



Nacogdoches
COUNTY

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE YEAR ENDED

SEPTEMBER 30, 2023

Prepared by
NACOGDOCHES COUNTY AUDITOR'S OFFICE
NACOGDOCHES, TEXAS 75961

**COUNTY OF
NACOGDOCHES, TEXAS**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

Prepared by:

Nacogdoches County Auditor's Office

NACOGDOCHES COUNTY, TEXAS

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INTRODUCTORY SECTION





March 29, 2024

The Honorable Edwin Klein, Judge, 420th District Court
The Honorable Jefferson Davis, Judge, 145th District Court
Honorable County Commissioners' Court

Greg Sowell, County Judge
Jerry Don Williamson, County Commissioner, Precinct 1
Sandy McCorvey, County Commissioner, Precinct 2
Robin Dawley, County Commissioner, Precinct 3
Mark Harkness, County Commissioner, Precinct 4

The Citizens of Nacogdoches County

Conforming to statutory requirements of the duties of the County Auditor, submitted herewith is the Annual Comprehensive Financial Report (ACFR) for Nacogdoches County for the fiscal year ended September 30, 2023. The accompanying financial statements were prepared in accordance with generally accepted accounting principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB).

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management assumes full responsibility for the completeness and reliability of the information contained in this report.

Whitley Penn LLP, a firm of licensed certified public accountants, has audited the County's financial statements. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the County's financial statements for the fiscal year ended September 30, 2023 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Immediately following the independent auditors report is a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Government

Nacogdoches County was created in 1836 and organized in 1837. It is located in the piney woods of East Texas, encompasses 982 total square miles and serves a population of 64,862 according to the United States Census Bureau (QuickFacts).

The City of Nacogdoches, the largest city in the County and the oldest town in Texas, serves as the County Seat. It is located at the intersection of U.S. Hwy. 59, State Hwy. 21 and State Hwy. 7. Other cities in the County include Garrison, Cushing, Appleby and Chireno. Smaller communities are Central Heights, Douglass, Etoile, Martinsville and Woden.

The general governing body of the County is an elected five-member Commissioners' Court (Court) in accordance with Article 5, Paragraph 18 of the Texas Constitution. The Court is comprised of the County Judge, who is the presiding officer, and four Commissioners. The Court's primary function is the administration of the affairs of the County, which includes adopting the County budget, setting the tax rates, approval of contracts, calling of elections and issuance of bonds.

The County provides many varied services for the public it serves. These services include, but are not limited to, the operation of the district, county and justices of the peace judicial systems, voting operations for national, state and some local elections, maintenance on and construction of county owned roads and bridges, recording functions relating to property rights and vital statistics, operation of law enforcement agencies (sheriff and constables), operation of the county jail and general governmental administration.

The annual budget serves as the foundation for the County's financial planning and control. The County Judge is by statute the Budget Officer of the County and is responsible for presenting a prepared County budget to the Commissioners' Court for approval. Public hearings are held on the proposed budget. The Commissioners' Court must adopt an annual operating budget by a majority vote before September 30. Commissioners' Court may legally amend the budget. Budget-to-actual comparisons are provided in this report for all budgeted governmental funds. All transfers of appropriations are submitted and approved by the Court.

Local Economy

According to the Texas Workforce Commission's Labor Market and Career Information website, the County's unemployment rate was 4.1% for September 2023. A year ago, the unemployment rate was also 4.1%. Two years ago, the rate was 4.9%. Texas' unemployment rate was 3.9%, 3.7% and 5.1% respectively for the same periods. The county's September 2023 rate is slightly higher than the national unemployment rate of 3.6%. The national unemployment rate for September 2022 was 3.3%.

Currently, Nacogdoches County has eight public independent school districts and is home to Stephen F. Austin State University. The university has approximately 11,000 students and 1,500 faculty and staff. The university was founded in 1923, and it is a vital transportation, business, medical and tourism center for the area. After a comprehensive process evaluating affiliation with a university system, including responses and feedback from student, faculty, staff and alumni stakeholder groups, as well as the general public, the SFA Board of Regents voted during a special meeting on November 29, 2022, to accept an invitation of The University of Texas System to become a member institution. The chairman of the UT System Board of Regents indicated that this union will make each institution stronger and that UT's proposal to SFA outlined their commitment to helping the university build upon its programs, traditions and culture that have made SFA unique for nearly a century. Next, SFA and UT System officials collaborated with legislative leaders on Senate Bill 1055 which passed and was signed on May 10, 2023 by Governor Abbott. The bill was sponsored and drafted by eight Texas Legislators, including Senator Robert Nichols and Representatives Travis Clardy and Trent Ashby. The legislation effectively authorized the transition of SFA into the UT System. And finally, during an August 24, 2023 meeting of the UT Board of Regents, the formal action of transitioning SFA into the UT System was finalized to become official September 1, 2023. Gina Oglesbee, SFA Interim President said, "It's a historic year for SFA. Today we celebrate our affiliation with the UT System and in a few weeks will celebrate our university's 100th anniversary of educating students. SFA's ability to continue offering a quality education in the pines will only be strengthened by our membership in the UT System." SFA will retain its name, brand and culture, and enrollment is expected to grow and increase business activity in the area. There are also two-year institutions nearby: Angelina College in Lufkin, TX and Panola College in Carthage, TX.

Nacogdoches County Commissioners' Court, in a joint effort with the Nacogdoches Economic Development Corporation and several local businesses and educational entities, established a Technical Training Center in Nacogdoches for area residents in 2012. The objective is to provide marketable job skills (welding, HVAC, electrician and petroleum technology, etc.) to non-college bound students and increase the skilled workforce available to Nacogdoches County employers. On September 23, 2014, Commissioners' Court awarded a construction contract for renovations of the facility. The renovations were funded by a federal grant from the U.S. Department of Housing Urban Development. Funding was passed through the Texas General Land Office. On August 12, 2015, a Certificate of Construction Completion was executed, on December 4, 2015, a Project Completion Report was submitted to the Texas General Land Office and on January 14, 2016, the Texas General Land Office issued an Administrative Closeout Notification which served to close the grant contract. Nacogdoches County closed on the sale of the building to the Nacogdoches Independent School District during January 2016. During the same month NISD celebrated the official opening of the Nacogdoches Technical Training Center and the new location of the Technical High School. The mission of the Nacogdoches ISD Career and Technical Education Department, and its subsequent programs, is to meet the specific needs of a diverse and unique student population while continuing to provide career readiness instruction that is engaging, rigorous, and relevant to post-secondary educational standards as well as local, national, and global industry. Current programs include agricultural engineering and welding, automotive technology, culinary arts, cosmetology, and health science. On August 19, 2022, NISD named Coy Van Valkenburg as the new Director of the department. You can follow the department on Facebook at Nacogdoches ISD Career and Technical Education. On January 13, 2024, the department announced that Nacogdoches Law Enforcement students in the SRT (Student Response Team) program competed at a regional competition and received awards for 1st place – First Responder, 2nd place – Crime Scene Investigation, 3rd place - Felony Traffic Stop and 3rd place – SWAT Team.

Relevant financial policies and long-term planning

In the past, the County has adopted several financial management policies to provide guidelines to ensure its long-term financial health.

The fund balance policy establishes guidelines for the general and debt service funds. It sets a minimum level of reserve funds in the general fund at 18%-25% of current budgeted expenditures and discourages any dependence on reserves to balance the general fund budget. It also sets a minimum level of reserve funds for debt service at 10%-15% of the following year's debt service requirements.

In an effort to attract long-term investment, establish new jobs and increase the County's revenue raising capabilities, Commissioners' Court re-adopted a Tax Abatement Policy in accordance with the Texas Tax Code, Chapter 312 on March 4, 2014. Tax Abatement is one of the principle means by which the public and private sectors can forge a partnership to promote real economic growth within the community.

In accordance with statutory requirements, Nacogdoches County has adopted an Investment Policy. The policy governs the investment of all financial assets of all funds of Nacogdoches County. The main objectives of the policy are to ensure safety of principal, avoid speculative investing, and strive to maintain adequate liquidity, through scheduled maturity of investments, to cover cash needs. Annually during September, Commissioners' Court reviews and considers proposed changes to the policy.

In order to comply with Local Government Code 262, The County Purchasing Act, and other state and federal purchasing guidelines, Commissioners' Court adopted Purchasing Policy & Procedures. The purpose of this policy is to establish guidelines and accountability for the expenditure of taxpayer funds, including funds from intergovernmental sources (state & federal grants), special revenue sources (technology, records management, drug forfeitures, etc.) or capital debt proceeds (certificates of obligation, bonds, tax notes, etc.), used to procure goods and services by all County departments. The processes used to procure goods and services should always provide the best value for the County (optimum quality for an optimum price and subscribes to the "prudent person rule" in that the same considerations are given to a purchase with public funds as would a person in spending their own funds), while providing an open and fair process for vendors. This policy is for the use of Nacogdoches County employees and officials and is designed to assist them in complying with the laws governing county purchasing procedures. The policy was last updated October 18, 2022.

Major Initiatives

Truck Weigh Station/Inspection Facility. In a cooperative effort to prevent pavement damage to roadways caused by overweight loads in Nacogdoches County, the Nacogdoches County Commissioners' Court, the Texas Department of Transportation and the Texas Department of Public Safety established a truck weigh station / inspection facility 5 miles south of the City of Nacogdoches. The facility is located in the TXDOT right-of-way; Texas DPS officers staff the facility. Nacogdoches County constructed all facilities including the modular office building, scale house and truck scales. Commissioners' Court allocated \$300 thousand in the FY 2016 budget for the project. Additionally, Court allocated a portion of the proceeds of the sale of the Technical Training Center. Commissioners' Court executed a memorandum of agreement with TXDOT and TXDPS on 06/29/2015. During FY 2016, Court advertised for proposals for engineering services and executed a contract with Goodwin Lasiter Strong on 11/22/2016. Commissioners' Court decided to move forward with the project during FY 2017 by executing an agreement on 03/14/2017 with Cox Contractors for Construction Manager-at-Risk services, and both parties agreed on a Guaranteed Maximum Price on 10/25/2017. Construction began during December 2017 and the Weigh Station opened 06/21/2018. Total project construction costs were \$854 thousand. Fines generated by motor carrier overweight violations during FY 2023 were \$23 thousand and during FY 2022 \$33 thousand. The fines are deposited to the Road and Bridge Fund. The decrease of \$10 thousand is due to Texas DPS officers are assigned to work on the Texas border (Operation Lone Star) instead of at the weigh station. According to a press release from the Office of the Texas Governor Greg Abbott on December 29, 2022, the Operation Lone Star initiative works to secure the border to stop cartels and criminals from smuggling deadly drugs, weapons and people into Texas. Another press release from the Governor's Office dated December 29, 2023, indicates "Operation Lone Star Bolsters Historic Border Security Mission in 2023", so fines are not expected to increase soon.

Courthouse Security. Prior to October 1, 2014, courthouse security was provided by contract labor that consisted of one full-time/armed guard and one part-time/unarmed guard. For FY 2015, Court provided funding through the adopted budget for 1 full-time employee, an armed Sheriff's deputy, to work along with one contracted full-time/armed guard. Court continues to allocate resources to this program as actual expenditures in the Courthouse Security Fund increased from \$43 thousand for FY 2014 to \$93 thousand for FY 2023.

American Rescue Plan Act. The American Rescue Plan Act (ARPA), enacted in March 2021, provided an investment in the nation's counties to help address and respond to the COVID-19 public health emergency and support long-term economic recovery. The State and Local Coronavirus Fiscal Recovery Fund, part of the ARPA, allocates \$65.1 billion directly to every county, parish and borough across the nation. As directed by the U.S. Department of the Treasury, counties can invest Recovery Funds into a broad range of programs, services and projects under four broad categories: revenue replacement for the provision of government services, support public health response and negative economic impacts, provide premium pay for essential workers and invest in broadband, sewer and water infrastructure. Restrictions on the uses of these funds include: using funds for non-federal match, funding debt service, legal settlements, deposits to rainy day funds or financial reserves, and funds cannot be deposited into a pension fund. On January 6, 2022, Treasury released the Final Rule to guide the implementation of these funds. Revisions are expected. Elected leaders must decide how to best use the additional funding consistent with the ARPA requirements. Funds must be incurred and obligated from March 3, 2021, through December 31, 2024, and funds must be expended to cover obligations and all work must be completed by December 31, 2026. Nacogdoches County was allocated \$12.6 million and received the payments in two equal tranches during June 2021 and June 2022. After issuing a Request for Proposals for Administration Professional Services, Commissioners' Court approved an ARPA Administration Services contract with GrantWorks, Inc., located in Austin, Texas on December 28, 2021. On March 8, 2022, Court obligated the first project titled Case Load Reduction – District Attorney Staff Salaries Project with the last revision to date on July 26, 2022. The estimated obligation (budget) is \$680 thousand over five fiscal years (April 2022 to September 2026) with ARPA funding 100% of the project for FY 2022 & FY 2023, 75% for FY 2024, 50% FY 2025 and 25% FY 2026. The county budget will cover the remaining program expenditures from FY 2024 through FY 2026, and the county will fully fund the project beginning in FY 2027. The estimated obligation is expected to increase considering possible COLA and county pay plan adjustments and health insurance premium increases over five years. Funds will be utilized for the salaries of one additional prosecutor and two paralegals for the Nacogdoches County District Attorney's office. The COVID-19 pandemic brought a paralysis of the County court system. Local and state emergency orders and various pandemic safety limitations have resulted in a backlog of pending cases. As of November 2021, 200 pre-trial felons were awaiting a court date, leading to overcrowding at the jail which presents additional safety risks. Even prior to the pandemic, the County identified a need for an additional prosecutor and paralegals on staff. Additional District Attorney staff will increase the number of trials that the County is able to facilitate, therefore reducing jail overcrowding and mitigating the risk of disease

transmission. One project has been obligated through September 30, 2025. The FY 2024 adopted budget includes additional ARPA projects: Emergency Radio Communications System, County Technology Upgrades (jury management software) and Road and Bridge Department Road Maintenance Plan – Purchase of Materials.

County Road Maintenance. Nacogdoches County Commissioners’ Court continues to support the maintenance of county roads. During FY 2018, nine (9) full-time positions were upgraded through the adopted budget with those changes totaling \$12 thousand for the Road and Bridge department. During FY 2016, a Special Projects budget was established in the Road and Bridge Fund to account for the expenditure of \$277 thousand from Public Assistance Grant reimbursements and \$600 thousand from a transfer from the General Fund to the Road and Bridge Fund to cover costs for road maintenance projects during the summer of 2016. Actual expenditures, for Road and Bridge Special Projects, totaled \$323 thousand during FY 2016. During FY 2017, Court continued to support the project by re-appropriating \$554 thousand in remaining funds. Actual expenditures, for Road and Bridge Special Projects, totaled \$490 thousand during FY 2017 and \$64 thousand during FY 2018. This project is now closed. The FY 2023 Texas County Lateral Road and Bridge Expenditures Yearly Report was accepted by Commissioners’ Court during January 2024, and it was submitted to the Texas Comptroller of Public Accounts. Total Road and Bridge expenditures reported were \$4.7 million. For FY 2022, the total was \$6 million.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting for the County’s Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. This was the twentieth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfied both GAAP and applicable legal requirements. Nacogdoches County also received an Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the fiscal year ended September 30, 2022. The County also received this award for FY 2007, FY 2008, FY 2009 & FY 2021. The Popular Annual Financial Report (PAFR) is a less technical, more user-friendly report of the county’s finances.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program’s requirements, and we are submitting it for review to GFOA.

The timely completion of this report could not have been accomplished without the efficient and dedicated services of the County Auditor’s staff and the professional service provided by our Independent Auditors, Whitley Penn, LLP. We also thank the District Judges, Commissioners’ Court, and all other County officials and staff who have given their support in planning and conducting the financial operations of the County in a responsible and professional manner.

Respectfully submitted,



Jessica Corley
County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Nacogdoches
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**County of Nacogdoches
Texas**

For its Annual Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

NACOGDOCHES COUNTY, TEXAS

LIST OF PRINCIPAL OFFICIALS

September 30, 2023

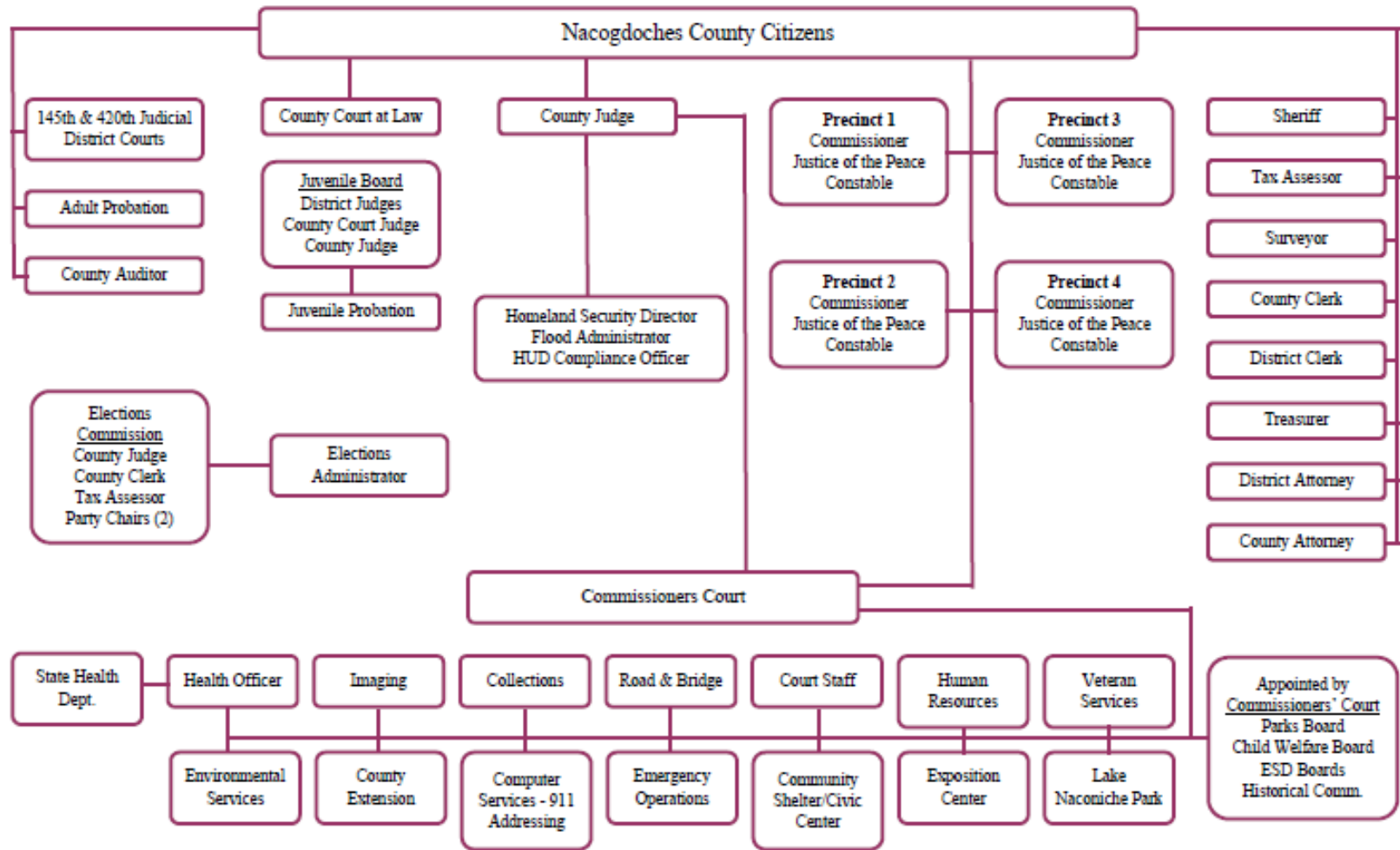
GOVERNING BODY

Greg Sowell County Judge
Jerry Don Williamson Commissioner, Precinct 1
Sandy McCorvey Commissioner, Precinct 2
Robin Dawley Commissioner, Precinct 3
Mark Harkness Commissioner, Precinct 4

OTHER PRINCIPAL OFFICIALS

Jessica Roark Corley County Auditor
Denise Baublet County Treasurer
Kim Morton Tax Assessor-Collector
Jack Sinz County Court-at-Law Judge
John Fleming County Attorney
Jefferson Davis 145th District Judge
Edwin Klein 420th District Judge
Loretta Cammack District Clerk
Andrew Jones District Attorney
Sandra Yates County Clerk
Jason Bridges County Sheriff
Kerry Don Williamson Justice of the Peace, Precinct 1
Dorothy Tigner-Thompson Justice of the Peace, Precinct 2
Leann Goerner Justice of the Peace, Precinct 3
Brian Moreau Justice of the Peace, Precinct 4

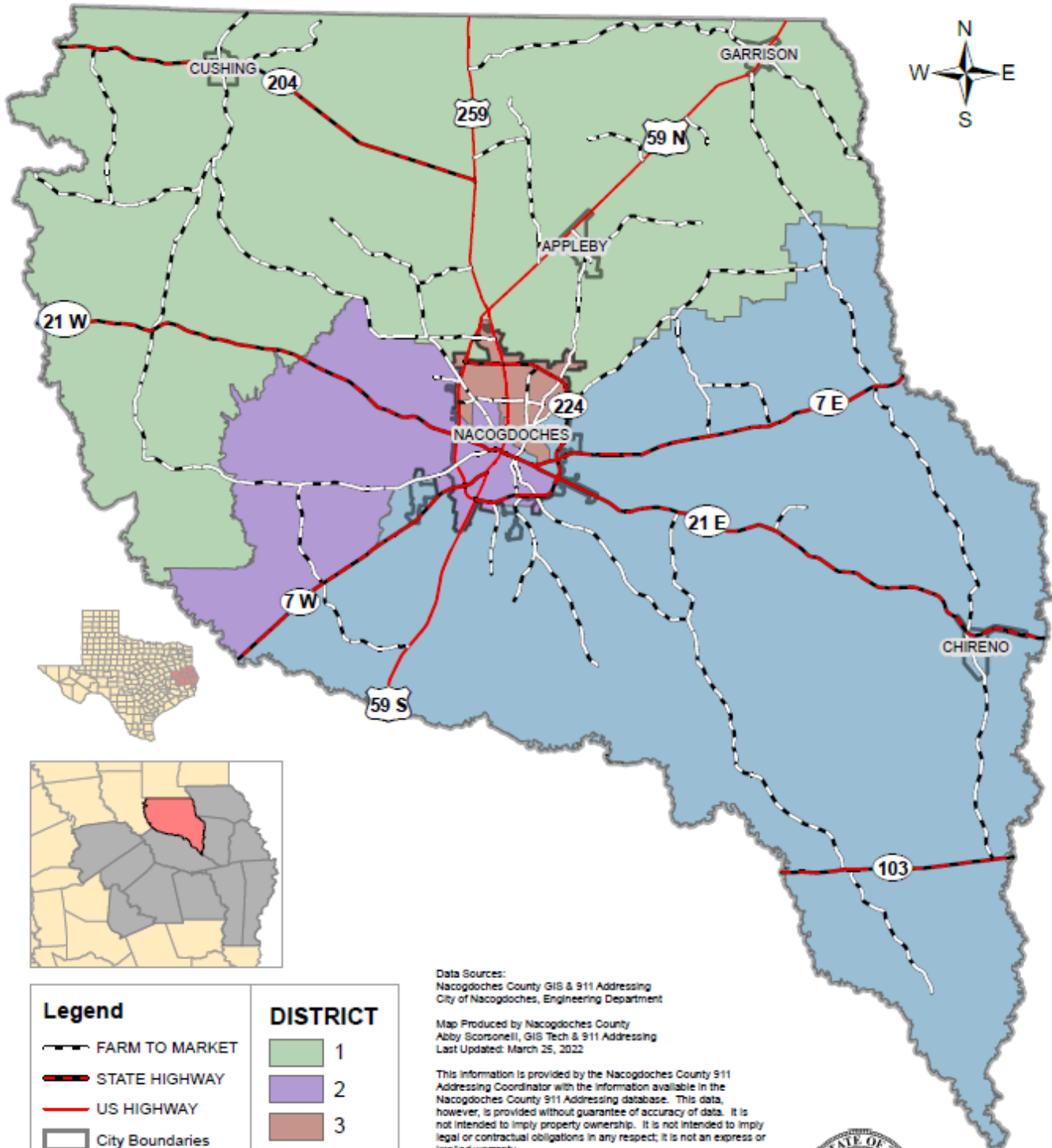
Nacogdoches County, Texas Organization



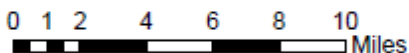
Auditor/Mary/Files/Org chart.pub

Last Updated: September 8, 2023

County Commissioner Precincts Nacogdoches County, Texas



Legend		DISTRICT	
	FARM TO MARKET		1
	STATE HIGHWAY		2
	US HIGHWAY		3
	City Boundaries		4
	County Boundary		



Data Sources:
Nacogdoches County GIS & 911 Addressing
City of Nacogdoches, Engineering Department

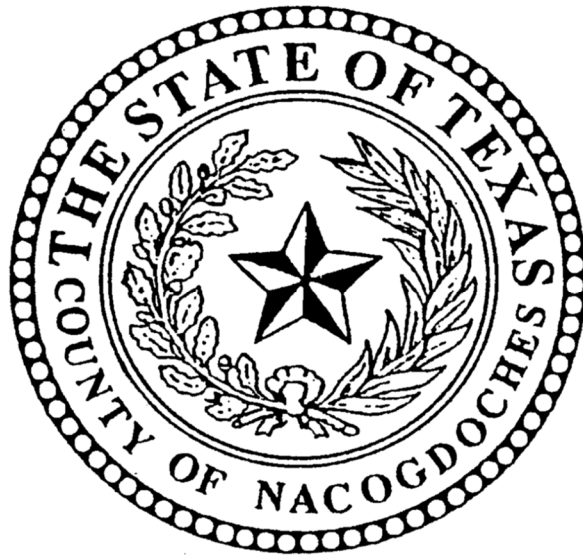
Map Produced by Nacogdoches County
Abby Scorsoneil, GIS Tech & 911 Addressing
Last Updated: March 25, 2022

This information is provided by the Nacogdoches County 911 Addressing Coordinator with the information available in the Nacogdoches County 911 Addressing database. This data, however, is provided without guarantee of accuracy of data. It is not intended to imply property ownership. It is not intended to imply legal or contractual obligations in any respect; it is not an express or implied warranty.

For comments or questions please contact:
911 ADDRESSING
203 W MAIN ST STE 105
NACOGDOCHES TX. 75961
(936) 560-0558



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court
Nacogdoches County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nacogdoches County, Texas (the "County"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court

Supplementary Information

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


Other Information

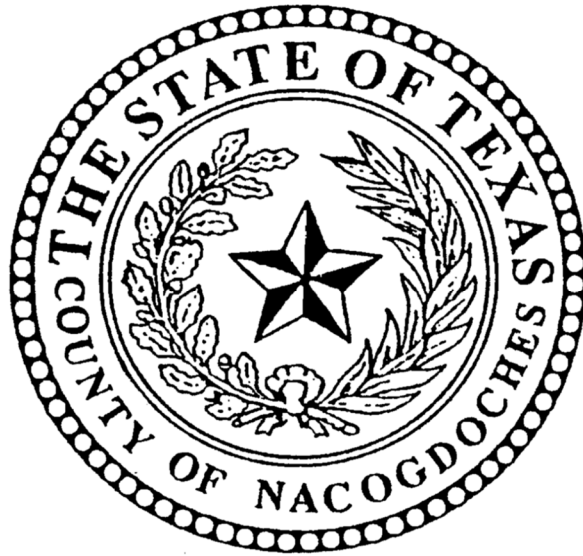
Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 29, 2024 on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County’s internal control over financial reporting and compliance.


