

GREGG COUNTY, TEXAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

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

GREGG COUNTY, TEXAS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

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

Prepared By:
Gregg County Auditor's Office
Rebekah Acres, County Auditor

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GREGG COUNTY, TEXAS

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INTRODUCTORY SECTION

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March 29, 2024

The Honorable Board of District Judges
The Honorable Members of the Gregg County Commissioners Court
Taxpayers and Citizens of Gregg County, Texas

Conforming to statutory requirements of the duties of the County Auditor, as prescribed by Section 114.025 of the Local Government Code of the State of Texas, submitted herewith is the Annual Comprehensive Financial Report (ACFR) for Gregg County for the year ended September 30, 2023.

This report consists of management’s representations concerning the finances of Gregg County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, Gregg County has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Gregg County’s financial statements in conformity with Generally Accepted Accounting Principles, GAAP. Because the cost of internal controls should not outweigh their benefits, Gregg County’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe that to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Gregg County’s financial statements have been audited by Pattillo, Brown & Hill, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Gregg County for the year ended September 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the accounting principles used and significant estimates made by management. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Gregg County’s financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of 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. Gregg County’s MD&A can be found immediately following the report of the independent auditors.

The financial section of this report also includes government-wide financial statements, fund financial statements, notes to the financial statement, required supplementary information and the combining and individual fund financial statements and schedules. The statistical section of the report includes selected financial and demographic information on a multi-year basis.

PROFILE OF GREGG COUNTY

Located in northeast Texas, Gregg County was inhabited by Caddo Tribes until the early 1800s and partly by Cherokee immigrants until 1839. Gregg County was settled by farmers from the southern United States after Texas achieved statehood in 1845. The construction of the railroad in the 1870's established the early towns that were to form Gregg County. In 1873, State Representative B. W. Brown introduced a bill to create Gregg County, consisting of 273 square miles, from parts of Upshur and Rusk Counties. The County seat is Longview. The name for Gregg County commemorated a leader named John Gregg who was killed in action as a Confederate General. Cotton was the early foundation of the economy, occupying about half of the County's cultivated acreage, and the use of the uncultivated acreage was timber for sawmills. Late in the 1930's, Gregg County was rescued from the Great Depression by the largest pool of petroleum ever discovered in the United States. The new wealth resulted in a multitude of civic improvements being initiated before drilling slacked off.

Beginning in 1964, the construction of Interstate Highway 20 confirmed Gregg County's fortunate location on a natural east-west transportation artery. The economy that was based almost entirely on oil production and manufacturing has successfully diversified to sustain steady growth.

The County is a political subdivision of the State of Texas. The general governing body of the County is the elected five-member Commissioners Court in accordance with Article 5, Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, with two members elected every two years by their respective precinct. The County Judge is elected at large to serve a four-year term.

The Commissioners Court sets the tax rates, establishes policies for County operations, and approves contracts for the County. The Commissioners Court is responsible for approving financial commitments and appointment of various department heads. The management and leadership provided by members of the Commissioners Court and the elected and appointed officials of other key County offices is crucial to the success of the County in financial management and growth.

The County Auditor is responsible for prescribing the systems and procedures for handling the finances of the County and "examining, auditing and approving" all disbursements from County funds prior to their submission to the Commissioners Court for approval.

The County provides many services not ordinarily provided by any other entity of government and provides additional services in cooperation with other local governmental units. A primary service is the administration of justice, which includes the civil and criminal county and district courts, justices of the peace, constables, district attorney, investigators, clerks of the courts, sheriff, jail, security and emergency management. Other functions performed by the County include the construction and maintenance of roads and bridges, either independently or in cooperation with other entities; administration of public health services; assistance to indigents; the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children; property tax collections for multiple agencies; administration of elections; and depository of public records. The County also operates an airport for the benefit of its citizens.

The annual budget serves as the foundation of the County's financial planning and control. The legal level of budgetary control is set at the object code level (salaries, benefits, operations, and capital) for the General Fund and Road and Bridge Fund. The legal level of budgetary control for all other funds is set at the functional level. The County adopts legal annual budgets for the General, Road and Bridge, Airport Maintenance, Court Technology and Security, Records Management and Preservation, Voting and Elections, Law Library, Health Care, and Airport Capital Improvement funds.

All departments of the County are required to submit budget requests to the budget officer during a defined period each year. The budget officer uses these requests as the starting point for developing a proposed budget along with revenue estimates provided by the County Auditor. The proposed budget is then presented to the Commissioners Court for review. The Commissioners Court is required to hold public hearings on the proposed budget. The County is required to adopt a final budget by the first day of the new fiscal year. Activities of the general fund, certain special revenue funds and debt service funds, if any, are included in the annual budget. Project length financial plans are adopted for capital project funds. The appropriated budget is prepared by fund, department and function. In addition, budgeted salaries are approved at the position level instead of the department level. All transfers of appropriations require Commissioners Court approval, with the exception of intra-departmental operating categories. The County maintains an encumbrance accounting system as one method of accomplishing budgetary control. Encumbered amounts lapse at year-end and are not appropriated as part of the following year's budget. Budget-to-actual comparisons are provided in this report for each major governmental fund.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy - The economy of the County is well diversified with manufacturing, distribution, medical, and retail facilities. Increased property values, the addition of national retail stores and regional distribution centers, and the expansion of existing companies within the County have helped maintain a stabilized tax base. The tax base valuations for the FY23 budget increased from \$9.50 billion to \$10.94 billion.

The 2023 population estimate is 126,243. Median household income for 2018 - 2022 is \$63,811. The 2018 - 2022 homeownership rate is 59.5%, slightly lower than 59.9% in the prior year. The median value of owner-occupied housing for the same time period is \$171,900 compared to \$150,900 in the prior year. The County's unemployment rate remains relatively steady, moving from 4.0% the prior year to 4.1% as of December 2023. The statewide unemployment rate was 3.9% as of December 2023 compared to 3.8% in the prior year.

Tax Abatements - The County has entered into multiple tax abatement contracts with new and existing businesses. The goal of tax abatements is to provide a significant long term positive impact on the community and work force by developing, re-developing, and improving real property.

Economic Development Programs - The County has entered into multiple Economic Development Program contracts with new and existing businesses. The goal of Economic Development Programs is to provide a significant long term positive impact on the community and work force by developing, re-developing, and improving real property.

Long-term Financial Planning - Gregg County has adopted several financial management policies to provide guidelines to ensure its long-term financial health. The Fund Balance Policy sets a minimum level for reserves at 25% of the budgeted operating expenses. Currently, the County is one of the few Texas counties that are not encumbered with major debt obligations. To further strengthen our long-term financial planning, Gregg County annually updates and adopts its formal Capital Improvements Plan.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Gregg County for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2022. This was the 11th year that the County has received 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.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another year.

Gregg County continues to demonstrate a high level of transparency. The County strives to meet a high standard for financial transparency online by opening their books to the public, providing a clear, consistent picture of spending, and sharing information in a user-friendly format.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of all County Departments and the audit team of Pattillo, Brown & Hill, LLP. I would like to especially thank the entire staff of the County Auditor's office for their assistance and contribution in the preparation of this report.

I express my appreciation to the County Judge, Commissioners and all other County Officials who have given their support in planning and conducting the financial operation and management of Gregg County in a responsible manner.

In closing, without the leadership and support of the Honorable Board of Gregg County District Judges the preparation of this report would not have been possible.

Respectfully submitted,



Rebekah Acres
Gregg County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Gregg County
Texas**

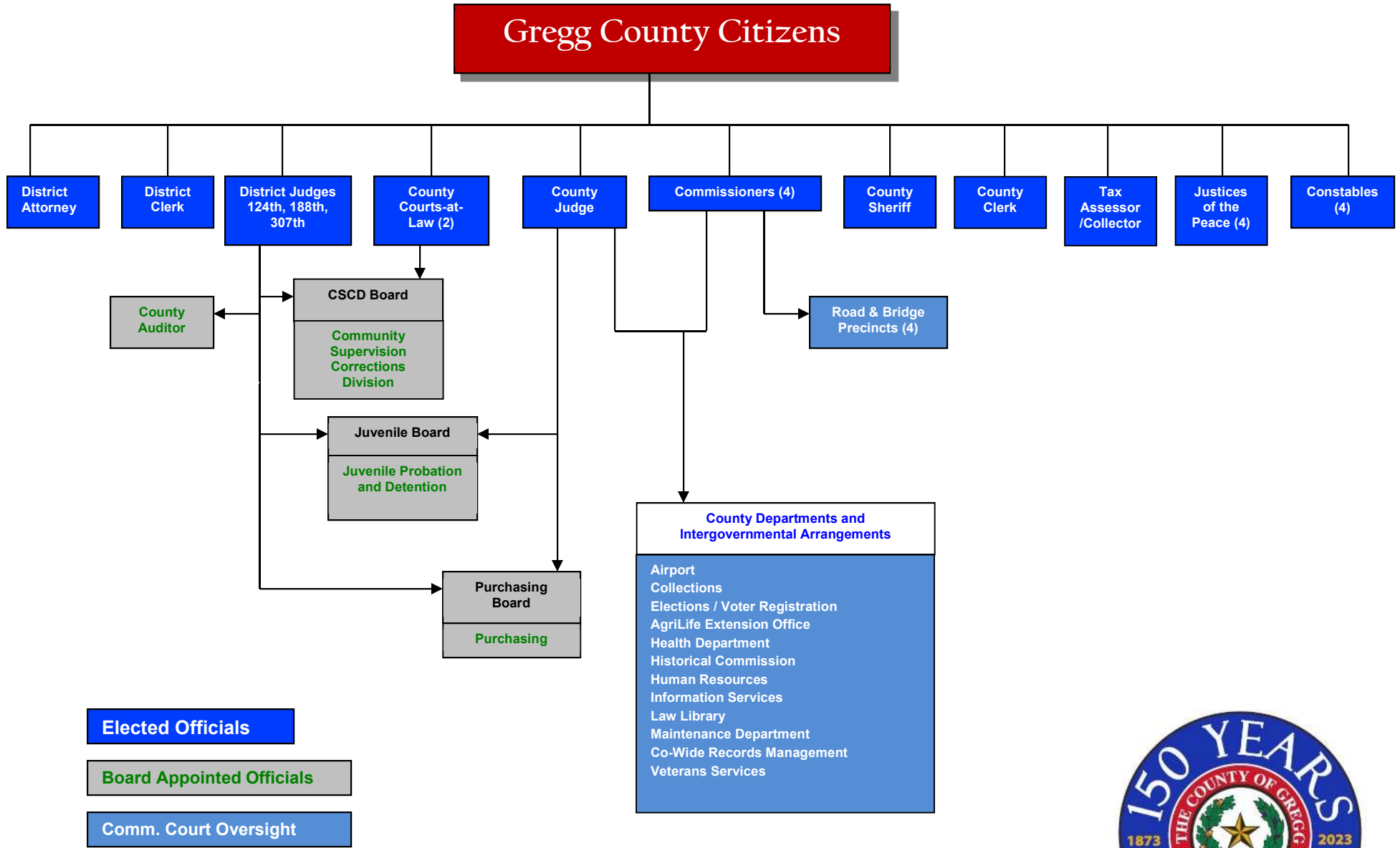
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

Gregg County Organization Chart



Elected Officials

Board Appointed Officials

Comm. Court Oversight

Direction of Authority →





**Gregg County, Texas
Directory of Officials
September 30, 2023**

Elected:

**Bill Stoudt
Ronnie McKinney
Ray Bostick
Floyd Wingo
Danny Craig Sr.
John Moore
Trey Hattaway
Michelle Gilley
Michelle Terry
Maxey Cerliano
Mike Grisham
Roger Askew
John Slagle
Daryl Gregg**

**County Judge
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4
District Attorney
District Clerk
County Clerk
Tax Assessor Collector
Sheriff
Constable, Precinct #1
Constable, Precinct #2
Constable, Precinct #3
Constable, Precinct #4**

Judicial

**Scott Novy
Alfonso Charles
Tim Womack
Angie Konczak
Vincent Dulweber
B. H. Jameson
Tim Bryan
Bruce Dalme
Robby Cox**

**Judge, 188th District Court
Judge, 124th District Court
Judge, 307th District Court
Judge, County Court At Law #1
Judge, County Court At Law #2
Justice of the Peace, Precinct #1
Justice of the Peace, Precinct #2
Justice of the Peace, Precinct #3
Justice of the Peace, Precinct #4**

Appointed:

**Rebekah Acres
Gary Davis
Bing Canion
Kelli Davis**

**County Auditor
Community Supervision Director
Juvenile Probation Director
Purchasing Director**

Other County Officials

**Kevin Marshall
Mandy Patrick
Linda Bailey
Jennifer Briggs
Max Tovar
Lewis Browne
Mike Heidger
Derold Miller**

**Veterans Service Officer
County Extension Agent
Budget Director
Elections Administrator
Airport Manager
Administrator/Health Authority
Human Resources Director
Information Services Director**

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge
and Commissioners' Court of Gregg County
Longview, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of Gregg 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 present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the Gregg County, Texas, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

OFFICE LOCATIONS

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The combining and individual nonmajor fund financial statements and schedules 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information included in the Annual Comprehensive Financial Report

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory section and statistical section, but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

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

Waco, Texas
March 29, 2024

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**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Gregg County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the notes to financial statements and our letter of transmittal, which can be found on pages i-iv of this report.

The Gregg County Child Welfare component unit is not included in this discussion and analysis due to the immaterial nature of the program in relation to the County's finances.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$167,038,987 (*net position*). Of this amount, \$95,665,896 (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.

- The County's total net position increased by \$18,161,605.
- As of September 30, 2023, the County's governmental funds reported combined ending fund balances of \$101,053,985, an increase of \$17,961,776 in comparison with the prior year. \$62,231,242 (62%) is *available for spending* at the County's discretion (*unassigned fund balance*). \$18,470,285 (18%) is restricted for capital projects, transportation and road improvements, public safety, drug court operations and other projects.
- At the end of fiscal year 2023, total unassigned fund balance for the General Fund was \$63,301,054 or 146% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, judicial, health and human services, public buildings and transportation and roads. The County does not report any business-type activities.

The government-wide financial statements can be found on pages 13 – 14 of this report.

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

Governmental Funds: *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government wide financial statements. 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 the County's near-term financing requirements.

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

The County maintains 20 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, Capital Improvement, American Rescue Plan, and Local Provider Participation Funds all of which are considered to be major funds. Data from the other 16 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 this report.

The basic governmental fund financial statements can be found on pages 15 – 20 of this report.

Proprietary Funds: Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for self-funding for medical and dental insurance and print shop activities. Because both of these services exclusively benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 21 – 23 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs.

The basic fiduciary fund financial statements can be found on pages 24 and 25 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 on pages 26 – 44 of this report.

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. Additionally, the County adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for this major fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 45 – 56 of this report.

The combining and individual statements and schedules referred to earlier are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 57 – 81 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 exceeded liabilities by \$167,038,987 at the close of the most recent fiscal year.

Total assets decreased by \$2,818,064, primarily caused by the County’s pension plan reporting a pension asset in the prior year, but a pension liability in the current year. Additionally, depreciation on the County’s capital assets exceeded current year additions. Deferred outflows of resources declined significantly, from \$25,706,554 to \$4,143,733, caused by a significant decrease in the difference between projected and actual investment earnings for the County’s pension plan.

Total liabilities increased by \$1,261,111 primarily caused by the County’s pension plan reporting a pension asset in the prior year, but a pension liability in the current year.

The County’s investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, is 33% of net position. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County’s net position (\$15,607,458) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$95,665,896 (57%) may be used to meet the County’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position.

