the security of the courthouse.

Justice Court Technology – The Justice Court Technology Fund accounts for money charged to a defendant convicted of a misdemeanor in a justice court. It is designated for the purpose of financing the purchase of technological enhancements for a justice court.

Hot Check – The Hot Check Fund is used to account for revenues derived from the fees assessed on the collection and processing of dishonored and forged checks. The funds are designated to be used at the discretion of the County Attorney to defray the salaries and expenses of the prosecutor's office.

Justice Building Security – The Justice Building Security Fund accounts for statutory filing fees collected by the District and County Clerks which are dedicated by law to maintain the security of a justice court.

District Clerk Technology – The District Clerk Technology Fund accounts for money charged to a defendant convicted of a misdemeanor in a justice court. It is designated for the purpose of financing the purchase of technological enhancements for the district clerk's office.

Pretrial Diversion – The Pretrial Diversion Fund accounts for fees charged to any defendant willing to participate in a pretrial intervention program. The fees are dedicated by law to be used to administer and maintain the pretrial diversion programs.

Truancy Prevention and Diversion – The Truancy Prevention and Diversion Fund accounts for the fees collected upon convictions of nonjailable misdemeanors. They are dedicated by law to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of a juvenile case manager.

County Specialty Court – The County Specialty Court Fund accounts for the fees collected upon convictions of a felony, or a Class A or B misdemeanor. They are dedicated by law to fund specialty court programs established under Subtitle K, Title 2, Government Code.

County Law Library – The County Law Library Fund accounts for the statutory fees collected in civil cases filed in County and District Courts. These fees are dedicated by law to provide and maintain a County Law Library.

County Jury – The County Jury Fund accounts for revenues and expenditures for juries at a County Court.

SB22 County Prosecutor – The SB22 County Prosecutor Fund accounts for the grant revenues derived from Texas Senate Bill 22. The grant funds are restricted to enhancing salaries and certain capital purchases within the County Attorney's office.

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for resources accumulated to fund future capital acquisitions or construction. The fund also accounts for property taxes levied for debt service requirements of the note used to finance the Dallam-Hartley Counties Jail Facility.

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

Special Revenue Funds						
	Records Management/ Preservation	Records Archives	Seized Property	Courthouse Security	Justice Court Technology	Hot Check
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,459
Due from other funds	16,452	11,056	50,290	20,372	22,964	-
	<u>16,452</u>	<u>11,056</u>	<u>50,290</u>	<u>20,372</u>	<u>22,964</u>	<u>-</u>
Total assets	<u>\$ 16,452</u>	<u>\$ 11,056</u>	<u>\$ 50,290</u>	<u>\$ 20,372</u>	<u>\$ 22,964</u>	<u>\$ 3,459</u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable to other governments	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted:						
By enabling legislation for special projects	\$ 16,452	\$ 11,056	\$ 50,290	\$ 20,372	\$ 22,964	\$ 3,459
Committed for:						
Capital projects	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>16,452</u>	<u>11,056</u>	<u>50,290</u>	<u>20,372</u>	<u>22,964</u>	<u>3,459</u>
Total liabilities and fund balances	<u>\$ 16,452</u>	<u>\$ 11,056</u>	<u>\$ 50,290</u>	<u>\$ 20,372</u>	<u>\$ 22,964</u>	<u>\$ 3,459</u>

Continued

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

Continuation

	Special Revenue Funds					
	Justice Building Security	District Clerk Technology	Pretrial Diversion	Truancy Prevention and Diversion	County Specialty Court	County Law Library
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ 17,011	\$ -	\$ -	\$ -
Due from other funds	3,435	495	-	3,360	5,741	13,001
	\$ 3,435	\$ 495	\$ 17,011	\$ 3,360	\$ 5,741	\$ 13,001
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payable to other governments	-	-	-	-	-	-
	-	-	-	-	-	-
FUND BALANCES						
Restricted:						
By enabling legislation for special projects	\$ 3,435	\$ 495	\$ 17,011	\$ 3,360	\$ 5,741	\$ 13,001
Committed for:						
Capital projects	-	-	-	-	-	-
	3,435	495	17,011	3,360	5,741	13,001
Total fund balances	\$ 3,435	\$ 495	\$ 17,011	\$ 3,360	\$ 5,741	\$ 13,001
Total liabilities and fund balances	\$ 3,435	\$ 495	\$ 17,011	\$ 3,360	\$ 5,741	\$ 13,001

Continued

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

Continuation

	<u>County Jury</u>	<u>SB22 County Prosecutor</u>	<u>Total Special Revenue Funds</u>	<u>Capital Projects</u>	<u>Total Nonmajor Funds</u>
ASSETS					
Cash and cash equivalents	\$ -	\$ 33,610	\$ 54,080	\$ 318,795	\$ 372,875
Due from other funds	2,053	-	149,219	-	149,219
Total assets	<u>\$ 2,053</u>	<u>\$ 33,610</u>	<u>\$ 203,299</u>	<u>\$ 318,795</u>	<u>\$ 522,094</u>
LIABILITIES					
Due to other funds	\$ -	\$ 3,528	\$ 3,528	\$ 4,195	\$ 7,723
Payable to other governments	-	30,082	30,082	-	30,082
Total liabilities	<u>-</u>	<u>33,610</u>	<u>33,610</u>	<u>4,195</u>	<u>37,805</u>
FUND BALANCES					
Restricted:					
By enabling legislation for special projects	\$ 2,053	\$ -	\$ 169,689	\$ -	\$ 169,689
Committed for:					
Capital projects	-	-	-	314,600	314,600
Total fund balances	<u>2,053</u>	<u>-</u>	<u>169,689</u>	<u>314,600</u>	<u>484,289</u>
Total liabilities and fund balances	<u>\$ 2,053</u>	<u>\$ 33,610</u>	<u>\$ 203,299</u>	<u>\$ 318,795</u>	<u>\$ 522,094</u>