Houston, Texas
March 29, 2024



NACOGDOCHES COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The *Management's Discussion and Analysis* of the County of Nacogdoches' Annual Comprehensive Financial Report (ACFR) presents a discussion and analysis of the County's financial performance during the fiscal year that ended September 30, 2023. It should be read in conjunction with the transmittal letter located at the front of this ACFR and the county's financial statements, which follow this part of the ACFR.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$59.8 million (net position). Of this amount, \$13.9 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$3.0 million which is mainly attributed to its investment in capital assets in relation to debt used to acquire those assets that is still outstanding. While the County's investment in capital assets has remained steady, the debt outstanding to acquire those assets has decreased.
- As of the close of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$21.6 million, an increase of 2.5 million from the prior year fund balance.
- At the end of the current fiscal year, the General Fund had approximately \$6.4 million in fund balance of which \$6.1 million is available for spending at the government's discretion (unassigned general fund balance). This fund balance amounts to 30% of total general fund expenditures.
- The County's total bonded debt decreased by approximately \$0.4 million during the current fiscal year. The decrease was the result of debt payments during the year.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

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

The government-wide financial statements present functions of the County that are principally supported by taxes (governmental activities). The governmental activities of the County include general government, judicial and law enforcement, highway and streets, health and welfare, parks and recreation, and interest on long-term debt. The government-wide financial statements can be found on pages 19 through 20 of this report.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County are categorized as governmental funds or fiduciary funds.

Governmental funds

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

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

The County maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, American Rescue Plan Fund, Permanent Improvement Fund, and the Road and Bridge Fund, all of which are considered to be major funds. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the annual comprehensive financial report.

The basic governmental fund financial statements can be found on pages 21 through 24 of this report.

Fiduciary funds

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

The basic fiduciary fund financial statements can be found on pages 25 through 26 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 27 of this report.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. The County adopts an annual appropriated budget for its general, debt service, road and bridge and certain special revenue funds. Budgetary comparison statements have been provided for the general fund, American Rescue Plan fund, and the road and bridge fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 53 through 60 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources, exceeded liabilities and deferred inflows of resources by \$59.8 million at the close of the most recent fiscal year.

By far, the largest portion of the County's net position (\$41.1 million or 69%) consists of its investment in capital assets (e.g., land, buildings, vehicles, road equipment, office furniture and equipment, infrastructure, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Nacogdoches County's Net Position

	Governmental Activities	
	2023	2022
Assets		
Current and other assets	\$ 37,707,540	\$ 38,129,293
Capital assets, net	42,819,584	42,580,733
Total Assets	80,527,124	80,710,026
Deferred Outflows of Resources		
Deferred charge on refunding	35,418	82,649
Deferred pension items	2,358,751	2,584,210
Total Deferred Outflows of Resources	2,394,169	2,666,859
Liabilities		
Other liabilities	14,919,848	14,460,306
Long-term liabilities	8,010,437	3,796,144
Total Liabilities	22,930,285	18,256,450
Deferred Inflows of Resources		
Deferred pension items	243,822	8,409,599
Total Deferred Inflows of Resources	243,822	8,409,599
Net Position:		
Net Investment in capital assets	41,088,102	40,718,861
Restricted	4,805,955	4,176,436
Unrestricted	13,853,129	11,815,539
Total Net Position	\$ 59,747,186	\$ 56,710,836

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

A portion of the County's net position, \$4.8 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$13.9 million, may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the County's fund designation and fiscal policies.

The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$59.8 million, which is an increase of \$3.0 million from the prior year's net position amount of \$56.7 million. Long-term liabilities overall decreased due to payments of bonds and notes. A change in pension assets/liabilities of \$8.34 million is a result of Texas County and District Retirement System actuarial valuation.

Governmental activities change in Net Position for the County was a \$3.0 million increase. The key elements of this increase are as follows:

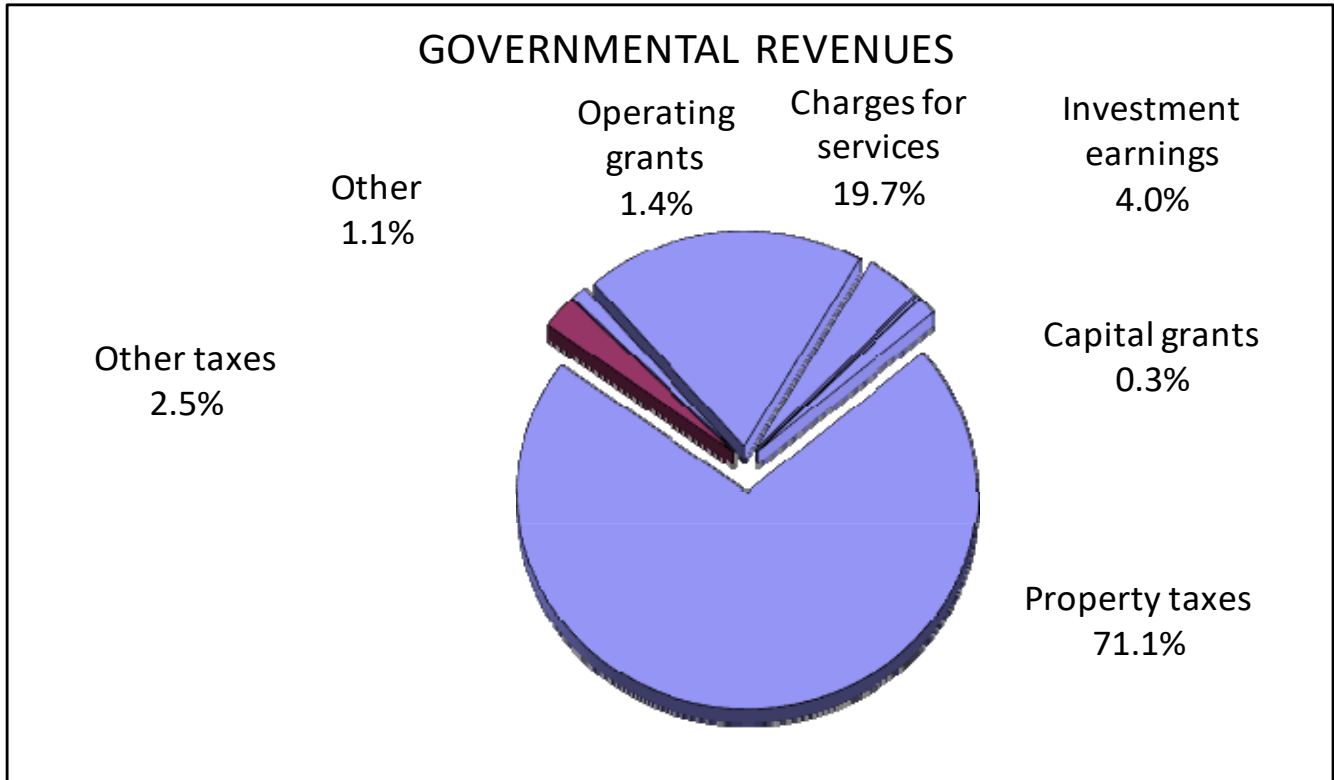
- Revenues from property taxes increased by \$0.6 million due to the value of new properties added to the tax roll. Unrestricted earnings on investments increased by \$1 million due to improvement in economic activity compared to prior year. There were slight increases on charges for services, operating grants and contributions, and capital grants and contributions by \$0.07 million, \$0.05 million, and \$0.06 million, respectively.
- The combination of changes contributed to the increase in net position.

Nacogdoches County's Changes in Net Position

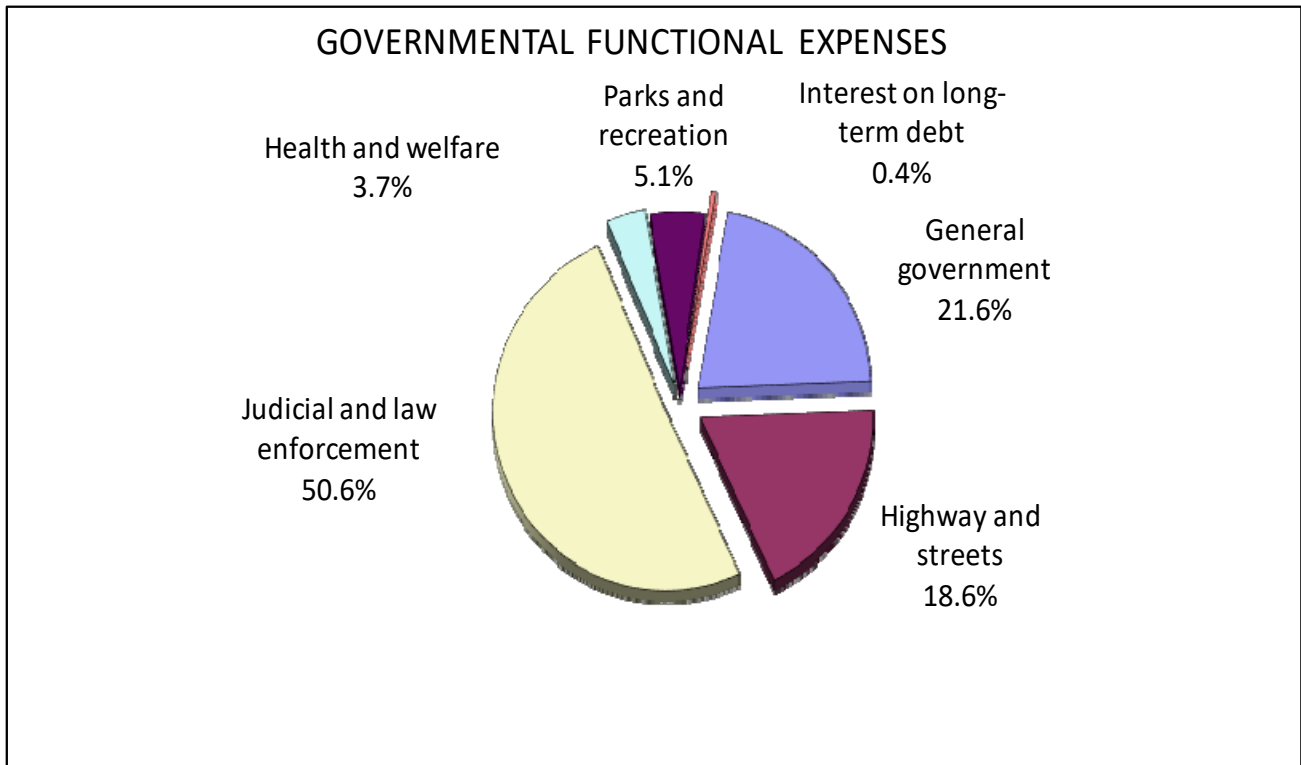
	Governmental Activities	
	2023	2022
Revenues		
Program revenues:		
Charges for services	\$ 5,956,565	\$ 5,879,023
Operating grants and contributions	408,580	358,308
Capital grants and contributions	78,071	18,387
General revenues:		
Property taxes	21,488,749	20,875,933
Sales and use taxes	754,118	777,666
Earnings on investments	1,198,286	152,153
Miscellaneous	340,322	195,600
Total Revenues	30,224,691	28,257,070
Expenses		
General government	5,876,854	5,867,967
Highway and streets	5,053,989	6,222,515
Judicial and law enforcement	13,753,609	10,921,585
Health and welfare	992,992	932,459
Parks and recreation	1,393,542	1,269,706
Interest on long-term debt	117,355	147,396
Total Expenses	27,188,341	25,361,628
Change in Net Position	3,036,350	2,895,442
Net Position, Beginning	56,710,836	53,815,394
Net Position, Ending	\$ 59,747,186	\$ 56,710,836

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Governmental activities revenue for fiscal year 2023 are graphically displayed as follows:



Governmental activities functional expenses were as follows:



NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis of the County's Funds

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

The County's governmental funds reflect a combined fund balance of \$21.6 million an increase of \$2.5 million compared with the prior year fund balance of \$19.1 million. Of the \$21.6 million fund balance, \$6.1 million is unassigned and available for day-to-day operations of the County. The total assigned fund balance is \$0.05 million from exposition center fund. The remaining restricted fund balances is approximately \$5.3 million mainly for capital projects and specific purposes of the special revenue funds.

The General Fund Balance decreased by \$0.8 million with an ending fund balance of \$6.4 million. Commissioners' Court budgeted a \$2.5 million transfer to draw down that fund balance to the Permanent Improvement Fund for a fast approaching capital project - jail construction. General Fund expenditures increased by \$1.4 million from prior year primarily due to budgeted pay increases for public safety, administration of justice and general government. Other increases were inmate housing costs and fringe benefit rate increases.

The Road and Bridge Fund Balance increased by \$0.05 million compared to prior year with an ending fund balance of \$0.7 million. Total Road and Bridge expenditures decreased due to lower budget on highway and streets compared to prior year. Commissioners' Court budgeted to draw down prior year fund balance by 0.3 million, but open full-time positions and fees and fines and intergovernmental revenues were slightly above budget which contributed to the increase in fund balance.

The Permanent Improvement Fund Balance increased by \$2.2 million compared to prior year with an ending fund balance of \$9.7 million. The increase was due to transfers from General Fund for long-term capital projects such as jail construction, courthouse chiller and a roof and air conditions for the Law Enforcement Center.

The American Rescue Plan (ARPA) fund has an ending fund balance of \$0.5 million. Since intergovernmental revenues offset expenditures, fund balance is from earnings on investments and checking account interest earned.

General Fund Budgetary Highlights

The County made revisions to the original appropriations approved by the Commissioners' Court. These changes resulted in an increase from the original budget by \$1,012,766. Although the amended budgeted expenditures totaled \$20,957,737, actual expenditures totaled \$20,021,233, a \$936,504 positive variance. This is a result of all departments not spending their total appropriations, several open full-time positions, and remaining budgets for building maintenance projects in the jail and environmental services departments.

Total revenue was higher than the final budget by \$0.06 million. This is primarily due to charges, fees and fines collections related to courts hearing cases and scheduling jury trials at full capacity in an effort to clear backlogged cases and to reduce overcrowding in the county jail – all due to the COVID-19 pandemic.

Overall for the General Fund, since actual revenues exceeded the budget and actual expenditures were below budget as outlined above, this resulted in an ending fund balance that is higher than the fund balance policy.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Capital Assets and Debt Administration

Capital Assets - At the end of fiscal year 2023, the County's governmental activities had invested \$42.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, improvements (other than buildings), and infrastructure, as reflected in the following schedule. The capital acquisitions were approximately \$3.0 million, offset by \$2.5 million in depreciation expense and \$0.2 million in disposals for a net increase in Capital Assets of \$0.2 million over the previous fiscal year.

	Governmental Activities	
	2023	2022
Non-Depreciable Assets		
Land	\$ 2,353,904	\$ 2,353,904
Construction in progress	889,445	883,501
Other Capital Assets, Net		
Land Improvements	2,519,584	2,588,642
Buildings and improvements	12,531,514	12,932,533
Infrastructure	18,362,457	17,945,120
Machinery and equipment	6,162,680	5,877,032
Total Capital Assets	\$ 42,819,584	\$ 42,580,732

Major capital events occurring during the current year included the following:

- Disposal of vehicles and equipment with total historical cost of \$0.5 million.
- Construction in progress related to the Radio Communication System in the amount of \$0.9 million.
- New notes or financing purchasing agreements for vehicles for the Sheriff's Department and equipment for the Road and Bridge Department with purchase price of \$0.4 million and \$0.3 million, respectively.

Long-Term Debt - At the end of the current fiscal year, the County had total debt outstanding of \$2.9 million. This is a decrease of \$0.4 million from the prior year due to principal payments made during the year of \$0.8 million for the bonds and \$0.2 million for notes offset by the new finance purchase agreement or note in the amount of \$0.6 million.

	Governmental Activities	
	2023	2022
Certificates of Obligation	\$ 915,000	\$ 1,195,000
Refunding Bonds	540,000	1,070,000
Notes payable	1,414,047	1,008,112
Total	\$ 2,869,047	\$ 3,273,112

Additional information on capital assets and long-term debt is available in Notes 6 and 7, respectively, to the financial statements.

The County has an outstanding bond rating of "A+" with Standard and Poor's (S&P). Most recently, the County applied to S&P and received the "A+" bond rating in 2012 for the \$5,160,000 General Obligation Refunding Bonds, Series 2012 financing. The County will maintain the S&P bond rating until the Series 2012 financing is paid in full which is during FY 2024.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors and Outlook

- According to the Texas Workforce Commission's Labor Market and Career Information website, the unemployment rate for Nacogdoches County was 4.1% as of September 2023 compared to a Texas statewide unemployment rate of 3.9%. A year ago, Nacogdoches County's unemployment rate was 4.1% and the Texas statewide unemployment rate was 3.7%. The national unemployment rate as of September 2023 and 2022 was 3.6% and 3.3% respectively.
- AdvisorSmith Cost of Living Index (<https://advisorsmith.com/data/coli>) includes the City of Nacogdoches – 89.6. The cost of living indices are based on a US average of 100. Nearby cities include: Lufkin, TX 88.2, Tyler, TX 92.8, Longview, TX 88.5, Monroe, LA 86.5, Jackson, MS 87.8, Huntsville, TX 91.2, College Station, TX 92.3, Austin, TX 106.6, Houston, TX 95.8, Dallas, TX 98.5, and San Antonio, TX 92.7.
- The Texas Education Agency reported 10,381 students attending public schools in Nacogdoches County as of October, 2022. Five years prior (2017), the total was 10,959.
- On September 20, 2023, Stephen F. Austin State University announced a 4% decrease in the Fall 2023 enrollment with 10,888 students. Fall 2022 enrollment was 11,327. SFASU is monitoring trends that indicate a return to the classroom and a slowing of the enrollment fallout caused by COVID-19. The number of college students in the area affects the level of business activity in the county. As mentioned before, membership in the UT System became official September 1, 2023, and administrators are hopeful that the many benefits of that affiliation will serve to point enrollment trends in a positive direction.
- Nacogdoches County continues to monitor revenue from sources other than property taxes. Traffic cases are a source of revenue from court costs and fines. Traffic cases across the state have decreased 38% from its peak in 2006. These cases are at the lowest level in more than 30 years according to the 2018 Annual Statistical Report for the Texas Judiciary released by the Texas Office of Court Administration. In the past, The Texas Department of Public Safety focused on warnings and shifted officers to the Texas border to work. As of September 12, 2017, KXAN News in Austin, Texas reported that the Texas Department of Public Safety is no longer rotating troopers to the Texas border. However, in a Border Security Brief dated May 2021 on the Department's website, DPS's strategic intent includes direct assistance to U.S. Customs and Border Protection to deter, detect and interdict smuggling along the Texas/Mexico border and working with local and federal partners to target transnational criminal activity including drug trafficking, labor trafficking, and money laundering. The Department's work at the border is expected to continue to decrease the number of local traffic cases. Overall, with less federal funds available for traffic programs and higher speed limits in Texas, the number of traffic cases is expected to remain low. The decreasing traffic cases are part of a statewide trend of shifting caseloads in Texas Courts. Across all Courts, the economy impacts defendants' ability to pay fines assessed. Furthermore, Courts have observed significant recidivism among indigent mentally ill defendants. As defendants await trial for current cases, payment is not likely to be collected on prior cases. And, Texas House Bill 351 passed June 15, 2017 and became effective September 1, 2017. The bill amended the Texas Code of Criminal Procedure 42.15 and requires the Court to inquire whether the defendant does or does not have sufficient resources to pay fines, the Court determines whether the fines should be, among other options, dismissed (and not paid) via an Affidavit of Indigency. In the past, an inquiry by the Court was not required. And finally, with the onset of COVID-19 during March 2020, Texas' Office of Court Administration prohibited jury trials through April 2021 which constricted the county's ability to assess and collect court costs and fines. Those restrictions were lifted with a transition period through the Fall of 2021. Since October 2021, and ongoing, Courts are scheduling jury trials at full capacity in an effort to clear backlogged cases and to reduce overcrowding in the county jail – all due to the COVID-19 pandemic. The county will continue to monitor these trends.
- The county continues to monitor the impact of Senate Bill 346 passed during the 86th Legislative session on June 15, 2019. SB 346 consolidated criminal court costs into a state and local criminal court cost to remedy constitutional issues with assessments and to simplify the assessment of these costs. The Office of Court Administration indicated that the new criminal court cost structure should not have a negative impact on these revenues to the County. Changes were effective September 1, 2019 and January 1, 2020. Furthermore, Senate Bill 41 passed during the 87th Legislative session with changes effective January 1, 2022. SB 41 primarily consolidated various civil fees and removed and repealed various court fees and costs. Considering the initial court restrictions related to COVID-19

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

and now the unprecedented high level of court activity to clear backlogged cases and to reduce jail overcrowding, again, due to COVID-19, the impact of SB 346 & SB 41 is still being monitored.

The County Commissioners set fiscal policy, establish service priorities, and allocate resources through the budget. While preparing the FY 2024 budget, the County Commissioners and management considered the following:

- Financing alternatives for law enforcement vehicles and Road and Bridge equipment in an effort to provide service and conserve cash.
- In a continuing effort to meet standards set by the Texas Jail Commission and reduce liability, Court maintained additional funding for jail building maintenance in the FY 2024 budget which was established in the FY 2020 budget. Also for FY 2024, Court appropriated \$176 thousand for one-time jail equipment projects.
- The FY 2022 audited fund balance for the General Fund was presented to Commissioners' Court during April 2023, two months before work on the FY 2024 budget began. Audited fund balance was \$2.5 million higher than originally projected in the adopted FY 2022 budget. This was mostly due to the higher than normal beginning fund balance of \$9.2 million for FY 2022 which accumulated during FY 2021 as a result of the county's conservative approach to budgeting and operations during COVID-19. The projected beginning fund balance for FY 2022 in the budget was \$8 million. Court also considered the current year (FY 2023) estimated fund balance during the FY 2024 budget process. Fund balance estimates as of 09/30/23 prepared during June 2023 indicated a fund balance higher than policy.
- During budget workshops, department heads presented several long-term projects needed to improve or maintain services. Considering the FY 2022 audited fund balance, the FY 2023 estimated ending fund balance and the county's fund balance policy, Court decided to draw down on fund balance by including inter-fund transfers from the General Fund to the Permanent Improvement Fund for several long-term capital projects: Law Enforcement Center Roof & A/Cs, Jail Construction and jail generator. Smaller projects were saving for a courthouse chiller and a roof for the District Probation building. Appropriations were also made in the General Fund expenditure budget for short-term projects to draw down fund balance. Budgets were established to water-proof the District Probation and Annex brick buildings, and fund one-time equipment purchases for the Nacogdoches County jail. As a result of the county's conservative culture, only about 93.5% of the general fund expenditure budget (less transfers-out) is spent. Funds not spent roll to fund balance and allows Court to appropriate budgets for necessary, one-time projects like these while keeping the tax rate steady.
- The budget for housing inmates out of county was increased to \$1.5 million in the FY 2024 budget. For FY 2023, the adopted budget was \$264 thousand, and the budget was amended to \$890 thousand. The jail overcrowding trend started in FY 2021 during COVID-19, and the need to move inmates out of the jail has continued due to building repair projects and an on-going high inmate population. The budget was established by drawing down on fund balance for \$332 thousand and shifting mineral & debt service allowances on current property taxes from saving for jail construction to inmate housing for \$1.168 million.
- For FY 2024, the budgeted draw on fund balance (amount from fund balance to be utilized to offset current general fund expenditures and transfers-out) is \$1.8 million.
- The estimated 09/30/2024 ending fund balance for the general fund in the adopted budget is \$4.7 million which is 21% of current budgeted expenditures. Nacogdoches County's fund balance policy is to maintain 18%-25% of current budgeted expenditures for unanticipated needs.

Requests for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the County's finances. If you have questions about this report or need any additional information, contact the Nacogdoches County Auditor, at 101 West Main Street; Suite 140, Nacogdoches, Texas 75961.



BASIC FINANCIAL STATEMENTS



NACOGDOCHES COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2023

	Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 34,962,951
Receivables (Net of Allowance for Uncollectibles)	2,281,335
Prepaid items	455,406
Inventory	7,848
Capital assets, not being depreciated	3,243,349
Capital assets, net of accumulated depreciation	<u>39,576,235</u>
Total Assets	<u><u>80,527,124</u></u>
Deferred Outflows of Resources	
Deferred charge on refunding	35,418
Deferred pension items	<u>2,358,751</u>
Total Deferred Outflows of Resources	<u><u>2,394,169</u></u>
Liabilities	
Accounts payable and accrued expenses	1,524,064
Accrued payroll	513,486
Accrued interest payable	61,159
Unearned revenues	12,770,798
Due to other governments	50,341
Long-term liabilities due within one-year	1,141,580
Compensated absences due within one-year	130,760
Long-term liabilities due in more than one-year	2,004,871
Net pension liability due in more than one-year	<u>4,733,226</u>
Total Liabilities	<u><u>22,930,285</u></u>
Deferred Inflows of Resources	
Deferred pension items	<u>243,822</u>
Total Deferred Inflows of Resources	<u><u>243,822</u></u>
Net Position	
Net investment in capital assets	41,088,102
Restricted for:	
Debt Service	340,349
Records management	1,191,489
Road and bridge	678,554
Judicial and law enforcement	1,382,142
Capital Projects and other projects	1,213,421
Unrestricted	<u>13,853,129</u>
Total Net Position	<u><u>\$ 59,747,186</u></u>

NACOGDOCHES COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary Government					
Governmental Activities:					
General government	\$ 5,876,854	\$ 586,475	\$ 20,889	\$ -	\$ (5,269,490)
Highway and streets	5,053,989	1,836,497	-	69,922	(3,147,570)
Judicial and law enforcement	13,753,609	2,765,566	237,237	8,149	(10,742,657)
Health and welfare	992,992	-	150,454	-	(842,538)
Culture and recreation	1,393,542	768,027	-	-	(625,515)
Interest	117,355	-	-	-	(117,355)
Total Primary Government	\$ 27,188,341	\$ 5,956,565	\$ 408,580	\$ 78,071	\$ (20,745,125)

General revenues:

Property taxes, penalties, and interest	21,488,749
Unrestricted earnings on investments	1,198,286
Sales and use taxes	754,118
Miscellaneous	340,322
Total General Revenues	23,781,475
Changes in Net Position	3,036,350
Net Position, Beginning	56,710,836
Net Position, Ending	\$ 59,747,186

NACOGDOCHES COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023

	General Fund	American Rescue Plan ARPA	Road and Bridge	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 216,550	\$ 501,571	\$ 153,755	\$ 773,092	\$ 1,548,693	\$ 3,193,661
Investments	6,557,012	12,390,482	635,738	8,966,330	3,219,728	31,769,290
Receivables (net of allowance for uncollectibles)	1,911,869	-	268,797	-	100,669	2,281,335
Due from other funds	4,540	-	-	-	-	4,540
Inventory	-	-	-	-	7,848	7,848
Prepaid items	368,290	-	19,779	-	67,337	455,406
Total Assets	\$ 9,058,261	\$ 12,892,053	\$ 1,078,069	\$ 9,739,422	\$ 4,944,275	\$ 37,712,080
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
Accounts payable	\$ 784,737	\$ 2,460	\$ 145,790	\$ 26,335	\$ 565,629	\$ 1,524,951
Accrued expenditures	2,920	-	-	-	-	2,920
Accrued payroll	425,051	7,663	59,145	-	21,627	513,486
Due to other funds	-	-	-	-	4,540	4,540
Due to other governments	46,534	-	-	-	-	46,534
Unearned revenues	345,970	12,387,218	-	-	37,610	12,770,798
Total Liabilities	1,605,212	12,397,341	204,935	26,335	629,406	14,863,229
Deferred Inflows of Resources						
Unavailable revenue-property taxes	1,021,163	-	194,580	-	56,191	1,271,934
Total Deferred Inflows of Resources	1,021,163	-	194,580	-	56,191	1,271,934
Fund Balances:						
Nonspendable:						
Inventories and prepaids	368,290	-	19,779	-	75,185	463,254
Restricted:						
Debt service	-	-	-	-	350,626	350,626
Capital projects	-	-	-	-	1,118,031	1,118,031
Grants	-	494,712	-	-	17,049	511,761
Records	-	-	-	-	1,191,489	1,191,489
Public safety	-	-	-	-	49,454	49,454
Judicial	-	-	-	-	1,355,908	1,355,908
Road and bridge	-	-	658,775	-	-	658,775
Other	-	-	-	-	55,121	55,121
Committed:						
Capital projects	-	-	-	9,713,087	-	9,713,087
Assigned:						
Exposition Center	-	-	-	-	45,815	45,815
Unassigned	6,063,596	-	-	-	-	6,063,596
Total Fund Balances	6,431,886	494,712	678,554	9,713,087	4,258,678	21,576,917
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,058,261	\$ 12,892,053	\$ 1,078,069	\$ 9,739,422	\$ 4,944,275	\$ 37,712,080

NACOGDOCHES COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
September 30, 2023

Total Fund Balance, Governmental Funds \$ 21,576,917

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position. 42,819,584

Unavailable property tax revenues in the governmental fund statements are recognized as revenue in the government wide statements. 1,271,934

Deferred outflows related to pension activities 2,358,751

Net pension liability (4,733,226)

Some liabilities and deferred inflows of resources are not due and payable in the current period and are not included in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.