GREGG COUNTY'S NET POSITION

	Governmental Activities	
	2023	2022
Current and other assets	\$ 124,707,153	\$ 125,254,559
Capital assets	<u>55,906,614</u>	<u>58,177,272</u>
Total assets	<u>180,613,767</u>	<u>183,431,831</u>
Deferred outflows of resources	<u>7,783,515</u>	<u>7,105,556</u>
Long-term liabilities	5,961,647	1,560,635
Other liabilities	<u>11,252,915</u>	<u>14,392,816</u>
Total liabilities	<u>17,214,562</u>	<u>15,953,451</u>
Deferred inflows of resources	<u>4,143,733</u>	<u>25,706,554</u>
Net position:		
Net investment in capital assets	55,765,633	57,992,566
Restricted	15,607,458	10,487,343
Unrestricted	<u>95,665,896</u>	<u>80,397,473</u>
Total net position	<u>\$ 167,038,987</u>	<u>\$ 148,877,382</u>

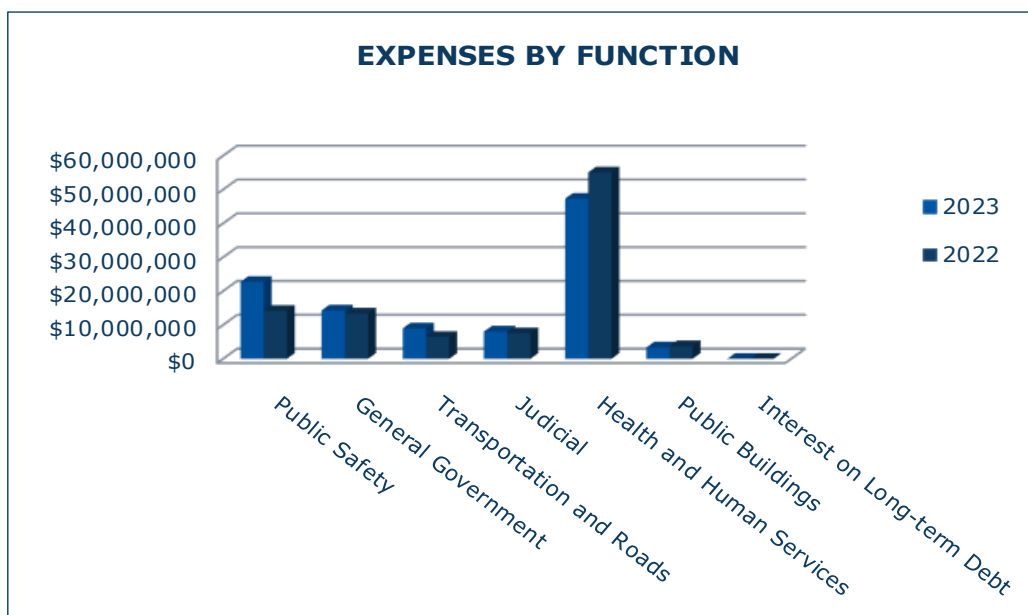
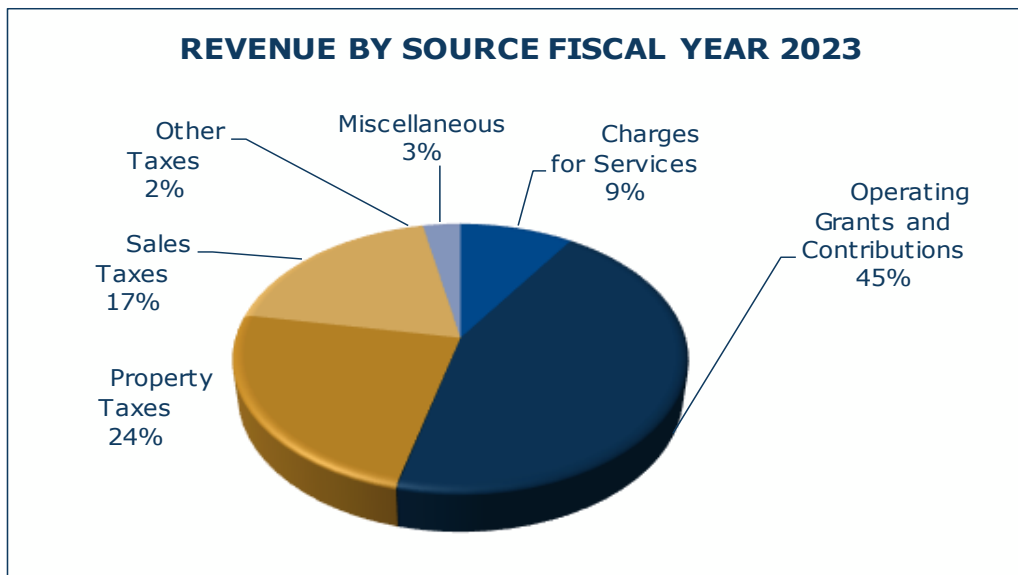
Governmental Activities: Governmental activities increased the County’s net position by \$18,161,605.

GREGG COUNTY'S CHANGES IN NET POSITION

	Governmental Activities	
	2023	2022
Revenues:		
Program revenues:		
Charges for services	\$ 11,458,831	\$ 11,568,134
Operating grants and contributions	54,687,902	51,411,506
Capital grants and contributions	119,901	1,068,859
General revenues:		
Property taxes	29,257,376	26,865,433
Sales taxes	20,733,413	19,395,404
Other taxes	2,713,024	2,655,068
Investment earnings	2,989,137	935,241
Miscellaneous	803,595	443,388
Total revenues	122,763,179	114,343,033
Expenses:		
General government	14,272,802	13,344,379
Judicial	8,037,895	7,515,640
Public safety	22,698,862	14,134,232
Health and human services	47,269,391	55,055,329
Public buildings	3,345,554	3,694,653
Transportation and roads	8,975,996	6,406,183
Interest on long-term debt	1,074	759
Total expenses	104,601,574	100,151,175
Change in net position	18,161,605	14,191,858
Net position, beginning*	148,877,382	134,685,524
Net position, ending	\$ 167,038,987	\$ 148,877,382

NET COST OF GOVERNMENTAL ACTIVITIES BY FUNCTION

Function/Program	Net Cost of Services	
	2023	2022
General Government	\$ (9,827,712)	\$ (10,358,014)
Judicial	(6,144,728)	(6,162,487)
Public Safety	(19,082,302)	(18,986,655)
Health and Human Services	4,395,424	3,306,943
Public Buildings	(929,110)	(2,078,046)
Transportation and Roads	(6,745,438)	(3,963,536)
Interest on long-term debt	(1,074)	(73)
Total	\$ (38,334,940)	\$ (38,241,868)



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

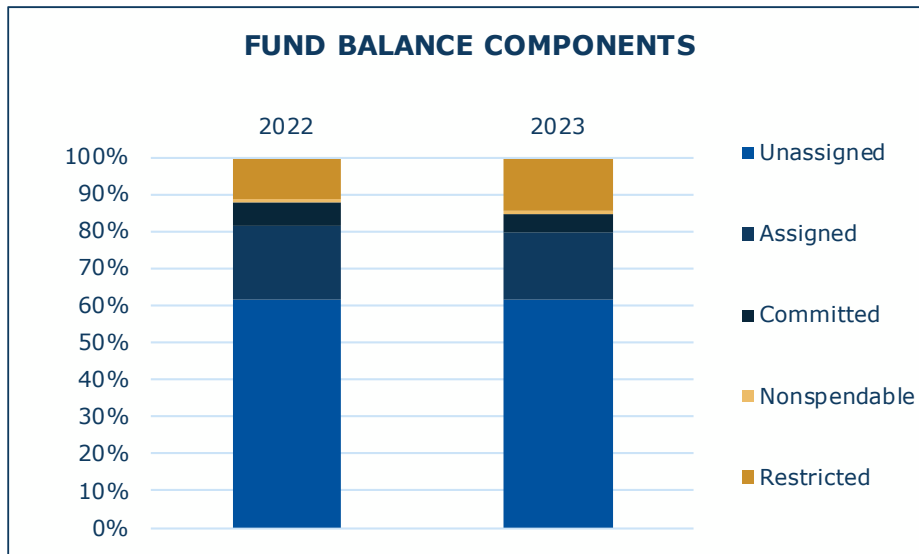
- Program revenues for governmental activities of \$66,266,634 equaled 63% of total governmental activities expenses of \$104,601,574. As expected, general revenues of \$56,496,545 provided the additional support and coverage for expenses. Program revenues consist of charges for services, operating and capital grants. General revenues consist mainly of sales and property tax which are not attributable to a specific program. The increase in property taxes is primarily due to increases in real estate values. A rise in interest rates resulted in significantly higher interest income.
- Over 22% of the expenses are for public safety (\$22,698,862) reflecting the continuing demands on law enforcement. This program provided 5% (\$3,616,560) of the total governmental activities revenues and 3% of the total of all revenues for the year. The increase in public safety expenses is attributable to substantial raises in salaries given to help with the retention and recruitment of law enforcement personnel.
- The next largest category of expenses for governmental activities is general government which equals \$14,272,802 or 14% of total expenses. General government provided 7% or \$4,445,090 of the government activity revenue and 4% of the total of all revenues for the year.

- Health and human services expenses for the County for the year accounted for 45% or \$47,269,391 of the expenses. The decrease is due to reduce expenses related to the American Rescue Plan.

FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

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

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



At the end of fiscal year 2023, the County’s governmental funds reported combined ending fund balances of \$101,053,985, an increase of \$17,961,776 (22%) in comparison with the prior year (as restated). Unassigned fund balance accounts for 62% or \$62,231,242 of the total. An additional \$18,470,285 (18%) is assigned fund balance and is constituted mostly of CIP funds. Committed fund balance total is \$4,894,445 or 5% of total fund balance and would require a Commissioners’ Court order to use for any other purpose. \$14,537,646 or 14% of the total ending fund balance is reported as restricted fund balance. The remainder of fund balance is nonspendable to indicate it is not available for new spending because it has already been used to purchase inventories (\$869,305) and prepaids (\$51,062).

General Fund

The General Fund is the chief operating fund of the County. At the end of fiscal year 2023, the General Fund had an ending fund balance of \$64,095,616 with \$737,606 restricted for certain purposes. Fund balance increased in the current year as a result of increases in property tax revenue, sales tax revenue, and service revenue. Property tax revenues increased primarily due to an increase in the tax base related to the rising real estate market values. The increase in sales tax and service revenue is attributable to the economy improving after the economic impact of the pandemic. Additionally, expenditures that are normally budgeted for the General Fund were covered by grant funding under the American Recovery Plan Act.

As a measure of the General Fund’s liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance of \$63,301,054 represents 146% of total General Fund expenditures.

Capital Improvement Fund Highlights:

At the end of fiscal year 2023, the Capital Improvement Fund had an ending fund balance of \$21,245,505, a increase of \$1,666,062. Fund balance increased in the current year as a result of capital expenditures exceeding investment earnings during the year. A portion of fund balance at year end is restricted for permanent improvements.

American Rescue Plan Fund Highlights:

At the end of fiscal year 2023, the American Rescue Plan (ARP) Fund had an ending fund balance of \$0. The County has received an additional \$5,925,921 of ARP funds not yet spent. These will be recognized as revenue as allowable expenditures are incurred.

Local Provider Participation Fund Highlights:

The Local Provider Participation Fund (LPPF) experienced an increase of fund balance in the amount of \$3,302,566. Collections from local hospitals exceeded intergovernmental transfers during the fiscal year, leading to the increase.

Airport Maintenance Fund Highlights:

The Airport Maintenance Fund experienced a decrease of fund balance in the amount of \$284,465. Public safety expenditures exceeded rent and commissions revenue during the fiscal year, leading to the decrease.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: As of September 30, 2023, the County’s investment in capital assets amounts to \$55,906,614 (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, machinery and equipment, construction in progress and airport infrastructure.

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Land	\$ 2,672,629	\$ 2,677,531
Construction in progress	6,044,602	4,233,792
Buildings and improvements	57,592,478	59,612,621
Machinery and equipment	25,120,190	25,134,777
Infrastructure	99,674,867	102,186,997
Accumulated depreciation	(135,198,152)	(135,668,446)
Total	<u>\$ 55,906,614</u>	<u>\$ 58,177,272</u>

Capital Improvements and Asset Acquisitions

- During FY23 capital equipment expenditures total \$2,094,722.
- Major capital assets acquired during fiscal year 2023 include the following:
 - Various vehicle, trucks and van replacements for law enforcement and other departments
 - Numerous vehicle and body cameras,
 - Various equipment for road and bridge maintenance.
- Expended in FY23 for Construction in Progress was \$2,103,605 and include:
 - Parking Garage Preliminary Project
 - County Courts and Clerk Renovations

Additional information on the County’s capital assets can be found in note Capital Assets on page 35 of this report.

Long-term Debt: The County has no bonded indebtedness at this time. Long-term liabilities at the end of the fiscal year total \$5,961,647.

Additional information on the County’s long-term debt can be found in note Long-term Debt on page 36 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

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

In considering the County budget for fiscal year 2024, the Court considered and/or approved the following:

- A slight increase in the tax base valuation was realized from \$9.49 billion in the prior year to \$10.94 billion. As of December 2023, the preliminary county unemployment rate was 4.1%.
- Sales tax revenue is expected to decrease, due to a slowing economy.
- The county will issue debt bonds in fiscal year 2024 for the financing of a parking garage structure. However, the County's debt position continues to remain favorable.
- The tax rate approved to fund the FY24 budget was .278066 per \$100 valuation. The new rate along with excess reserves will adequately fund the FY24 budget.
- Budgeted revenue adopted County-wide for FY24 is \$77,464,203 and the budgeted expenditures are \$79,909,862. Total ending fund balance for all funds is estimated at \$75,759,377.
- Reserves continue to fund capital projects on the "pay-as-you-go" basis which the Commissioners Court encourages. Additionally, other financing sources are budgeted at \$25,051,732 and other financing uses are budgeted at \$25,341,732. These sources and uses consist mainly of transfers into or out of funds for large capital projects.
- Major new capital acquisitions and capital infrastructure improvements budgeted for FY23 include Road and Bridge upgrades totaling \$958,169, \$850,000 for continuation of a Parking Facility Design Project, various technology upgrades (\$450,000), heavy equipment and upgrades to fuel stations for the Road departments (\$663,070). [Removed line item reference for "sheriff and precinct vehicles" (as there is none)]
- The FY24 budget includes \$9,000,000 discretionary funding to be banked for a large future project on Runway 13/31 overlay and Taxiway Charlie project estimated at \$21.5 million. The Airport Capital projects are funded usually at 90% reimbursement from the Federal Aviation Administration.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances and show the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Rebekah Acres, Auditor's Office, 101 E. Methvin, Ste. 306, Longview, TX 75601 or visit the County's website at www.co.gregg.tx.us.