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

	Special Revenue Funds					
	Records Management/ Preservation	Records Archives	Seized Property	Courthouse Security	Justice Court Technology	Hot Check
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and fees	12,521	8,600	-	8,172	4,992	360
Fines and forfeitures	-	-	1,500	-	-	-
Intergovernmental	-	-	-	-	-	-
Investment earnings	-	-	2,968	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>12,521</u>	<u>8,600</u>	<u>4,468</u>	<u>8,172</u>	<u>4,992</u>	<u>360</u>
EXPENDITURES						
Current:						
Administrative	17,000	10,973	-	-	-	-
Judicial	-	-	-	1,512	4,869	-
Public safety	-	-	8,572	-	-	-
Capital outlay	-	-	-	20,547	-	-
Total expenditures	<u>17,000</u>	<u>10,973</u>	<u>8,572</u>	<u>22,059</u>	<u>4,869</u>	<u>-</u>
EXCESS OF REVENUES OVER / (UNDER) EXPENDITURES	(4,479)	(2,373)	(4,104)	(13,887)	123	360
OTHER FINANCING SOURCES						
Transfers in	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(4,479)	(2,373)	(4,104)	(13,887)	123	360
FUND BALANCES - BEGINNING (deficit)	<u>20,931</u>	<u>13,429</u>	<u>54,394</u>	<u>34,259</u>	<u>22,841</u>	<u>3,099</u>
FUND BALANCES - ENDING	<u>\$ 16,452</u>	<u>\$ 11,056</u>	<u>\$ 50,290</u>	<u>\$ 20,372</u>	<u>\$ 22,964</u>	<u>\$ 3,459</u>

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

Continuation

	Special Revenue Funds					
	Justice Building Security	District Clerk Technology	Pretrial Diversion	Truancy Prevention and Diversion	County Specialty Court	County Law Library
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and fees	66	317	2,000	-	-	-
Fines and forfeitures	-	-	-	5,980	934	2,607
Intergovernmental	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	2,259
Total revenues	<u>66</u>	<u>317</u>	<u>2,000</u>	<u>5,980</u>	<u>934</u>	<u>4,866</u>
EXPENDITURES						
Current:						
Administrative	-	-	-	-	-	-
Judicial	603	-	7,779	10,000	-	-
Public safety	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>603</u>	<u>-</u>	<u>7,779</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER / (UNDER) EXPENDITURES	(537)	317	(5,779)	(4,020)	934	4,866
OTHER FINANCING SOURCES						
Transfers in	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(537)	317	(5,779)	(4,020)	934	4,866
FUND BALANCES - BEGINNING (deficit)	<u>3,972</u>	<u>178</u>	<u>22,790</u>	<u>7,380</u>	<u>4,807</u>	<u>8,135</u>
FUND BALANCES - ENDING	<u>\$ 3,435</u>	<u>\$ 495</u>	<u>\$ 17,011</u>	<u>\$ 3,360</u>	<u>\$ 5,741</u>	<u>\$ 13,001</u>

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

Continuation

	<u>County Jury</u>	<u>SB22 County Prosecutor</u>	<u>Total Special Revenue Funds</u>	<u>Capital Projects</u>	<u>Total Nonmajor Funds</u>
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ 1	\$ 1
Licenses and fees	-	-	37,028	-	37,028
Fines and forfeitures	3,128	-	14,149	-	14,149
Intergovernmental	-	100,000	100,000	-	100,000
Interest	-	1,056	4,024	18,236	22,260
Miscellaneous	-	-	2,259	1	2,260
	<u>3,128</u>	<u>101,056</u>	<u>157,460</u>	<u>18,238</u>	<u>175,698</u>
EXPENDITURES					
Current:					
Administrative	-	-	27,973	-	27,973
Judicial	5,380	101,056	131,199	-	131,199
Public safety	-	-	8,572	-	8,572
Capital outlay	-	-	20,547	70,447	90,994
	<u>5,380</u>	<u>101,056</u>	<u>188,291</u>	<u>70,447</u>	<u>258,738</u>
EXCESS / (DEFICIENCY) OF REVENUES OVER / (UNDER) EXPENDITURES	(2,252)	-	(30,831)	(52,209)	(83,040)
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>35,000</u>	<u>40,000</u>
	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>35,000</u>	<u>40,000</u>
NET CHANGE IN FUND BALANCES	2,748	-	(25,831)	(17,209)	(43,040)
FUND BALANCES - BEGINNING (deficit)	<u>(695)</u>	<u>-</u>	<u>195,520</u>	<u>331,809</u>	<u>527,329</u>
FUND BALANCES - ENDING	<u>\$ 2,053</u>	<u>\$ -</u>	<u>\$ 169,689</u>	<u>\$ 314,600</u>	<u>\$ 484,289</u>