Certificates of obligation	(915,000)
Premium on bonds	(15,884)
Refunding bond	(540,000)
Loss on refunding	35,418
Notes payable	(1,414,047)
Compensated absences	(392,280)
Deferred inflows related to pension activities	(243,822)
Accrued interest payable	(61,159)

Net Position of Governmental Activities \$ 59,747,186

NACOGDOCHES COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	General Fund	American Rescue Plan ARPA	Road and Bridge	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 17,107,388	\$ -	\$ 3,251,955	\$ -	\$ 941,642	\$ 21,300,985
Charges for services	836,474	-	898,076	-	-	1,734,550
Fees and fines	1,069,974	-	194,613	-	1,594,061	2,858,648
Intergovernmental	1,084,729	150,454	26,533	-	281,629	1,543,345
Earnings on investments	430,949	440,413	38,595	-	89,095	999,052
Miscellaneous	810,247	-	20,185	198,745	565,991	1,595,168
Total Revenues	<u>21,339,761</u>	<u>590,867</u>	<u>4,429,957</u>	<u>198,745</u>	<u>3,472,418</u>	<u>30,031,748</u>
Expenditures						
Current:						
General government	5,780,382	-	-	-	312,383	6,092,765
Administration of justice	4,174,219	-	-	-	399,102	4,573,321
Public safety	9,745,133	-	-	-	-	9,745,133
Highway and streets	-	-	4,549,256	-	355,962	4,905,218
Health and Welfare	211,920	150,455	-	-	-	362,375
Parks and recreation	-	-	-	-	1,038,865	1,038,865
Capital Outlay	-	-	-	462,103	-	462,103
Debt Service:						
Principal	106,051	-	94,327	-	810,000	1,010,378
Interest and fiscal charges	3,528	-	27,673	-	66,014	97,215
Total Expenditures	<u>20,021,233</u>	<u>150,455</u>	<u>4,671,256</u>	<u>462,103</u>	<u>2,982,326</u>	<u>28,287,373</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,318,528</u>	<u>440,412</u>	<u>(241,299)</u>	<u>(263,358)</u>	<u>490,092</u>	<u>1,744,375</u>
Other Financing Sources (Uses)						
Sale of capital assets	174,121	-	4,600	-	-	178,721
Transfers in	-	-	-	2,445,046	152,288	2,597,334
Transfers out	(2,597,334)	-	-	-	-	(2,597,334)
Issuance of notes	314,975	-	291,338	-	-	606,313
Total Other Financing Sources (Uses)	<u>(2,108,238)</u>	<u>-</u>	<u>295,938</u>	<u>2,445,046</u>	<u>152,288</u>	<u>785,034</u>
Net change in fund balances	(789,710)	440,412	54,639	2,181,688	642,380	2,529,409
Fund Balances - Beginning	<u>7,221,596</u>	<u>54,300</u>	<u>623,915</u>	<u>7,531,399</u>	<u>3,616,298</u>	<u>19,047,508</u>
Fund Balances - Ending	<u>\$ 6,431,886</u>	<u>\$ 494,712</u>	<u>\$ 678,554</u>	<u>\$ 9,713,087</u>	<u>\$ 4,258,678</u>	<u>\$ 21,576,917</u>

NACOGDOCHES COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (GOVERNMENTAL FUNDS) TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Net Change in Fund Balances - Total Governmental Funds:	\$ 2,529,409
Adjustments for the Statement of Activities:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay of (\$3.00 million) was capitalized on the entity wide statement and the depreciation expense (\$2.54 million) that was expensed in the current period.	2,953,168 (2,544,621)
The statement of activities reports a loss arising from disposal of capital assets as the difference between the proceeds from disposal and the net book value of the assets. The governmental funds report only the proceeds from disposal. This amount represents the net book value of capital assets disposed during the year.	(169,696)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	187,764
assets, but is not included in government wide statement of activities.	(606,313)
Repayment of bond principal is an expenditure in the governmental fund, but the repayment of principal reduces long-term liabilities in the Statement of Net Position.	810,000
Repayment of notes principal is an expenditure in the governmental fund, but the repayment of principal reduces notes payable in the Statement of Net Position.	200,378
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in governmental funds. This adjustment reflects the net change in:	
Accrued interest payable	5,918
Amortization of deferred charges including premiums on issuance of bonds	21,173
Compensated absences	93,695
Amortization of deferred changes on refunding	(47,231)
Net pension assets/liabilities and associated deferred outflows of resources	(397,294)
Change in net position of governmental activities	\$ 3,036,350

NACOGDOCHES COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2023

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	\$ 6,367,167
Total Assets	<u>\$ 6,367,167</u>
Liabilities	
Accounts Payable	\$ 451,667
Held for others	4,150
Due to other governments	34,137
Interest Payable	7,319
Total Liabilities	<u>497,273</u>
Net Position	
Individuals, organizations, and other governments	5,869,894
Total Net Position	<u>\$ 5,869,894</u>

NACOGDOCHES COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2023

	<u>Custodial Funds</u>
Additions	
Collections for the state	\$ 15,223,595
Held for others	5,006,808
Tax collections for other governments	458,627
Total Additions	<u>20,689,030</u>
Deductions	
Payments to the state	15,238,445
Payments to individuals	4,397,945
Payments to other governments	470,505
Total Deductions	<u>20,106,895</u>
Net increase in fiduciary net position	582,135
Net Position - Beginning	<u>5,287,759</u>
Net Position - Ending	<u><u>\$ 5,869,894</u></u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

Nacogdoches County, Texas ("County") is an independent governmental entity created under the laws of the State of Texas. The County is governed by an elected Commissioners' Court. The financial statements of the County include all funds and agencies over which the County is considered to be financially accountable.

The County is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the County's financial reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the County's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the County is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the County's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-wide and Fund Accounting

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous reporting model emphasized fund types (the total of all funds of a particular type), the GASB 34 reporting model focuses on either the County as a whole or on major individual funds (within the fund financial statements). Typically, both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. All primary activities of the County are considered to be governmental type activities; therefore no business type activities are presented within the basic financial statements. In the government-wide Statement of Net Position, governmental activities are presented on a full accrual, economic resource basis, which incorporates long-term assets and receivables, as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general administration, financial administration, public safety, etc.), which are otherwise being supported by general government revenues (property taxes, earnings on investments, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues. The program revenues must be directly associated with the function (general administration, financial administration, public safety, etc.).

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile fund-based financial statements with the governmental column of the government-wide presentation.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Accounting (continued)

The County's fiduciary funds are presented in the fund financial statements by type. Since by definition, these resources are being held in a trustee or fiduciary capacity for the benefit of parties outside the government and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

In the fund financial statements, the accounts of the County are organized 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 or expenses, as appropriate. Following is a description of the various funds:

The County reports the following major governmental funds:

General Fund

The General Fund is the County's primary operating fund. It is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is local property taxes. Expenditures include all costs associated with the daily operations of the County.

Road and Bridge Fund

The Road and Bridge Fund is used to account for the proceeds of specific revenue sources, mostly taxes and fees that are legally restricted to expenditures for street and highway improvements.

Permanent Improvement Fund

This fund is used to account for the receipt and disbursement of funds for long-term capital projects.

American Rescue Plan Act - ARPA

This fund is used to account for the receipt and expenditure of additional funding from the US Department of the Treasury to provide further economic relief to state and local governments. The Coronavirus State and Local Fiscal Recovery Funds are used for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) including COVID-related expenditures, government service programs and certain infrastructure projects.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund-types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statements of net position and statements of activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the balance sheet. The County reports custodial funds as the fiduciary funds which are used to account for resources held by the County for others. These funds use the economic resources measurement focus and accrual basis of accounting.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

C. Basis of Accounting (continued)

The accounts of the Governmental Fund Types (the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) are maintained, and the financial statements have been prepared, on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). Available means collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Substantially all revenues, except property taxes, are considered to be susceptible to accrual. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as expenditures when due. Issuance of long-term debt and financing through leases and notes are reported as other financing sources.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is that interfund services provided and used within the County are not eliminated in the process of consolidation. Elimination of these services would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Revenues that are generated internally are reported as general revenues, including property taxes.

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used as an extension of formal budgetary control. Encumbrances outstanding at year-end are reported as assigned or committed fund balances and do not constitute expenditures or liabilities of the current year and are reappropriated in the budget of the subsequent year. Unencumbered appropriations lapse at the end of the year. The County did not have any significant encumbrances at year-end.

E. Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, temporary investments with maturities of three months or less when purchased are considered to be cash equivalents.

F. Investments

The County's investments are comprised of certificates of deposit and money market accounts. Obligations with maturities of one year or less when purchased are reported on the balance sheet at their amortized cost, which approximates fair value. All other investments are reported at fair value. The investments in U.S. Government Securities are generally held to maturity.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

F. Investments (continued)

The County categorizes fair value measurements of its investments based on the hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASB No. 72 focuses on the exit price in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. GASB establishes a fair value reporting hierarchy to maximize the use of observable inputs when measuring fair value and defines the three levels of inputs: Level 1 – Assets or liabilities for which the identical item is traded on an active exchange, such as publicly traded instruments or futures contracts; Level 2 – Assets and liabilities valued based on observable market data for similar instruments. Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for assets and liabilities, either directly or indirectly; and Level 3 – Assets or liabilities for which significant valuation assumptions are not readily observable in the market and instruments, which are valued based on the best available data. Fair value is estimated using unobservable inputs that are significant to the fair value of the assets or liabilities. Level 3 assets may include instruments for which the determination of fair value requires significant management judgment or estimation. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. The County's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

H. Due to and Due From Other Funds

During the course of operations, transactions occur between individual funds for specified purposes, such as lending/borrowing arrangements or amounts. These receivables and payables are classified as "due from other funds" or "due to other funds."

I. Interfund Transfers

The County maintains numerous special revenue and capital project funds to account separately for monies that have been set aside for particular purposes. Often, these monies are initially budgeted in the General Fund during the annual budget process and are then transferred to various funds during the course of the fiscal year. In addition, when these projects are complete, these same funds often transfer residual monies back to the General Fund or some other fund, as determined by where the monies should be returned. These interfund transfers are classified as "transfers in" and "transfers out" within the primary government.

J. Interest Receivable

Interest on investments is recorded as revenue in the year the interest is earned and available to pay liabilities of the current period.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

K. Capital Assets

Capital assets used in governmental fund types of the government are recorded as expenditures of the General, Special Revenue and Capital Projects Funds and as assets in the government-wide financial statements to the extent the County’s capitalization threshold (currently \$5,000) is met. The County has established a lease and SBITA recognition threshold of \$150,000. As the County constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease and SBITA assets). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset’s capacity or efficiency or increase its estimated useful life. Depreciation and amortization are recorded on capital assets on a government-wide basis. Major outlays for capital assets and improvements are capitalized as projects are constructed and subsequently depreciated over their estimated useful lives on a straight-line basis at both the fund and government-wide levels. All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and resulting gain or loss is included in the results of operations.

The County applies monthly depreciation for all assets. Therefore, depreciation is charged to operations for each month that an asset is in service. Depreciation has been provided for plant and equipment using the straight-line method over the estimated useful life for the type of assets as follows:

<u>Assets</u>	<u>Years</u>
Buildings	27.5 - 40, depending on construction
Building improvements	10-20
Infrastructure	10-50
Roads and horizontal infrastructure	10-50
Equipment (non-office)	7-15
Office furnishings	7-10
Office equipment	7-10
Motor vehicles	5
Used vehicles	3
Computer equipment	3-8
Right-to-use lease asset	5
Right-to-use SBITA asset	5

L. Accrued Compensated Absences

County employees earn 12 days of vacation with pay per year during the first 10 years of employment and 17 days of vacation with pay per year after more than 10 years of employment. The maximum amount of unused Vacation Leave an employee is allowed to have is 240 hours. The maximum amount of unused Vacation Leave an employee is allowed to have with more than 10 years of service is 320 hours. Employees may also convert one week of vacation to one week of sick leave. Upon termination, unused vacation, compensation time, and holidays are paid out to the employee. The maximum amount of unused vacation to be paid upon termination is 80 hours. The maximum amount of unused vacation to be paid upon termination for employees with more than 10 years of eligible full-time service is 160 hours. Unused sick leave, 5 days of funeral leave and jury leave are not paid upon termination.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

M. Fund Balance

The County follows GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions". The statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- **Non-spendable fund balance** – includes amounts that cannot be spent because they are either not spendable in form (inventory, prepaids, long-term portion of notes receivable) or are legally or contractually required to be maintained intact (e.g., the corpus or principal of a permanent fund). As such, the inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet as non-spendable fund balance.
- **Restricted fund balance** – includes amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors. The fund balances for debt service, capital projects from bond sales, federal and other grant funds are classified as restricted.
- **Committed fund balance** – includes amounts that can only be used for specific purposes or constrained to specific purposes as approved through a resolution by the Commissioners' Court which is the highest level of decision making authority of the County. Once amounts are reported as committed, the amounts cannot be used for any other purposes unless the Commissioners' Court approves a resolution to remove or change the constraint.
- **Assigned fund balance** – amounts the County intends to use for a specific purpose. Management Intent can be expressed by Commissioners' Court or by the County Judge to whom the authority to assign fund balance has been give through the County's Fund Balance policy approved by the Commissioner's Court.
- **Unassigned fund balance** - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The General Fund is the only fund that is allowed to have positive amounts reported in this category.

For the purpose of fund balance classification, expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and lastly, the unassigned fund balance.

N. Restricted/Unrestricted Net Position and Fund Balances

It is the County's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted/unassigned net position/fund balance are available.

O. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures when consumed rather than when purchased. 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 cost of prepaid items are recorded as expenditures when consumed rather than when purchased.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

P. Reclassifications

Certain reclassifications to prior year balances have been made to conform to current year presentation. Such reclassifications have had no effect on the excess of revenues over expenditures.

Q. Estimates

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

R. Pension

The County reports a liability for pension obligations and related deferred outflows/inflows of resources in accordance with generally accepted accounting principles. Changes in the net pension liability /asset from year-to-year will be recognized as pension expense on the statement of activities or reported as deferred outflows/inflows of resources, depending on the type of change. Deferred inflows/outflows of resources are amounts that are not entirely recognized when they occur and are recognized over a period of time.

S. 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 two items that qualifies for reporting as deferred outflows of resources.

- Deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows of resources for pension reported in the government-wide statement of net position. This deferred outflow results from pension plan contributions made after the measurement date of the net pension liability / asset and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability / asset in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees).

In addition to liabilities, the governmental fund balance sheet and 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 County has two items that qualify for equity as deferred inflows of resources.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

S. Deferred Outflows/Inflows of Resources (continued)

- The governmental funds report unavailable revenues - property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- The deferred inflows of resources is reported on the government-wide statement of net position. The deferred inflows is related to pension and they are results primarily from (1) changes in actuarial assumption; and (2) differences between expected and actual actuarial experiences. These pension related deferred inflows will be amortized over the expected remaining service lives of all employees that are provided with pensions.

T. Leases

Lessee: The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements for noncancellable leases of buildings, equipment, vehicles, and other machinery. The County recognizes lease liabilities with an initial, individual value of \$150,000 or more.

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

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

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

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

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

Lessor: If the County enters into a noncancellable lease agreements in which the County is a lessor, the County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

T. Leases (continued)

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

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

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

During fiscal year 2023, no leases met the recognition threshold.

U. Implementation of New Accounting Standards

The following GASB pronouncement has been implemented by the County in the current fiscal year.

GASB Statement No. 96 *Subscription-Based Information Technology Arrangements (SBITA)*, was issued in May 2020 and was effective for periods beginning after June 15, 2022. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The County has evaluated the effects of this standard and has determined that it does not impact the financial statements.

V. Subscription-Based Information Technology Arrangements

The County is under contracts for SBITA for various financial, law enforcement, and records management software. The agreements/contracts are noncancellable and the County recognizes a SBITA liability and an intangible right-to-use SBITA asset in the government-wide financial statements. The County recognizes SBITA liabilities with an initial, individual value of \$150,00 or more.

At the commencement of the SBITA, the County initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to SBITA include how the County determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

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

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

V. Subscription-Based Information Technology Arrangements (continued)

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

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

During fiscal year 2023, no SBITAs met the recognition threshold.

Note 2 - Deposits (Cash) and Investments

A. Authorization for Deposits and Investments

The County reports all investments at fair value based on quoted market prices at year-end date. The County categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Texas Public Funds Investment Act (PFIA), as prescribed in Chapter 2256 of the Texas Government Code, regulates deposits and investment transactions of the County.

In accordance with applicable statutes, the County has a depository contract with an area bank (depository) providing for interest rates to be earned on deposited funds and for banking charges the County incurs for banking services received. The County may place funds with the depository in interest and non-interest bearing accounts. State law provides that collateral pledged as security for bank deposits must have a market value of not less than the amount of the deposits and must consist of: (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas; and/or (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent. County policy requires the collateralization level to be at least 100% of market value of principal and accrued interest.

Commissioners Court has adopted a written investment policy regarding the investment of its funds as defined by the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of the County are in compliance with this policy. State statutes authorize the County to invest in fully collateralized or insured time deposits, direct debt obligations of the United States, and certain repurchase agreements. Investments in security repurchase agreements are authorized when the investment has a defined termination date, is secured by obligations described in the Public Funds Investment Act, is pledged to the County, is deposited with a third party selected and approved by the entity, and is placed through a primary government securities dealer or national bank domiciled in the State of Texas. The County did not invest in repurchase agreements for the year ended September 30, 2023.

The County's cash and investments are classified as: cash and cash equivalents, and investments. Cash and cash equivalents include cash on hand, and deposits with financial institutions. At September 30, 2023, the County's cash deposits of \$2.4 million, certificate of deposits of \$8.0 million, and \$9.7 million money market are either insured by FDIC or covered by collateral held by the County's agent in the County's name.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Deposits (Cash) and Investments (continued)

B. Deposit and Investment Amounts

The following schedule shows the County’s recorded cash, cash equivalents and investments at year-end, excluding Custodial Funds:

	<u>Total Value</u>
Cash deposits	\$ 2,399,121
Certificate of Deposits	8,020,166
Money Market Accounts	9,739,013
Investment Pool -TexPool	14,804,651
Total cash and investment	<u>\$ 34,962,951</u>

The County’s investments are certificates of deposit accounts at Citizen’s Bank and Commercial Bank of Texas and a money market account at Commercial Bank of Texas. Investment’s fair value measurement at year-end are as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u> <u>Inputs</u>	<u>Level 2</u> <u>Inputs</u>	<u>Level 3</u> <u>Inputs</u>
Certificates of Deposit	\$ 8,020,166	\$ -	\$ 8,020,166	\$ -
Money Market	9,739,013	-	9,739,013	-
Total	<u>\$ 17,759,179</u>	<u>\$ -</u>	<u>\$ 17,759,179</u>	<u>\$ -</u>

Interest Rate Risk

In accordance with its investment policy, the government manages its exposure to declines in fair values by limiting the average dollar weighted maturity of its investment portfolios to a maximum of 90 days.

At year-end, the County had the following investments subject to interest rate risk disclosure, under U.S. generally accepted accounting principles:

	<u>Fair Value/ Amortized Cost</u>	<u>Weighted Average Maturity (days)</u>	<u>Percentage of Total Portfolio</u>
Certificate of Deposits	\$ 8,020,166	106	24.6%
Money Market Accounts	9,739,013	1	29.9%
TexPool	14,804,651	26	45.5%
Total Fair Value/Amortized Cost	<u>\$ 32,563,830</u>		
Portfolio weighted average maturity		<u>38</u>	

Portfolio maturities will be structured to meet the obligations of the County first and then to achieve the highest rate of return of interest. When the County has funds not required to meet current-year obligations, maturity restraints will be imposed based upon the investment strategy for the group of funds.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Deposits (Cash) and Investments (continued)

B. Deposit and Investment Amounts (continued)

TexPool

As of September 30, 2023, the County's investments included TexPool. The investment pool's investments are not evidenced by securities that exist in physical or book entry form and, accordingly, do not have custodial risk.

TexPool policies require that local government deposits be used to purchase investments authorized by the Public Funds Investment Act (PFIA) of 1987, as amended. The Texas State Comptroller of Public Accounts has oversight responsibility for TexPool. TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer.

The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool uses amortized cost rather than fair value to report net position to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. Accordingly, the County's investments in TexPool are stated at cost, which approximates fair value. TexPool is currently rated AAAM by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss. In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the Local Government Investment Pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

Concentration of Credit Risk

It is the County's policy to diversify its portfolio to eliminate the risk of loss resulting from a concentration of assets in a specific maturity, a specific issuer or a specific class of investments.

It is the County's policy to select investments in order to provide stability of income and reasonable liquidity.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 3 - Receivables and Unearned Revenues

Receivables, including applicable allowances for uncollectible accounts, as of September 30, 2023, were as follows:

	Governmental Activities			Total
	General	Road and Bridge	Other Governmental Funds	
Receivables:				
Taxes	\$ 1,120,155	\$ 213,443	\$ 61,639	\$ 1,395,237
Grants	53,129	-	5,461	58,590
Other	783,391	63,892	36,035	883,318
Gross receivables	<u>1,956,675</u>	<u>277,335</u>	<u>103,135</u>	<u>2,337,145</u>
Less: allowance for uncollectibles	(44,806)	(8,538)	(2,466)	(55,810)
Total	<u><u>\$ 1,911,869</u></u>	<u><u>\$ 268,797</u></u>	<u><u>\$ 100,669</u></u>	<u><u>\$ 2,281,335</u></u>

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the fiscal year 2023, the various components of unearned revenues reported in the governmental funds were as follows:

	Unearned
Unearned federal revenue	\$ 12,387,218
Unearned state and local revenue	383,580
Total	<u><u>\$ 12,770,798</u></u>

Note 4 - Property Taxes

The County's tax year covers the period October 1 through September 30. The County's property taxes are levied annually in October on the basis of the Nacogdoches Central Appraisal District's (CAD) assessed values as of January 1 of that calendar year. Such taxes become delinquent on February 1 of the subsequent calendar year. The CAD establishes appraised values at 100% of market value less exemptions. The County's property taxes are billed and collected by the Nacogdoches Central Appraisal District.

A. Tax Year

Property taxes are prorated between the General and Debt Service Funds based on rates adopted for the year of the levy. For the 2023 fiscal year (2022 tax year), the County levied property taxes of \$0.47220 per \$100 of assessed valuation. The 2022 rates resulted in total tax levies of approximately \$20.7 million based on a total adjusted valuation of approximately \$4.2 billion. The total tax rate in the 2022 tax year was prorated as follows:

	Tax Rate
General Fund	\$ 0.37910
Debt Service Fund	0.01889
Road and Bridge	0.07224
Jury	0.00090
Lake Naconiche	0.00107
Total	<u><u>\$ 0.47220</u></u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 4 - Property Taxes (continued)

B. Nacogdoches Central Appraisal District

The Nacogdoches Central Appraisal District (CAD), a separate governmental entity, is responsible for the billing, collection, recording, and appraisal of property for all taxing units in the County.

The CAD is required by state law to assess property at 100% of its appraised value. Further, real property must be appraised at least every four years. Under certain circumstances, the taxpayers and taxing units, including the County, may challenge orders of the CAD's Appraisal Review Board through various appeals and, if necessary, legal action may be taken.

The Commissioners Court will continue to set the tax rates on the property.

Note 5 - Interfund Activity

Due to/from other funds

During the year, cash advances are occasionally made between funds for various projects and situations, which create receivables and payables between these funds. Interfund balances are expected to be paid within one year. At September 30, 2023, the Interfund receivables and payables outstanding are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 4,540	\$ -
Non-major Governmental Funds	-	4,540
Total Governmental Activity	<u>\$ 4,540</u>	<u>\$ 4,540</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 5 - Interfund Activity (continued)

Interfund transfers

Transfers totaling \$2.6 million were made during the year primarily for the purpose of moving unrestricted fund revenues to finance various programs that the government must account for in other funds in accordance with the budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. Transfers from General Fund for long-term capital projects accounted for in Permanent Improvement Fund are related to jail construction and the purchase of courthouse chiller and a roof and air conditioners for the law enforcement center.

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 2,597,334
Permanent Improvement Fund	2,445,046	-
Non-major Governmental Funds	152,288	-
	<u>\$ 2,597,334</u>	<u>\$ 2,597,334</u>

Note 6 - Capital Assets

A summary of changes in the primary government's capital assets for the year ended September 30, 2023, follows:

	<u>Balance 10/1/2022</u>	<u>Additions</u>	<u>Reclassifications/ Decreases</u>	<u>Balance 09/30/23</u>
Governmental Activities:				
Capital Assets not being Depreciated/Amortized:				
Land	\$ 2,353,904	\$ -	\$ -	\$ 2,353,904
Construction in progress	883,501	5,944	-	889,445
Total Capital Assets not being Depreciated/Amortized:	<u>3,237,405</u>	<u>5,944</u>	<u>-</u>	<u>3,243,349</u>
Capital Capital Assets being Depreciated/Amortized:				
Land improvements	3,529,995	-	-	3,529,995
Buildings and improvements	28,701,786	404,474	-	29,106,260
Infrastructure	35,885,356	1,218,994	-	37,104,350
Machinery and equipment	13,876,211	1,323,756	(477,982)	14,721,985
Total other capital assets	<u>81,993,348</u>	<u>2,947,224</u>	<u>(477,982)</u>	<u>84,462,590</u>
Accumulated Depreciation/Amortization for:				
Land improvements	(941,353)	(69,058)	-	(1,010,411)
Buildings and improvements	(15,769,253)	(805,493)	-	(16,574,746)
Infrastructure	(17,940,236)	(801,657)	-	(18,741,893)
Machinery and equipment	(7,999,179)	(868,413)	308,287	(8,559,305)
Total Accumulated Depreciation/Amortization	<u>(42,650,021)</u>	<u>(2,544,621)</u>	<u>308,287</u>	<u>(44,886,355)</u>
Total capital assets being depreciated, net	39,343,327	402,603	(169,695)	39,576,235
Total Net Capital Assets	<u>\$ 42,580,732</u>	<u>\$ 408,547</u>	<u>\$ (169,695)</u>	<u>\$ 42,819,584</u>

Depreciation/amortization expenses were charged to the following functions in the statement of activities:

General Administration	\$ 465,748
Judicial and Law Enforcement	407,497
Highway and Street	1,063,424
Health & Welfare	254,274
Culture and Recreation	353,678
Total Depreciation/Amortization Expense	<u>\$ 2,544,621</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 6 - Capital Assets (continued)

Construction in progress and remaining commitment under related construction for health and welfare construction project at September 30, 2023, are as follows:

<u>Project</u>	<u>Authorized Construction</u>	<u>Total in Progress</u>	<u>Remaining Commitment</u>
Radio Communication System	\$ 1,352,619	\$ 889,445	\$ 463,174
	<u>\$ 1,352,619</u>	<u>\$ 889,445</u>	<u>\$ 463,174</u>

Note 7 - Long-Term Debt

A. General Obligation Bonds and Certificates of Obligation

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Long-term bonded debt at September 30, 2023 is as follows:

<u>Original Issue</u>	<u>Description</u>	<u>Interest Rate %</u>	<u>Matures</u>	<u>Debt Outstanding</u>
\$ 4,400,000	Tax & Solid Waste Rev Certificates of Obligation Series 2006	3.93	2026	\$ 915,000
5,160,000	General Obligation 2012 Refunding Bonds	2.0-3.0	2024	<u>540,000</u>
Total General Obligation and Certificate of Obligation Bonds				<u><u>\$ 1,455,000</u></u>

A summary of long-term liability transactions of the County for the year ended September 30, 2023, follows:

	<u>October 1, 2022 Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>September 30, 2023 Balance</u>	<u>Amounts Due Within One Year</u>
Certificates of obligation	\$ 1,195,000	\$ -	\$ 280,000	\$ 915,000	\$ 295,000
Refunding bonds	1,070,000	-	530,000	540,000	540,000
Premium on bonds	37,057	-	21,173	15,884	-
Total bonds payable	<u>2,302,057</u>	<u>-</u>	<u>831,173</u>	<u>1,470,884</u>	<u>835,000</u>
Notes payable	1,008,112	606,313	200,378	1,414,047	306,580
Compensated absences	485,975	1,176,295	1,269,990	392,280	130,760
Total Long-Term Liabilities	<u>\$ 3,796,144</u>	<u>\$ 1,782,608</u>	<u>\$ 2,301,541</u>	<u>\$ 3,277,211</u>	<u>\$ 1,272,340</u>
Total Long-term liabilities due in more than one year				<u>\$ 2,004,871</u>	

General obligation debt is paid from the debt service fund. In prior years, the general fund’s resources have been used to liquidate other long-term liabilities, including accrued compensated absences. Notes payable will be paid from the General fund and Road and Bridge fund.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Debt (continued)

A. General Obligation Bonds and Certificates of Obligation (continued)

Annual debt service requirements (excluding accrued compensated absences and notes payable) to maturity are summarized as follows:

Year Ending September 30	Certificates of Obligation		Refunding Bonds		Total
	Principal	Interest	Principal	Interest	
2024	\$ 295,000	\$ 30,163	\$ 540,000	\$ 8,099	\$ 873,262
2025	305,000	18,373	-	-	323,373
2026	315,000	6,190	-	-	321,190
	<u>\$ 915,000</u>	<u>\$ 54,726</u>	<u>\$ 540,000</u>	<u>\$ 8,099</u>	<u>\$ 1,517,825</u>

Year Ending September 30	Principal	Interest	Total
2024	\$ 835,000	\$ 38,262	\$ 873,262
2025	305,000	18,373	323,373
2026	315,000	6,190	321,190
	<u>\$ 1,455,000</u>	<u>\$ 62,825</u>	<u>\$ 1,517,825</u>

B. Finance Purchase Agreements / Notes Payable

During the year ended September 30, 2023, the County executed eight (8) finance purchase agreements classified as notes payable. The County acquired seven patrol vehicles for the Sheriff’s department and one equipment (dozer/tractor/mover) for Road and Bridge department. The amount capitalized as equipment was \$0.7 million. The principal amount of the note was \$0.6 million. For the fiscal year ended September 30, 2023, the County recorded \$41,495 in depreciation expense for the new financed vehicles and equipment. The agreements qualify as finance purchase agreements or notes for accounting purposes and, therefore, have been recorded at the present value of their future minimum payments as of the inception date. The total minimum payments of \$1,414,047 and the amount representing interest of \$109,540 included prior year’s notes.