**BASIC
FINANCIAL STATEMENTS**

GREGG COUNTY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Child Welfare</u>
ASSETS		
Cash and cash equivalents	\$ 22,147,173	\$ 98,621
Investments	87,703,137	-
Receivables (net of allowances for uncollectibles):		
Taxes	664,169	-
Accounts	4,455,369	-
Leases	2,610,290	-
Interest	675,052	-
Intergovernmental	5,526,687	-
Prepays	51,062	-
Inventory	874,214	-
Capital assets not being depreciated	8,717,231	-
Capital assets , net of accumulated depreciation	<u>47,189,383</u>	<u>-</u>
Total assets	<u>180,613,767</u>	<u>98,621</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	<u>7,783,515</u>	<u>-</u>
Total deferred outflows of resources	<u>7,783,515</u>	<u>-</u>
LIABILITIES		
Accounts payable	2,852,629	6,543
Accrued liabilities	2,246,491	-
Due to other governments	187,779	-
Unearned revenue	5,966,016	-
Noncurrent liabilities:		
Due within one year - long-term debt	390,122	-
Due in more than one year		
Long-term debt	1,048,538	-
Net pension liability	<u>4,522,987</u>	<u>-</u>
Total liabilities	<u>17,214,562</u>	<u>6,543</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	1,567,031	-
Lease related	<u>2,576,702</u>	<u>-</u>
Total deferred inflows of resources	<u>4,143,733</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	55,765,633	-
Restricted for:		
Archive restoration	607,784	-
Transportation and roads	1,592,414	-
Public safety operations	1,228,578	-
Bail bond board	619,874	-
Judicial operations	1,948,194	-
Airport operations	847,583	-
Court technology and security	1,312,595	-
Records management and preservation	74,993	-
Voting and elections	1,090,565	-
Health and human services operations	3,509,658	-
Permanent improvement	2,775,220	-
Unrestricted	<u>95,665,896</u>	<u>92,078</u>
Total net position	<u>\$ 167,038,987</u>	<u>\$ 92,078</u>

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

GREGG COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit Child Welfare
Primary government:						
Governmental activities:						
General government	\$ 14,272,802	\$ 2,824,293	\$ 1,500,896	\$ 119,901	\$ (9,827,712)	\$ -
Judicial	8,037,895	1,521,891	371,276	-	(6,144,728)	-
Public safety	22,698,862	2,647,530	969,030	-	(19,082,302)	-
Health and human services	47,269,391	36,851	51,627,964	-	4,395,424	-
Public buildings	3,345,554	2,416,444	-	-	(929,110)	-
Transportation and roads	8,975,996	2,011,822	218,736	-	(6,745,438)	-
Interest on long-term debt	1,074	-	-	-	(1,074)	-
Total governmental activities	<u>104,601,574</u>	<u>11,458,831</u>	<u>54,687,902</u>	<u>119,901</u>	<u>(38,334,940)</u>	<u>-</u>
Total primary government	<u>104,601,574</u>	<u>11,458,831</u>	<u>54,687,902</u>	<u>119,901</u>	<u>(38,334,940)</u>	<u>-</u>
Component unit:						
Child Welfare Board	<u>42,394</u>	<u>-</u>	<u>85,000</u>	<u>-</u>	<u>-</u>	<u>42,606</u>
Total component unit	<u>\$ 42,394</u>	<u>\$ -</u>	<u>\$ 85,000</u>	<u>\$ -</u>	<u>-</u>	<u>42,606</u>
General revenues:						
Taxes:						
Property					29,257,376	-
Sales					20,733,413	-
Alcoholic beverage					370,504	-
Other					2,342,520	-
Unrestricted investment earnings					2,989,137	-
Miscellaneous					<u>803,595</u>	<u>-</u>
Total general revenues					<u>56,496,545</u>	<u>-</u>
Change in net position					18,161,605	42,606
Net position, beginning					<u>148,877,382</u>	<u>49,472</u>
Net position, ending					<u>\$ 167,038,987</u>	<u>\$ 92,078</u>

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

GREGG COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

	<u>General</u>	<u>Capital Improvement</u>	<u>American Rescue Plan</u>
ASSETS			
Cash and cash equivalents	\$ 6,058,848	\$ 2,170,223	\$ 6,496,434
Investments	55,413,387	19,024,098	-
Receivables (net of allowance for uncollectibles):			
Accounts	2,935,127	362	-
Leases	-	-	-
Taxes	548,228	-	-
Interest	500,036	131,987	-
Intergovernmental	4,165,804	-	-
Due from other funds	1,155,257	-	-
Inventories	5,894	-	-
Prepaid items	51,062	-	-
Total assets	<u>70,833,643</u>	<u>21,326,670</u>	<u>6,496,434</u>
LIABILITIES			
Accounts payable	1,934,054	81,165	529,029
Accrued liabilities	1,305,011	-	41,484
Due to other governments	187,779	-	-
Due to other funds	-	-	-
Unearned revenue	-	-	5,925,921
Total liabilities	<u>3,426,844</u>	<u>81,165</u>	<u>6,496,434</u>
DEFERRED INFLOWS OF RESOURCES			
Leases receivable	-	-	-
Unavailable revenue - property taxes	538,455	-	-
Unavailable revenue - grants	-	-	-
Unavailable revenue - court fines	2,772,728	-	-
Total deferred inflows of resources	<u>3,311,183</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable:			
Inventories	5,894	-	-
Prepays	51,062	-	-
Restricted for:			
Archive Restoration	607,784	-	-
Transportation and road improvements	-	-	-
Public safety operations	129,822	-	-
Judicial operations	-	-	-
Airport operations	-	-	-
Court technology and security	-	-	-
Records management and preservation	-	-	-
Voting and elections	-	-	-
Health and human services	-	-	-
Vehicle inventory tax administration	-	-	-
Permanent improvement	-	2,775,220	-
Committed for:			
Airport operations	-	-	-
Donations to healthcare organizations	-	-	-
Assigned for:			
Capital projects	-	18,470,285	-
Unassigned	63,301,054	-	-
Total fund balances	<u>64,095,616</u>	<u>21,245,505</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 70,833,643</u>	<u>\$ 21,326,670</u>	<u>\$ 6,496,434</u>

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

<u>Local Provider Participation</u>	<u>Airport Maintenance</u>	<u>FEMA Coronavirus Relief</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 344,597 3,160,000	\$ 540,263 1,139,508	\$ - -	\$ 5,431,106 5,366,144	\$ 21,041,471 84,103,137
-	20,237	-	1,448,184	4,403,910
-	2,610,290	-	-	2,610,290
-	50,910	-	65,031	664,169
-	3,457	-	39,572	675,052
-	5,520	1,084,242	271,121	5,526,687
-	-	-	-	1,155,257
-	24,472	-	838,939	869,305
-	-	-	-	51,062
<u>3,504,597</u>	<u>4,394,657</u>	<u>1,084,242</u>	<u>13,460,097</u>	<u>121,100,340</u>
-	121,659	-	186,722	2,852,629
-	73,740	-	137,782	1,558,017
-	-	-	-	187,779
-	-	1,084,242	-	1,084,242
-	40,095	-	-	5,966,016
-	235,494	1,084,242	324,504	11,648,683
-	2,576,702	-	-	2,576,702
-	3,790	-	59,544	601,789
-	-	1,069,812	-	1,069,812
-	-	-	1,376,641	4,149,369
-	2,580,492	1,069,812	1,436,185	8,397,672
-	24,472	-	838,939	869,305
-	-	-	-	51,062
-	-	-	-	607,784
-	-	-	1,592,414	1,592,414
-	-	-	1,098,756	1,228,578
-	-	-	619,874	619,874
-	-	-	1,948,194	1,948,194
-	-	-	847,583	847,583
-	-	-	1,312,595	1,312,595
-	-	-	74,993	74,993
3,504,597	-	-	5,061	3,509,658
-	-	-	20,753	20,753
-	-	-	-	2,775,220
-	1,554,199	-	-	1,554,199
-	-	-	3,340,246	3,340,246
-	-	-	-	18,470,285
-	-	(1,069,812)	-	62,231,242
<u>3,504,597</u>	<u>1,578,671</u>	<u>(1,069,812)</u>	<u>11,699,408</u>	<u>101,053,985</u>
\$ 3,504,597	\$ 4,394,657	\$ 1,084,242	\$ 13,460,097	\$ 121,100,340

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GREGG COUNTY, TEXAS

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

AS OF SEPTEMBER 30, 2023

Total fund balances - governmental funds balance sheet	\$ 101,053,985
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	55,906,614
Certain receivables will not be collected soon enough to pay for the current period's expenditures and are, therefore, deferred in the funds.	
Property taxes	601,789
Grants	1,069,812
Court fines and fees	4,149,369
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(1,297,679)
Leases	(140,981)
Net pension liability	(4,522,987)
An Internal Service Fund is used by management to charges the costs of certain capital assets to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the	4,002,581
Deferred outflows related to pensions are not recognized as an outflow of resources until a future period on the statement of financial position.	7,783,515
Deferred inflows related to pensions are not recognized as an inflow of resources until a future period on the statement of financial position.	<u>(1,567,031)</u>
Net position of governmental activities	<u>\$ 167,038,987</u>

GREGG COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>General</u>	<u>Capital Improvement</u>	<u>American Rescue Plan</u>
REVENUES			
Taxes:			
Current property	\$ 26,059,211	\$ -	\$ -
Delinquent property	494,364	-	-
Sales tax	20,733,413	-	-
Motor vehicle sales	2,231,387	-	-
Alcoholic beverage	370,504	-	-
Bingo	111,133	-	-
Licenses and permits	82,365	-	-
Intergovernmental	2,767,843	-	5,904,247
Charges for services	3,228,127	-	-
Fines and forfeitures	399,085	-	-
Investment earnings	1,717,953	551,557	-
Rents and commissions	2,474,536	-	-
Miscellaneous	251,711	-	-
Total revenues	<u>60,921,632</u>	<u>551,557</u>	<u>5,904,247</u>
EXPENDITURES			
Current:			
General government	10,175,309	-	-
Judicial	8,027,007	-	-
Public safety	19,974,801	-	868,219
Health and human services	1,746,832	-	4,928,760
Public buildings	1,910,662	1,998	-
Transportation and roads	1,420,972	1,069,842	-
Debt service:			
Principal	64,808	-	-
Interest and fiscal charges	1,028	-	-
Capital outlay	-	2,331,288	107,268
Total expenditures	<u>43,321,419</u>	<u>3,403,128</u>	<u>5,904,247</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>17,600,213</u>	<u>(2,851,571)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	273,928	4,789,057	-
Transfers out	(6,975,504)	(271,424)	-
Issuance of lease	30,438	-	-
Sale of capital assets	171,328	-	-
Insurance recoveries	332,122	-	-
Total other financing sources (uses)	<u>(6,167,688)</u>	<u>4,517,633</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	11,432,525	1,666,062	-
FUND BALANCES, BEGINNING	<u>52,663,091</u>	<u>19,579,443</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 64,095,616</u>	<u>\$ 21,245,505</u>	<u>\$ -</u>

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

<u>Local Provider Participation</u>	<u>Airport Maintenance</u>	<u>FEMA Coronavirus Relief</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 2,514,351	\$ 28,573,562
-	46,625	-	51,476	592,465
-	-	-	-	20,733,413
-	-	-	-	2,231,387
-	-	-	-	370,504
-	-	-	-	111,133
-	-	-	1,581,889	1,664,254
45,408,236	20,100	-	2,210,801	56,311,227
-	18,765	-	792,831	4,039,723
-	-	-	905,433	1,304,518
185,314	93,631	-	169,217	2,717,672
-	385,449	-	-	2,859,985
-	462	-	28,129	280,302
<u>45,593,550</u>	<u>565,032</u>	<u>-</u>	<u>8,254,127</u>	<u>121,790,145</u>
-	123,633	-	1,004,581	11,303,523
-	-	-	313,991	8,340,998
-	1,039,520	-	1,229,507	23,112,047
42,290,984	-	-	230,172	49,196,748
-	-	-	9,784	1,922,444
-	-	-	5,193,929	7,684,743
-	2,188	-	7,446	74,442
-	7	-	39	1,074
-	43,418	-	362,116	2,844,090
<u>42,290,984</u>	<u>1,208,766</u>	<u>-</u>	<u>8,351,565</u>	<u>104,480,109</u>
<u>3,302,566</u>	<u>(643,734)</u>	<u>-</u>	<u>(97,438)</u>	<u>17,310,036</u>
-	1,825,000	-	1,913,462	8,801,447
-	(1,465,731)	-	(88,788)	(8,801,447)
-	-	-	-	30,438
-	-	-	117,852	289,180
-	-	-	-	332,122
<u>-</u>	<u>359,269</u>	<u>-</u>	<u>1,942,526</u>	<u>651,740</u>
3,302,566	(284,465)	-	1,845,088	17,961,776
<u>202,031</u>	<u>1,863,136</u>	<u>(1,069,812)</u>	<u>9,854,320</u>	<u>83,092,209</u>
<u>\$ 3,504,597</u>	<u>\$ 1,578,671</u>	<u>\$ (1,069,812)</u>	<u>\$ 11,699,408</u>	<u>\$ 101,053,985</u>

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GREGG COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2023

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

Net change in fund balances - total governmental funds	\$ 17,961,776
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. This is the amount of capital asset additions recorded in the current period.	5,175,647
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(7,046,067)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(310,132)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	80,267
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of lease	(30,438)
Current year changes in certain long-term liabilities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences liability	77,971
Certain pension expenditures are not expensed in the government-wide financial statements.	666,923
Internal Service Funds are used by management to charge the costs of certain capital assets to individual funds. The net revenue of certain activities of Internal Service Funds is reported with governmental activities.	<u>1,585,658</u>
Change in net position of governmental activities	<u>\$ 18,161,605</u>

GREGG COUNTY, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2023

	<u>Governmental Activities Internal Service Funds</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,105,702
Investments	3,600,000
Accounts receivable, net of allowances	51,459
Inventory	4,909
Total current assets	<u>4,762,070</u>
Noncurrent assets:	
Capital assets:	
Equipment	60,578
Less: accumulated depreciation	<u>(60,578)</u>
Total capital assets	<u>-</u>
Total noncurrent assets	<u>-</u>
Total assets	<u>4,762,070</u>
LIABILITIES	
Current liabilities:	
Due to other funds	71,015
Accrued liabilities	<u>688,474</u>
Total current liabilities	<u>759,489</u>
Total liabilities	<u>759,489</u>
NET POSITION	
Unrestricted	<u>4,002,581</u>
Total net position	<u>\$ 4,002,581</u>

GREGG COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Governmental Activities</u> <u>Internal Service Funds</u>
OPERATING REVENUES	
Charges for services	\$ 7,107,903
Other	<u>10,540</u>
Total operating revenues	<u>7,118,443</u>
OPERATING EXPENSES	
Salaries	11,941
Fringe benefits	8,111
Materials and supplies	8,941
Insurance consultant	133,559
Claims	4,602,542
Administrative	1,023,492
Depreciation	<u>15,664</u>
Total operating expenses	<u>5,804,250</u>
OPERATING INCOME (LOSS)	<u>1,314,193</u>
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	<u>271,465</u>
Total nonoperating revenues (expenses)	<u>271,465</u>
CHANGE IN NET POSITION	1,585,658
TOTAL NET POSITION, BEGINNING	<u>2,416,923</u>
TOTAL NET POSITION, ENDING	<u>\$ 4,002,581</u>

GREGG COUNTY, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Governmental Activities</u> <u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts from interfund charges for print shop services	\$ 19,973
Cash receipts from interfund charges for self-insurance services	7,053,492
Payments to suppliers for goods and services	(5,445,918)
Payments to employees for salaries and benefits	<u>(20,052)</u>
Net cash provided (used) by operating activities	<u>1,607,495</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment earnings	271,465
Purchase of investments	<u>(1,100,000)</u>
Net cash flows provided (used) by investing activities	<u>(828,535)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	778,960
CASH AND CASH EQUIVALENTS, BEGINNING	<u>326,742</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>1,105,702</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	1,314,193
Adjustments to reconcile operating income (loss) to net cash used by operating activities:	
Depreciation	15,664
Changes in assets and liabilities:	
(Increase) decrease in assets:	
Accounts receivable	(44,978)
Increase (decrease) in liabilities:	
Accounts payable	(26,756)
Interfund payables	7,437
Accrued liabilities	<u>340,047</u>
Net cash used by operating activities	<u>\$ 1,607,495</u>

GREGG COUNTY, TEXAS

STATEMENT OF FIDUCIARY NET POSITION

CUSTODIAL FUNDS

SEPTEMBER 30, 2023

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 10,420,813
Total assets	<u>10,420,813</u>
LIABILITIES	
Due to others	<u>10,420,813</u>
Total liabilities	<u>1,871,623</u>
NET POSITION	
Restricted for:	
Individuals	6,910,382
Other governments	<u>1,638,808</u>
Total net position	<u>\$ 8,549,190</u>

GREGG COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

CUSTODIAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	<u>Custodial Funds</u>
ADDITIONS	
Tax collections	\$ 252,957,780
Judgments collected	5,364,992
Probation payments	3,829,168
Bail bonds	426,442
Inmate deposits	984,313
Fees	83,632
Investment earnings	46,666
Other	745,501
Total assets	<u>264,438,494</u>
DEDUCTIONS	
Tax disbursements	250,597,296
Probation costs	3,478,376
Bail bonds	403,041
Beneficiary payments	5,098,735
Fees remitted	985,969
Other	4,914,365
Total liabilities	<u>265,477,782</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	(1,039,288)
NET POSITION, BEGINNING	<u>9,588,478</u>
NET POSITION, ENDING	<u>\$ 8,549,190</u>

GREGG COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of Gregg County, Texas (the "County") have been prepared in conformity with generally accepted accounting principles (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These notes to the financial statements are an integral part of the basic financial statements of the County. The following is a discussion of the more significant accounting policies utilized by the County.

A. Reporting Entity

Gregg County is a political subdivision of the State of Texas. The Commissioners' Court, which is made up of four commissioners and the County Judge, is the governing body of the County. The accompanying financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision on whether or not to include a potential component unit in the reporting entity was made by applying the criteria set forth in the preceding paragraph.

Discretely presented component unit – For reporting purposes, the Gregg County Child Welfare Board has been presented as a discretely presented component unit. The Gregg County Child Welfare Board is responsible for providing additional assistance to foster children in the care of the State. The Gregg County Commissioners' Court appoints the Board and has the ability to exercise control over the Board. Separately issued financial statements are not available for the Gregg County Child Welfare Board.

B. Basis of Presentation – Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's Enterprise Funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used that would distort the direct costs and program revenues reported for the various functions concerned.

C. **Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Capital Improvement Fund**, a capital projects fund, accounts for activities associated with the County's Capital Improvement Plan. This plan encompasses future capital asset acquisition and construction.

The **American Rescue Plan Fund**, a special revenue fund, accounts for the Coronavirus State and Local Fiscal Recovery Funds provided by the Department of Treasury under American Rescue Plan.

The **Local Provider Participation Fund** accounts for a health-care related tax, administered by the County, that is designed specifically to meet federal requirements associated with eligible local funds.

The **Airport Maintenance Fund**, a special revenue fund, accounts for activities associated with the County's Airport Maintenance projects.

The **FEMA Coronavirus Relief Fund**, a special revenue fund, accounts for the Federal Emergency Management Agency Coronavirus Relief Plan provided by the Department of Homeland Security.

Additionally, the County reports the following fund types:

Internal Service Funds account for insurance/risk management services and print services provided to other departments on a cost reimbursement basis.

Custodial Funds are used to account for situations where the County's role is strictly custodial in nature. Most of these funds are held for legal reasons. Those reasons vary from funds held in trust for minors, to funds placed in escrow awaiting a decision and order by the presiding court. Additional funds were on hand at year-end for tax collections for other governmental entities for fees collected on their behalf.

D. **Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales and other taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

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

Deposits and Investments

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

State statutes authorize the County to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments for the County are reported at fair value.

Receivables and Payables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowance for uncollectible court fines and fees and property taxes are based on historical collection rates.

Inventories and Prepaid Items

All inventories are stated at cost using the first-in/first-out (FIFO) method. The costs of inventory items are recognized as expenditures in governmental funds when consumed rather than when purchased (consumption method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 for equipment and \$25,000 for buildings and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Assets	Years
Right-to-use land	10
Buildings	40
Improvements	20
Equipment	3 - 15
Right-to-use equipment	3 - 15
Infrastructure (streets and drainage)	16
Right-to-use infrastructure	5 - 10

Compensated Absences

Vacation and sick leave benefits are accumulated by County employees according to formulas adopted by the Commissioners' Court. The County's policy requires vacation time to be used within 14 months of being earned. Upon termination or retirement, employees are paid for any unused vacation time. The County's policy allows for accumulation of sick leave up to 60 days and provides for payment of sick leave accruals only upon retirement. At September 30, 2023, a liability has been recorded in the government-wide financial statements for accrued vacation time as well as the portion of accumulated sick leave expected to be paid.

Pensions

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

Long-term Liabilities

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

Leases

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

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

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

Lessee

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

Lessor

The County is a lessor in a number of building and land leases at the East Texas Regional Airport. In both the government-wide financial statements and governmental fund financial statements, the County initially records a lease receivable and a deferred inflow of resources for the present value of payments expected to be made during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is recognized as revenue on a systematic basis over the life of the lease.

Deferred outflows/inflows of resources

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

- Pension contributions after the measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in expected and actual actuarial assumptions in the pension plan – This difference is deferred and amortized over the average remaining service life for all active, inactive, and retired members.
- The difference in expected and actual economic experience in the pension plan is deferred and recognized over the average remaining service life for all active, inactive, and retired members.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net 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 the following items that qualify for reporting in this category:

- The difference in expected and actual economic experience in the pension plan is deferred and recognized over the average remaining service life for all active, inactive, and retired members.
- Difference in projected and actual investment earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- The County has one type of item that arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and court fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Balance Classification

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority – in the County's case, by resolution of the Commissioners' Court. Prior to the end of the fiscal year, the Commissioners' Court can commit fund balance. Once adopted, the limitation imposed by the Commissioners' Court remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The Commissioners' Court may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Fund Balance Flow Assumption

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

Net Position

Net position represents the difference between assets, deferred inflows/outflows and liabilities. Net position invested in capital assets, net of accumulated depreciation, is reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Net Position Flow Assumption

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

Estimates

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

E. Revenues and Expenditures/Expenses

Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service funds are charges to other funds for services. Operating expenses for internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

2. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Investment pools are not categorized as to investment risk since specific securities relating to the County cannot be identified. The County's investment pool is TexPool, a local government investment pool established in conformity with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code and the Public Investment Act, Chapter 2256 of the Code. The Texas State Comptroller oversees the operations of the investment pool, with a third party managing the daily operations of the pool under contract. The fair value of the County's position in TexPool is the same as the value of the pool's shares.

The County is required by state statute to seek formal bids for depository services. The Investment Policy includes collateral requirements in compliance with state statute and is made part of the Depository Contract. Chapter 2256 of the Texas Government Code (The Public Funds Investment Act) authorizes and requires the County to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal and liquidity. It also addresses investment diversification, yield, and maturity along with quality and capability of investment personnel. The investment policy defines what constitutes the legal list of investments allowed under the policy and the Court further limits certain investment instruments allowed under Texas law. Investments are held by the County's agent in the County's name. The County records all interest revenue earned from investment activities in the respective funds.

The County's deposits and investments are invested pursuant to the investment policy, which is approved annually by Commissioners' Court. The Court appoints an investment committee to review the investment policy and submit changes for approval. The appointment of the County's investment office is also done annually by resolution. The investment officer is authorized to invest in investment instruments provided they meet the guidelines of the investment policy. The investment policy includes a list of authorized investment instruments, and a maximum allowable stated maturity of any individual investment by source of funds. In addition, the investment policy includes an "investment strategy" that specifically addresses investment options and describes the priorities of preservation and safety of principal (suitability), liquidity, maturity, marketability, diversification and yield.

The investment officer submits an investment report quarterly to Commissioners' Court as specified by Chapter 2256 of the Government Code. The report details the investment position of the County and the compliance of the investment portfolio as it relates to both the adopted investment policy and Texas State Statute.

The County's demand deposits are either insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with securities held by an independent third-party bank as the County's agent, in the name of Gregg County at September 30, 2023. Collateral other than the FDIC insurance is comprised of various governmental agencies' issues with a rating of AAA by Standard & Poor's. The County's collateral agreements require the market value of securities held by its agents exceed the total amount of cash and investments held by our depository less FDIC. All of the County's deposits are insured or collateralized at September 30, 2023.

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

Of the County's investments, \$40,439,626 are valued using documented trade history in exact security, \$25,728,634 are valued using option-adjusted discounted cash flow model, and \$5,909,098 are valued using present value of expected future cash flow model.

As of September 30, 2023, the County held the following fair value measurements:

	9/30/2023	Fair Value Measurement Using		Weighted Average Maturity (Days)
		(Level 1)	(Level 2)	
Primary government				
Cash and cash equivalents				
Cash deposits - County	\$ 13,614,126			
Cash deposits - Fiduciary funds	<u>10,420,813</u>			
Total cash and cash equivalents	<u>24,034,939</u>			
Investments measured at net asset value per share:				
Investment pools:				
TexPool	<u>24,158,825</u>			26
Investments by fair value level:				
U.S.Treasury Notes	5,909,219	\$ 5,909,219	\$ -	234
Municipal Bonds	3,923,368	-	3,923,368	265
Federal Home Loan Mortgage Corporation	2,851,894	-	2,851,894	366
Federated Hermes Government Obligations Fund	19,563,223	19,563,223	-	1
Federal Home Loan Bank	20,893,540	2,477,775	18,415,765	342
Federal Farm Credit Bank	10,278,792	1,958,929	8,319,863	192
Federal National Mortgage Association	3,943,093	-	3,943,093	216
Federal Agricultural Mortgage Corporation	<u>4,714,230</u>	<u>1,849,648</u>	<u>2,864,582</u>	399
Total fair value investments	<u>72,077,359</u>	<u>31,758,794</u>	<u>40,318,565</u>	
Total cash and investments of the primary government	<u>\$ 120,271,123</u>	<u>\$ 31,758,794</u>	<u>\$ 40,318,565</u>	
Portfolio weighted average maturity (days)				166
Component unit				
Cash deposits	<u>\$ 98,621</u>			
Total cash and investments of the reporting entity	<u>\$ 120,369,744</u>			

Interest Rate Risk. As a means of minimizing risk of loss due to interest rate fluctuations, the investment policy limits investment maturities. The maximum pre-approved maturity should not exceed three years. The portfolio should include at least three months anticipated expenses in highly liquid securities.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. On September 30, 2023, the total carrying amount of the County's deposits was fully collateralized with securities held by the pledging financial institution in the County's name, in money market instruments, or was covered by FDIC insurance.

Credit Risk. Credit risk is the risk that an issuer or other counterpart to an investment will not fulfill its obligations. The County has limited credit risk, in conformance to state statutes and County policy, by investing in only the safest types of securities as permitted by the Public Funds Investment Act, using approved brokers and investing with different issuers. In addition, the County limits its exposure to credit risk by fully insured or collateralized deposits, regulated mutual funds and individually approved investment pools. The investment portfolio of the County is diversified to avoid incurring undue concentration in securities of one type on September 30, 2023, but the policy does not restrict the concentration of investments with one specific issuer by an explicit amount.

The County's investments as of September 30, 2023, were rated as follows:

Investment Type	Rating	Rating Agency
TexPool	AAAm	Standard & Poor's
Municipal securities	AA+	Standard & Poor's
U. S. Agency Securities:		
Federal Home Loan Mortgage Corporation	AA+	Standard & Poor's
Federated Hermes Government Obligations Fund	AA+	Standard & Poor's
Federal Home Loan Bank	AA+	Standard & Poor's
Federal Farm Credit Bank	AA+	Standard & Poor's
Federal National Mortgage Association	AA+	Standard & Poor's
Federal Agricultural Mortgage Corporation	AA+	Standard & Poor's

All significant legal and contractual provisions for investments were complied with during the year. Investments at year-end are representative of the types of investments maintained by the County during the year.

Receivables

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

	General	Capital Improvement	Airport Maintenance	FEMA Coronavirus Relief	Nonmajor Funds	Internal Service	Total
Receivables:							
Taxes	\$ 1,370,572	\$ -	\$ 127,275	\$ -	\$ 162,578	\$ -	\$ 1,660,425
Accounts	2,935,127	362	20,237	-	1,448,184	51,459	4,455,369
Leases	-	-	2,610,290	-	-	-	2,610,290
Interest	500,036	131,987	3,457	-	39,572	-	675,052
Intergovernmental	4,165,804	-	5,520	1,084,242	271,121	-	5,526,687
Gross receivables	8,971,539	132,349	2,766,779	1,084,242	1,921,455	51,459	14,927,823
Less: allowance for uncollectibles	(822,344)	-	(76,365)	-	(97,547)	-	(996,256)
Total	<u>\$ 8,149,195</u>	<u>\$ 132,349</u>	<u>\$ 2,690,414</u>	<u>\$ 1,084,242</u>	<u>\$ 1,823,908</u>	<u>\$ 51,459</u>	<u>\$ 13,931,567</u>

Leases Receivable

The County has entered into 60 leases as lessor for land and buildings at the East Texas Regional Airport. The lessees are required to make fixed monthly payments ranging from \$56 to \$5,400 on the leases carrying interest rates of 0.263% to 2.012%.

Payments to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 213,698	\$ 39,225	\$ 252,923
2025	166,335	37,168	203,503
2026	115,820	35,397	151,217
2027	117,533	33,684	151,217
2028	116,671	31,945	148,616
2029-2033	510,329	135,199	645,528
2034-2038	425,481	98,297	523,778
2039-2043	404,156	65,622	469,778
2044-2048	321,206	34,642	355,848
2049-2053	115,536	16,054	131,590
2054-2058	103,525	5,130	108,655
Total	<u>\$ 2,610,290</u>	<u>\$ 532,363</u>	<u>\$ 3,142,653</u>

Capital Assets

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	Transfers & Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,677,531	\$ -	\$ (4,902)	\$ 2,672,629
Construction in progress	<u>4,233,792</u>	<u>2,103,605</u>	<u>(292,795)</u>	<u>6,044,602</u>
Total assets not being depreciated	<u>6,911,323</u>	<u>2,103,605</u>	<u>(297,697)</u>	<u>8,717,231</u>
Capital assets, being depreciated:				
Right-to-use land	61,856	-	(26,110)	35,746
Buildings and improvements	59,612,621	19,928	(125,783)	59,506,766
Equipment	24,861,722	2,094,722	(370,026)	26,586,418
Right-to-use equipment	231,185	12,923	(21,388)	222,720
Infrastructure	102,186,997	870,027	-	103,057,024
Right-to-use infrastructure	<u>24,928</u>	<u>-</u>	<u>-</u>	<u>24,928</u>
Total capital assets being depreciated	<u>186,979,309</u>	<u>2,997,600</u>	<u>(543,307)</u>	<u>189,433,602</u>
Accumulated depreciation:				
Right-to-use land	(12,470)	(11,915)	4,526	(19,859)
Buildings and improvements	(36,228,072)	(1,914,288)	94,537	(38,047,823)
Equipment	(19,520,791)	(1,674,536)	404,061	(20,791,266)
Right-to-use equipment	(54,871)	(65,825)	13,147	(107,549)
Infrastructure	(79,896,384)	(3,382,157)	3,343	(83,275,198)
Right-to-use infrastructure	<u>(772)</u>	<u>(1,262)</u>	<u>(490)</u>	<u>(2,524)</u>
Total accumulated depreciation	<u>(135,713,360)</u>	<u>(7,049,983)</u>	<u>519,124</u>	<u>(142,244,219)</u>
Total capital assets being depreciated, net	<u>51,265,949</u>	<u>(4,052,383)</u>	<u>(24,183)</u>	<u>47,189,383</u>
Governmental activities capital assets, net	<u>\$ 58,177,272</u>	<u>\$ (1,948,778)</u>	<u>\$ (321,880)</u>	<u>\$ 55,906,614</u>

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

Governmental activities:	
General government	\$ 3,411,404
Health and human services	13,521
Judicial	30,082
Public buildings	1,504,807
Public safety	472,341
Transportation and roads	<u>1,617,828</u>
Total	<u>\$ 7,049,983</u>

Interfund Receivables, Payables and Transfers

Due to/from other funds

Receivable Fund	Payable Fund	Amount
General	FEMA Coronavirus Relief	\$ 1,084,242
General	Internal service funds	<u>71,015</u>
Total		<u>\$ 1,155,257</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These amounts also include balance of working capital loans made to nonmajor governmental funds which the general fund expects to collect in the subsequent year.