	Year Ending September 30:	Governmental Activities
	2024	\$ 750,698
	2025	391,588
	2026	215,288
	2027	55,337
	2028	55,337
	2029	55,339
Total minimum notes payments:		1,523,587
Less: amount representing interest		(109,540)
Present value of minimum notes payments:		<u>\$ 1,414,047</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and County 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 850 individual active employer 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.

The plan provisions are adopted by the County’s Board of Commissioners (the “Board”), within the options available in the Texas state statutes governing TCDRS (“TCDRS Act”). Members can retire at ages 60 with five, eight, or 10 years of service, or at any age with 20 or 30 years of service. Members can also retire when their age and service equals 75 or 80, depending on which option the employer adopts. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any County financed benefit. Vested members are eligible for a partial lump-sum payment option.

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

Funding Policy

The County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually as a percentage of employee earnings subject to plan changes (e.g. for cost -of-living benefit increases) adopted by the County’s governing body within the constraints of the TCDRS Act. The County contributed using the actuarially determined rate of 12.80% for October through December 2022, and 11.93% for January through September 2023.

The employee contribution rate is also a percentage of employee earnings subject to adjustment by the County’s Board within the constraints of the TCDRS Act. The employee contribution rate was 7% during the current fiscal year.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan (continued)

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of December 31, 2022 were based on the results of an actuarial experience study for the period January 1, 2017 – December 31, 2020, except where required to be different by GASB 68.

The following are the key assumptions and methods applied to this measurement period:

Valuation Date	December 31, 2022
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	17.1 years (based on contribution rate calculated in 12/31/2022 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service requirement 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.

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

Discount Rate

The discount rate used to measure the total pension liability was 7.60%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments is 7.60%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan (continued)

Discount Rate (continued)

Best estimates of geometric real rates of return for each major asset class included in the systems target asset allocation as of December 31, 2022 are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
International Equities - Developed Markets	MSCI World Ex USA (net)	5.00%	4.95%
International Equities - Emerging Markets	MSCI Emerging Markets (next) index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.39%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	7.60%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
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%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

⁽¹⁾ Target asset allocation adopted at the March 2023 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.3%, per Cliffwater's 2023 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.

Changes in Net Pension Liability /(Asset)

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability / (Asset)
Balance at 12/31/2021	<u>\$ 69,677,925</u>	<u>\$ 73,282,311</u>	<u>\$ (3,604,386)</u>
Changes for the year:			
Service cost	1,512,976	-	1,512,976
Interest on total pension liability	5,286,851	-	5,286,851
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(365,732)	-	(365,732)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(93,213)	(93,213)	-
Benefit payments	(3,221,625)	(3,221,625)	-
Administrative expenses	-	(39,887)	39,887
Member contributions	-	864,532	(864,532)
Net investment income	-	(4,219,669)	4,219,669
Employer contributions	-	1,556,155	(1,556,155)
Other	-	(64,648)	64,648
Balance at 12/31/2022	<u>\$ 72,797,182</u>	<u>\$ 68,063,956</u>	<u>\$ 4,733,226</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan (continued)

Sensitivity of The County’s Share of The Net Pension Liability / (Asset)

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

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 82,823,464	\$ 72,797,182	\$ 64,490,091
Fiduciary net position	68,063,957	68,063,956	68,063,957
Net pension liability/(asset)	<u>\$ 14,759,507</u>	<u>\$ 4,733,226</u>	<u>\$ (3,573,866)</u>

In the past, the general and other operating funds have been used to liquidate collective pension and other postemployment benefits liabilities.

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

For the fiscal year ended September 30, 2023, the County recognized pension expense of \$1,929,036.

At September 30, 2023, the County reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 243,822
Net difference between projected and actual earnings	1,241,621	-
Employer contributions made subsequent to measurement date	1,117,130	-
Totals	<u>\$ 2,358,751</u>	<u>\$ 243,822</u>

The \$1,117,130 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability / asset for the year ended September 30, 2024. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	Net Deferred Outflows/Inflows of Resources
2024	\$ (995,142)
2025	(167,764)
2026	210,332
2027	1,950,373
Total	<u>\$ 997,799</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 9 - Contingencies and Commitments

Litigation and Other Contingencies

The County is contingently liable with respect to lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would not materially affect the financial position of the County as of September 30, 2023.

Note 10 - Risk Management

The County is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County's risk management program encompasses various means of protecting the County against loss through self-insurance and obtaining property, casualty, and liability coverage through commercial insurance carriers. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

Note 11 - Fund Balance Restrictions

Amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors are classified as restricted fund balance. A summary of restricted fund balance in the governmental funds at September 30, 2023, follows:

	<u>Road and Bridge</u>	<u>American Rescue Plan Fund</u>	<u>Permanent Improvement Fund</u>	<u>Other Governmental Funds</u>
Debt Service-payment on debt	\$ -	\$ -	\$ -	\$ 350,626
Capital projects				
Acquisition and construction on Lake Naconiche project	-	-	-	625,592
Infrastructure improvements	-	-	-	492,439
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,118,031</u>
Grants				
American Rescue Plan	-	494,712	-	-
Voting system program	-	-	-	17,049
	<u>-</u>	<u>494,712</u>	<u>-</u>	<u>17,049</u>
Records				
Court System records	-	-	-	141,255
County records management and preservation	-	-	-	1,050,234
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,191,489</u>
Road and Bridge				
Street and bridge maintenance	658,775	-	-	-
Public Safety				
Law enforcement	-	-	-	30,454
Courthouse security	-	-	-	19,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,454</u>
Judicial				
Law enforcement	-	-	-	437,404
Court operations	-	-	-	783,379
Maintain law library	-	-	-	135,125
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,355,908</u>
Other				
Lake project	-	-	-	39,416
Election services	-	-	-	1,994
Veterans memorial	-	-	-	13,538
CETRZ Tax Increment	-	-	-	173
	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,121</u>
Total	<u>\$ 658,775</u>	<u>\$ 494,712</u>	<u>\$ -</u>	<u>\$ 4,137,678</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 12 - Tax Abatements

In March 2014, the County Commissioner’s Court approved a resolution electing to become eligible to participate in tax abatement and adopting guidelines and criteria for grant tax abatement. The attraction of long-term investment and the establishment of new jobs in Nacogdoches County would enhance the economic base of the County. The Property Redevelopment and Tax Abatement Act (the “Act”) Chapter 312 of the Texas Tax Code authorizes the County to provide property tax abatement for limited periods of time as an inducement for the development or redevelopment of a property. The Act requires eligible taxing jurisdictions to establish guidelines and criteria as to eligibility for tax abatement agreements prior to granting any future tax abatement, said guidelines to be unchanged for a two (2) year period unless amended or repealed by a three-fourths vote of the Court.

The County has developed Guidelines and Criteria for Tax Abatement. All applications must meet the following general criteria before being considered for tax abatement: 1) the tax abatement will comply with Property Redevelopment and Tax Abatement Act Chapter 312 of the Texas Tax Code; 2) the project must reasonably likely to contribute to the retention or expansion of primary employment or attract major investment that will benefit the County’s economic development; 3) tax abatement agreements will be considered for both new facilities and structures and for the expansion or modernization of existing facilities and structures; 4) the project expands the local tax base; 5) the project creates or helps maintain permanent full time employment opportunities; 6) the project would not otherwise be developed; 7) the project makes a contribution to enhancing future economic development; 8) the project must remain in good standing with all governmental and environmental regulations; 9) the project has not been started and no construction by applicant has commenced at the time the application is approved; and 10) the project must not have the objections specified in the tax abatement policy. If the project in the application meets the general criteria, is a facility of a Targeted Enterprise and has a capital cost that exceeds One Million and No/100 Dollars (\$1,000,000) then abatement of any or all of the increased value will be considered. The Commissioner’s Court will approve or deny a tax abatement request based upon its subjective evaluation of these guidelines and criteria. The Court may in its discretion agree to abate taxes on real property, real property improvements and/or personal property, including equipment, furniture, inventory, and supplies. No tax abatement shall exceed the maximum allowed by state law, presently 100% for ten (10) years.

Currently, the County has no active tax abatement agreements under contract for tax year 2022.

Note 13 - Subsequent Events

In preparing these financial statements, the County has evaluated events and transactions for potential recognition or disclosure through March 29, 2024, the date on which the financial statements were available to be issued.

Financing Purchase Agreements / Notes Payable

Commissioners’ Court approved the purchase of two transport vehicles for the Nacogdoches County Sheriff’s Office on January 24, 2023. Due to continued limited equipment availability and supply chain delays, one vehicle was delivered on January 9, 2024. After the second vehicle is delivered, both vehicles will be financed through a purchase notes agreement. The Sheriff’s Commissary checking account will reimburse Nacogdoches County for the payments related to financing, and the Sheriff’s Office will purchase the vehicles’ equipment with forfeiture funding.

The Nacogdoches County FY 2024 budget includes the financing of seven 2024 patrol vehicles and equipment for the Nacogdoches County Sheriff’s Office. Delivery is estimated for August or September of 2024, and after delivery, the equipment will be financed through a purchase notes agreement.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 13 - Subsequent Events (continued)

Texas Local Government Code Chapter 381 Agreement

On October 3, 2023, Commissioners' Court authorized the County Judge to execute a Local Government Code Chapter 381 Agreement between Nacogdoches County and Cooper Power Systems, LLC. This chapter allows the County to make grants of public funds for the purposes of promoting local economic development and stimulating and enhancing business and commercial activity within the County. The project is a 243,000 square feet addition to expand the existing manufacturing facility located at 2315 SE Stallings Dr. in Nacogdoches. Qualified expenditures included are \$37 million for construction and \$43 million for machinery, furniture, fixture and equipment. A Certificate of Occupancy is expected to be issued September 30, 2024. Effective September 30, 2025, the Developer will employ 500 full-time positions and 585 full-time positions effective September 30, 2026 and continuing through September 30, 2039. The grant period is scheduled to start January 1, 2025 with the first grant payment due to the Developer by April 30, 2026. The grant payments are reimbursements of property taxes paid by the Developer for increased property taxes as a result of the Developer's improvements to the property and equipment located at the project site. The increased property taxes are reimbursed at 100% through grant year 7, 75% through grant year 10 and 50% through grant year 15. The final grant year starts January 1, 2039 with the final grant payment due by April 30, 2040.

Contracts

On December 12, 2023 Commissioners' Court authorized the County Judge to execute an agreement between Motorola Solutions, Inc. and Nacogdoches County. The agreement is for the purchase and installation of emergency communications equipment. The Motorola contract is one component of a new Emergency Radio Communications System which is part of a larger regional effort to provide full radio communications coverage to the area. The contract price is \$7.5 million and the system is primarily funded by the American Rescue Plan Act (ARPA). A Notice to Proceed was issued by Nacogdoches County on December 12, 2023, and work is scheduled to be completed by August 31, 2026.

REQUIRED SUPPLEMENTARY INFORMATION



NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 17,039,427	\$ 17,039,427	\$ 17,107,388	\$ 67,961
Charges for services	820,000	820,000	836,474	16,474
Fees and fines	1,044,600	1,049,929	1,069,974	20,045
Intergovernmental	928,041	1,226,519	1,084,729	(141,790)
Earnings on investments	95,500	312,092	430,949	118,857
Miscellaneous	400,137	830,969	810,247	(20,722)
Total Revenues	20,327,705	21,278,936	21,339,761	60,825
Expenditures				
Current:				
General Government:				
Commissioners and County Judge	592,294	592,294	587,710	4,584
County clerk	334,903	334,903	327,519	7,384
Veteran's service officer	62,591	62,591	60,230	2,361
Professional services, insurance	1,031,626	1,048,709	1,037,639	11,070
General government-fees-dues	11,510	11,510	10,423	1,087
General programs	97,741	235,906	70,717	165,189
Nondepartmental	267,600	346,706	297,565	49,141
Imaging	8,706	8,706	6,368	2,338
District clerk	441,076	441,076	409,174	31,902
County auditor	395,741	395,741	371,342	24,399
County treasurer	193,142	193,142	188,388	4,754
Computer services	1,050,911	1,050,911	869,628	181,283
Building maintenance	825,698	850,528	693,613	156,915
Tax assessor-collector	324,394	324,394	313,880	10,514
Elections	349,781	356,281	323,751	32,530
Personnel department	98,988	98,988	92,749	6,239
Collections department	128,793	128,793	119,686	9,107
Total General Government	6,215,495	6,481,179	5,780,382	700,797

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Administration of Justice:				
County court-at-law	\$ 488,017	\$ 488,017	\$ 472,240	\$ 15,777
145th district court	313,905	314,405	279,916	34,489
420th district court	311,955	311,955	308,170	3,785
Justice of the peace-precinct 1	195,625	195,625	192,549	3,076
Justice of the peace-precinct 2	188,229	188,229	182,565	5,664
Justice of the peace-precinct 3	144,531	144,531	141,232	3,299
Justice of the peace-precinct 4	196,127	196,127	189,634	6,493
Weigh station	4,335	4,335	1,469	2,866
County attorney	935,603	937,372	887,847	49,525
District attorney	731,267	734,067	711,581	22,486
Juvenile probation	190,825	190,825	245,765	(54,940)
Adult probation	2,700	2,700	1,748	952
Public defense - indigent	529,425	529,425	559,503	(30,078)
Total Administration of Justice	4,232,544	4,237,613	4,174,219	63,394
Public Safety:				
Sheriff	2,874,855	2,917,366	3,079,568	(162,202)
Jail	4,411,573	5,153,918	5,027,384	126,534
Law enforcement building maintenance	400,895	432,052	403,481	28,571
Constable-precinct 1	313,245	322,245	264,313	57,932
Constable-precinct 2	87,326	87,326	77,886	9,440
Constable-precinct 3	81,276	84,276	81,169	3,107
Constable-precinct 4	313,600	313,600	298,733	14,867
Rural fire protection	375,398	375,398	375,224	174
Emergency management	147,007	147,007	137,375	9,632
Total Public Safety	9,005,175	9,833,188	9,745,133	88,055
Judicial and Public Safety	13,237,719	14,070,801	13,919,352	151,449

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Health and Welfare:				
County extension office	\$ 111,439	\$ 111,439	\$ 108,169	\$ 3,270
Special agencies	106,318	106,318	103,751	2,567
Total Health and Welfare	<u>217,757</u>	<u>217,757</u>	<u>211,920</u>	<u>5,837</u>
Debt service:				
Principal	270,472	184,472	106,051	78,421
Interest and fiscal charges	3,528	3,528	3,528	-
Total Expenditures	<u>19,944,971</u>	<u>20,957,737</u>	<u>20,021,233</u>	<u>936,504</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>382,734</u>	<u>321,199</u>	<u>1,318,528</u>	<u>997,329</u>
Other Financing Sources (Uses)				
Sale of capital assets	91,000	91,000	174,121	83,121
Transfers out	(2,813,790)	(2,813,790)	(2,597,334)	216,456
Issuance of notes	-	-	314,975	314,975
Total Other Financing Sources (Uses)	<u>(2,722,790)</u>	<u>(2,722,790)</u>	<u>(2,108,238)</u>	<u>614,552</u>
Net Changes in Fund Balances	(2,340,056)	(2,401,591)	(789,710)	1,611,881
Fund Balances, Beginning of Year	<u>7,221,596</u>	<u>7,221,596</u>	<u>7,221,596</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 4,881,540</u>	<u>\$ 4,820,005</u>	<u>\$ 6,431,886</u>	<u>\$ 1,611,881</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 3,246,571	\$ 3,246,571	\$ 3,251,955	\$ 5,384
Charges for Services	887,000	887,000	898,076	11,076
Fees and Fines	162,500	166,650	194,613	27,963
Intergovernmental	-	-	26,533	26,533
Earnings on investments	6,107	31,434	38,595	7,161
Miscellaneous	2,000	7,948	20,185	12,237
Total Revenues	4,304,178	4,339,603	4,429,957	90,354
Expenditures				
Highway and streets	4,182,178	4,467,763	4,549,256	(81,493)
Debt Service:				
Principal	94,327	94,327	94,327	-
Interest	27,673	27,673	27,673	-
Total Expenditures	4,304,178	4,589,763	4,671,256	(81,493)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(250,160)	(241,299)	8,861
Other Financing Sources (Uses)				
Sale of capital assets	-	-	4,600	4,600
Issuance of notes	-	-	291,338	291,338
Total Other Financing Sources (Uses)	-	-	295,938	295,938
Net Changes in Fund Balances	-	(250,160)	54,639	304,799
Fund Balances - Beginning of Year	623,915	623,915	623,915	-
Fund Balances - End of Year	\$ 623,915	\$ 373,755	\$ 678,554	\$ 304,799

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
AMERICAN RESCUE PLAN - ARPA FUND
Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues				
Intergovernmental	\$ 526,810	\$ 526,810	\$ 150,454	\$ (376,356)
Earnings on investments	50,000	50,000	440,413	390,413
Total Revenues	<u>576,810</u>	<u>576,810</u>	<u>590,867</u>	<u>14,057</u>
Expenditures				
General Administration	300,000	300,000	-	300,000
Health and Welfare	226,810	226,810	150,455	76,355
Total Expenditures	<u>526,810</u>	<u>526,810</u>	<u>150,455</u>	<u>376,355</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>50,000</u>	<u>50,000</u>	<u>440,412</u>	<u>390,412</u>
Net Changes in Fund Balances	50,000	50,000	440,412	390,412
Fund Balances - Beginning of Year	<u>54,300</u>	<u>54,300</u>	<u>54,300</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 104,300</u></u>	<u><u>\$ 104,300</u></u>	<u><u>\$ 494,712</u></u>	<u><u>\$ 390,412</u></u>



NACOGDOCHES COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

1. The County Judge and Commissioners' Court have departmental meetings with management to determine the departmental budget requests.
2. The County Judge and Commissioners must meet in several workshops to establish a proposed budget for the fiscal year commencing the following October. The operational budget includes proposed expenditures and the means of financing them. The proposed budget is filed with County Clerk and made available for public inspection at least 15 days prior to public budget hearing.
3. Public hearings are conducted to obtain taxpayer comments.
4. After the public hearings, the Commissioners' Court reviews the budget and makes any adjustments they feel necessary.
5. The budget is then legally enacted by the Commissioners' Court on or before October 1, in the timeframe required by statute.

Only the governing body, composed of the Commissioners' Court, may amend the budget after its adoption so long as the amendment continues to meet the requirements of Section 111 of the *Local Government Code*. During the year, several supplementary amendments to the original budget were required. Individual amendments were not material in relation to the original appropriations, and all amendments were legally made. The budget amounts shown in the combined financial statements represent the budget as amended at September 30, 2023. Under state statute, actual expenditures cannot exceed budgetary appropriations at any level for which the budget is formally approved. The County's legally adopted budget is at the department level in those funds with multiple departments and at the fund level in single department funds. Management can, with the exception of personnel items, make adjustments to their budget within the departmental level with Commissioners' Court approval. All budgets are fixed in nature. All governmental funds except for one Special Revenue Fund have a legally adopted budget. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget appropriations lapse at year-end. All encumbrances lapse at year-end.

One Special Revenue Fund does not issue a budget. The one Special Revenue fund with no budget comparison is County Court Unearned Fund.

NACOGDOCHES COUNTY, TEXAS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSIONS LIABILITY AND RELATED RATIOS
For the Last Nine Measurement Years

	Year Ended December 31				
	2022	2021	2020	2019	2018
Total Pension Liability					
Service cost	\$ 1,512,976	\$ 1,674,610	\$ 1,421,457	\$ 1,355,939	\$ 1,394,719
Interest on total pension liability	5,286,851	5,037,310	4,761,849	4,503,595	4,298,924
Effect of plan changes	-	-	-	-	-
Effect of assumption changes or inputs	-	(71,858)	3,792,279	-	-
Effect of economic/demographic (gains) or losses	(365,732)	100,713	384,652	259,909	(276,277)
Benefit payments/refunds of contributions	(3,314,838)	(3,277,264)	(2,967,485)	(3,024,671)	(2,685,498)
Net change in total pension liability	3,119,257	3,463,511	7,392,752	3,094,772	2,731,868
Total Pension Liability, Beginning	69,677,925	66,214,414	58,821,662	55,726,890	52,995,022
Total Pension Liability, Ending (a)	<u>\$ 72,797,182</u>	<u>\$ 69,677,925</u>	<u>\$ 66,214,414</u>	<u>\$ 58,821,662</u>	<u>\$ 55,726,890</u>
Fiduciary Net Position					
Employer contributions	\$ 1,556,155	\$ 1,345,305	\$ 1,416,025	\$ 1,205,228	\$ 1,186,213
Member contributions	864,532	804,885	847,197	776,135	768,133
Investment income net of investment expenses	(4,219,669)	13,304,268	5,796,883	8,075,117	(956,610)
Benefit payments/refunds of contributions	(3,314,838)	(3,277,264)	(2,967,485)	(3,024,671)	(2,685,498)
Administrative expenses	(39,887)	(39,646)	(44,752)	(42,771)	(39,490)
Other	(64,648)	(15,088)	(15,278)	(27,901)	(16,670)
Net change in fiduciary net position	(5,218,355)	12,122,460	5,032,590	6,961,137	(1,743,922)
Fiduciary Net Position, Beginning	73,282,311	61,159,851	56,127,261	49,166,124	50,910,046
Fiduciary Net Position, Ending (b)	<u>\$ 68,063,956</u>	<u>\$ 73,282,311</u>	<u>\$ 61,159,851</u>	<u>\$ 56,127,261</u>	<u>\$ 49,166,124</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 4,733,226</u>	<u>\$ (3,604,386)</u>	<u>\$ 5,054,563</u>	<u>\$ 2,694,401</u>	<u>\$ 6,560,766</u>
Fiduciary net position as a % of total pension liability	93.50%	105.17%	92.37%	95.42%	88.23%
Pensionable covered payroll	\$ 12,350,450	\$ 11,498,360	\$ 12,102,814	\$ 11,087,646	\$ 10,973,328
Net pension liability as a % of covered payroll	38.32%	-31.35%	41.76%	24.30%	59.79%

GASB No. 68 and GASB No. 71 were implemented during the fiscal year ended September 30, 2015. Ten years of data should be presented in the schedule, but data was unavailable prior to 2014.

NACOGDOCHES COUNTY, TEXAS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSIONS LIABILITY AND RELATED RATIOS
For the Last Nine Measurement Years

	Year Ended December 31			
	2017	2016	2015	2014
Total Pension Liability				
Service cost	\$ 1,483,776	\$ 1,513,785	\$ 1,397,202	\$ 1,332,841
Interest on total pension liability	4,076,043	3,783,371	3,598,136	3,357,254
Effect of plan changes	-	-	(268,129)	-
Effect of assumption changes or inputs	215,994	-	479,695	-
Effect of economic/demographic (gains) or losses	(341,100)	(21,938)	(655,994)	169,135
Benefit payments/refunds of contributions	(2,506,080)	(2,305,046)	(2,133,257)	(1,912,363)
Net change in total pension liability	2,928,633	2,970,172	2,417,653	2,946,867
Total Pension Liability, Beginning	50,066,389	47,096,217	44,678,564	41,731,697
Total Pension Liability, Ending (a)	<u>\$ 52,995,022</u>	<u>\$ 50,066,389</u>	<u>\$ 47,096,217</u>	<u>\$ 44,678,564</u>
Fiduciary Net Position				
Employer contributions	\$ 1,137,014	\$ 1,113,386	\$ 1,074,841	\$ 1,050,271
Member contributions	760,906	794,249	732,644	707,595
Investment income net of investment expenses	6,558,887	3,124,683	(133,178)	2,750,243
Benefit payments/refunds of contributions	(2,506,080)	(2,305,046)	(2,133,257)	(1,912,363)
Administrative expenses	(33,856)	(33,950)	(30,560)	(31,914)
Other	(8,469)	92,620	(17,769)	57,034
Net change in fiduciary net position	5,908,402	2,785,942	(507,279)	2,620,866
Fiduciary Net Position, Beginning	45,001,644	42,215,702	42,722,981	40,102,115
Fiduciary Net Position, Ending (b)	<u>\$ 50,910,046</u>	<u>\$ 45,001,644</u>	<u>\$ 42,215,702</u>	<u>\$ 42,722,981</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 2,084,976</u>	<u>\$ 5,064,745</u>	<u>\$ 4,880,515</u>	<u>\$ 1,955,583</u>
Fiduciary net position as a % of total pension liability	96.07%	89.88%	89.64%	95.62%
Pensionable covered payroll	\$ 10,870,088	\$ 10,862,251	\$ 10,455,687	\$ 10,108,497
Net pension liability as a % of covered payroll	19.18%	46.63%	46.68%	19.35%

NACOGDOCHES COUNTY, TEXAS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
For the Last Ten Fiscal Years

Year Ending September 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll¹	Actual Contribution as a % of Covered Payroll
2014	\$ 1,050,271	\$ 1,050,271	\$ -	\$ 10,108,497	10.4%
2015	1,074,841	1,074,841	-	10,455,687	10.3%
2016	1,113,386	1,113,386	-	10,862,251	10.3%
2017	1,137,014	1,137,014	-	10,870,088	10.5%
2018	1,201,905	1,201,905	-	10,955,009	11.0%
2019	1,220,651	1,220,651	-	10,129,297	12.1%
2020	1,375,715	1,375,715	-	11,645,501	11.8%
2021	1,359,277	1,359,277	-	11,400,904	11.9%
2022	1,537,239	1,537,239	-	12,137,341	12.7%
2023	1,556,445	1,556,445	-	12,796,188	12.2%

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

NACOGDOCHES COUNTY, TEXAS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM

Schedule of Methods and Assumptions Used to Determine Contribution Rates:

Valuation Date	December 31, 2022
Actuarial Cost Method	Entry Age Normal
Amortization Method:	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method:	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Nacogdoches County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
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.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.
Mortality:	
Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.