Interfund transfers

Transfer From	Transfer To	Amount
General	Airport Maintenance	\$ 1,825,000
General	Capital Improvement	4,702,773
Nonmajor governmental	Capital Improvement	86,284
General	Nonmajor governmental	447,731
Nonmajor governmental	General	2,504
Capital Improvement	General	25,000
Capital Improvement	General	246,424
Airport Maintenance	Nonmajor governmental	1,465,731
Total		<u>\$ 8,801,447</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Significant transfers during the year included \$1.8 million transferred from General Fund to the Airport Maintenance fund to cover airport maintenance; \$4.7 million from General Fund to Capital Improvement Fund to fund ongoing capital projects; and \$1.5 million from Airport Maintenance Fund to a Nonmajor Governmental fund for upcoming capital improvements at the airport.

Long-term Debt

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Leases	\$ 184,985	\$ 30,438	\$ 74,442	\$ 140,981	\$ 65,702
Compensated absences	<u>1,375,650</u>	<u>979,756</u>	<u>1,057,727</u>	<u>1,297,679</u>	<u>324,420</u>
Governmental activity long-term liabilities	<u>\$ 1,560,635</u>	<u>\$ 1,010,194</u>	<u>\$ 1,132,169</u>	<u>\$ 1,438,660</u>	<u>\$ 390,122</u>

For compensated absences and the net pension liability, the General Fund normally liquidates approximately 80% of this liability. The Road and Bridge special revenue fund liquidates approximately 15% of the liability with the remaining liability being liquidated by nonmajor governmental funds.

Leases

The County entered into lease agreements for equipment, land and infrastructure. These agreements carry interest rates ranging from 0.328% to 2.445% and have monthly payments ranging from \$60 to \$1,951. Interest expense during the year totaled \$759.

The future lease principle and interest payments as of September 30, 2023, were as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 65,702	\$ 1,448	\$ 67,150
2025	33,977	935	34,912
2026	18,919	531	19,450
2027	4,138	362	4,500
2028	1,179	321	1,500
2029-2033	6,228	1,272	7,500
2034-2038	6,817	683	7,500
2039-2043	<u>4,021</u>	<u>104</u>	<u>4,125</u>
Total	<u>\$ 140,981</u>	<u>\$ 5,656</u>	<u>\$ 146,637</u>

Other Information

Risk Management

The County and/or employees of the County are defendants in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

The County provides for the management of risks through a combination of self-insurance and traditional insurance. The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During fiscal year 2023, the County was covered under a general liability insurance plan. Additionally, the County has commercial insurance for other risks of loss, including workers' compensation, unemployment compensation, public official liability, law enforcement liability, property and employee life and accident insurance. There were no significant reductions in insurance coverage, nor did any settlement exceed coverage in the past three years.

Defined Benefit Pension Plan

Plan Description

The County's nontraditional defined benefit pension plan, Texas County and District Retirement System (TCDRS), provides pensions for all of its full-time employees. The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of over nontraditional defined benefit pension plans. TCDRS in the aggregate issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034 Austin, TX, 78768-2034.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

Benefits Provided

TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

Employees covered by benefit terms

At the December 31, 2022, valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	459
Inactive employees entitled to but not yet receiving benefits	771
Active employees	<u>572</u>
Total	<u><u>1,802</u></u>

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the County was 12.20% in calendar year 2022 and 11.86% in calendar year 2023. The County's contributions to TCDRS for the year ended September 30, 2023, were \$3,420,009 and were equal to the required contributions.

Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.0% per year
Investment rate of return	7.5%, net of pension plan investment expense, including inflation

There are no automatic cost of living adjustments (COLA's) and no COLA's are considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the funding valuation. Each year, the County may elect an ad-hoc COLA for retirees.

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

Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

All actuarial assumptions that determined the total pension liability as of December 31, 2022, were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.5%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The application of the investment return assumption was changed for purposes of determining plan liabilities at the March 2023 meeting. All plan liabilities are now valued using a 7.6% discount rate.

The long-term expected rate of return on TCDRS is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2023 information for a 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a long-term time horizon; the most recent analysis was performed in 2022.

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

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
International Equities - Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
International Equities - Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.39%
Direct Lending	S&P/LSTA Leveraged Loan 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 2022 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.6%, 2022 capital market assumptions.

⁽³⁾ Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

⁽⁴⁾ Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

⁽⁵⁾ Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the total pension liability was 7.60%. The discount rate was determined using an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods. The employee is legally required to make the contribution specified in the funding policy. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable. Based on the above assumptions, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance at 12/31/2021	\$ 173,025,429	\$ 190,479,225	\$ (17,453,796)
Changes for the year:			
Service cost	4,055,165	-	4,055,165
Interest on total pension liability ⁽¹⁾	13,118,575	-	13,118,575
Effect of economic/demographic gains or losses	(1,091,195)	-	(1,091,195)
Refund of contributions	(535,595)	(535,595)	-
Benefit payments	(8,566,612)	(8,566,612)	-
Administrative expenses	-	(102,836)	102,836
Member contributions	-	1,986,404	(1,986,404)
Net investment income	-	(10,852,170)	10,852,170
Employer contributions	-	3,433,605	(3,433,605)
Other ⁽²⁾	-	(359,241)	359,241
Balance at 12/31/2022	<u>\$ 180,005,767</u>	<u>\$ 175,482,780</u>	<u>\$ 4,522,987</u>

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

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

Sensitivity Analysis

The following presents the net pension liability (asset) of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60%) or 1-percentage-higher (8.60%) than the current rate:

	1% Decrease	Current	1% Increase
	6.60%	Discount Rate 7.60%	8.60%
Total pension liability	\$ 203,357,274	\$ 180,005,766	\$ 160,507,789
Fiduciary net position	<u>175,482,779</u>	<u>175,482,779</u>	<u>175,482,779</u>
Net pension liability/(asset)	<u>\$ 27,874,495</u>	<u>\$ 4,522,987</u>	<u>\$ (14,974,990)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained at www.tcdrs.org.

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

For the year ended September 30, 2023, the County recognized pension income of \$2,753,285. At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 1,455,502
Changes in actuarial assumptions	2,282,136	111,529
Difference between projected and actual investment earnings	3,008,682	-
Contributions subsequent to the measurement date	<u>2,492,697</u>	<u>-</u>
Total	<u>\$ 7,783,515</u>	<u>\$ 1,567,031</u>

The amount reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>For The Year Ended September 30,</u>	
2024	\$ (1,280,480)
2025	(537,947)
2026	507,415
2027	<u>5,034,800</u>
Total	<u>\$ 3,723,788</u>

Tax Abatements

The County enters into property tax abatement agreements with local businesses under the provisions of the Property Redevelopment and Tax Abatement Act found in Chapter 381 of the Texas Tax Code. Chapter 381 gives County governments the power to provide incentives encouraging developers to build in their jurisdictions. A County may administer and develop a program to make loans and grants of public money to promote state or local economic development and to stimulate, encourage and development business location and commercial activity in the County. The goal of these programs is to provide long term significant positive impact on the community.

The abatement of taxes under this agreement for fiscal year 2023 was \$104,866.

The County enters into property tax abatement agreements with local businesses under the provisions of the Property Redevelopment and Tax Abatement Act found in Chapter 312 of the Texas Tax Code. This chapter allows the County to exempt all or part of the taxable value of new investments for a period not to exceed 10 years. A County may administer and develop these abatements to promote state or local economic development and to stimulate, encourage and development business location and commercial activity in the County. The goal of tax abatement is to provide long term significant positive impact on the community.

The abatement of taxes under these types of agreements for fiscal year 2023 was \$207,820,910.

Contingent Liabilities

Contingencies

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

Litigation

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.

Contracts and Commitments

Construction Commitments

The County has active construction project as of September 30, 2023. At year end, the County's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Runway 13/31 Rehabilitation	\$ <u>902,599</u>	\$ <u>20,600,000</u>

Encumbrances

The County had no significant encumbrances at yearend.

Risk Management

The County provides for the management of risks through a combination of self-insurance and traditional insurance. The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During fiscal year 2021, the County was covered under a general liability insurance plan. Additionally, the County has commercial insurance for other risks of loss, including workers' compensation, unemployment compensation, public official liability, property and employee life, accident insurance, and law enforcement liability. There were no significant reductions in insurance coverage, nor did any settlement exceed coverage in the past three years.

The self-insurance internal service fund is funded by charges to the government's other funds, and is based primarily upon the contributing funds' claim experience. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as, inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

Changes in the balance of claims liabilities during the year are as follows:

<u>Beginning Liability</u>	<u>Claims Incurred</u>	<u>Claim Payments</u>	<u>Ending Liability</u>
\$ 348,427	\$ 4,555,182	\$ 4,216,857	\$ 686,752

Significant Forthcoming Accounting Standards

GASB Statement No. 99, Omnibus 2022 – The objective of this Statement is to correct practice issues identified during implementation and application of certain GASB Statements and financial reporting for financial guarantees. There are various effective dates 1.) upon issuance 2.) fiscal years beginning after June 15, 2022, and 3.) fiscal years beginning after June 15, 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62* – The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2023, and the impact has not yet been determined.

GASB Statement No. 101, *Compensated Absences* – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* - This Statement requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. Concentrations and constraints may limit a government’s ability to acquire resources or control spending. The requirements of Statement No. 102 are effective for fiscal years beginning after June 15, 2024, and the impact has not yet been determined.

The Government Accounting Standards Board (GASB) has amended the existing standards regarding capitalization thresholds for assets. The amended guidance for the capitalization threshold comes from GASB Implementation Guide 2021-1, Question 5.1. Capitalization policies adopted by governments include many considerations such as finding an appropriate balance between ensuring that all significant capital assets, collectively, are capitalized and minimizing the cost of record-keeping for capital assets. A government should capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant. Computers, classroom furniture and library books are examples of asset types that may not meet a capitalization policy on an individual basis yet could be significantly collectively. In this example, if the \$150,000 aggregate amount (100 computers costing \$1,500 each) is significant, the government should capitalize the computers. The amended guidance is effective for reporting periods beginning after June 15, 2023, and the impact has not yet been determined.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Current property	\$ 26,473,187	\$ 26,473,187	\$ 26,059,211	\$ (413,976)
Delinquent property	580,129	580,129	494,364	(85,765)
Sales tax	17,500,000	17,500,000	20,733,413	3,233,413
Motor vehicle sales	1,950,000	1,950,000	2,231,387	281,387
Alcoholic beverage	320,000	320,000	370,504	50,504
Bingo	115,000	115,000	111,133	(3,867)
Licenses and permits	94,250	94,250	82,365	(11,885)
Intergovernmental	1,110,700	2,365,502	2,767,843	402,341
Charges for services	3,321,740	3,351,740	3,228,127	(123,613)
Fines and forfeitures	345,000	345,000	399,085	54,085
Investment earnings	560,000	560,000	1,717,953	1,157,953
Rents and commissions	1,887,462	1,887,462	2,474,536	587,074
Miscellaneous	98,000	98,000	251,711	153,711
Total revenues	<u>54,355,468</u>	<u>55,640,270</u>	<u>60,921,632</u>	<u>5,281,362</u>
EXPENDITURES				
General government:				
County clerk - administration:				
Salaries	810,130	810,130	762,669	47,461
Fringe benefits	575,334	556,349	397,935	158,414
Operating	72,166	72,166	59,331	12,835
Total county clerk - administration	<u>1,457,630</u>	<u>1,438,645</u>	<u>1,219,935</u>	<u>218,710</u>
County clerk - archive restoration:				
Salaries	54,055	54,055	50,456	3,599
Fringe benefits	25,140	25,140	23,689	1,451
Operating	39,296	39,296	26,472	12,824
Total county clerk - archive restoration	<u>118,491</u>	<u>118,491</u>	<u>100,617</u>	<u>17,874</u>
Telecommunications:				
Salaries	55,550	55,550	49,670	5,880
Fringe benefits	10,665	10,665	9,817	848
Operating	150	150	-	150
Total telecommunications	<u>66,365</u>	<u>66,365</u>	<u>59,487</u>	<u>6,878</u>
Purchasing:				
Salaries	258,429	258,429	255,999	2,430
Fringe benefits	122,170	122,170	116,906	5,264
Operating	28,320	33,320	23,287	10,033
Total purchasing	<u>408,919</u>	<u>413,919</u>	<u>396,192</u>	<u>17,727</u>
Human resources:				
Salaries	204,471	220,921	190,408	30,513
Fringe benefits	98,870	108,178	69,572	38,606
Operating	47,550	56,550	21,299	35,251
Total human resources	<u>350,891</u>	<u>385,649</u>	<u>281,279</u>	<u>104,370</u>
Nondepartmental - general government:				
Salaries	50,000	50,000	-	50,000
Fringe benefits	291,865	242,556	42	242,514
Operating	3,479,037	3,281,267	2,632,342	648,925
Total nondepartmental - general government	<u>3,820,902</u>	<u>3,573,823</u>	<u>2,632,384</u>	<u>941,439</u>

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
General government: (Continued)				
County judge:				
Salaries	\$ 262,963	\$ 262,963	\$ 248,299	\$ 14,664
Fringe benefits	110,189	110,189	86,317	23,872
Operating	16,575	16,575	7,914	8,661
Total county judge	<u>389,727</u>	<u>389,727</u>	<u>342,530</u>	<u>47,197</u>
Postal services:				
Salaries	20,322	13,603	13,478	125
Operating	16,250	16,250	1,778	14,472
Total postal services	<u>36,572</u>	<u>29,853</u>	<u>15,256</u>	<u>14,597</u>
Concession operations:				
Operating	-	-	42,505	(42,505)
Total concession operations	<u>-</u>	<u>-</u>	<u>42,505</u>	<u>(42,505)</u>
Elections:				
Salaries	237,681	237,681	226,348	11,333
Fringe benefits	97,430	97,430	89,206	8,224
Operating	223,534	223,534	199,691	23,843
Total elections	<u>558,645</u>	<u>558,645</u>	<u>515,245</u>	<u>43,400</u>
County auditor:				
Salaries	640,747	634,359	537,684	96,675
Fringe benefits	286,115	290,730	227,947	62,783
Operating	23,935	23,935	21,227	2,708
Total county auditor	<u>950,797</u>	<u>949,024</u>	<u>786,858</u>	<u>162,166</u>
Tax assessor-collector:				
Salaries	1,119,849	1,120,339	1,038,312	82,027
Fringe benefits	638,864	638,964	549,845	89,119
Operating	219,567	219,567	175,673	43,894
Total tax assessor-collector	<u>1,978,280</u>	<u>1,978,870</u>	<u>1,763,830</u>	<u>215,040</u>
Information services:				
Salaries	504,315	514,637	500,942	13,695
Fringe benefits	232,835	239,696	218,906	20,790
Operating	1,220,168	1,259,168	1,193,696	65,472
Total information services	<u>1,957,318</u>	<u>2,013,501</u>	<u>1,913,544</u>	<u>99,957</u>
Agricultural extension service:				
Salaries	79,441	79,441	73,197	6,244
Fringe benefits	24,290	24,290	10,196	14,094
Operating	25,425	25,425	22,254	3,171
Total agricultural extension service	<u>129,156</u>	<u>129,156</u>	<u>105,647</u>	<u>23,509</u>
Total general government	<u>12,223,693</u>	<u>12,045,668</u>	<u>10,175,309</u>	<u>1,870,359</u>
Judicial:				
Court of civil appeals:				
Salaries	16,008	16,008	16,009	(1)
Fringe benefits	1,290	1,290	1,225	65
Total court of civil appeals	<u>17,298</u>	<u>17,298</u>	<u>17,234</u>	<u>64</u>

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
Judicial: (Continued)				
County court-at-law no. 1:				
Salaries	\$ 299,056	\$ 300,262	\$ 288,874	\$ 11,388
Fringe benefits	111,424	111,659	99,162	12,497
Operating	<u>20,774</u>	<u>20,774</u>	<u>9,905</u>	<u>10,869</u>
Total county court-at-law no. 1	<u>431,254</u>	<u>432,695</u>	<u>397,941</u>	<u>34,754</u>
County court-at-law no. 2:				
Salaries	307,190	307,190	303,126	4,064
Fringe benefits	113,174	113,174	102,485	10,689
Operating	<u>21,105</u>	<u>41,105</u>	<u>32,317</u>	<u>8,788</u>
Total county court-at-law no. 2	<u>441,469</u>	<u>461,469</u>	<u>437,928</u>	<u>23,541</u>
124th district court:				
Salaries	123,842	144,940	129,119	15,821
Fringe benefits	53,445	57,562	49,126	8,436
Operating	<u>17,680</u>	<u>17,680</u>	<u>13,225</u>	<u>4,455</u>
Total 124th district court	<u>194,967</u>	<u>220,182</u>	<u>191,470</u>	<u>28,712</u>
188th district court:				
Salaries	121,502	121,502	109,104	12,398
Fringe benefits	52,970	52,970	45,135	7,835
Operating	<u>24,325</u>	<u>24,325</u>	<u>19,758</u>	<u>4,567</u>
Total 188th district court	<u>198,797</u>	<u>198,797</u>	<u>173,997</u>	<u>24,800</u>
307th district court:				
Salaries	119,064	119,064	118,064	1,000
Fringe benefits	52,470	52,470	50,584	1,886
Operating	<u>20,100</u>	<u>20,100</u>	<u>10,852</u>	<u>9,248</u>
Total 307th district court	<u>191,634</u>	<u>191,634</u>	<u>179,500</u>	<u>12,134</u>
Judicial:				
Operating expenditures	<u>2,539,815</u>	<u>2,541,110</u>	<u>1,669,828</u>	<u>871,282</u>
Total judicial	<u>2,539,815</u>	<u>2,541,110</u>	<u>1,669,828</u>	<u>871,282</u>
District clerk:				
Salaries	696,059	696,059	536,176	159,883
Fringe benefits	425,124	425,124	265,473	159,651
Operating	<u>59,250</u>	<u>59,250</u>	<u>43,568</u>	<u>15,682</u>
Total district clerk	<u>1,180,433</u>	<u>1,180,433</u>	<u>845,217</u>	<u>335,216</u>
Justice of the peace no. 1:				
Salaries	278,171	278,171	256,558	21,613
Fringe benefits	181,449	181,449	143,703	37,746
Operating	<u>89,256</u>	<u>120,256</u>	<u>94,646</u>	<u>25,610</u>
Total justice of the peace no. 1	<u>548,876</u>	<u>579,876</u>	<u>494,907</u>	<u>84,969</u>
Justice of the peace no. 2:				
Salaries	157,776	157,776	143,872	13,904
Fringe benefits	100,869	100,869	87,223	13,646
Operating	<u>40,790</u>	<u>40,790</u>	<u>33,364</u>	<u>7,426</u>
Total justice of the peace no. 2	<u>299,435</u>	<u>299,435</u>	<u>264,459</u>	<u>34,976</u>

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
Judicial: (Continued)				
Justice of the peace no. 3:				
Salaries	\$ 171,491	\$ 171,491	\$ 153,609	\$ 17,882
Fringe benefits	103,089	103,089	86,142	16,947
Operating	29,800	49,800	40,342	9,458
Total justice of the peace no. 3	<u>304,380</u>	<u>324,380</u>	<u>280,093</u>	<u>44,287</u>
Justice of the peace no. 4:				
Salaries	143,746	143,746	137,636	6,110
Fringe benefits	98,069	98,069	65,496	32,573
Operating	71,000	71,000	56,468	14,532
Total justice of the peace no. 4	<u>312,815</u>	<u>312,815</u>	<u>259,600</u>	<u>53,215</u>
District attorney:				
Salaries	2,137,669	2,067,372	1,725,655	341,717
Fringe benefits	900,119	904,194	614,340	289,854
Operating	190,500	193,708	142,245	51,463
Total district attorney	<u>3,228,288</u>	<u>3,165,274</u>	<u>2,482,240</u>	<u>683,034</u>
10th Admin Judicial Region:				
Salaries	-	68,500	68,500	-
Fringe benefits	-	13,500	13,289	211
Operating	-	1,750	462	1,288
Total 10th Admin Judicial Region	<u>-</u>	<u>83,750</u>	<u>82,251</u>	<u>1,499</u>
Bail bond board:				
Salaries	3,000	3,000	3,000	-
Fringe benefits	605	605	588	17
Total bail bond board	<u>3,605</u>	<u>3,605</u>	<u>3,588</u>	<u>17</u>
Drug Court:				
Salaries	-	6,450	4,080	2,370
Fringe benefits	-	550	314	236
Operating	1,355	1,355	26	1,329
Total bail bond board	<u>1,355</u>	<u>8,355</u>	<u>4,420</u>	<u>3,935</u>
Collections office:				
Salaries	178,715	178,715	148,067	30,648
Fringe benefits	107,160	107,160	81,831	25,329
Operating	15,180	15,180	12,436	2,744
Total collections office	<u>301,055</u>	<u>301,055</u>	<u>242,334</u>	<u>58,721</u>
Total judicial	<u>10,195,476</u>	<u>10,322,163</u>	<u>8,027,007</u>	<u>2,295,156</u>
Public safety:				
Constable no. 1:				
Salaries	49,343	49,343	49,343	-
Fringe benefits	25,969	25,969	11,158	14,811
Operating	11,425	11,425	8,408	3,017
Total constable no. 1	<u>86,737</u>	<u>86,737</u>	<u>68,909</u>	<u>17,828</u>
Constable no. 2:				
Salaries	49,343	49,343	49,343	-
Fringe benefits	25,969	25,969	24,544	1,425
Operating	9,790	9,790	7,903	1,887
Total constable no. 2	<u>85,102</u>	<u>85,102</u>	<u>81,790</u>	<u>3,312</u>

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
Public safety: (Continued)				
Constable no. 3:				
Salaries	\$ 49,343	\$ 49,343	\$ 49,343	\$ -
Fringe benefits	26,607	26,607	24,976	1,631
Operating	<u>24,575</u>	<u>24,575</u>	<u>15,146</u>	<u>9,429</u>
Total constable no. 3	<u>100,525</u>	<u>100,525</u>	<u>89,465</u>	<u>11,060</u>
Constable no. 4:				
Salaries	49,343	49,343	49,343	-
Fringe benefits	26,845	26,845	24,240	2,605
Operating	<u>23,820</u>	<u>23,820</u>	<u>15,278</u>	<u>8,542</u>
Total constable no. 4	<u>100,008</u>	<u>100,008</u>	<u>88,861</u>	<u>11,147</u>
Sheriff - corrections:				
Salaries	4,420,942	4,350,442	4,311,393	39,049
Fringe benefits	2,084,349	1,959,349	1,801,642	157,707
Operating	<u>976,950</u>	<u>1,224,302</u>	<u>982,788</u>	<u>241,514</u>
Total sheriff - corrections	<u>7,482,241</u>	<u>7,534,093</u>	<u>7,095,823</u>	<u>438,270</u>
Contract jail operations:				
Salaries	7,365,287	7,243,287	4,498,486	2,744,801
Fringe benefits	3,902,875	3,225,875	3,052,089	173,786
Operating	<u>2,784,100</u>	<u>2,942,060</u>	<u>2,719,972</u>	<u>222,088</u>
Total contract jail operations	<u>14,052,262</u>	<u>13,411,222</u>	<u>10,270,547</u>	<u>3,140,675</u>
Criminal Justice Center operations:				
Salaries	326,832	372,832	361,518	11,314
Fringe benefits	183,870	167,870	152,364	15,506
Operating	<u>94,280</u>	<u>94,280</u>	<u>39,776</u>	<u>54,504</u>
Total Criminal Justice Center operations	<u>604,982</u>	<u>634,982</u>	<u>553,658</u>	<u>81,324</u>
Department of Public Safety:				
Operating	<u>10,516</u>	<u>10,516</u>	<u>10,503</u>	<u>13</u>
Total Department of Public Safety	<u>10,516</u>	<u>10,516</u>	<u>10,503</u>	<u>13</u>
Parks and wildlife:				
Operating	<u>1,880</u>	<u>1,880</u>	<u>279</u>	<u>1,601</u>
Total parks and wildlife	<u>1,880</u>	<u>1,880</u>	<u>279</u>	<u>1,601</u>
Juvenile board:				
Salaries	144,475	278,689	432,219	(153,530)
Fringe benefits	86,902	739,634	862,432	(122,798)
Operating	<u>2,090</u>	<u>1,101,614</u>	<u>420,315</u>	<u>681,299</u>
Total juvenile board	<u>233,467</u>	<u>2,119,937</u>	<u>1,714,966</u>	<u>404,971</u>
Total public safety	<u>22,757,720</u>	<u>24,085,002</u>	<u>19,974,801</u>	<u>4,110,201</u>
Health and human services:				
Veterans services:				
Salaries	76,188	76,188	76,188	-
Fringe benefits	43,835	43,835	42,412	1,423
Operating	<u>18,000</u>	<u>18,000</u>	<u>2,093</u>	<u>15,907</u>
Total veterans services	<u>138,023</u>	<u>138,023</u>	<u>120,693</u>	<u>17,330</u>

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
Health and human services: (Continued)				
Civil defense:				
Operating	\$ 39,000	\$ 39,000	\$ 21,685	\$ 17,315
Total civil defense	<u>39,000</u>	<u>39,000</u>	<u>21,685</u>	<u>17,315</u>
911 Addressing:				
Salaries	156,172	146,172	139,826	6,346
Fringe benefits	63,465	50,465	42,366	8,099
Operating	<u>71,000</u>	<u>129,000</u>	<u>88,263</u>	<u>40,737</u>
Total 911 addressing	<u>290,637</u>	<u>325,637</u>	<u>270,455</u>	<u>55,182</u>
Health:				
Salaries	349,987	349,987	337,035	12,952
Fringe benefits	200,825	200,825	145,002	55,823
Operating	<u>767,900</u>	<u>790,227</u>	<u>413,960</u>	<u>376,267</u>
Total health	<u>1,318,712</u>	<u>1,341,039</u>	<u>895,997</u>	<u>445,042</u>
Historical commission:				
Operating	<u>11,745</u>	<u>11,745</u>	<u>24</u>	<u>11,721</u>
Total historical commission	<u>11,745</u>	<u>11,745</u>	<u>24</u>	<u>11,721</u>
Contributions:				
Operating	<u>469,358</u>	<u>469,358</u>	<u>437,978</u>	<u>31,380</u>
Total contributions	<u>469,358</u>	<u>469,358</u>	<u>437,978</u>	<u>31,380</u>
Total health and human services	<u>2,267,475</u>	<u>2,324,802</u>	<u>1,746,832</u>	<u>577,970</u>
Public buildings:				
Courthouse building:				
Salaries	442,757	412,757	347,388	65,369
Fringe benefits	239,300	239,300	169,656	69,644
Operating	<u>231,950</u>	<u>326,950</u>	<u>287,540</u>	<u>39,410</u>
Total courthouse building	<u>914,007</u>	<u>979,007</u>	<u>804,584</u>	<u>174,423</u>
Jail building:				
Operating	<u>375,400</u>	<u>495,400</u>	<u>424,962</u>	<u>70,438</u>
Total jail building	<u>375,400</u>	<u>495,400</u>	<u>424,962</u>	<u>70,438</u>
Service center building:				
Operating	<u>54,650</u>	<u>54,650</u>	<u>51,098</u>	<u>3,552</u>
Total service center building	<u>54,650</u>	<u>54,650</u>	<u>51,098</u>	<u>3,552</u>
Longview Whaley Street community building:				
Salaries	29,500	29,500	22,045	7,455
Fringe benefits	6,520	6,520	4,707	1,813
Operating	<u>59,830</u>	<u>59,830</u>	<u>44,686</u>	<u>15,144</u>
Total Longview Whaley Street community building	<u>95,850</u>	<u>95,850</u>	<u>71,438</u>	<u>24,412</u>
Judson community building:				
Operating	<u>4,990</u>	<u>7,090</u>	<u>6,622</u>	<u>468</u>
Total Judson community building	<u>4,990</u>	<u>7,090</u>	<u>6,622</u>	<u>468</u>

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
Public buildings: (Continued)				
Greggton community building:				
Operating	\$ 29,450	\$ 42,450	\$ 31,532	\$ 10,918
Fringe benefits	-	-	31	(31)
Total Greggton community building	<u>29,450</u>	<u>42,450</u>	<u>31,563</u>	<u>10,887</u>
Gladewater Commerce Street building:				
Operating	<u>3,000</u>	<u>3,000</u>	<u>2,484</u>	<u>516</u>
Total Gladewater Commerce Street building	<u>3,000</u>	<u>3,000</u>	<u>2,484</u>	<u>516</u>
Hugh Camp Memorial Park:				
Salaries	22,196	22,196	17,586	4,610
Fringe benefits	14,705	14,705	10,183	4,522
Operating	<u>50,200</u>	<u>50,200</u>	<u>46,115</u>	<u>4,085</u>
Total Hugh Camp Memorial Park	<u>87,101</u>	<u>87,101</u>	<u>73,884</u>	<u>13,217</u>
Kilgore office and community building:				
Operating	<u>25,150</u>	<u>25,150</u>	<u>20,255</u>	<u>4,895</u>
Total Kilgore office and community building	<u>25,150</u>	<u>25,150</u>	<u>20,255</u>	<u>4,895</u>
Elderville community building:				
Operating	<u>27,180</u>	<u>27,180</u>	<u>18,360</u>	<u>8,820</u>
Total Elderville community building	<u>27,180</u>	<u>27,180</u>	<u>18,360</u>	<u>8,820</u>
Longview Eastman Road building:				
Operating	32,490	32,490	15,971	16,519
Total Longview Easton Road building	<u>32,490</u>	<u>32,490</u>	<u>15,971</u>	<u>16,519</u>
Longview Eastman Road building:				
Operating	3,500	3,500	2,163	1,337
Total Longview Easton Road building	<u>3,500</u>	<u>3,500</u>	<u>2,163</u>	<u>1,337</u>
Purchasing Surplus Building:				
Salaries	220,947	223,130	165,258	57,872
Fringe benefits	162,390	162,833	104,860	57,973
Operating	<u>41,550</u>	<u>41,550</u>	<u>38,518</u>	<u>3,032</u>
Total Purchasing Surplus building	<u>424,887</u>	<u>427,513</u>	<u>308,636</u>	<u>118,877</u>
M. A. Smith Criminal Justice Center:				
Operating	58,600	58,600	45,295	13,305
Total M. A. Smith Criminal Justice Center	<u>58,600</u>	<u>58,600</u>	<u>45,295</u>	<u>13,305</u>
Record storage building:				
Salaries	13,705	13,705	13,690	15
Fringe benefits	9,365	9,365	8,850	515
Operating	<u>28,331</u>	<u>19,331</u>	<u>10,807</u>	<u>8,524</u>
Total Record storage building	<u>51,401</u>	<u>42,401</u>	<u>33,347</u>	<u>9,054</u>
Total public buildings	<u>2,187,656</u>	<u>2,381,382</u>	<u>1,910,662</u>	<u>470,720</u>