OTHER SUPPLEMENTARY INFORMATION



**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds

County Attorney Fee Fund

This fund is used to account for fees collected by the County Attorney under the “Hot Check” statute. Expenditures from this fund shall be at the sole discretion of the County Attorney and may be used only to defray the salaries and expenses of his office.

County Law Library

This fund is used to account for the receipt of library fees collected by the County and District Clerks. Expenditures are restricted to the cost of maintaining the law library.

Veterans Memorial Wall

This fund is used to account for the receipt and expenditure of funds used to commemorate U.S. veterans. Funds are received from citizens for the purchase of plaques placed on the Memorial Wall.

Nacogdoches Historical Commission

This fund is used to account for the receipt and expenditure of funds used to support the County’s various historical properties.

Jury Fund

This fund is used to account for the costs of providing jury services for the County’s court system. Funding is primarily from the annual property tax levy.

Justice Court Technology Fund

This fund is used to account for receipts and disbursements of technology fees collected by the Justice Court Clerks. The funds may be used only to finance the purchase of technological enhancements for a Justice Court.

County and District Court Technology

This fund is used to account for receipts and disbursements of technology fees collected by the County and District Court. The funds may be used only to finance the purchase of technological enhancements.

District Clerk Archive

This fund is used to account for receipts and disbursements of resources relating to the archiving of records maintained by the District Clerk.

County Clerk Records Management

This fund is used to account for the receipt and expenditure of preservation fees assessed by the County Clerk. Such fees may only be used for records management or preservation projects for the County Clerk.

District Clerk Records Management

This fund is used to account for the receipt and expenditure of preservation fees assessed by the District Clerk. Such fees may only be used for records management or preservation projects for the District Clerk.

Record Management and Preservation

This fund is used to account for receipt and expenditures of fees assessed on civil findings in the County, District, and Probate courts as required by state law. Such fees may only be spent on records management or preservation projects for the County.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS (continued)

Special Revenue Funds (continued)

Courthouse Security Fee Fund

This fund is used to account for the receipt and expenditure of courthouse security fees collected pursuant to the Code of Criminal Procedure 102.017. Fees are assessed as court costs and may be used only for security personnel, services, and items related to buildings that house the operations of district, county or justice courts.

LEOSE Training

This fund is used to account for the receipt and expenditure of state funding for the professional training of sheriff's officers and precinct constables. All funding is from state payments.

D. A. Forfeiture Fund

This fund is used to account for the receipt and expenditure of settlements awarded by the District Court. Expenditures from this fund shall be at the sole discretion of the District Attorney and may be used only to defray the salaries and expenses of his office.

D. A. Pretrial Intervention Fund

This fund is used to account for monies collected and expensed for a program for first time offenders, concluding in a dismissal of charges without offense.

Constable Precinct 1 Forfeiture

This fund is used to account for the receipt and expenditure of settlements awarded to Constable Precinct 1. Expenditures from this fund shall be at the sole discretion of Constable Precinct 1 and may be used only to defray the expenses of his office.

Constable Precinct 4 Local Forfeiture

This fund is used to account for the receipt and expenditure of settlements awarded to Constable Precinct 4. Expenditures from this fund shall be at the sole discretion of Constable Precinct 4 and may be used only to defray the expenses of his office.

Election Services

This fund is used to account for the receipt and expenditure of funds collected by the Elections office. Revenue from the use of County equipment for City and school elections is used solely for election expenditures and political party primaries.

Chapter 19 Funds

This fund is used to account for receipts and expenditures of funds received from the Texas Secretary of State. These funds are to aid in purchasing items or services that will enhance voter registration.

HAVA Fund

This fund is used to account for the receipt and expenditure of funds received from Help America Vote Act through the U.S. Elections Assistance Commission. These funds are used for voting system replacement, voting system accessibility and general HAVA compliance.

DA Juror Donations Fund

This fund is used to account for the receipt and expenditure of juror donations. The funds are used by the Victim Assistance Coordinator for victim assistance programs.

Lake Naconiche Fund

This fund is used to account for revenues and expenditures for the operations of Lake Naconiche.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS (continued)

Special Revenue Funds (continued)

County Court Unearned Fund

This fund is used to account for fees collected by the County Clerk from law offices, etc. to offset their expenses for copies and paperwork obtained from the County Clerk.

DA Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and the US Treasury. Expenditures from this fund shall be at the sole discretion of the District Attorney and may be used only for law enforcement purposes.

Road Damage Fund

This fund is to account for revenue & expenses to repair county roads that have been damaged by oil company trucks, etc. The companies reimburse the County for damages to the road and the County repairs the road using these funds.

C.A. Pretrial Intervention Fund

This fund is used to account for monies collected and expensed for a program for first time offenders, concluding in a dismissal of charges without offense. Expenditures from this fund shall be at the sole discretion of the County Attorney.

Civic Center

This fund is used to account for the receipt and expenditure of building rent and equipment rent. Expenditures from this fund are for salaries and expenses associated with operating the Civic Center/Community Shelter.

Exposition Center Fund

This fund is used to account for the receipt and expenditure of inter-local city contributions, earnings from the County fair and other community events. Expenditures from this fund are for salaries and expenses associated with operating the Expo Center.

Victim Coordinator Liaison Grant County Attorney

This fund is used to account for the receipt and expenditure of the Victim Coordinator and Liaison Grant funds from the Texas Office of the Attorney General. Funds are used to pay the salary and associated expenditures for the Victim Assistance Coordinator position.

Constable Precinct 2 State Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the District Courts. Expenditures from this fund may be used for law enforcement purposes pursuant to Code of Criminal Procedure 59.06.

NCSO State Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the District Court. Expenditures from this fund shall be at the sole discretion of the Sheriff and may be used only for law enforcement purposes.

Constable Pct#4 Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and US Treasury. Expenditures from this fund shall be at the sole discretion of Constable Pct#4 and may be used only for law enforcement purposes.

NCSO Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and the US Treasury. Expenditures from this fund shall be at the sole discretion of the Sheriff and may be used only for law enforcement purposes.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS (continued)

Special Revenue Funds (continued)

Constable Pct#1 Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and the US Treasury. Expenditures from this fund shall be at the sole discretion of Constable Pct. # 1 and may be used only for law enforcement purposes.

Justice Court Building Security

This fund is used to account for the receipt and expenditure of security fees collected pursuant to the Code of Criminal Procedure 102.017(d-2). Fees are assessed as court costs and may be used only for the purpose of providing security personnel, services, and items for a justice court located in a building that is not the county courthouse.

County Clerk Records Management Fee Fund

This fund is used to account for the receipt and expenditure of records management fees collected by the County Clerk. Such fees may only be used for records management or preservation services performed by the County Clerk. It is established in fiscal year 2022 in accordance with Senate Bill 346.

District Clerk Records Management Fee Fund

This fund is used to account for the receipt and expenditure of records management fees collected by the District Clerk. Such fees may only be used for records management or preservation services performed by the District Clerk. It is established in fiscal year 2022 in accordance with Senate Bill 346.

Court Facility Fee Fund

Fees are maintained in the County Treasury to be used by the county only to fund construction, renovation, or improvement of facilities that house the courts or to pay principal and interest on such projects. It is established in fiscal year 2022 in accordance with Senate Bill 41.

Language Access Fund

Money allocated to the Language Access Fund and maintained in the County Treasury may be used by a county only to provide language access services for individuals appearing before the court or receiving court services. It is established in fiscal year 2022 in accordance with Senate Bill 41.

County Energy Transportation Reinvestment Zone (CETZ) No. 1 Tax Increment Fund

This fund is used to account for the receipt and expenditure of ad valorem taxes to be devoted to transportation infrastructure projects within the County pursuant to Texas Transportation Code 222.107.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS (continued)

Capital Project Funds

Capital Projects Fund – Lake

The Capital Projects Fund - Lake is used to account for financial resources to be used for the acquisition and construction of land and improvements for the Lake Naconiche project.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term bonded debt. The primary source of revenue is local property taxes.

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	County Attorney Fee Fund	County Law Library Fund	Veterans Memorial Wall Fund	Nacogdoches Historical Commission
Assets				
Cash and Cash Equivalents	\$ 3,229	\$ 32,126	\$ 13,538	\$ 860
Investments	-	105,182	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	\$ 3,229	\$ 137,308	\$ 13,538	\$ 860
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 2,183	\$ -	\$ 860
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	2,183	-	860
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
 Nonspendable:				
Inventories and prepaids	-	-	-	-
 Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	3,229	135,125	-	-
Other	-	-	13,538	-
Assigned	-	-	-	-
Total Fund Balances	3,229	135,125	13,538	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,229	\$ 137,308	\$ 13,538	\$ 860

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	Jury Fund	Justice Court Technology Fund	County and District Court Technology	District Clerk Archive
Assets				
Cash and Cash Equivalents	\$ 33,511	\$ 26,582	\$ 3,979	\$ 12,051
Investments	72,097	5,723	1,134	48,568
Receivables net of allowance for estimated uncollectibles:				
Taxes	2,558	-	-	-
Federal and state grants	-	-	-	-
Other receivables	5,941	-	-	-
Inventory	-	-	-	-
Prepaid Items	310	-	-	-
Total Assets	\$ 114,417	\$ 32,305	\$ 5,113	\$ 60,619
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 2,361	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	2,361	-	-	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	2,429	-	-	-
Total Deferred Inflows of Resources	2,429	-	-	-
Fund Balances:				
 Nonspendable:				
Inventories and prepaids	310	-	-	-
 Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	32,305	5,113	60,619
Public safety	-	-	-	-
Judicial	109,317	-	-	-
Other	-	-	-	-
Assigned:	-	-	-	-
Total Fund Balances	109,627	32,305	5,113	60,619
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 114,417	\$ 32,305	\$ 5,113	\$ 60,619

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	County Clerk Records Management	District Clerk Records Management	Record Management and Preservation	Courthouse Security Fee Fund
Assets				
Cash and Cash Equivalents	\$ 82,368	\$ 16,336	\$ 36,607	\$ 25,455
Investments	848,666	5,503	43,385	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	\$ 931,034	\$ 21,839	\$ 79,992	\$ 25,455
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 17,052	\$ -	\$ 35	\$ 3,375
Accrued payroll	1,430	-	110	3,080
Due to other funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	18,482	-	145	6,455
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
 Nonspendable:				
Inventories and prepaids	-	-	-	-
 Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	912,552	21,839	79,847	-
Public safety	-	-	-	19,000
Judicial	-	-	-	-
Other	-	-	-	-
Assigned:	-	-	-	-
Total Fund Balances	912,552	21,839	79,847	19,000
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 931,034	\$ 21,839	\$ 79,992	\$ 25,455

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	LEOSE Training	D.A. Forfeiture Funds	D.A. Pretrial Intervention Fund	Constable Precinct 1 Forfeiture
Assets				
Cash and Cash Equivalents	\$ 30,454	\$ 68,827	\$ 28,200	\$ 1,847
Investments	-	171,201	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	-	-
Other receivables	-	1,250	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	\$ 30,454	\$ 241,278	\$ 28,200	\$ 1,847
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 1,247	\$ 4,707	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	1,247	4,707	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
 Nonspendable:				
Inventories and prepaids	-	-	-	-
 Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	30,454	-	-	-
Judicial	-	240,031	23,493	1,847
Other	-	-	-	-
Assigned:	-	-	-	-
Total Fund Balances	30,454	240,031	23,493	1,847
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 30,454	\$ 241,278	\$ 28,200	\$ 1,847

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	Constable Precinct 4 Local Forfeiture	Election Services	Chapter 19 Funds	HAVA Fund
Assets				
Cash and Cash Equivalents	\$ 624	\$ 5,507	\$ 248	\$ 17,049
Investments	-	-	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	310	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	630	-	-
Total Assets	\$ 624	\$ 6,137	\$ 558	\$ 17,049
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 3,513	\$ 558	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	3,513	558	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
 Nonspendable:				
Inventories and prepaids	-	630	-	-
 Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	17,049
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	624	-	-	-
Other	-	1,994	-	-
Assigned:	-	-	-	-
Total Fund Balances	624	2,624	-	17,049
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 624	\$ 6,137	\$ 558	\$ 17,049

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	<u>Special Revenue Funds</u>			
	<u>DA Juror Donations Fund</u>	<u>Lake Naconiche Fund</u>	<u>County Court Unearned Fund</u>	<u>DA Federal Forfeiture</u>
Assets				
Cash and Cash Equivalents	\$ 1,953	\$ 28,659	\$ 23,520	\$ 9,847
Investments	-	18,277	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	3,033	-	-
Federal and state grants	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	1,887	-	-
Total Assets	<u>\$ 1,953</u>	<u>\$ 51,856</u>	<u>\$ 23,520</u>	<u>\$ 9,847</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 149	\$ 5,179	\$ 300	\$ -
Accrued payroll	-	2,494	-	-
Due to other funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>149</u>	<u>7,673</u>	<u>300</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	2,880	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>2,880</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Inventories and prepaids	-	1,887	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	1,804	-	23,220	9,847
Other	-	39,416	-	-
Assigned:	-	-	-	-
Total Fund Balances	<u>1,804</u>	<u>41,303</u>	<u>23,220</u>	<u>9,847</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,953</u>	<u>\$ 51,856</u>	<u>\$ 23,520</u>	<u>\$ 9,847</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	Road Damage Fund	C.A. Pretrial Intervention Fund	Civic Center	Exposition Center Fund
Assets				
Cash and cash equivalents	\$ 624,554	\$ 37,023	\$ 24,423	\$ 127,247
Investments	200,049	11,180	-	95,369
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	-	-
Other receivables	3,594	-	-	23,750
Inventory	-	-	-	7,848
Prepaid items	-	-	14,383	44,906
Total Assets	\$ 828,197	\$ 48,203	\$ 38,806	\$ 299,120
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 335,758	\$ 237	\$ 19,100	\$ 154,488
Accrued payroll	-	737	3,063	10,713
Due to other funds	-	-	-	-
Unearned revenues	-	-	2,260	35,350
Total Liabilities	335,758	974	24,423	200,551
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
 Nonspendable:				
Inventories and prepaids	-	-	14,383	52,754
 Restricted:				
Debt service	-	-	-	-
Capital projects	492,439	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	-	47,229	-	-
Other	-	-	-	-
Assigned:	-	-	-	45,815
Total Fund Balances	492,439	47,229	14,383	98,569
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 828,197	\$ 48,203	\$ 38,806	\$ 299,120

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	Victims			
	Coordinator Liaison	Constable Precinct	NCSO State	Constable Pct 4
	Grant County	2 State Forfeiture	Forfeiture Fund	Federal Forfeiture
	Attorney	Fund	Forfeiture Fund	Fund
Assets				
Cash and cash equivalents	\$ -	\$ 1,105	\$ 6,142	\$ 2,882
Investments	-	-	568,523	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	5,151	-	-	-
Other receivables	-	-	1,500	-
Inventory	-	-	-	-
Prepaid items	-	-	3,731	-
Total Assets	\$ 5,151	\$ 1,105	\$ 579,896	\$ 2,882
Liabilities, Deferred Inflows, and				
Fund Balances				
Liabilities:				
Accounts payable	\$ 611	\$ -	\$ 8,801	\$ -
Accrued payroll	-	-	-	-
Due to other funds	4,540	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	5,151	-	8,801	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
 Nonspendable:				
Inventories and prepaids	-	-	3,731	-
 Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	-	1,105	567,364	2,882
Other	-	-	-	-
Assigned:	-	-	-	-
Total Fund Balances	-	1,105	571,095	2,882
Total Liabilities, Deferred Inflows of				
Resources, and Fund Balances	\$ 5,151	\$ 1,105	\$ 579,896	\$ 2,882

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

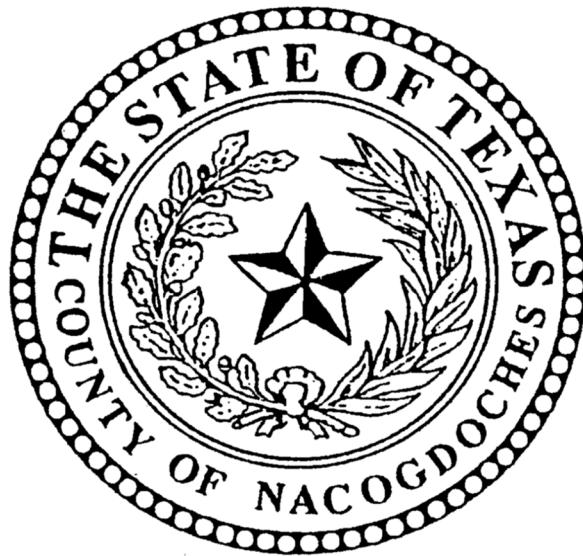
	Special Revenue Funds			
	NCSO Federal Forfeiture Fund	Constable Pct 1 Federal Forfeiture	Justice Court Building Security	County Clerk Record Management Fee Fund
Assets				
Cash and cash equivalents	\$ 101,129	\$ 21	\$ 10,832	\$ 8,539
Investments	81,924	-	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	1,490	-	-	-
Total Assets	\$ 184,543	\$ 21	\$ 10,832	\$ 8,539
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 5,115	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	5,115	-	-	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Inventories and prepaids	1,490	-	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	8,539
Public safety	-	-	-	-
Judicial	177,938	21	10,832	-
Other	-	-	-	-
Assigned:	-	-	-	-
Total Fund Balances	179,428	21	10,832	8,539
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 184,543	\$ 21	\$ 10,832	\$ 8,539

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds			
	District Clerk Record Management Fee Fund	Court Facility Fee Fund	Language Access Fund	CETRZ No. 1 Tax Increment Fund
Assets				
Cash and cash equivalents	\$ 27,457	\$ 32,207	\$ 11,011	\$ 173
Investments	-	-	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 27,457	\$ 32,207	\$ 11,011	\$ 173
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Inventories and prepaids	-	-	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	27,457	32,207	11,011	-
Public safety	-	-	-	-
Judicial	-	-	-	-
Other	-	-	-	173
Assigned:	-	-	-	-
Total Fund Balances	27,457	32,207	11,011	173
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 27,457	\$ 32,207	\$ 11,011	\$ 173

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Capital Projects		Totals
	Fund- Lake	Debt Service Fund	Non-Major Funds
Assets			
Cash and cash equivalents	\$ 19,173	\$ 11,398	\$ 1,548,693
Investments	606,419	336,528	3,219,728
Receivables net of allowance for estimated uncollectibles:			
Taxes	-	53,582	59,173
Federal and state grants	-	-	5,461
Other receivables	-	-	36,035
Inventory	-	-	7,848
Prepaid items	-	-	67,337
Total Assets	\$ 625,592	\$ 401,508	\$ 4,944,275
Liabilities, Deferred Inflows, and			
Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 565,629
Accrued payroll	-	-	21,627
Due to other funds	-	-	4,540
Unearned revenues	-	-	37,610
Total Liabilities	-	-	629,406
Deferred Inflows of Resources			
Unavailable revenue-property taxes	-	50,882	56,191
Total Deferred Inflows of Resources	-	50,882	56,191
Fund Balances:			
 Nonspendable:			
Inventories and prepaids	-	-	75,185
 Restricted:			
Debt service	-	350,626	350,626
Capital projects	625,592	-	1,118,031
Grants	-	-	17,049
Records	-	-	1,191,489
Public safety	-	-	49,454
Judicial	-	-	1,355,908
Other	-	-	55,121
Assigned:	-	-	45,815
Total Fund Balances	625,592	350,626	4,258,678
Total Liabilities, Deferred Inflows of			
Resources, and Fund Balances	\$ 625,592	\$ 401,508	\$ 4,944,275



NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds			
	County Attorney Fee Fund	County Law Library Fund	Veterans Memorial Wall Fund	Nacogdoches Historical Commission
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	420	34,255	1,100	-
Intergovernmental	-	-	-	-
Earnings on investments	-	3,869	-	-
Miscellaneous	-	3,846	-	-
Total Revenues	420	41,970	1,100	-
Expenditures				
Current:				
General government	-	-	600	983
Administration of justice	-	37,969	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	37,969	600	983
Excess (Deficiency) of Revenues Over (Under) Expenditures	420	4,001	500	(983)
Other Financing Sources (Uses)				
Transfers in	-	-	-	983
Total Other Financing Sources (Uses)	-	-	-	983
Net change in fund balances	420	4,001	500	-
Fund balances - Beginning of Year	2,809	131,124	13,038	-
Fund Balances - End of Year	\$ 3,229	\$ 135,125	\$ 13,538	\$ -

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds			
	Jury Fund	Justice Court Technology Fund	County and District Court Technology	District Clerk Archive
Revenues				
Taxes	\$ 40,083	\$ -	\$ -	\$ -
Fees and fines	18,498	11,022	2,668	50
Intergovernmental	32,290	-	-	-
Earnings on investments	2,193	257	30	1,880
Miscellaneous	-	-	-	-
Total Revenues	93,064	11,279	2,698	1,930
Expenditures				
Current:				
General government	-	5,396	6,000	-
Administration of justice	69,678	-	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	69,678	5,396	6,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,386	5,883	(3,302)	1,930
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balances	23,386	5,883	(3,302)	1,930
Fund balances - Beginning of Year	86,241	26,422	8,415	58,689
Fund Balances - End of Year	\$ 109,627	\$ 32,305	\$ 5,113	\$ 60,619

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds			
	County Clerk Records Management	District Clerk Records Management	Record Management and Preservation	Courthouse Security Fee Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	210,388	73	16,160	49,558
Intergovernmental	-	-	-	-
Earnings on investments	23,538	245	1,542	-
Miscellaneous	-	-	-	-
Total Revenues	233,926	318	17,702	49,558
Expenditures				
Current:				
General government	191,901	-	2,171	-
Administration of justice	25,454	1,349	10,782	92,635
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	217,355	1,349	12,953	92,635
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,571	(1,031)	4,749	(43,077)
Other Financing Sources (Uses)				
Transfers in	-	-	-	47,076
Total Other Financing Sources (Uses)	-	-	-	47,076
Net change in fund balances	16,571	(1,031)	4,749	3,999
Fund balances - Beginning of Year	895,981	22,870	75,098	15,001
Fund Balances - End of Year	\$ 912,552	\$ 21,839	\$ 79,847	\$ 19,000

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds			
	LEOSE Training	D.A. Forfeiture Funds	D.A. Pretrial Intervention Fund	Constable Precinct 1 Forfeiture
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	8,256	57,253	9,000	-
Intergovernmental	-	-	-	-
Earnings on investments	-	7,271	-	-
Miscellaneous	-	1,250	-	-
Total Revenues	8,256	65,774	9,000	-
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	7,413	34,137	(5)	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	7,413	34,137	(5)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	843	31,637	9,005	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balances	843	31,637	9,005	-
Fund balances - Beginning of Year	29,611	208,394	14,488	1,847
Fund Balances - End of Year	\$ 30,454	\$ 240,031	\$ 23,493	\$ 1,847

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

Special Revenue Funds				
	Constable		Chapter 19	
	Precinct 4 Local		Funds	HAVA Fund
	Forfeiture	Election Services		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	33,680	-	-
Intergovernmental	-	318	7,399	(1,727)
Earnings on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	33,998	7,399	(1,727)
Expenditures				
Current:				
General government	-	44,389	7,399	-
Administration of justice	124	32	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	124	44,421	7,399	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(124)	(10,423)	-	(1,727)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balances	(124)	(10,423)	-	(1,727)
Fund balances - Beginning of Year	748	13,047	-	18,776
Fund Balances - End of Year	\$ 624	\$ 2,624	\$ -	\$ 17,049

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds			
	DA Juror Donations Fund	Lake Naconiche Fund	County Court Unearned Fund	DA Federal Forfeiture
Revenues				
Taxes	\$ -	\$ 46,770	\$ -	\$ -
Fees and fines	-	66,196	-	-
Intergovernmental	-	-	-	-
Earnings on investments	-	-	-	-
Miscellaneous	-	489	-	-
Total Revenues	-	113,455	-	-
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	149	-	793	-
Highway and streets	-	-	-	-
Parks and recreation	-	109,128	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	149	109,128	793	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(149)	4,327	(793)	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balances	(149)	4,327	(793)	-
Fund balances - Beginning of Year	1,953	36,976	24,013	9,847
Fund Balances - End of Year	\$ 1,804	\$ 41,303	\$ 23,220	\$ 9,847

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

Special Revenue Funds				
	Road Damage Fund	C.A. Pretrial Intervention Fund	Civic Center	Exposition Center Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	821,746	27,650	112,517	-
Intergovernmental	-	-	7,726	193,694
Earnings on investments	49	297	-	5,177
Miscellaneous	-	-	-	553,311
Total Revenues	821,795	27,947	120,243	752,182
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	-	19,221	-	-
Highway and streets	355,962	-	-	-
Parks and recreation	-	-	205,824	723,913
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	355,962	19,221	205,824	723,913
Excess (Deficiency) of Revenues Over (Under) Expenditures	465,833	8,726	(85,581)	28,269
Other Financing Sources (Uses)				
Transfers in	-	-	87,464	-
Total Other Financing Sources (Uses)	-	-	87,464	-
Net change in fund balances	465,833	8,726	1,883	28,269
Fund balances - Beginning of Year	26,606	38,503	12,500	70,300
Fund Balances - End of Year	\$ 492,439	\$ 47,229	\$ 14,383	\$ 98,569

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds			
	Victims Coordinator Liaison Grant County Attorney	Constable Precinct 2 State Forfeiture Fund	NCSO State Forfeiture Fund	Constable Pct 4 Federal Forfeiture Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	500	-
Intergovernmental	41,929	-	-	-
Earnings on investments	-	-	17,210	-
Miscellaneous	-	-	7,095	-
Total Revenues	41,929	-	24,805	-
Expenditures				
Current:				
General government	53,544	-	-	-
Administration of justice	5,150	-	84,528	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	58,694	-	84,528	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,765)	-	(59,723)	-
Other Financing Sources (Uses)				
Transfers in	16,765	-	-	-
Total Other Financing Sources (Uses)	16,765	-	-	-
Net change in fund balances	-	-	(59,723)	-
Fund balances - Beginning of Year	-	1,105	630,818	2,882
Fund Balances - End of Year	\$ -	\$ 1,105	\$ 571,095	\$ 2,882

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

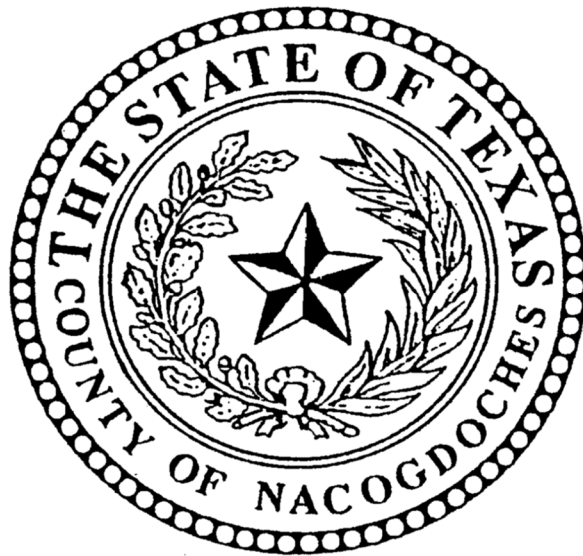
	Special Revenue Funds			
	NCSO Federal Forfeiture Fund	Constable Pct 1 Federal Forfeiture	Justice Court Building Security	County Clerk Record Management Fee Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	61,930	-	161	4,627
Intergovernmental	-	-	-	-
Earnings on investments	1,163	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	63,093	-	161	4,627
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	9,613	-	80	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	9,613	-	80	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	53,480	-	81	4,627
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balances	53,480	-	81	4,627
Fund balances - Beginning of Year	125,948	21	10,751	3,912
Fund Balances - End of Year	\$ 179,428	\$ 21	\$ 10,832	\$ 8,539