GREGG COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
Public buildings: (Continued)				
Transportation and Roads:				
Interagency Road Projects:				
Operating expenditures	\$ 1,420,972	\$ 1,420,972	\$ 1,420,972	\$ -
Total Interagency Road Projects	<u>1,420,972</u>	<u>1,420,972</u>	<u>1,420,972</u>	<u>-</u>
Total Transportation and Roads	<u>1,420,972</u>	<u>1,420,972</u>	<u>1,420,972</u>	<u>-</u>
Debt service:				
Principal	1,000	1,000	64,808	(63,808)
Interest	<u>500</u>	<u>500</u>	<u>1,028</u>	<u>(528)</u>
Total debt service	<u>1,500</u>	<u>1,500</u>	<u>65,836</u>	<u>(64,336)</u>
Total expenditures	<u>51,054,492</u>	<u>52,581,489</u>	<u>43,321,419</u>	<u>9,260,070</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,300,976</u>	<u>3,058,781</u>	<u>17,600,213</u>	<u>(3,978,708)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	123,835	152,820	273,928	121,108
Transfers out	(6,418,025)	(7,060,956)	(6,975,504)	85,452
Issuance of leases	-	-	30,438	30,438
Sale of capital assets	5,000	5,000	171,328	166,328
Insurance recoveries	<u>-</u>	<u>-</u>	<u>332,122</u>	<u>332,122</u>
Total other financing sources (uses)	<u>(6,289,190)</u>	<u>(6,903,136)</u>	<u>(6,167,688)</u>	<u>735,448</u>
NET CHANGE IN FUND BALANCE	<u>(2,988,214)</u>	<u>(3,844,355)</u>	<u>11,432,525</u>	<u>15,276,880</u>
FUND BALANCE, BEGINNING	<u>52,663,091</u>	<u>52,663,091</u>	<u>52,663,091</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 49,674,877</u>	<u>\$ 48,818,736</u>	<u>\$ 64,095,616</u>	<u>\$15,276,880</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

AIRPORT MAINTENANCE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Delinquent property taxes	\$ 57,198	\$ 57,198	\$ 46,625	\$ (10,573)
Intergovernmental	22,300	22,300	20,100	(2,200)
Charges for services	16,800	16,800	18,765	1,965
Investment earnings	2,500	2,500	93,631	91,131
Rent and commissions	382,300	382,300	385,449	3,149
Miscellaneous	500	500	462	(38)
Total revenues	<u>481,598</u>	<u>481,598</u>	<u>565,032</u>	<u>83,434</u>
EXPENDITURES				
Current:				
General government	1,491,520	1,487,696	123,633	1,364,063
Public safety	1,236,800	1,214,700	1,039,520	175,180
Capital outlay	24,680	51,778	43,418	8,360
Debt service:				
Principal	-	-	2,188	(2,188)
Interest	-	-	7	(7)
Total expenditures	<u>2,753,000</u>	<u>2,754,174</u>	<u>1,208,766</u>	<u>1,545,408</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,271,402)</u>	<u>(2,272,576)</u>	<u>(643,734)</u>	<u>1,628,842</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,825,000	1,826,175	1,825,000	(1,175)
Transfers out	<u>(1,465,758)</u>	<u>(1,465,758)</u>	<u>(1,465,731)</u>	<u>27</u>
Total other financing sources (uses)	<u>359,242</u>	<u>360,417</u>	<u>359,269</u>	<u>(1,148)</u>
NET CHANGE IN FUND BALANCE	(1,912,160)	(1,912,159)	(284,465)	1,627,694
FUND BALANCE, BEGINNING	<u>1,863,136</u>	<u>1,863,136</u>	<u>1,863,136</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ (49,024)</u>	<u>\$ (49,023)</u>	<u>\$ 1,578,671</u>	<u>\$1,627,694</u>

GREGG COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY SCHEDULES

SEPTEMBER 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. State law provides that amendments approved by the Commissioners Court may be made to the original budget provided that funds are available for the added expenditures. Reported budget amounts reflect the budget as originally adopted and all budget amendments and transfers approved by the Commissioners Court. Revenues are budgeted at the object level and expenditures are budgeted at the category/department level with the following categories: salaries, fringe benefits, operating, and capital outlay.

The County uses encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation. All open purchase orders lapse at year-end and are subject to re-appropriation in the subsequent year's budgetary process.

Budgetary comparison schedules are presented as required supplementary information for the General Fund and for each major special revenue fund with adopted budgets.

Comparisons of budgetary data to actual results of operations for the Capital Improvement Fund, Road and Bridge Fund, Airport Maintenance Fund, Court Technology and Security Fund, Records Management and Preservation Fund, Voting and Elections Fund, Law Library Fund, Health Care Fund, and Airport Capital Improvement Fund are presented as supplementary information.

The following funds do not have legally adopted budgets; therefore, no budgetary comparison schedules are presented: American Rescue Plan, Local Provider Participation, Law Enforcement Fund, Grant Fund, Code Enforcement Fund, VIT Operating Fund, Local Truancy Prevention/Diversion Fund, District Attorney Fund, Sheriff Fund, and FEMA Coronavirus Relief Fund.

GREGG COUNTY, TEXAS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS**

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Measurement Date December 31,	2022	2021	2020	2019
Total Pension Liability				
Service Cost	\$ 4,055,165	\$ 3,951,844	\$ 3,508,234	\$ 3,194,477
Interest Total Pension Liability	13,118,575	12,663,885	12,220,941	11,651,113
Effect of plan changes	-	-	-	-
Effect of Economic/Demographic (Gains) or Losses	(1,091,195)	(334,584)	(1,012,624)	140,771
Effect of Assumption Changes or Inputs	-	(1,424,651)	9,128,541	-
Benefit Payments & Refunds	<u>(9,102,207)</u>	<u>(8,856,419)</u>	<u>(8,214,714)</u>	<u>(8,313,751)</u>
Net Change in Total Pension Liability	6,980,338	6,000,075	15,630,378	6,672,610
Total Pension Liability - Beginning	<u>173,025,429</u>	<u>167,025,354</u>	<u>151,394,976</u>	<u>144,722,366</u>
Total Pension Liability - Ending (a)	<u>\$ 180,005,767</u>	<u>\$ 173,025,429</u>	<u>\$ 167,025,354</u>	<u>\$ 151,394,976</u>
Plan Fiduciary Net Position				
Employer Contributions	\$ 3,433,605	\$ 3,478,997	\$ 3,264,409	\$ 3,064,477
Member Contributions	1,986,404	2,053,356	1,926,685	1,943,539
Investment Income Net of Investment Expenses	(10,852,170)	34,617,009	15,214,977	21,281,165
Benefit Payments & Refunds	(9,102,207)	(8,856,419)	(8,214,717)	(8,313,751)
Administrative Expenses	(102,836)	(103,051)	(116,591)	(112,278)
Other	<u>(359,241)</u>	<u>(50,218)</u>	<u>(74,673)</u>	<u>(92,654)</u>
Net Change in Plan Fiduciary Net Position	(14,996,445)	31,139,674	12,000,090	17,770,498
Plan Fiduciary Net Position - Beginning	<u>190,479,225</u>	<u>159,339,551</u>	<u>147,339,461</u>	<u>129,568,963</u>
Plan Fiduciary Net Position - Ending (b)	<u>175,482,780</u>	<u>190,479,225</u>	<u>159,339,551</u>	<u>147,339,461</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ 4,522,987</u>	<u>\$ (17,453,796)</u>	<u>\$ 7,685,803</u>	<u>\$ 4,055,515</u>
Fiduciary Net Position as A Percentage of Total Pension Liability	97.49%	110.09%	95.40%	97.32%
Pensionable Covered Payroll	\$ 28,142,529	\$ 29,333,664	\$ 27,524,070	\$ 26,740,638
Net Pension Liability (Asset) as A Percentage of Covered Payroll	16.07%	-59.50%	27.92%	15.17%

Note: This schedule is required to include 10 years of information, but information prior to 2014 is not available.

2018	2017	2016	2015	2014
\$ 3,314,571	\$ 3,503,561	\$ 3,531,610	\$ 3,307,965	\$ 3,352,760
11,288,323	10,628,971	9,867,996	9,364,860	8,831,106
-	-	-	(483,308)	-
(2,291,235)	(155,792)	90,665	(1,630,892)	(820,005)
-	1,127,308	-	1,346,961	-
<u>(7,134,574)</u>	<u>(6,428,980)</u>	<u>(5,327,748)</u>	<u>(5,430,771)</u>	<u>(4,930,501)</u>
5,177,085	8,675,068	8,162,523	6,474,815	6,433,360
<u>139,545,281</u>	<u>130,870,213</u>	<u>122,707,690</u>	<u>116,232,875</u>	<u>109,799,515</u>
<u>\$ 144,722,366</u>	<u>\$ 139,545,281</u>	<u>\$ 130,870,213</u>	<u>\$ 122,707,690</u>	<u>\$ 116,232,875</u>
\$ 2,786,539	\$ 2,813,979	\$ 2,833,558	\$ 2,700,427	\$ 2,687,677
1,776,371	1,800,635	1,836,277	1,727,961	1,719,683
(2,540,927)	17,396,356	8,259,029	(264,690)	7,228,206
(7,134,574)	(6,428,980)	(5,327,747)	(5,430,771)	(4,930,501)
(104,070)	(89,679)	(89,748)	(80,839)	(84,645)
<u>(63,073)</u>	<u>(25,162)</u>	<u>202,729</u>	<u>(123,434)</u>	<u>(155,736)</u>
(5,279,734)	15,467,149	7,714,098	(1,471,346)	6,464,684
<u>134,848,697</u>	<u>119,381,548</u>	<u>111,667,450</u>	<u>113,138,796</u>	<u>106,674,112</u>
<u>129,568,963</u>	<u>134,848,697</u>	<u>119,381,548</u>	<u>111,667,450</u>	<u>113,138,796</u>
<u>\$ 15,153,403</u>	<u>\$ 4,696,584</u>	<u>\$ 11,488,665</u>	<u>\$ 11,040,240</u>	<u>\$ 3,094,079</u>
89.53%	96.63%	91.22%	91.00%	97.34%
\$ 25,376,729	\$ 25,723,351	\$ 25,900,948	\$ 24,685,154	\$ 24,566,896
59.71%	18.26%	44.36%	44.72%	12.59%

GREGG COUNTY, TEXAS

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2015	\$ 2,687,677	\$ 2,687,677	\$ -	\$ 24,566,896	10.94%
2016	2,628,969	2,700,427	(71,458)	24,685,154	10.94%
2017	2,722,190	2,833,558	(111,368)	25,900,948	10.94%
2018	2,724,103	2,813,979	(89,876)	25,723,351	10.94%
2019	2,786,365	2,786,539	(174)	25,376,729	10.98%
2020	3,064,477	3,064,477	-	26,740,638	11.46%
2021	3,264,409	3,264,409	-	27,524,070	11.86%
2022	3,355,771	3,478,997	(123,226)	29,333,664	11.86%
2023	3,420,009	3,420,009	-	28,617,091	12.15%

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

Note: This schedule is required to include 10 years of information, but information prior to 2015 is not available.

Notes to Schedule:

Valuation Date	Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.
Actuarial Cost Method	Entry age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	13.1 years (based on contribution rate calculated in 12/31/2021 valuation)
Asset Valuation Method	5-year smoothed fair value
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.5%, net of administrative and investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at 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	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	2015-2022: 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.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Road and Bridge Fund – This fund is used to account for property taxes, licenses and permits, intergovernmental revenue, and forfeitures used to fund the operation, construction and maintenance of roads and bridges.

Law Enforcement Fund – This fund is used to account for law enforcement revenues and expenditures restricted by federal and state statutes.

Court Technology and Security Fund – This fund accounts for the fees collected from defendants in criminal cases pursuant to the Code of Criminal Procedure §102.0169, §102.017, and §102.0173. Proceeds are used to cover the costs of continuing education and training for the judges and clerks on technological enhancements and for the purchase and maintenance of technological enhancements including computer systems, networks, hardware, and software, imaging systems, electronic kiosks, and docket management systems.

Records Management and Preservation Fund – This fund is used to account for receipts and disbursements related to the record management and preservation program. Resources from this fund are used to manage, organize, promote, implement, preserve, and maintain county records.

Voting and Elections Fund – This fund is used to account for activities related to voting and elections within the County which are restricted by federal and state statutes.

Grant Fund – This fund is used to account for activities related to federal, state, and local grants received by the County.

Law Library – This fund accounts for fees collected pursuant to Local Government Code §323.023 for the operations of the law library.

Health Care Fund – This fund is used to account for the federal and state funding received for health care activities.

Code Enforcement Fund – This fund is used to account for the activities related to code enforcement.

VIT Operating Fund – This fund is used to account for the vehicle inventory tax functions of the County tax office.

Local Truancy Prevention / Diversion – This fund is used to account for fees charges which are required to be used for necessary expenditures relating to the position of a juvenile case manager.

District Attorney Fund – This fund accounts for all receipts and disbursements related to the discretionary funding of the District Attorney.

Sheriff Fund – This fund is used to account for the inmate welfare activities at the County jail as well as asset forfeitures. These funds are restricted by statute.

Capital Projects Funds are used to account for capital outlays primarily funded by bond funds and other local and intergovernmental sources.

Airport Capital Improvement – This fund accounts for capital improvements made to the Gregg County airport.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for services provided to other departments or agencies of the County on a cost-reimbursement basis.

Print Shop Fund – This fund was established in 2001 and accounts for printing functions provided to County departments. Operational costs associated with the print shop are supported by charges to user departments.

Self-insurance Fund – This fund accounts for revenues and expenses related to employee insurance benefits. The County provides health and dental benefits for full-time employees. The County transitioned to a self-funded medical plan out of the traditional fully insured model in fiscal year 2001 to help lower costs and maintain stability in premiums.