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds			
	District Clerk Record Management Fee Fund	Court Facility Fee Fund	Language Access Fund	CETRZ No. 1 Tax Increment Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	20,107	19,575	6,671	-
Intergovernmental	-	-	-	-
Earnings on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	20,107	19,575	6,671	-
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	-	-	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,107	19,575	6,671	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balances	20,107	19,575	6,671	-
Fund balances - Beginning of Year	7,350	12,632	4,340	173
Fund Balances - End of Year	\$ 27,457	\$ 32,207	\$ 11,011	\$ 173

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Capital Projects Fund- Lake	Debt Service Fund	Totals Non-Major Funds
Revenues			
Taxes	\$ -	\$ 854,789	\$ 941,642
Fees and fines	-	-	1,594,061
Intergovernmental	-	-	281,629
Earnings on investments	16,244	8,130	89,095
Miscellaneous	-	-	565,991
Total Revenues	16,244	862,919	3,472,418
Expenditures			
Current:			
General government	-	-	312,383
Administration of justice	-	-	399,102
Highway and streets	-	-	355,962
Parks and recreation	-	-	1,038,865
Debt Service:			
Principal	-	810,000	810,000
Interest and fiscal charges	-	66,014	66,014
Total Expenditures	-	876,014	2,982,326
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,244	(13,095)	490,092
Other Financing Sources (Uses)			
Transfers in	-	-	152,288
Total Other Financing Sources (Uses)	-	-	152,288
Net change in fund balances	16,244	(13,095)	642,380
Fund balances - Beginning of Year	609,348	363,721	3,616,298
Fund Balances - End of Year	\$ 625,592	\$ 350,626	\$ 4,258,678



NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY ATTORNEY FEE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 1,000	\$ 420	\$ (580)
Total Revenues	<u>1,000</u>	<u>420</u>	<u>(580)</u>
Expenditures			
Administration of Justice	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,000</u>	<u>420</u>	<u>(580)</u>
Net Changes in Fund Balances	1,000	420	(580)
Fund Balances - Beginning of Year	2,809	2,809	-
Fund Balances - End of Year	<u>\$ 3,809</u>	<u>\$ 3,229</u>	<u>\$ (580)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY LAW LIBRARY FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 20,000	\$ 34,255	\$ 14,255
Earnings on investments	900	3,869	2,969
Miscellaneous	16,224	3,846	(12,378)
Total Revenues	37,124	41,970	4,846
Expenditures			
Administration of justice	51,400	37,969	13,431
Total Expenditures	51,400	37,969	13,431
Net Changes in Fund Balances	(14,276)	4,001	18,277
Fund Balances - Beginning of Year	131,124	131,124	-
Fund Balances - End of Year	\$ 116,848	\$ 135,125	\$ 18,277

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
VETERANS MEMORIAL WALL FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 3,750	\$ 1,100	\$ (2,650)
Total Revenues	<u>3,750</u>	<u>1,100</u>	<u>(2,650)</u>
Expenditures			
General government	3,750	600	3,150
Total Expenditures	<u>3,750</u>	<u>600</u>	<u>3,150</u>
Net Changes in Fund Balances	-	500	500
Fund Balances - Beginning of Year	13,038	13,038	-
Fund Balances - End of Year	<u>\$ 13,038</u>	<u>\$ 13,538</u>	<u>\$ 500</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
NACOGDOCHES COUNTY HISTORICAL COMMISSION
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
General government	1,000	983	17
Total Expenditures	<u>1,000</u>	<u>983</u>	<u>17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,000)</u>	<u>(983)</u>	<u>17</u>
Other Financing Sources (Uses)			
Transfers in	1,000	983	(17)
Total Other Financing Sources (Uses)	<u>1,000</u>	<u>983</u>	<u>(17)</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
JURY FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	\$ 39,550	\$ 40,083	\$ 533
Fees and fines	5,000	18,498	13,498
Intergovernmental	20,000	32,290	12,290
Earnings on investments	500	2,193	1,693
Total Revenues	<u>65,050</u>	<u>93,064</u>	<u>28,014</u>
Expenditures			
Administration of Justice	85,870	69,678	16,192
Total Expenditures	<u>85,870</u>	<u>69,678</u>	<u>16,192</u>
Net Changes in Fund Balances	(20,820)	23,386	44,206
Fund Balances - Beginning of Year	86,241	86,241	-
Fund Balances - End of Year	<u>\$ 65,421</u>	<u>\$ 109,627</u>	<u>\$ 44,206</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
JUSTICE COURT TECHNOLOGY FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 6,000	\$ 11,022	\$ 5,022
Earnings on investments	-	257	257
Total Revenues	<u>6,000</u>	<u>11,279</u>	<u>5,279</u>
Expenditures			
General government	10,000	5,396	4,604
Total Expenditures	<u>10,000</u>	<u>5,396</u>	<u>4,604</u>
Net Changes in Fund Balances	(4,000)	5,883	9,883
Fund Balances - Beginning of Year	26,422	26,422	-
Fund Balances - End of Year	<u>\$ 22,422</u>	<u>\$ 32,305</u>	<u>\$ 9,883</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY AND DISTRICT COURT RECORD TECHNOLOGY
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 9,000	\$ 2,668	\$ (6,332)
Earnings on investments	-	30	30
Total Revenues	<u>9,000</u>	<u>2,698</u>	<u>(6,302)</u>
Expenditures			
General government	6,000	6,000	-
Total Expenditures	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Net Changes in Fund Balances	3,000	(3,302)	(6,302)
Fund Balances - Beginning of Year	8,415	8,415	-
Fund Balances - End of Year	<u>\$ 11,415</u>	<u>\$ 5,113</u>	<u>\$ (6,302)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DISTRICT CLERK ARCHIVE
For the Year Ended September 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Fee and fines	\$ 6,000	\$ 50	\$ (5,950)
Earnings on Investments	-	1,880	1,880
Total Revenues	<u>6,000</u>	<u>1,930</u>	<u>(4,070)</u>
Expenditures			
General government	6,000	-	6,000
Total Expenditures	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Net Changes in Fund Balances	-	1,930	1,930
Fund Balances - Beginning of Year	58,689	58,689	-
Fund Balances - End of Year	<u>\$ 58,689</u>	<u>\$ 60,619</u>	<u>\$ 1,930</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 195,000	\$ 210,388	\$ 15,388
Earnings on investments	200	23,538	23,338
Miscellaneous	-	-	-
Total Revenues	<u>195,200</u>	<u>233,926</u>	<u>38,726</u>
Expenditures			
Current:			
General government	227,740	191,901	35,839
Administration of justice	58,682	25,454	33,228
Total Expenditures	<u>286,422</u>	<u>217,355</u>	<u>69,067</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(91,222)	16,571	107,793
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers (out)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	(91,222)	16,571	107,793
Fund Balances - Beginning of Year	895,981	895,981	-
Fund Balances - End of Year	<u>\$ 804,759</u>	<u>\$ 912,552</u>	<u>\$ 107,793</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 3,600	\$ 73	\$ (3,527)
Earnings on investments	-	245	245
Total Revenues	<u>3,600</u>	<u>318</u>	<u>(3,282)</u>
Expenditures			
Administration of Justice	8,000	1,349	6,651
Total Expenditures	<u>8,000</u>	<u>1,349</u>	<u>6,651</u>
Net Changes in Fund Balances	(4,400)	(1,031)	3,369
Fund Balances - Beginning of Year	22,870	22,870	-
Fund Balances - End of Year	<u>\$ 18,470</u>	<u>\$ 21,839</u>	<u>\$ 3,369</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
RECORD MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 25,000	\$ 16,160	\$ (8,840)
Earnings on investments	50	1,542	1,492
Total Revenues	25,050	17,702	(7,348)
Expenditures			
General government	4,339	2,171	2,168
Administration of Justice	21,528	10,782	10,746
Total Expenditures	25,867	12,953	12,914
Net Changes in Fund Balances	(817)	4,749	5,566
Fund Balances - Beginning of Year	75,098	75,098	-
Fund Balances - End of Year	\$ 74,281	\$ 79,847	\$ 5,566

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COURTHOUSE SECURITY FEE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 30,000	\$ 49,558	\$ 19,558
Total Revenues	<u>30,000</u>	<u>49,558</u>	<u>19,558</u>
Expenditures			
Administration of Justice	104,896	92,635	12,261
Total Expenditures	<u>104,896</u>	<u>92,635</u>	<u>12,261</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(74,896)</u>	<u>(43,077)</u>	<u>31,819</u>
Other Financing Sources (Uses)			
Transfers in	78,896	47,076	(31,820)
Total Other Financing Sources (Uses)	<u>78,896</u>	<u>47,076</u>	<u>(31,820)</u>
Net Changes in Fund Balances	4,000	3,999	(1)
Fund Balances - Beginning of Year	15,001	15,001	-
Fund Balances - End of Year	<u>\$ 19,001</u>	<u>\$ 19,000</u>	<u>\$ (1)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LEOSE TRAINING
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 8,121	\$ 8,256	\$ 135
Total Revenues	<u>8,121</u>	<u>8,256</u>	<u>135</u>
Expenditures			
Administration of justice	35,606	7,413	28,193
Total Expenditures	<u>35,606</u>	<u>7,413</u>	<u>28,193</u>
Net Changes in Fund Balances	(27,485)	843	28,328
Fund Balances - Beginning of Year	29,611	29,611	-
Fund Balances - End of Year	<u>\$ 2,126</u>	<u>\$ 30,454</u>	<u>\$ 28,328</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
D.A. FORFEITURE FUNDS
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ -	\$ 57,253	\$ 57,253
Earnings on investments	100	7,271	7,171
Miscellaneous	-	1,250	1,250
Total Revenues	<u>100</u>	<u>65,774</u>	<u>65,674</u>
Expenditures			
Administration of Justice	73,172	34,137	39,035
Total Expenditures	<u>73,172</u>	<u>34,137</u>	<u>39,035</u>
Net Changes in Fund Balances	(73,072)	31,637	104,709
Fund Balances - Beginning of Year	208,394	208,394	-
Fund Balances - End of Year	<u>\$ 135,322</u>	<u>\$ 240,031</u>	<u>\$ 104,709</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
D.A. PRETRIAL INTERVENTION FUND
For the Year Ended September 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Fee and fines	\$ 11,300	\$ 9,000	\$ (2,300)
Total Revenues	<u>11,300</u>	<u>9,000</u>	<u>(2,300)</u>
Expenditures			
Administration of Justice	-	(5)	5
Total Expenditures	<u>-</u>	<u>(5)</u>	<u>5</u>
Net Changes in Fund Balances	11,300	9,005	(2,295)
Fund Balances - Beginning of Year	14,488	14,488	-
Fund Balances - End of Year	<u>\$ 25,788</u>	<u>\$ 23,493</u>	<u>\$ (2,295)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CONSTABLE PRECINCT 1 FORFEITURE
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of Justice	1,800	-	1,800
Total Expenditures	<u>1,800</u>	<u>-</u>	<u>1,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,800)	-	1,800
Net Changes in Fund Balances	(1,800)	-	1,800
Fund Balances - Beginning of Year	1,847	1,847	-
Fund Balances - End of Year	<u>\$ 47</u>	<u>\$ 1,847</u>	<u>\$ 1,800</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CONSTABLE PRECINCT 4 FORFEITURE
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of justice	748	124	624
Total Expenditures	<u>748</u>	<u>124</u>	<u>624</u>
Net Changes in Fund Balances	(748)	(124)	624
Fund Balances - Beginning of Year	748	748	-
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 624</u>	<u>\$ 624</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
ELECTION SERVICES
For the Year Ended September 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Fees and fines	\$ 54,202	\$ 33,680	\$ (20,522)
Intergovernmental	318	318	-
Total Revenues	<u>54,520</u>	<u>33,998</u>	<u>(20,522)</u>
Expenditures			
General government	54,146	44,389	9,757
Administration of justice	56	32	24
Total Expenditures	<u>54,202</u>	<u>44,421</u>	<u>9,781</u>
Net Changes in Fund Balances	318	(10,423)	(10,741)
Fund Balances - Beginning of Year	<u>13,047</u>	<u>13,047</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 13,365</u>	<u>\$ 2,624</u>	<u>\$ (10,741)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CHAPTER 19 FUNDS
For the Year Ended September 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Intergovernmental	\$ 17,600	\$ 7,399	\$ (10,201)
Total Revenues	<u>17,600</u>	<u>7,399</u>	<u>(10,201)</u>
Expenditures			
General government	17,600	7,399	10,201
Total Expenditures	<u>17,600</u>	<u>7,399</u>	<u>10,201</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
HAVA FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ -	\$ (1,727)	\$ (1,727)
Total Revenues	<u>-</u>	<u>(1,727)</u>	<u>(1,727)</u>
Expenditures			
General government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	(1,727)	(1,727)
Fund Balances - Beginning of Year	18,776	18,776	-
Fund Balances - End of Year	<u>\$ 18,776</u>	<u>\$ 17,049</u>	<u>\$ (1,727)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DA JUROR DONATIONS FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 400	\$ -	\$ (400)
Total Revenues	<u>400</u>	<u>-</u>	<u>(400)</u>
Expenditures			
Current:			
Administration of Justice	1,000	149	851
Total Expenditures	<u>1,000</u>	<u>149</u>	<u>851</u>
Net Changes in Fund Balances	(600)	(149)	451
Fund Balances - Beginning of Year	1,953	1,953	-
Fund Balances - End of Year	<u>\$ 1,353</u>	<u>\$ 1,804</u>	<u>\$ 451</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LAKE NACONICHE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	\$ 48,356	\$ 46,770	\$ (1,586)
Fees and Fines	53,500	66,196	12,696
Miscellaneous	300	489	189
Total Revenues	<u>102,156</u>	<u>113,455</u>	<u>11,299</u>
Expenditures			
Parks and Recreation	109,715	109,128	587
Total Expenditures	<u>109,715</u>	<u>109,128</u>	<u>587</u>
Net Changes in Fund Balances	(7,559)	4,327	11,886
Fund Balances - Beginning of Year	<u>36,976</u>	<u>36,976</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 29,417</u>	<u>\$ 41,303</u>	<u>\$ 11,886</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY COURT UNEARNED FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of Justice	-	793	(793)
Total Expenditures	<u>-</u>	<u>793</u>	<u>(793)</u>
Net Changes in Fund Balances	-	(793)	(793)
Fund Balances - Beginning of Year	24,013	24,013	-
Fund Balances - End of Year	<u>\$ 24,013</u>	<u>\$ 23,220</u>	<u>\$ (793)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DA FEDERAL FORFEITURE
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fee and fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of Justice	6,000	-	6,000
Total Expenditures	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Net Changes in Fund Balances	(6,000)	-	6,000
Fund Balances - Beginning of Year	9,847	9,847	-
Fund Balances - End of Year	<u>\$ 3,847</u>	<u>\$ 9,847</u>	<u>\$ 6,000</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
ROAD DAMAGE FUND
For the Year Ended September 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Charges for Services	\$ 818,151	\$ 821,746	\$ 3,595
Earnings on investments	-	49	49
Total Revenues	<u>818,151</u>	<u>821,795</u>	<u>3,644</u>
Expenditures			
Highway and streets	818,151	355,962	462,189
Total Expenditures	<u>818,151</u>	<u>355,962</u>	<u>462,189</u>
Net Changes in Fund Balances	-	465,833	465,833
Fund Balances - Beginning of Year	26,606	26,606	-
Fund Balances - End of Year	<u>\$ 26,606</u>	<u>\$ 492,439</u>	<u>\$ 465,833</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
C.A. PRETRIAL INTERVENTION FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and Fines	\$ 20,000	\$ 27,650	\$ 7,650
Earnings on Investments	-	297	297
Total Revenues	<u>20,000</u>	<u>27,947</u>	<u>7,947</u>
Expenditures			
Administration of Justice	19,424	19,221	203
Total Expenditures	<u>19,424</u>	<u>19,221</u>	<u>203</u>
Net Changes in Fund Balances	576	8,726	8,150
Fund Balances - Beginning of Year	<u>38,503</u>	<u>38,503</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 39,079</u>	<u>\$ 47,229</u>	<u>\$ 8,150</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CIVIC CENTER
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and Fines	\$ 84,750	\$ 112,517	\$ 27,767
Intergovernmental	7,726	7,726	-
Total Revenues	<u>92,476</u>	<u>120,243</u>	<u>27,767</u>
Expenditures			
Parks and Recreation	211,343	205,824	5,519
Total Expenditures	<u>211,343</u>	<u>205,824</u>	<u>5,519</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(118,867)</u>	<u>(85,581)</u>	<u>33,286</u>
Other Financing Sources (Uses)			
Transfers in	126,593	87,464	(39,129)
Total Other Financing Sources (Uses)	<u>126,593</u>	<u>87,464</u>	<u>(39,129)</u>
Net Changes in Fund Balances	7,726	1,883	(5,843)
Fund Balances - Beginning of Year	12,500	12,500	-
Fund Balances - End of Year	<u>\$ 20,226</u>	<u>\$ 14,383</u>	<u>\$ (5,843)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
EXPOSITION CENTER FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 195,105	\$ 193,694	\$ (1,411)
Earnings on investments	100	5,177	5,077
Events and Miscellaneous	489,700	553,311	63,611
Total Revenues	684,905	752,182	67,277
Expenditures			
Parks and recreation-Exposition	823,546	723,913	99,633
Total Expenditures	823,546	723,913	99,633
Excess (Deficiency) of Revenues Over (Under) Expenditures	(138,641)	28,269	166,910
Other Financing Sources (Uses)			
Transfers in	138,746	-	(138,746)
Total Other Financing Sources (Uses)	138,746	-	(138,746)
Net Changes in Fund Balances	105	28,269	28,164
Fund Balances - Beginning of Year	70,300	70,300	-
Fund Balances - End of Year	\$ 70,405	\$ 98,569	\$ 28,164

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
VICTIMS COORDINATOR LIAISON GRANT COUNTY ATTORNEY
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 42,000	\$ 41,929	\$ (71)
Total Revenues	<u>42,000</u>	<u>41,929</u>	<u>(71)</u>
Expenditures			
General Government	53,707	53,544	163
Administration of Justice	5,202	5,150	52
Total Expenditures	<u>58,909</u>	<u>58,694</u>	<u>215</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(16,909)</u>	<u>(16,765)</u>	<u>144</u>
Other Financing Sources (Uses)			
Transfers in	16,909	16,765	(144)
Total Other Financing Sources (Uses)	<u>16,909</u>	<u>16,765</u>	<u>(144)</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CONSTABLE PRECINCT 2 STATE FORFEITURE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and Fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
General Administration	200	-	200
Administration of Justice	900	-	900
Total Expenditures	<u>1,100</u>	<u>-</u>	<u>1,100</u>
Net Changes in Fund Balances	(1,100)	-	1,100
Fund Balances - Beginning of Year	<u>1,105</u>	<u>1,105</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 5</u>	<u>\$ 1,105</u>	<u>\$ 1,100</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
NCSO STATE FORFEITURE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and Fines	\$ 500	\$ 500	\$ -
Earnings on investments	100	17,210	17,110
Miscellaneous	-	7,095	7,095
Total Revenues	600	24,805	24,205
Expenditures			
Administration of Justice	153,331	84,528	68,803
Total Expenditures	153,331	84,528	68,803
Net Changes in Fund Balances	(152,731)	(59,723)	93,008
Fund Balances - Beginning of Year	630,818	630,818	-
Fund Balances - End of Year	\$ 478,087	\$ 571,095	\$ 93,008

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CONSTABLE PCT 4 FEDERAL FORFEITURE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of Justice	1,355	-	1,355
Total Expenditures	<u>1,355</u>	<u>-</u>	<u>1,355</u>
Net Changes in Fund Balances	(1,355)	-	1,355
Fund Balances - Beginning of Year	2,882	2,882	-
Fund Balances - End of Year	<u>\$ 1,527</u>	<u>\$ 2,882</u>	<u>\$ 1,355</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
NCSO FEDERAL FORFEITURE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and Fines	\$ -	\$ 61,930	\$ 61,930
Earnings on investments	100	1,163	1,063
Total Revenues	100	63,093	62,993
Expenditures			
Administration of Justice	70,879	9,613	61,266
Total Expenditures	70,879	9,613	61,266
Net Changes in Fund Balances	(70,779)	53,480	124,259
Fund Balances - Beginning of Year	125,948	125,948	-
Fund Balances - End of Year	\$ 55,169	\$ 179,428	\$ 124,259

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CONSTABLE PCT 1 FEDERAL FORFEITURE
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Administration of Justice	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	21	21	-
Fund Balances - End of Year	<u>\$ 21</u>	<u>\$ 21</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
JUSTICE COURT BUILDING SECURITY
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and Fines	\$ 3,000	\$ 161	\$ (2,839)
Total Revenues	<u>3,000</u>	<u>161</u>	<u>(2,839)</u>
Expenditures			
Public Safety	3,700	80	3,620
Total Expenditures	<u>3,700</u>	<u>80</u>	<u>3,620</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(700)</u>	<u>81</u>	<u>781</u>
Net Changes in Fund Balances	(700)	81	781
Fund Balances - Beginning of Year	<u>10,751</u>	<u>10,751</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 10,051</u></u>	<u><u>\$ 10,832</u></u>	<u><u>\$ 781</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY CLERK RECORD MANAGEMENT FEE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ -	\$ 4,627	\$ 4,627
Total Revenues	<u>-</u>	<u>4,627</u>	<u>4,627</u>
Expenditures			
General government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	4,627	4,627
Fund Balances - Beginning of Year	3,912	3,912	-
Fund Balances - End of Year	<u>\$ 3,912</u>	<u>\$ 8,539</u>	<u>\$ 4,627</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
DISTRICT CLERK RECORD MANAGEMENT FEE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ 5,500	\$ 20,107	\$ 14,607
Total Revenues	<u>5,500</u>	<u>20,107</u>	<u>14,607</u>
Expenditures			
General government	5,500	-	5,500
Total Expenditures	<u>5,500</u>	<u>-</u>	<u>5,500</u>
Net Changes in Fund Balances	-	20,107	20,107
Fund Balances - Beginning of Year	<u>7,350</u>	<u>7,350</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 7,350</u>	<u>\$ 27,457</u>	<u>\$ 20,107</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COURT FACILITY FEE FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ -	\$ 19,575	\$ 19,575
Total Revenues	<u>-</u>	<u>19,575</u>	<u>19,575</u>
Expenditures			
General government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	19,575	19,575
Fund Balances - Beginning of Year	12,632	12,632	-
Fund Balances - End of Year	<u>\$ 12,632</u>	<u>\$ 32,207</u>	<u>\$ 19,575</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LANGUAGE ACCESS FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fees and fines	\$ -	\$ 6,671	\$ 6,671
Total Revenues	<u>-</u>	<u>6,671</u>	<u>6,671</u>
Expenditures			
General government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	6,671	6,671
Fund Balances - Beginning of Year	<u>4,340</u>	<u>4,340</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 4,340</u>	<u>\$ 11,011</u>	<u>\$ 6,671</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CERTZ NO. 1 TAX INCREMENT FUND
For the Year Ended September 30, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 14	\$ -	\$ (14)
Total Revenues	<u>14</u>	<u>-</u>	<u>(14)</u>
Expenditures			
General Government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	14	-	(14)
Fund Balances - Beginning of Year	173	173	-
Fund Balances - End of Year	<u>\$ 187</u>	<u>\$ 173</u>	<u>\$ (14)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CAPITAL PROJECTS FUND - LAKE
For the Year Ended September 30, 2023

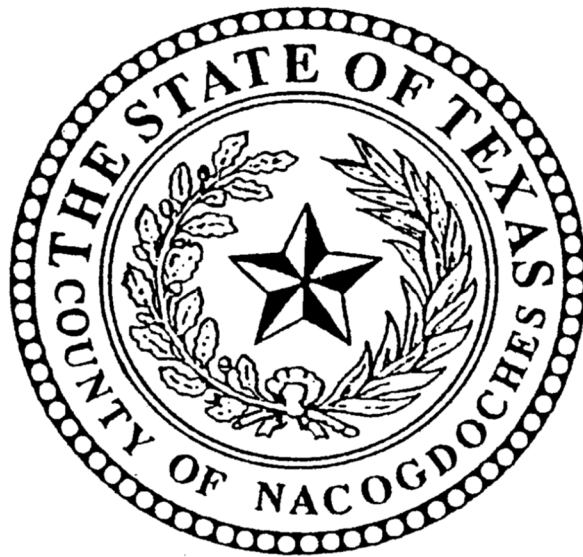
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Intergovernmental	\$ 54,400	\$ -	\$ (54,400)
Earnings on Investments	1,000	16,244	15,244
Total Revenues	<u>55,400</u>	<u>16,244</u>	<u>(39,156)</u>
Expenditures			
Capital Outlay	277,605	-	277,605
Total Expenditures	<u>277,605</u>	<u>-</u>	<u>277,605</u>
Net Changes in Fund Balances	(222,205)	16,244	238,449
Fund Balances - Beginning of Year	609,348	609,348	-
Fund Balances - End of Year	<u>\$ 387,143</u>	<u>\$ 625,592</u>	<u>\$ 238,449</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PERMANENT IMPROVEMENT FUND
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Miscellaneous	\$ 1,000	\$ 1,000	\$ 198,745	\$ 197,745
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>198,745</u>	<u>197,745</u>
Expenditures				
Capital Outlay	1,056,600	1,156,600	462,103	694,497
Total Expenditures	<u>1,056,600</u>	<u>1,156,600</u>	<u>462,103</u>	<u>694,497</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,055,600)</u>	<u>(1,155,600)</u>	<u>(263,358)</u>	<u>892,242</u>
Other Financing Sources (Uses)				
Transfers in	2,451,646	2,451,646	2,445,046	(6,600)
Total Other Financing Sources (Uses)	<u>2,451,646</u>	<u>2,451,646</u>	<u>2,445,046</u>	<u>(6,600)</u>
Net Changes in Fund Balances	1,396,046	1,296,046	2,181,688	885,642
Fund Balances - Beginning of Year	7,531,399	7,531,399	7,531,399	-
Fund Balances - End of Year	<u>\$ 8,927,445</u>	<u>\$ 8,827,445</u>	<u>\$ 9,713,087</u>	<u>\$ 885,642</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Property Taxes	\$ 850,358	\$ 854,789	\$ 4,431
Earnings on investments	1,320	8,130	6,810
Total Revenues	<u>851,678</u>	<u>862,919</u>	<u>11,241</u>
Expenditures			
Debt Service:			
Principal	810,000	810,000	-
Interest	66,612	66,014	598
Total Expenditures	<u>876,612</u>	<u>876,014</u>	<u>598</u>
Net Changes in Fund Balances	(24,934)	(13,095)	11,839
Fund Balances - Beginning of Year	<u>363,721</u>	<u>363,721</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 338,787</u>	<u>\$ 350,626</u>	<u>\$ 11,839</u>



NACOGDOCHES COUNTY, TEXAS
CUSTODIAL FUND DESCRIPTIONS

Custodial Funds

State Agency

This fund is used to account for the receipt and remittance of fees and court costs collected by the County that are solely due to the State.

Cash Bond

This fund is used to account for the deposits from individuals for cash bonds and deposits from bail bondsmen for surety.

Tax Assessor

This fund is used to account for vehicle inventory tax (VIT) collected from new and used auto dealerships and remitted to the State Comptroller's Office.

District Clerk Trust

This fund is used to account for the receipt and disbursement of funds placed in the trust account under orders of the District Courts.

Sheriff

This fund is used to account for the receipt and disbursement of funds received by the Nacogdoches County Sheriff's Office and held for: inmates trust accounts, inmate commissary activities and money seized under Code of Criminal Procedure Chapter 59 pending a judgment from the District Courts.

District Attorney Seizure

This fund is used to account for money seized under Code of Criminal Procedure Chapter 59 pending a judgment from the District Courts.

County Attorney Restitution

This fund is used to account for hot check restitution payments collected by the County Attorney. Restitution is held for and remitted to merchants.

County Clerk Trust

This fund is used to account for the receipt and disbursement of funds placed in the trust account under orders of the County Court at Law.

Juvenile Probation Restitution

This fund is used to account for the receipt and disbursement of funds from Nacogdoches County Juvenile Probation Department clients ordered by courts to make victim restitution payments and also Unclaimed Juvenile Probation Restitution under Texas Family Code Chapter 54.

District Probation Restitution

This fund is used to account for the receipt and disbursement of funds from Nacogdoches County Community Supervision and Corrections Department (CSCD) clients ordered by courts to make victim restitution payments.

Basic Supervision Fund

This fund is used to account for revenues received from the Texas Department of Criminal Justice-Criminal Justice Assistance Division (TDCJ-CJAD), as well as probation fees collected by the Community Supervision & Corrections Department (CSCD), for adult probation supervision services.

Special Services Fund

This fund is used to account for payments received from the Texas Department of Criminal Justice – Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department (CSCD) for adult probation substance abuse and other special services.

NACOGDOCHES COUNTY, TEXAS
CUSTODIAL FUND DESCRIPTIONS (continued)

Custodial Funds (continued)

Sex Offender Caseload Fund

This fund is used to account for payments received from the Texas Department of Criminal Justice – Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department (CSCD) Sex Offender Caseload Diversion Program.

Community Service Restitution Fund

This fund is used to account for payments received from the Texas Department of Criminal Justice – Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department (CSCD) community service restitution work program.

Mentally Impaired Caseload Grant Fund

This fund is used to account for payments received from the Texas Department of Criminal Justice – Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department (CSCD) mentally impaired specialized caseload diversion program.

Pretrial Diversion Program Grant Fund

This fund is used to account for payments received from the Texas Department of Criminal Justice – Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department (CSCD) pretrial diversion program.

Local Juvenile Probation Funds

This fund is used to account for the receipt and disbursement of probation fees received from juvenile offenders. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

Title IV-E Funds Foster Care

This fund is used to account for federal funds received for eligible juvenile probation children for the Title IV-E program and to be used for juvenile probation services.

Title IV-E Enhanced Claims

This fund is used to account for federal funds received for eligible juvenile probation children and for administrative costs related to administering the Title IV-E program and to be used for juvenile probation services.

TJJD State Aid Fund

This fund is used to account for the receipt and disbursement of State Aid funds from the Texas Juvenile Justice Department. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

TJJD Community Programs Fund

This fund is used to account for the receipt and disbursement of Community Programs funds from the Texas Juvenile Justice Department. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

TJJD Grant R Fund

This fund is used to account for the receipt and disbursement of funds from the Texas Juvenile Justice Department. Funds are used for juvenile residential placements.

NACOGDOCHES COUNTY, TEXAS
CUSTODIAL FUND DESCRIPTIONS (continued)

Custodial Funds (continued)

TJJD Regionalization

This fund is used to account for the receipt and disbursement of Regionalization funds from the Texas Juvenile Justice Department. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

TJJD Interest Fund

This fund is used to account for the receipt and disbursement of interest earned on idle grant funds. These funds are used for juvenile probation services.

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	<u>State Agency</u>	<u>Cash Bond</u>	<u>Tax Assessor</u>	<u>District Clerk Trust</u>
Assets				
Cash and cash equivalents	\$ 398,841	\$ 201,427	\$ 311,393	\$ 2,613,585
Total Assets	<u>\$ 398,841</u>	<u>\$ 201,427</u>	<u>\$ 311,393</u>	<u>\$ 2,613,585</u>
Liabilities				
Accounts Payable	\$ 375,598	\$ -	\$ -	\$ -
Held for others	-	-	-	-
Due to other governments	-	-	-	-
Interest Payable	-	7,319	-	-
Total Liabilities	<u>375,598</u>	<u>7,319</u>	<u>-</u>	<u>-</u>
Net Position				
Individuals, organizations, and other governments	23,243	194,108	311,393	2,613,585
Total Net Position	<u>\$ 23,243</u>	<u>\$ 194,108</u>	<u>\$ 311,393</u>	<u>\$ 2,613,585</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	<u>Sheriff</u>	<u>District Attorney Seizure</u>	<u>County Attorney Restitution</u>	<u>County Clerk Trust</u>
Assets				
Cash and cash equivalents	\$ 891,961	\$ 209,406	\$ 85	\$ 539,120
Total Assets	<u>\$ 891,961</u>	<u>\$ 209,406</u>	<u>\$ 85</u>	<u>\$ 539,120</u>
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Held for others	-	-	-	-
Due to other governments	-	-	-	-
Interest Payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Individuals, organizations, and other governments	891,961	209,406	85	539,120
Total Net Position	<u>\$ 891,961</u>	<u>\$ 209,406</u>	<u>\$ 85</u>	<u>\$ 539,120</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	Juvenile Probation Restitution	District Probation Restitution	Basic Supervision	Special Services
Assets				
Cash and cash equivalents	\$ 4,937	\$ 100	\$ 701,589	\$ 13,630
Total Assets	\$ 4,937	\$ 100	\$ 701,589	\$ 13,630
Liabilities				
Accounts Payable	\$ -	\$ -	\$ 24,511	\$ 714
Held for others	-	100	4,050	-
Due to other governments	-	-	-	-
Interest Payable	-	-	-	-
Total Liabilities	-	100	28,561	714
Net Position				
Individuals, organizations, and other governments	4,937	-	673,028	12,916
Total Net Position	\$ 4,937	\$ -	\$ 673,028	\$ 12,916

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	Sex Offender Caseload	Community Service Restitution	Mentally Impaired Caseload	Pretrial Diversion Program
Assets				
Cash and cash equivalents	\$ 17,225	\$ 28,803	\$ 23,572	\$ 15,001
Total Assets	\$ 17,225	\$ 28,803	\$ 23,572	\$ 15,001
Liabilities				
Accounts Payable	\$ 787	\$ -	\$ 581	\$ 508
Held for others	-	-	-	-
Due to other governments	685	15,087	11,308	7,057
Interest Payable	-	-	-	-
Total Liabilities	1,472	15,087	11,889	7,565
Net Position				
Individuals, organizations, and other governments	15,753	13,716	11,683	7,436
Total Net Position	\$ 15,753	\$ 13,716	\$ 11,683	\$ 7,436

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	Local Juvenile Probation	Title IV-E Funds Foster Care	Title IV-E Enhanced Claims	TJJD State Aid
Assets				
Cash and cash equivalents	\$ 46,946	\$ 37,240	\$ 261,744	\$ 11,638
Total Assets	\$ 46,946	\$ 37,240	\$ 261,744	\$ 11,638
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ 11,638
Held for others	-	-	-	-
Due to other governments	-	-	-	-
Interest Payable	-	-	-	-
Total Liabilities	-	-	-	11,638
Net Position				
Individuals, organizations, and other governments	46,946	37,240	261,744	-
Total Net Position	\$ 46,946	\$ 37,240	\$ 261,744	\$ -

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	TJJD Community Programs	TJJD Grant R	TJJD Regionalization
Assets			
Cash and cash equivalents	\$ -	\$ 37,330	\$ -
Total Assets	\$ -	\$ 37,330	\$ -
Liabilities			
Accounts Payable	\$ -	\$ 37,330	\$ -
Held for others	-	-	-
Due to other governments	-	-	-
Interest Payable	-	-	-
Total Liabilities	-	37,330	-
Net Position			
Individuals, organizations, and other governments	-	-	-
Total Net Position	\$ -	\$ -	\$ -

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	TJJD Interest	
	Fund	Totals
Assets		
Cash and cash equivalents	\$ 1,594	\$ 6,367,167
Total Assets	<u>\$ 1,594</u>	<u>\$ 6,367,167</u>
Liabilities		
Accounts Payable	\$ -	\$ 451,667
Held for others	-	4,150
Due to other governments	-	34,137
Interest Payable	-	7,319
Total Liabilities	<u>-</u>	<u>497,273</u>
Net Position		
Individuals, organizations, and other governments	1,594	5,869,894
Total Net Position	<u>\$ 1,594</u>	<u>\$ 5,869,894</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	<u>State Agency</u>	<u>Cash Bond</u>	<u>Tax Assessor</u>	<u>District Clerk Trust</u>
Additions				
Collections for the state	\$ 15,223,595	\$ -	\$ -	\$ -
Held for others	-	10,485	-	759,408
Tax collections for other governments	-	-	458,627	-
Total Additions	<u>15,223,595</u>	<u>10,485</u>	<u>458,627</u>	<u>759,408</u>
Deductions				
Payments to the state	15,238,445	-	-	-
Payments to individuals	-	4,537	-	264,274
Payments to other governments	-	-	470,505	-
Total Deductions	<u>15,238,445</u>	<u>4,537</u>	<u>470,505</u>	<u>264,274</u>
Net increase (decrease) in fiduciary net position	(14,850)	5,948	(11,878)	495,134
Net Position - Beginning	<u>38,093</u>	<u>188,160</u>	<u>323,271</u>	<u>2,118,451</u>
Net Position - Ending	<u>\$ 23,243</u>	<u>\$ 194,108</u>	<u>\$ 311,393</u>	<u>\$ 2,613,585</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	<u>Sheriff</u>	<u>District Attorney Seizure</u>	<u>County Attorney Restitution</u>	<u>County Clerk Trust</u>
Additions				
Collections for the state	\$ -	\$ -	\$ -	\$ -
Held for others	1,682,263	233,468	5,878	176,239
Tax collections for other governments	-	-	-	-
Total Additions	<u>1,682,263</u>	<u>233,468</u>	<u>5,878</u>	<u>176,239</u>
Deductions				
Payments to the state	-	-	-	-
Payments to individuals	1,396,423	365,542	5,803	133,265
Payments to other governments	-	-	-	-
Total Deductions	<u>1,396,423</u>	<u>365,542</u>	<u>5,803</u>	<u>133,265</u>
Net increase (decrease) in fiduciary net position	285,840	(132,074)	75	42,974
Net Position - Beginning	606,121	341,480	10	496,146
Net Position - Ending	<u>\$ 891,961</u>	<u>\$ 209,406</u>	<u>\$ 85</u>	<u>\$ 539,120</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	Juvenile Probation Restitution	District Probation Restitution	Basic Supervision	Special Services
Additions				
Collections for the state	\$ -	\$ -	\$ -	\$ -
Held for others	4,196	159,701	987,634	58,624
Tax collections for other governments	-	-	-	-
Total Additions	4,196	159,701	987,634	58,624
Deductions				
Payments to the state	-	-	-	-
Payments to individuals	4,196	159,701	1,082,873	56,865
Payments to other governments	-	-	-	-
Total Deductions	4,196	159,701	1,082,873	56,865
Net increase (decrease) in fiduciary net position	-	-	(95,239)	1,759
Net Position - Beginning	4,937	-	768,267	11,157
Net Position - Ending	\$ 4,937	\$ -	\$ 673,028	\$ 12,916

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	Sex Offender Caseload	Community Service Restitution	Mentally Impaired Caseload	Pretrial Diversion Program
Additions				
Collections for the state	\$ -	\$ -	\$ -	\$ -
Held for others	84,649	41,382	43,692	35,398
Tax collections for other governments	-	-	-	-
Total Additions	84,649	41,382	43,692	35,398
Deductions				
Payments to the state	-	-	-	-
Payments to individuals	86,063	40,840	46,078	36,606
Payments to other governments	-	-	-	-
Total Deductions	86,063	40,840	46,078	36,606
Net increase (decrease) in fiduciary net position	(1,414)	542	(2,386)	(1,208)
Net Position - Beginning	17,167	13,174	14,069	8,644
Net Position - Ending	\$ 15,753	\$ 13,716	\$ 11,683	\$ 7,436

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

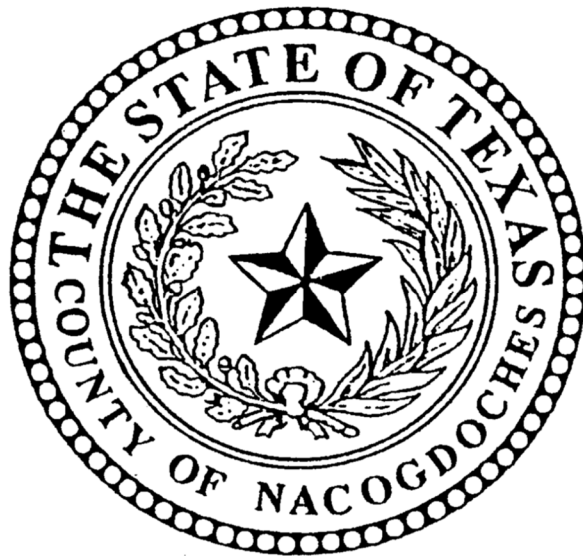
	<u>Local Juvenile Probation</u>	<u>Title IV-E Funds Foster Care</u>	<u>Title IV-E Enhanced Claims</u>	<u>TJJJ State Aid</u>
Additions				
Collections for the state	\$ -	\$ -	\$ -	\$ -
Held for others	2,255	1,179	5,738	464,476
Tax collections for other governments	-	-	-	-
Total Additions	<u>2,255</u>	<u>1,179</u>	<u>5,738</u>	<u>464,476</u>
Deductions				
Payments to the state	-	-	-	-
Payments to individuals	432	-	-	464,476
Payments to other governments	-	-	-	-
Total Deductions	<u>432</u>	<u>-</u>	<u>-</u>	<u>464,476</u>
Net increase (decrease) in fiduciary net position	1,823	1,179	5,738	-
Net Position - Beginning	45,123	36,061	256,006	-
Net Position - Ending	<u>\$ 46,946</u>	<u>\$ 37,240</u>	<u>\$ 261,744</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	<u>TJJD Community Programs</u>	<u>TJJD Grant R</u>	<u>TJJD Regionalization</u>
Additions			
Collections for the state	\$ -	\$ -	\$ -
Held for others	11,000	235,618	3,353
Tax collections for other governments	-	-	-
Total Additions	<u>11,000</u>	<u>235,618</u>	<u>3,353</u>
Deductions			
Payments to the state	-	-	-
Payments to individuals	11,000	235,618	3,353
Payments to other governments	-	-	-
Total Deductions	<u>11,000</u>	<u>235,618</u>	<u>3,353</u>
Net increase (decrease) in fiduciary net position	-	-	-
Net Position - Beginning	-	-	-
Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023

	TJJD Interest	
	Fund	Totals
	<hr/>	<hr/>
Additions		
Collections for the state	\$ -	\$ 15,223,595
Held for others	172	5,006,808
Tax collections for other governments	-	458,627
Total Additions	<hr/> 172	<hr/> 20,689,030
Deductions		
Payments to the state	-	15,238,445
Payments to individuals	-	4,397,945
Payments to other governments	-	470,505
Total Deductions	<hr/> -	<hr/> 20,106,895
 Net increase (decrease) in fiduciary net position	 172	 582,135
 Net Position - Beginning	 1,422	 5,287,759
Net Position - Ending	<hr/> \$ 1,594	<hr/> \$ 5,869,894



UNAUDITED STATISTICAL SECTION

This part of the County's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	160
Revenue Capacity <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	171
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	176
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	180
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	183

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

NACOGDOCHES COUNTY, TEXAS
NET POSITION BY COMPONENT-
ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 1
Page 1 of 2

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities:					
Investment in capital assets	\$ 36,277,431	\$ 38,323,189	\$ 36,721,196	\$ 37,306,367	\$ 38,489,339
Restricted	3,084,760	2,892,774	4,720,640	4,020,899	3,922,371
Unrestricted	4,306,614	3,800,659	2,640,597	3,475,939	3,675,206
Total Governmental					
Activities Net Position	<u>\$ 43,668,805</u>	<u>\$ 45,016,622</u>	<u>\$ 44,082,433</u>	<u>\$ 44,803,205</u>	<u>\$ 46,086,916</u>

Note: The balances are entirely comprised of governmental activities. Therefore, no primary government totals have been displayed.

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
NET POSITION BY COMPONENT-
ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 1
Page 2 of 2

	<u>2019</u>	<u>2020</u>	<u>2021 as restated</u>	<u>2022</u>	<u>2023</u>
Governmental Activities:					
Investment in capital assets	\$ 41,049,278	\$ 42,287,408	\$ 42,974,765	\$ 40,718,861	\$ 41,088,102
Restricted	4,792,259	5,233,198	4,814,703	4,176,436	4,805,955
Unrestricted	2,919,266	3,825,347	6,025,926	11,815,539	13,853,129
Total Governmental Activities Net Position	<u>\$ 48,760,803</u>	<u>\$ 51,345,953</u>	<u>\$ 53,815,394</u>	<u>\$ 56,710,836</u>	<u>\$ 59,747,186</u>

Note: The balances are entirely comprised of governmental activities. Therefore, no primary government totals have been displayed.

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN NET POSITION – ACCRUAL
BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 2
Page 1 of 4

	2014	2015	2016	2017	2018
Expenses					
Governmental Activities:					
General administration	\$ 5,156,024	\$ 3,351,072	\$ 5,291,325	\$ 5,237,319	\$ 4,730,562
Judicial and law enforcement	10,258,897	10,336,758	11,187,905	11,687,652	11,480,216
Highways and streets	2,505,187	4,032,045	4,233,633	4,061,703	4,898,787
Health and welfare	1,883,236	2,574,242	1,051,784	1,023,558	1,023,306
Culture and recreation	1,269,430	1,233,468	1,239,338	1,227,346	1,041,076
Interest on long-term debt	448,224	393,734	378,988	356,200	291,681
Total Primary Government Expenses	\$ 21,520,998	\$ 21,921,319	\$ 23,382,973	\$ 23,593,778	\$ 23,465,628
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	291,839	408,795	494,374	399,068	394,781
Judicial and law enforcement	3,082,801	2,974,002	2,708,756	2,672,948	2,656,229
Highways and streets	1,057,918	1,020,404	998,184	1,084,315	1,147,223
Health and welfare	234,320	-	-	-	-
Culture and recreation	627,094	599,927	667,357	638,503	609,719
Operating Grants and Contributions	776,462	588,728	726,182	550,294	598,291
Capital Grants and Contributions	1,008,896	1,669,176	284,600	25,710	-
Total Governmental Activities					
Program Revenues	\$ 7,079,330	\$ 7,261,032	\$ 5,879,453	\$ 5,370,838	\$ 5,406,243

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN NET POSITION – ACCRUAL
BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 2
Page 2 of 4

	2019	2020	2021	2022	2023
Expenses					
Governmental Activities:					
General administration	\$ 5,436,919	\$ 5,424,988	\$ 5,717,168	\$ 5,867,967	\$ 5,876,854
Judicial and law enforcement	11,854,993	11,651,857	11,169,367	10,921,585	13,753,609
Highways and streets	4,384,733	4,301,548	4,195,351	6,222,515	5,053,989
Health and welfare	1,022,753	1,496,339	2,124,343	932,459	992,992
Culture and recreation	1,220,410	1,047,507	1,056,515	1,269,706	1,393,542
Interest on long-term debt	243,160	277,927	181,225	147,396	117,355
Total Primary Government Expenses	\$ 24,162,968	\$ 24,200,166	\$ 24,443,969	\$ 25,361,628	\$ 27,188,341
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	441,259	653,404	548,289	613,713	586,475
Judicial and law enforcement	3,676,760	2,301,688	2,371,069	2,783,794	2,765,566
Highways and streets	1,254,858	1,229,754	1,012,616	1,756,049	1,836,497
Health and welfare	-	-	-	-	-
Culture and recreation	609,987	410,707	399,682	725,467	768,027
Operating Grants and Contributions	551,226	1,355,951	1,838,111	358,308	408,580
Capital Grants and Contributions	-	624,830	141,305	18,387	78,071
Total Governmental Activities					
Program Revenues	\$ 6,534,090	\$ 6,576,334	\$ 6,311,072	\$ 6,255,718	\$ 6,443,216

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN NET POSITION – ACCRUAL
BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 2
Page 3 of 4

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (Expense)/Revenue					
Governmental Activities	\$ (14,441,668)	\$ (14,660,287)	\$ (17,503,520)	\$ (18,222,940)	\$ (18,059,385)
General Revenues and Other					
Changes in Net Position					
Governmental Activities:					
Taxes:					
Property taxes	15,245,797	15,891,594	17,580,862	18,207,931	18,371,660
Sales and use taxes	584,436	654,769	631,298	613,763	666,299
Earnings on investments	41,158	42,764	49,448	59,282	167,669
Gain (Loss) on sale of capital assets	391,238	265,296	(2,324,843)	-	-
Grants and Contributions not restricted to specific programs	-	-	-	9,847	-
Miscellaneous	25,024	22,538	632,566	52,889	137,468
Total Governmental Activities	<u>16,287,653</u>	<u>16,876,961</u>	<u>16,569,331</u>	<u>18,943,712</u>	<u>19,343,096</u>
Change in Net Position					
Governmental Activities	<u>\$ 1,845,985</u>	<u>\$ 2,216,674</u>	<u>\$ (934,189)</u>	<u>\$ 720,772</u>	<u>\$ 1,283,711</u>

Note: The County Activity is entirely comprised of governmental activity. Therefore, no primary government totals have been displayed.

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN NET POSITION – ACCRUAL
BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 2
Page 4 of 4

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Net (Expense)/Revenue					
Governmental Activities	\$ (17,628,878)	\$ (17,623,832)	\$ (18,132,897)	\$ (19,105,910)	\$ (20,745,125)
General Revenues and Other					
Changes in Net Position					
Governmental Activities:					
Taxes:					
Property taxes	18,849,882	19,697,675	20,105,344	20,875,933	21,488,749
Sales and use taxes	665,366	639,367	671,837	777,666	754,118
Earnings on investments	372,062	193,742	139,048	152,153	1,198,286
Gain (Loss) on sale of capital assets	-	-	-	-	-
Grants and Contributions not restricted to specific programs	-	-	-	-	-
Miscellaneous	415,455	171,628	68,168	195,600	340,322
Total Governmental Activities	<u>20,302,765</u>	<u>20,702,412</u>	<u>20,984,397</u>	<u>22,001,352</u>	<u>23,781,475</u>
Change in Net Position					
Governmental Activities	<u>\$ 2,673,887</u>	<u>\$ 3,078,580</u>	<u>\$ 2,851,500</u>	<u>\$ 2,895,442</u>	<u>\$ 3,036,350</u>

Note: The County Activity is entirely comprised of governmental activity. Therefore, no primary government totals have been displayed.

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
FUND BALANCE OF GOVERNMENTAL FUNDS –
MODIFIED ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 3
Page 1 of 2

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund					
Nonspendable	\$ 239,126	\$ 300,174	\$ 305,008	\$ 261,977	\$ 176,354
Unassigned	3,831,274	4,445,577	4,397,439	5,818,373	6,307,036
Total General Fund	<u>4,070,400</u>	<u>4,745,751</u>	<u>4,702,447</u>	<u>6,080,350</u>	<u>6,483,390</u>
All Other Governmental Funds					
Nonspendable	49,346	38,020	46,404	49,703	69,071
Restricted	3,015,073	2,815,837	4,680,634	4,021,150	3,898,659
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(12,777)	(19,191)	(21,411)	(23,381)	(31,721)
Total All other Governmental Funds	<u>3,051,642</u>	<u>2,834,666</u>	<u>4,705,627</u>	<u>4,047,472</u>	<u>3,936,009</u>
Total Fund Balance all Funds	<u>\$ 7,122,042</u>	<u>\$ 7,580,417</u>	<u>\$ 9,408,074</u>	<u>\$ 10,127,822</u>	<u>\$ 10,419,399</u>

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
FUND BALANCE OF GOVERNMENTAL FUNDS –
MODIFIED ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 3
Page 2 of 2

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund					
Nonspendable	\$ 149,293	\$ 322,572	\$ 345,093	\$ 323,963	\$ 368,290
Unassigned	5,810,889	6,220,526	8,898,710	6,897,633	6,063,596
Total General Fund	<u>5,960,182</u>	<u>6,543,098</u>	<u>9,243,803</u>	<u>7,221,596</u>	<u>6,431,886</u>
All Other Governmental Funds					
Nonspendable	66,519	14,309	27,388	88,370	94,964
Restricted	6,844,895	9,148,727	8,978,204	4,910,837	5,291,165
Committed	-	-	-	-	9,713,087
Assigned	-	25,000	25,000	6,826,705	45,815
Unassigned	(28,004)	-	-	-	-
Total All other Governmental Funds	<u>6,883,410</u>	<u>9,188,036</u>	<u>9,030,592</u>	<u>11,825,912</u>	<u>15,145,031</u>
Total Fund Balance all Funds	<u>\$ 12,843,592</u>	<u>\$ 15,731,134</u>	<u>\$ 18,274,395</u>	<u>\$ 19,047,508</u>	<u>\$ 21,576,917</u>

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS -
MODIFIED ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

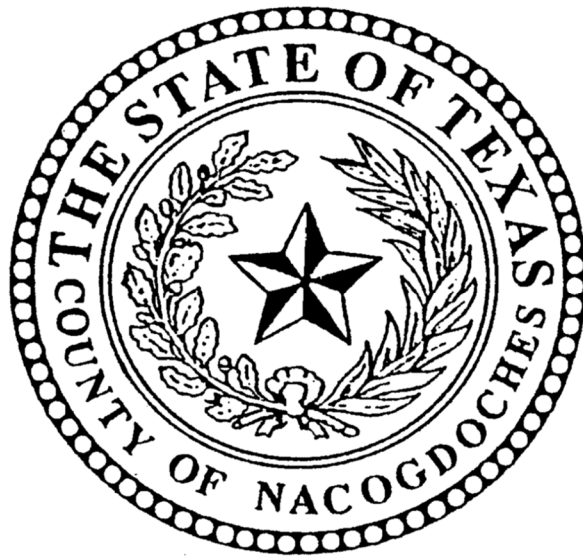
Table 4
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	2014	2015	2016	2017	2018
Revenues					
Taxes	\$ 15,234,720	\$ 15,921,974	\$ 17,667,941	\$ 18,053,002	\$ 18,371,660
Intergovernmental	2,858,092	3,133,773	1,928,755	1,444,158	1,555,308
Charges for services	1,754,325	1,734,003	1,716,228	1,761,931	1,752,396
Fines, fees and forfeitures	2,374,696	2,245,439	1,971,496	1,988,206	2,020,089
Earnings on investments	41,114	43,453	47,918	57,889	162,818
Miscellaneous	777,454	892,528	1,000,638	928,682	881,772
Total Revenues	23,040,401	23,971,170	24,332,976	24,233,868	24,744,043
Expenditures					
Current:					
General government	4,905,626	4,868,429	5,128,397	5,235,090	6,028,808
Judicial and law enforcement-public safety	10,072,988	10,433,836	10,860,327	4,240,677	4,301,362
Public safety	-	-	-	6,749,634	6,823,107
Highways and streets	4,136,567	3,571,199	3,814,211	4,142,157	4,243,749
Health and welfare	257,160	299,611	320,100	312,309	311,220
Culture parks and recreation	912,561	847,446	881,621	837,319	849,372
Capital Outlay	2,100,275	2,193,460	869,425	268,918	246,112
Debt Service:					
Principal	1,536,184	1,535,157	1,718,835	1,841,283	1,908,314
Interest and fiscal charges	410,541	302,710	302,603	279,500	249,452
Bond issuance costs	-	45,477	-	-	-
Total Expenditures	24,331,902	24,097,325	23,895,519	23,906,887	24,961,496
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,291,501)	(126,155)	437,457	326,981	(217,453)
Other Financing Sources (Uses)					
Sale of capital assets	24,082	25,183	532,930	130,989	262,916
Issuance of debt	-	2,589,000	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers in	322,496	177,244	1,598,374	129,055	905,518
Transfers out	(322,496)	(177,244)	(1,598,374)	(129,055)	(905,518)
Issuance of notes	1,188,239	583,576	857,270	261,778	246,112
Payments to escrow agent	-	(2,613,229)	-	-	-
Total Other Financing Sources (Uses)	1,212,321	584,530	1,390,200	392,767	509,028
Net Change in Fund Balances	\$ (79,180)	\$ 458,375	\$ 1,827,657	\$ 719,748	\$ 291,575
Debt Service as a Percentage of Noncapital Expenditures	8.76%	8.84%	9.13%	9.65%	9.62%

NACOGDOCHES COUNTY, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS -
MODIFIED ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 4
Page 2 of 2

	2019	2020	2021	2022	2023
Revenues					
Taxes	\$ 18,877,248	\$ 19,484,955	\$ 20,279,363	\$ 20,819,442	\$ 21,300,985
Intergovernmental	1,811,702	1,621,348	1,724,728	1,719,211	1,734,550
Charges for services	3,108,147	1,785,988	1,588,142	2,814,908	2,858,648
Fines, fees and forfeitures	1,460,387	2,947,174	2,927,453	1,442,143	1,543,345
Earnings on investments	354,651	181,724	130,847	136,362	999,052
Miscellaneous	974,975	959,096	837,474	1,302,047	1,595,168
Total Revenues	26,587,110	26,980,285	27,488,007	28,234,113	30,031,748
Expenditures					
Current:					
General government	5,441,252	5,620,563	5,454,258	5,920,303	6,092,765
Judicial and law enforcement-public safety	4,193,618	4,754,706	3,945,187	4,239,059	4,573,321
Public safety	7,033,440	7,076,145	7,304,888	8,562,866	9,745,133
Highways and streets	4,311,681	4,003,261	4,888,010	5,904,472	4,905,218
Health and welfare	311,636	777,873	1,053,474	265,615	362,375
Culture parks and recreation	828,430	762,891	734,503	939,543	1,038,865
Capital Outlay	1,026,787	620,591	-	970,659	462,103
Debt Service:					
Principal	2,660,567	1,299,180	1,030,569	1,056,117	1,010,378
Interest and fiscal charges	221,348	235,587	160,798	129,661	97,215
Bond issuance costs	-	-	-	-	-
Total Expenditures	26,028,759	25,150,797	24,571,687	27,988,295	28,287,373
Excess (Deficiency) of Revenues Over (Under) Expenditures	558,351	1,829,488	2,916,320	245,818	1,744,375
Other Financing Sources (Uses)					
Sale of capital assets	839,057	437,463	9,000	286,330	178,721
Issuance of debt	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfers in	2,261,102	2,109,054	598,543	4,322,204	2,597,334
Transfers out	(2,261,102)	(2,109,054)	(598,543)	(4,322,204)	(2,597,334)
Issuance of notes	1,026,787	620,591	-	240,965	606,313
Payments to escrow agent	-	-	-	-	-
Total Other Financing Sources (Uses)	1,865,844	1,058,054	9,000	527,295	785,034
Net Change in Fund Balances	\$ 2,424,195	\$ 2,887,542	\$ 2,925,320	\$ 773,113	\$ 2,529,409
Debt Service as a Percentage of Noncapital Expenditures	12.35%	6.58%	5.25%	4.80%	4.37%



NACOGDOCHES COUNTY, TEXAS
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN TAX YEARS

Table 5

Fiscal Year	Residential Property	Commercial Property	Mineral Property	Industrial Property	Other property and adjustments	Total Taxable Assessed Value	Total Direct Tax Rate
2014	\$ 1,336,396,600	\$ 351,417,240	\$ 424,453,240	\$ 36,773,690	\$ 935,638,270	\$ 3,084,679,040	0.4543
2015	1,460,880,920	342,585,420	264,831,040	31,144,180	974,812,910	3,074,254,470	0.5043
2016	1,511,952,777	350,873,957	244,414,690	38,089,530	950,573,130	3,095,904,084	0.5290
2017	1,530,665,605	367,188,790	119,968,460	104,847,060	932,338,640	3,055,008,555	0.5855
2018	1,626,386,224	394,106,560	146,491,300	133,704,660	958,288,410	3,258,977,154	0.6065
2019	1,676,724,640	411,068,450	181,616,720	177,674,120	959,313,370	3,406,397,300	0.5817
2020	1,829,350,770	456,743,160	214,784,950	220,083,640	1,005,750,260	3,726,712,780	0.5524
2021	1,752,828,370	399,664,880	245,454,380	52,501,690	1,040,338,500	3,490,787,820	0.5642
2022	1,980,812,208	412,841,160	207,118,770	55,712,800	1,005,323,030	3,661,807,968	0.5642
2023	2,744,075,807	608,230,128	456,544,550	43,279,257	1,131,996,197	4,984,125,939	0.4722

Source: Nacogdoches County Central Appraisal District
Ratio of total assessed value to total estimated value is 100%.
Tax rates are reported in dollars per \$100 value.

NACOGDOCHES COUNTY, TEXAS
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN TAX YEARS

Table 6
Table 1 of 2

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Direct Rates					
M & O	\$ 0.4437	\$ 0.4768	\$ 0.5280	\$ 0.5575	\$ 0.5306
Interest and Sinking	0.0606	0.0522	0.0575	0.0490	0.0511
Total Direct Rates	<u>\$ 0.5043</u>	<u>\$ 0.5290</u>	<u>\$ 0.5855</u>	<u>\$ 0.6065</u>	<u>\$ 0.5817</u>
Overlapping rates:					
City of Cushing	\$ 0.2802	\$ 0.2829	\$ 0.3398	\$ 0.3672	\$ 0.3735
City of Garrison	0.2764	0.2859	0.2857	0.3112	0.3175
City of Nacogdoches	0.5639	0.5639	0.5681	0.5928	0.5928
Central Heights ISD	1.3800	1.3700	1.3700	1.3700	1.3200
Chireno ISD	1.1117	1.1117	1.1117	1.1117	1.1117
Cushing ISD	1.3000	1.3000	1.3000	1.3000	1.3000
Douglass ISD	1.0400	1.0400	1.0400	1.0400	1.0400
Etoile ISD	1.3100	1.3100	1.3100	1.3100	1.3100
Garrison ISD	1.0970	1.1080	1.1109	1.1065	1.1065
Martinsville ISD	1.1840	1.1840	1.2470	1.2618	1.2008
Nacogdoches ISD	1.3575	1.3575	1.3575	1.3575	1.3325
Woden ISD	1.1090	1.1090	1.1090	1.1090	1.1090
Nac County ESD #1	0.0300	0.0282	0.0300	0.0300	0.0300
Nac County ESD #2	0.0300	0.0300	0.0300	0.0300	0.0300
Nac County ESD #3	0.0300	0.0300	0.0300	0.0300	0.0300
Nac County ESD #4	0.0300	0.0300	0.0300	0.0300	0.0300
Nac County ESD #6	0.0300	0.0300	0.0300	0.0300	0.0300
Municipal Utility Dist #1	-	-	-	-	-

Source: Nacogdoches Central Appraisal District

Tax rates are reported in dollars per \$100 of value.

Overlapping rates are those of local and county governments that apply to property owners within Nacogdoches County. Not all overlapping rates apply to all Nacogdoches County property owners (e.g. the rates for school districts and special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

NACOGDOCHES COUNTY, TEXAS
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN TAX YEARS

Table 6
Table 2 of 2

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Direct Rates					
M & O	\$ 0.5212	\$ 0.5295	\$ 0.5387	\$ 0.5402	\$ 0.4533
Interest and Sinking	0.0464	0.0229	0.0255	0.0240	0.0189
Total Direct Rates	<u>\$ 0.5676</u>	<u>\$ 0.5524</u>	<u>\$ 0.5642</u>	<u>\$ 0.5642</u>	<u>\$ 0.4722</u>
Overlapping rates:					
City of Cushing	\$ 0.4143	\$ 0.4160	\$ 0.4101	\$ 0.3953	\$ 0.3575
City of Garrison	0.3452	0.3480	0.3633	0.3535	0.3334
City of Nacogdoches	0.6169	0.6140	0.6160	0.6160	0.5185
Central Heights ISD	1.3100	1.2400	1.2364	1.2364	1.1746
Chireno ISD	1.1117	1.0306	0.9530	0.9599	0.8982
Cushing ISD	1.3000	1.2300	1.2264	1.2234	1.1470
Douglass ISD	1.0400	0.9700	0.9622	0.9303	1.1789
Etoile ISD	1.3100	1.2933	1.2797	1.3066	
Garrison ISD	1.1700	1.0683	1.0547	1.3600	1.3154
Martinsville ISD	1.2008	1.1445	1.1512	1.1479	1.1596
Nacogdoches ISD	1.3325	1.2309	1.2997	1.2663	1.2407
Woden ISD	1.1090	1.2531	1.1431	1.1431	1.1151
Nac County ESD #1	0.0300	0.0300	0.0300	0.0298	0.0279
Nac County ESD #2	0.0300	0.0300	0.0300	0.0300	0.0270
Nac County ESD #3	0.0300	0.0300	0.0300	0.0292	0.0268
Nac County ESD #4	0.0300	0.0300	0.0300	0.0277	0.0252
Nac County ESD #6	0.0300	0.0300	0.0300	0.0297	0.0274
Municipal Utility Dist #1	0.0400	0.3831	0.2030	0.1896	0.1765

Source: Nacogdoches Central Appraisal District

Tax rates are reported in dollars per \$100 of value.

Overlapping rates are those of local and county governments that apply to property owners within Nacogdoches County. Not all overlapping rates apply to all Nacogdoches County property owners (e.g. the rates for school districts and special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

NACOGDOCHES COUNTY, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND TEN YEARS AGO
(Amounts Expressed In Thousands)

Table 7

Taxpayer	2023			2014		
	Total Assessed Value	Rank	% of Total Assessed Valuation	Total Assessed Value	Rank	% of Total Assessed Valuation
Aethon Energy Operating LLC	\$ 178,464	1	3.58%			
BPX Operating Company	131,862	2	2.65%			
Oncor Electric Delivery Co LLC	89,821	3	1.80%	43,823	2	1.42%
Norbord Texas LP	50,551	4	1.01%	38,136	4	1.24%
Transcanada Keystone Pipeline	46,095	5	0.92%	41,926	3	1.36%
BTA ETG Gathering LLC	40,407	6	0.81%			
Pilgrim's (Processing Plant)	37,668	7	0.76%	24,815	9	0.80%
Union Pacific Railroad Co.	32,042	8	0.64%			
Cardinal Street Housing	30,035	9	0.60%			
RockCliff Energy OP LLC (PL)	29,268	10	0.59%			
Samson Lone Star LLC	-			47,449	1	1.54%
EOG Resources, Inc.	-			36,273	5	1.18%
XTO Energy Inc	-			35,100	6	1.14%
Azure ETG LLC	-			32,350	7	1.05%
Enbridge Pipelines	-			28,205	8	0.91%
Nibco, Inc.	-			21,002	10	0.68%
Totals	\$ 666,213		13.37%	\$ 349,079		11.32%

Total assessed values

\$4,984,126

\$3,084,679

Source: Nacogdoches Central Appraisal District

NACOGDOCHES COUNTY, TEXAS
PRINCIPAL TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS
(Amounts Expressed In Thousands)

Table 8

Tax Year	Fiscal Year	Total Taxes Levied	Collected within the Fiscal Year of the Levy			Total Tax Collections	Total Tax Collections as a Percentage of Current Levy	Outstanding Delinquent Taxes	Delinquent Taxes as a Percentage of Current Levy
			Amount	Percentage of Levy Collected	Collections in Subsequent Years				
2013	2014	\$ 15,232	\$ 14,798	97.15%	\$ 82	\$ 14,880	97.69%	\$ 352	2.31%
2014	2015	15,917	15,505	97.41%	45	15,550	97.69%	367	2.31%
2015	2016	17,464	17,179	98.37%	25	17,204	98.51%	260	1.49%
2016	2017	17,832	17,710	99.32%	23	17,733	99.44%	99	0.56%
2017	2018	18,253	17,944	98.31%	62	18,006	98.65%	247	1.35%
2018	2019	18,710	18,480	98.77%	34	18,514	98.95%	196	1.05%
2019	2020	19,907	19,134	96.12%	47	19,181	96.35%	726	3.65%
2020	2021	20,006	19,701	98.48%	70	19,771	98.83%	235	1.17%
2021	2022	20,759	20,264	97.62%	28	20,292	97.75%	467	2.25%
2022	2023	21,439	20,860	97.30%	71	20,931	97.63%	508	2.37%

Source: Nacogdoches Central Appraisal District

NACOGDOCHES COUNTY, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Amounts Expressed In Thousands)

Table 9

Fiscal Year	Governmental Activities					Total Primary Government	Percentage of Personal Income	Per Capita*
	General Obligation Bonds	Refunding Bonds	Tax Notes	Notes Payable	Issuance Premiums/ (Discount)			
2014	\$ 3,510	\$ 7,835	\$ -	\$ 1,117	\$ 206	\$ 12,668	0.58%	174
2015	2,885	7,209	-	1,440	185	11,719	0.57%	179
2016	2,670	6,076	-	1,927	164	10,837	0.48%	151
2017	2,445	4,927	-	1,721	143	9,236	0.44%	151
2018	2,215	3,754	-	1,462	122	7,553	0.44%	151
2019	1,975	2,555	-	1,267	101	5,898	0.25%	90
2020	1,725	2,075	-	1,316	79	5,195	0.21%	80
2021	1,465	1,580	-	1,043	58	4,146	0.16%	64
2022	1,195	1,070	-	1,008	37	3,310	0.11%	51
2023	915	540	-	1,414	16	2,885	0.10%	44

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

* See Demographic and Economic Statistics schedule for personal income and population data.

These ratios are calculated using personal income and population for the prior fiscal year.

Source: County ACFR

NACOGDOCHES COUNTY, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Amounts Expressed In Thousands)

Table 10

Fiscal Year	General Bonded Debt Outstanding						Percentage of Actual Taxable	
	General Obligation Bonds	Refunding Bonds	Tax Notes	Premium on Bonds	Less amounts Available in Debt Service Fund	Total Primary Government	Value of Property	Per Capita
2014	\$ 3,510	\$ 7,835	\$ -	\$ 206	\$ 427	\$ 11,124	0.36%	\$ 170
2015	2,885	7,394	-	185	364	10,100	0.33%	155
2016	2,670	6,076	-	164	485	8,425	0.27%	128
2017	2,445	4,927	-	143	337	7,178	0.23%	109
2018	2,215	3,754	-	122	342	5,749	0.18%	88
2019	1,975	2,555	-	101	377	4,254	0.12%	65
2020	1,725	2,075	-	79	318	3,561	0.10%	55
2021	1,465	1,580	-	58	318	2,785	0.08%	42
2022	1,195	1,070	-	37	343	1,959	0.05%	30
2023	915	540	-	16	340	1,131	0.02%	17

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
 See Table 5 for property value data.
 See Table 13 for population data.

NACOGDOCHES COUNTY, TEXAS
DIRECT AND OVERLAPPING DEBT
FISCAL YEAR 2023

Table 11

Government Unit	Long-Term Debt Outstanding	Applicable Percentage	Overlapping Debt
Debt repaid with property taxes			
City of Nacogdoches	\$ 18,082,000	100.00%	\$ 18,082,000
Central Heights ISD	10,900,000	100.00%	10,900,000
Etoile ISD (closed)	-	100.00%	-
Martinsville ISD	3,250,000	100.00%	3,250,000
Nacogdoches ISD	96,015,000	100.00%	96,015,000
Woden ISD	9,815,000	100.00%	9,815,000
Chireno ISD	561,000	77.33%	433,821
Cushing ISD	7,765,000	96.75%	7,512,638
Douglass ISD	9,645,000	100.00%	9,645,000
City of Garrison	-		-
Garrison ISD	13,720,000	82.42%	11,308,024
	<u>169,753,000</u>		<u>166,961,483</u>
Subtotal overlapping debt			<u>166,961,483</u>
Nacogdoches County direct debt			<u>2,884,931</u>
Total Direct and Overlapping debt			<u><u>\$ 169,846,414</u></u>

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Nacogdoches County. This process recognizes that, when considering the Government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

(2) The percentage of overlapping debt applicable is estimated using the assessed values of the overlapping government property within the county compared to the total value in the overlapping government's boundaries.

Source: Municipal Advisory of Texas

NACOGDOCHES COUNTY, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

Table 12

Legal Debt Margin Calculation for Fiscal Year 2023 (in thousands)	
Assessed Value	\$ 4,984,126
Debt limit (25% of Assessed Value)	1,246,032
Debt applicable to limit:	
General obligation bonds	1,455
Less: Amount set aside for repayment of general obligation debt	350
Total net debt applicable to limit	<u>1,105</u>
Legal debt margin	<u>\$ 1,244,927</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 771,170	\$ 768,564	\$ 773,976	\$ 763,752	\$ 814,744	\$ 851,599	\$ 931,678	\$ 872,697	\$ 915,452	\$ 1,246,032
Total net debt applicable to limit	10,921	9,730	8,261	7,035	5,627	4,153	3,482	2,682	1,901	1,105
Legal debt margin	<u>\$ 760,249</u>	<u>\$ 758,834</u>	<u>\$ 765,715</u>	<u>\$ 756,717</u>	<u>\$ 809,117</u>	<u>\$ 847,446</u>	<u>\$ 928,196</u>	<u>\$ 870,015</u>	<u>\$ 913,551</u>	<u>\$ 1,244,927</u>
Total net debt applicable to the limit as a % of debt limit	1.42%	1.27%	1.07%	0.92%	0.69%	0.49%	0.37%	0.31%	0.21%	0.09%

Note: Under state law, the County's outstanding general obligation debt cannot exceed 25 percent of total assessed property value.

NACOGDOCHES COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 13

Fiscal Year	County Population ¹	Personal Income ¹	Per Capita Income ²	Median Age ²	Unemployment Rate ¹	School Enrollment
2014	65,330	\$ 2,063,904,000	\$ 31,592	27.80	5.00%	11,069
2015	65,301	2,063,904,000	31,592	29.90	4.70%	11,188
2016	65,664	2,249,541,000	34,258	29.90	5.10%	11,198
2017	65,806	2,249,541,000	34,258	31.30	3.80%	11,238
2018	65,580	2,386,951,000	36,398	31.30	3.70%	11,160
2019	65,711	2,480,887,000	37,755	31.30	3.50%	10,707
2020	65,204	2,514,839,000	38,569	31.50	6.70%	10,824
2021	64,668	2,663,545,584	41,188	30.60	4.90%	10,409
2022	64,668	3,059,184,408	47,306	31.50	5.50%	10,352
2023	64,862	2,999,608,052	46,246	32.00	4.10%	10,381

Sources:

¹ Texas Workforce Commission and The County Information Program Texas Association of Counties

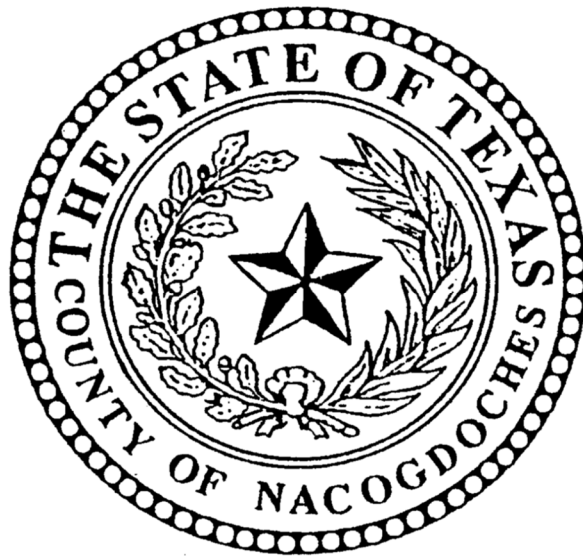
² Texas Education Agency & Nacogdoches Co. School District

NACOGDOCHES COUNTY, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Table 14

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Stephen F. Austin State University	1,571	1	7.09%	1,609	2	7.25%
Pilgrim's Pride	1,477	2	6.67%	1,725	1	7.77%
Nacogdoches ISD	1,047	3	4.73%	972	3	4.38%
Nacogdoches County Hospital Dist.	616	4	2.78%	740	4	3.34%
Etech Global Services	550	5	2.48%	455	5	2.05%
Nacogdoches Medical Center	535	6	2.42%	377	7	1.70%
Eaton	404	7	1.82%	275	10	1.24%
Wal-Mart Supercenter	390	8	1.76%	432	6	1.95%
City of Nacogdoches	328	9	1.48%	323	8	1.46%
Nacogdoches County	271	10	1.22%	277	9	1.25%
Total	7,189		32.46%	7,185		32.38%
Total County Employment per TX Workforce Commission			22,145			22,188

Source: NEDCO and Texas Workforce Commission



NACOGDOCHES COUNTY, TEXAS

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Table 15

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
General	46	45	46	49	48	47	48	47	48	48
Finance	8	8	8	8	8	8	8	8	8	8
Law Enforcement										
Officers	119	115	114	108	113	107	108	108	108	108
Civilians	12	12	13	14	14	21	22	21	22	22
Judicial										
Judges	7	7	7	7	7	7	7	7	7	7
Other	38	37	37	38	38	38	38	38	38	41
Health and Welfare	7	7	5	5	5	3	3	3	3	3
Streets and Highways	32	32	32	36	36	36	36	36	36	36
Recreation	8	8	8	8	8	7	7	7	7	7
Total	<u>277</u>	<u>271</u>	<u>270</u>	<u>273</u>	<u>277</u>	<u>274</u>	<u>277</u>	<u>275</u>	<u>277</u>	<u>280</u>

Source: Nacogdoches County Budget

** Transfer stations were closed 3/31/11.

NACOGDOCHES COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Table 16
Page 1 of 2

Function	2014	2015	2016	2017	2018
General Government					
Birth certificates issued	2,979	2,962	2,979	3,272	3,359
Marriage licenses issued	479	472	497	526	468
Septic permits processed	95	119	132	144	119
Law Enforcement					
Average number of inmates per day	245	235	260	252	253
Highways & Streets					
New roads	-	-	-	-	-
Roads resurfaced (miles)	26	12	37	77	166
Bridges new	-	-	-	-	-
Bridges repaired	10	4	9	6	8
Bridges closed	-	-	-	-	-
Recreation					
Expo Center and Civic Center events***	101	126	115	84x	101
Solid Waste					
Refuse collected (cubic yds)	**	**	**	**	**

Source: Various County departments.

* Two events cancelled due to Hurricane Ike in Sept. 2008.

x Seven events cancelled due to Hurricane Harvey in FY 2017. The Civic Center is also an emergency shelter and was used to house evacuees.

^ Events cancelled; Covid-19

** The transfer stations were closed 3/31/11.

***Civic Center not available for rent until Sept. 2012

***Events cancelled March 2020 to Sept 2020 due to COVID-19

NACOGDOCHES COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Table 16
Page 2 of 2

Function	2019	2020	2021	2022	2023
General Government					
Birth certificates issued	4,466	3,354	4,144	4002	3,670
Marriage licenses issued	474	427	447	454	441
Septic permits processed	171	188	179	221	182
Law Enforcement					
Average number of inmates per day	266	270	287	307	308
Highways & Streets					
New roads	-	-	-	-	-
Roads resurfaced (miles)	187	30	35	10	65
Bridges new	-	-	-	-	-
Bridges repaired	6	4	7	16	18
Bridges closed	-	-	-	-	-
Recreation					
Expo Center and Civic Center events***	83	43^	49^	86	96
Solid Waste					
Refuse collected (cubic yds)	**	**	**	**	**

Source: Various County departments.

* Two events cancelled due to Hurricane Ike in Sept. 2008.

x Seven events cancelled due to Hurricane Harvey in FY 2017. The Civic Center is also an emergency shelter and was used to house evacuees.

^ Events cancelled; Covid-19

** The transfer stations were closed 3/31/11.

***Civic Center not available for rent until Sept. 2012

***Events cancelled March 2020 to Sept 2020 due to COVID-19

NACOGDOCHES COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY ACTIVITY
LAST TEN FISCAL YEARS

Table 17
Page 1 of 2

Function/Program	2014	2015	2016	2017	2018
General Government					
Courthouse	1	1	1	1	1
Annex	1	1	1	1	1
Storage building	1	1	1	1	1
Maintenance building	1	1	1	1	1
Records storage building	1	1	1	1	1
** Vocational school	1	1		-	-
Weigh Station	-	-	-	-	1
Law Enforcement					
Law Enforcement Center (jail)	1	1	1	1	1
JP and Constable Offices	3	3	3	3	3
District Probation building	1	1	1	1	1
Community Service building	1	1	1	1	1
Juvenile Probation building	1	1	1	1	1
Patrol units	17	19	19	21	21
Other Public Works					
County roads	778	778	778	778	778
Bridges	109	109	109	109	109
Dams	4	4	4	4	4
Road and Bridge shops	5	5	5	5	5
Road and Bridge Washday/Storage	1	1	1	1	1
Road and Bridge radio towers	1	1	1	1	1
Road and Bridge transmitters	1	1	1	1	1
Water supply system extension & improvements	1	1	1	1	1
Recreation					
Expo Center Arena	1	1	1	1	1
Expo Barns	3	3	3	3	3
Expo Storage	1	1	1	1	1
Expo Shop	1	1	1	1	1
Expo Sign	-	-	-	-	-
Expo Midway restroom	1	1	1	1	1
Lake park	1	1	1	1	1
Park Guard House	1	1	1	1	1
Park Restrooms	3	3	3	3	3
Park pavilion	1	1	1	1	1
Park Playground	-	-	-	-	1
Park primitive camp sites	-	-	-	-	-
Park swim beach covers	-	-	-	-	-
Health & Welfare					
Senior Center	1	1	1	1	1
Shelter/Civic Center	1	1	1	1	1
Emergency Operations Center	1	1	1	1	1
Solid Waste					
Transfer stations	-	-	-	-	-

Source: Various County departments

** The Vocational School was sold to the Nacogdoches Independent School District on 2/22/2016.

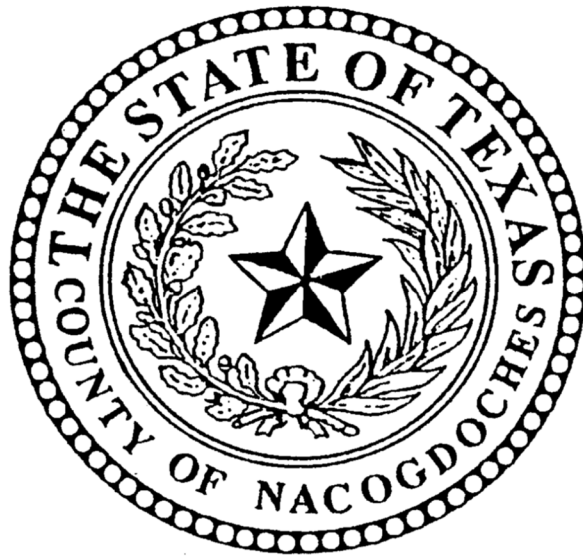
NACOGDOCHES COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY ACTIVITY
LAST TEN FISCAL YEARS

Table 17
Page 2 of 2

Function/Program	2019	2020	2021	2022	2023
General Government					
Courthouse	1	1	1	1	1
Annex	1	1	1	1	1
Storage building	1	1	1	1	1
Maintenance building	1	1	1	1	1
Records storage building	1	1	1	1	1
** Vocational school	-	-	-	-	-
Weigh Station	1	1	1	1	1
Law Enforcement					
Law Enforcement Center (jail)	1	1	1	1	1
JP and Constable Offices	3	3	3	3	3
District Probation building	1	1	1	1	1
Community Service building	1	1	1	1	1
Juvenile Probation building	1	1	1	1	1
Patrol units	21	20	20	21	21
Other Public Works					
County roads	778	778	778	778	778
Bridges	109	109	109	109	109
Dams	4	4	4	4	4
Road and Bridge shops	5	5	5	5	5
Road and Bridge Washday/Storage	1	1	1	1	1
Road and Bridge radio towers	1	1	1	1	1
Road and Bridge transmitters	1	1	1	1	1
Water supply system extension & improvements	1	1	2	2	2
Recreation					
Expo Center Arena	1	1	1	1	1
Expo Barns	3	3	3	3	3
Expo Storage	1	1	1	1	1
Expo Shop	1	1	1	1	1
Expo Sign	-	1	1	1	1
Expo Midway restroom	1	1	1	1	1
Lake park	1	1	1	1	1
Park Guard House	1	1	1	1	1
Park Restrooms	3	3	3	3	3
Park pavilion	1	1	1	1	1
Park Playground	1	1	1	1	1
Park primitive camp sites	-	-	3	3	3
Park swim beach covers	-	-	2	2	2
Health & Welfare					
Senior Center	1	1	1	1	1
Shelter/Civic Center	1	1	1	1	1
Emergency Operations Center	1	1	1	1	1
Solid Waste					
Transfer stations	-	-	-	-	-

Source: Various County departments

** The Vocational School was sold to the Nacogdoches Independent School District on 2/22/2016.



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

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court
Nacogdoches County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nacogdoches County, Texas, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Nacogdoches County, Texas' basic financial statements, and have issued our report thereon dated March 29, 2024.

Report on Internal Control over Financial Reporting

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

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

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

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court

Report on Compliance and Other Matters

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

Purpose of this Report

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

Whitley Penn LLP

Houston, Texas
March 29, 2024