GREGG COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

	Special Revenue		
	Road and Bridge	Law Enforcement	Court Technology and Security
ASSETS			
Cash and cash equivalents	\$ 282,930	\$ 71,209	\$ 843,557
Investments	1,400,001	-	-
Receivables (net of allowance for uncollectibles):			
Accounts	1,347,501	-	61,729
Taxes	65,031	-	-
Interest	9,067	-	-
Intergovernmental	-	-	-
Inventory	838,939	-	-
Total assets	3,943,469	71,209	905,286
LIABILITIES			
Accounts payable	116,366	58,619	569
Accrued liabilities	120,510	-	-
Total liabilities	236,876	58,619	569
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	59,544	-	-
Unavailable revenue - court fines	1,291,240	-	57,134
Total deferred inflows of resources	1,350,784	-	57,134
FUND BALANCES			
Nonspendable:			
Inventories	838,939	-	-
Restricted for:			
Public safety operations	-	12,590	-
Judicial operations	-	-	-
Airport operations	-	-	-
Transportation and road improvements	1,516,870	-	-
Court technology and security	-	-	847,583
Records management and preservation	-	-	-
Voting and elections	-	-	-
Health and human services operations	-	-	-
VIT operations	-	-	-
Committed for:			
Donations to healthcare organizations	-	-	-
Total fund balances	2,355,809	12,590	847,583
 Total liabilities, deferred inflows of resources and fund balances	 \$ 3,943,469	 \$ 71,209	 \$ 905,286

Special Revenue

Records Management and Preservation	Voting and Elections	Grant	Law Library	Health Care	Code Enforcement	VIT Operating
\$ 607,196	\$ 74,993	\$ 160,447	\$ 142,356	\$ 46,774	\$ 195,593	\$ 20,753
700,000	-	-	-	3,266,143	-	-
26,952	-	-	3,536	-	-	-
-	-	-	-	-	-	-
3,176	-	-	-	27,329	-	-
-	-	237,772	-	-	-	-
-	-	-	-	-	-	-
<u>1,337,324</u>	<u>74,993</u>	<u>398,219</u>	<u>145,892</u>	<u>3,340,246</u>	<u>195,593</u>	<u>20,753</u>
1,636	-	-	2,323	-	-	-
3,454	-	12,756	1,062	-	-	-
<u>5,090</u>	<u>-</u>	<u>12,756</u>	<u>3,385</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
19,639	-	-	296	-	-	-
<u>19,639</u>	<u>-</u>	<u>-</u>	<u>296</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	28,507	-	-	195,593	-
-	-	276,351	142,211	-	-	-
-	-	-	-	-	-	-
-	-	75,544	-	-	-	-
-	-	-	-	-	-	-
1,312,595	-	-	-	-	-	-
-	74,993	-	-	-	-	-
-	-	5,061	-	-	-	-
-	-	-	-	-	-	20,753
-	-	-	-	3,340,246	-	-
<u>1,312,595</u>	<u>74,993</u>	<u>385,463</u>	<u>142,211</u>	<u>3,340,246</u>	<u>195,593</u>	<u>20,753</u>
\$ <u>1,337,324</u>	\$ <u>74,993</u>	\$ <u>398,219</u>	\$ <u>145,892</u>	\$ <u>3,340,246</u>	\$ <u>195,593</u>	\$ <u>20,753</u>

GREGG COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

	Special Revenue		
	Local Truancy Prevention/ Diversion	District Attorney	Sheriff
ASSETS			
Cash and cash equivalents	\$ 51,793	\$ 149,385	\$ 865,696
Investments	-	-	-
Receivables (net of allowance for uncollectibles):			
Accounts	8,466	-	-
Taxes	-	-	-
Interest	-	-	-
Intergovernmental	-	-	-
Inventory	-	-	-
Total assets	<u>60,259</u>	<u>149,385</u>	<u>865,696</u>
LIABILITIES			
Accounts payable	-	-	3,630
Accrued liabilities	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>3,630</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - court fines	<u>8,332</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>8,332</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted for:			
Public safety operations	-	-	862,066
Judicial operations	51,927	149,385	-
Airport operations	-	-	-
Transportation and road improvements	-	-	-
Court technology and security	-	-	-
Records management and preservation	-	-	-
Voting and elections	-	-	-
Health and human services operations	-	-	-
VIT operations	-	-	-
Committed for:			
Donations to healthcare organizations	-	-	-
Total fund balances	<u>51,927</u>	<u>149,385</u>	<u>862,066</u>
 Total liabilities, deferred inflows of resources and fund balances	<u>\$ 60,259</u>	<u>\$ 149,385</u>	<u>\$ 865,696</u>

<u>Capital Projects</u>	
<u>Airport Capital Improvement</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,918,424	\$ 5,431,106
-	5,366,144
-	1,448,184
-	65,031
-	39,572
33,349	271,121
-	838,939
<u>1,951,773</u>	<u>13,460,097</u>
3,579	186,722
-	137,782
<u>3,579</u>	<u>324,504</u>
-	59,544
-	<u>1,376,641</u>
-	<u>1,436,185</u>
-	838,939
-	1,098,756
-	619,874
1,948,194	1,948,194
-	1,592,414
-	847,583
-	1,312,595
-	74,993
-	5,061
-	20,753
-	3,340,246
<u>1,948,194</u>	<u>11,699,408</u>
\$ <u>1,951,773</u>	\$ <u>13,460,097</u>

GREGG COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue			
	Road and Bridge	Law Enforcement	Court Technology and Security	Records Management and Preservation
REVENUES				
Current property taxes	\$ 2,514,351	\$ -	\$ -	\$ -
Delinquent property taxes	51,476	-	-	-
Licenses and permits	1,581,889	-	-	-
Intergovernmental	218,736	-	-	-
Charges for services	-	-	167,600	284,223
Fines and forfeitures	429,933	-	-	-
Investment earnings	127,290	-	-	38,817
Miscellaneous	6,636	-	-	-
Total revenues	<u>4,930,311</u>	<u>-</u>	<u>167,600</u>	<u>323,040</u>
EXPENDITURES				
Current:				
General government	-	-	-	141,610
Public building	-	-	-	9,784
Judicial	-	-	26,861	21,607
Public safety	-	2,999	6,400	-
Health and human services	-	-	-	-
Transportation and roads	5,151,163	-	-	-
Capital outlay	205,958	-	-	-
Debt service:				
Principal	5,367	-	2,079	-
Interest	30	-	9	-
Total expenditures	<u>5,362,518</u>	<u>2,999</u>	<u>35,349</u>	<u>173,001</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(432,207)</u>	<u>(2,999)</u>	<u>132,251</u>	<u>150,039</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	360,140	-	-	-
Transfers out	-	-	-	(39,348)
Sale of capital assets	117,852	-	-	-
Total other financing sources (uses)	<u>477,992</u>	<u>-</u>	<u>-</u>	<u>(39,348)</u>
NET CHANGE IN FUND BALANCES	45,785	(2,999)	132,251	110,691
FUND BALANCES, BEGINNING	<u>2,310,024</u>	<u>15,589</u>	<u>715,332</u>	<u>1,201,904</u>
FUND BALANCES, ENDING	<u>\$ 2,355,809</u>	<u>\$ 12,590</u>	<u>\$ 847,583</u>	<u>\$ 1,312,595</u>

Special Revenue

Voting and Elections	Grant	Law Library	Health Care	Code Enforcement	VIT Operating
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
31,019	1,757,281	-	63,246	-	-
27,414	-	93,100	-	-	24,217
-	-	-	-	4,461	-
-	-	-	2,995	-	115
-	21,378	115	-	-	-
<u>58,433</u>	<u>1,778,659</u>	<u>93,215</u>	<u>66,241</u>	<u>4,461</u>	<u>24,332</u>
53,140	778,456	-	-	-	31,375
-	-	-	-	-	-
-	180,033	82,899	-	-	-
-	617,822	-	-	3,768	-
-	190,172	-	40,000	-	-
-	42,766	-	-	-	-
-	41,378	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>53,140</u>	<u>1,850,627</u>	<u>82,899</u>	<u>40,000</u>	<u>3,768</u>	<u>31,375</u>
<u>5,293</u>	<u>(71,968)</u>	<u>10,316</u>	<u>26,241</u>	<u>693</u>	<u>(7,043)</u>
-	137,564	-	-	-	-
-	(48,799)	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>88,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,293	16,797	10,316	26,241	693	(7,043)
<u>69,700</u>	<u>368,666</u>	<u>131,895</u>	<u>3,314,005</u>	<u>194,900</u>	<u>27,796</u>
<u>\$ 74,993</u>	<u>\$ 385,463</u>	<u>\$ 142,211</u>	<u>\$ 3,340,246</u>	<u>\$ 195,593</u>	<u>\$ 20,753</u>

GREGG COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue			Capital Projects	Total Nonmajor Governmental Funds
	Local Truancy Prevention/ Diversion	District Attorney	Sheriff	Airport Capital Improvement	
REVENUES					
Current property taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,514,351
Delinquent property taxes	-	-	-	-	51,476
Licenses and permits	-	-	-	-	1,581,889
Intergovernmental	-	20,618	-	119,901	2,210,801
Charges for services	15,108	68,686	-	112,483	792,831
Fines and forfeitures	-	-	471,039	-	905,433
Investment earnings	-	-	-	-	169,217
Miscellaneous	-	-	-	-	28,129
Total revenues	<u>15,108</u>	<u>89,304</u>	<u>471,039</u>	<u>232,384</u>	<u>8,254,127</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	1,004,581
Public building	-	-	-	-	9,784
Judicial	-	2,591	-	-	313,991
Public safety	-	-	598,518	-	1,229,507
Health and human services	-	-	-	-	230,172
Transportation and roads	-	-	-	-	5,193,929
Capital outlay	-	-	-	114,780	362,116
Debt service:					
Principal	-	-	-	-	7,446
Interest	-	-	-	-	39
Total expenditures	<u>-</u>	<u>2,591</u>	<u>598,518</u>	<u>114,780</u>	<u>8,351,565</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>15,108</u>	<u>86,713</u>	<u>(127,479)</u>	<u>117,604</u>	<u>(97,438)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	1,415,758	1,913,462
Transfers out	-	(641)	-	-	(88,788)
Sale of capital assets	-	-	-	-	117,852
Total other financing sources (uses)	<u>-</u>	<u>(641)</u>	<u>-</u>	<u>1,415,758</u>	<u>1,942,526</u>
NET CHANGE IN FUND BALANCES	15,108	86,072	(127,479)	1,533,362	1,845,088
FUND BALANCES, BEGINNING	<u>36,819</u>	<u>63,313</u>	<u>989,545</u>	<u>414,832</u>	<u>9,854,320</u>
FUND BALANCES, ENDING	<u>\$ 51,927</u>	<u>\$149,385</u>	<u>\$862,066</u>	<u>\$1,948,194</u>	<u>\$11,699,408</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

CAPITAL IMPROVEMENT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 62,700	\$ 62,700	\$ 551,557	\$ 488,857
Total revenues	<u>62,700</u>	<u>62,700</u>	<u>551,557</u>	<u>488,857</u>
EXPENDITURES				
Current:				
General government	300,000	25,000	-	25,000
Public buildings	100,000	102,224	1,998	100,226
Transportation and roads	846,350	1,410,322	1,069,842	340,480
Capital outlay	<u>1,320,000</u>	<u>2,695,950</u>	<u>2,331,288</u>	<u>364,662</u>
Total expenditures	<u>2,566,350</u>	<u>4,233,496</u>	<u>3,403,128</u>	<u>830,368</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,503,650)</u>	<u>(4,170,796)</u>	<u>(2,851,571)</u>	<u>1,319,225</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,065,440	(4,203,021)	4,789,057	8,992,078
Transfers out	<u>-</u>	<u>(271,424)</u>	<u>(271,424)</u>	<u>-</u>
Total other financing sources (uses)	<u>4,065,440</u>	<u>(4,474,445)</u>	<u>4,517,633</u>	<u>8,992,078</u>
NET CHANGE IN FUND BALANCE	1,561,790	(8,645,241)	1,666,062	10,311,303
FUND BALANCE, BEGINNING	<u>19,579,443</u>	<u>19,579,443</u>	<u>19,579,443</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$21,141,233</u>	<u>\$10,934,202</u>	<u>\$21,245,505</u>	<u>\$10,311,303</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Current property taxes	\$ 2,557,885	\$ 2,557,885	\$ 2,514,351	\$ (43,534)
Delinquent property taxes	64,432	64,432	51,476	(12,956)
Licenses and permits	1,516,500	1,516,500	1,581,889	65,389
Intergovernmental	18,500	18,500	218,736	200,236
Fines and forfeitures	352,000	352,000	429,933	77,933
Investment earnings	6,000	6,000	127,290	121,290
Miscellaneous	5,000	5,000	6,636	1,636
Total revenues	<u>4,520,317</u>	<u>4,520,317</u>	<u>4,930,311</u>	<u>409,994</u>
EXPENDITURES				
Transportation and roads:				
Administration:				
Salaries	280,188	280,188	274,688	5,500
Fringe benefits	114,056	114,366	93,872	20,494
Operating	50,100	49,700	12,234	37,466
Total administration	<u>444,344</u>	<u>444,254</u>	<u>380,794</u>	<u>63,460</u>
Road and bridge - precinct no. 1:				
Salaries	756,187	679,513	649,978	29,535
Fringe benefits	369,635	369,710	298,717	70,993
Operating	418,850	498,149	572,477	(74,328)
Capital outlay	-	139,160	138,989	171
Total road and bridge - precinct no. 1	<u>1,544,672</u>	<u>1,686,532</u>	<u>1,660,161</u>	<u>26,371</u>
Road and bridge - precinct no. 2:				
Salaries	44,389	44,389	42,888	1,501
Fringe benefits	23,025	23,025	22,287	738
Operating	19,775	19,775	11,702	8,073
Total road and bridge - precinct no. 2	<u>87,189</u>	<u>87,189</u>	<u>76,877</u>	<u>10,312</u>
Road and bridge - precinct no. 3:				
Salaries	737,704	725,309	670,716	54,593
Fringe benefits	406,486	399,611	348,250	51,361
Operating	721,315	753,165	1,020,824	(267,659)
Capital outlay	12,320	12,320	9,751	2,569
Total road and bridge - precinct no. 3	<u>1,877,825</u>	<u>1,890,405</u>	<u>2,049,541</u>	<u>(159,136)</u>
Road and bridge - precinct no. 4:				
Salaries	646,463	640,513	607,536	32,977
Fringe benefits	354,310	360,260	335,821	24,439
Operating	381,950	395,964	239,397	156,567
Capital outlay	-	6,994	6,994	-
Total road and bridge - precinct no. 4	<u>1,382,723</u>	<u>1,403,731</u>	<u>1,189,748</u>	<u>213,983</u>
Total transportation and roads	<u>5,336,753</u>	<u>5,512,111</u>	<u>5,357,121</u>	<u>154,990</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt service:				
Principal	\$ -	\$ -	\$ 5,367	\$ (5,367)
Interest	-	-	30	(30)
Total debt service	-	-	5,397	(5,397)
Total expenditures	<u>5,336,753</u>	<u>5,512,111</u>	<u>5,362,518</u>	<u>149,593</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(816,436)</u>	<u>(991,794)</u>	<u>(432,207)</u>	<u>559,587</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	200,000	360,578	360,140	(438)
Sale of capital assets	<u>20,000</u>	<u>20,000</u>	<u>117,852</u>	<u>97,852</u>
Total other financing sources and (uses)	<u>220,000</u>	<u>380,578</u>	<u>477,992</u>	<u>97,414</u>
NET CHANGE IN FUND BALANCE	(596,436)	(611,216)	45,785	657,001
FUND BALANCE, BEGINNING	<u>2,310,024</u>	<u>2,310,024</u>	<u>2,310,024</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,713,588</u>	<u>\$ 1,698,808</u>	<u>\$ 2,355,809</u>	<u>\$ 657,001</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

COURT TECHNOLOGY AND SECURITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Charges for services	<u>\$ 109,675</u>	<u>\$ 109,675</u>	<u>\$ 167,600</u>	<u>\$ 57,925</u>
Total revenues	<u>109,675</u>	<u>109,675</u>	<u>167,600</u>	<u>57,925</u>
EXPENDITURES				
Current:				
Judicial	101,691	100,691	26,861	73,830
Public safety	11,400	11,400	6,400	5,000
Debt service:				
Principal	-	-	2,079	(2,079)
Interest	-	-	9	(9)
Total expenditures	<u>113,091</u>	<u>112,091</u>	<u>35,349</u>	<u>76,742</u>
NET CHANGE IN FUND BALANCE	(3,416)	(2,416)	132,251	134,667
FUND BALANCE, BEGINNING	<u>715,332</u>	<u>715,332</u>	<u>715,332</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 711,916</u>	<u>\$ 712,916</u>	<u>\$ 847,583</u>	<u>\$ 134,667</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

RECORDS MANAGEMENT AND PRESERVATION FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 301,400	\$ 301,400	\$ 284,223	\$ (17,177)
Investment earnings	650	650	38,817	38,167
Total revenues	<u>302,050</u>	<u>302,050</u>	<u>323,040</u>	<u>20,990</u>
EXPENDITURES				
Current:				
General government	171,123	171,363	141,610	29,753
Public building	12,640	12,640	9,784	
Judicial	<u>62,242</u>	<u>62,242</u>	<u>21,607</u>	<u>40,635</u>
Total expenditures	<u>246,005</u>	<u>246,245</u>	<u>173,001</u>	<u>70,388</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>56,045</u>	<u>55,805</u>	<u>150,039</u>	<u>94,234</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(39,348)</u>	<u>(39,348)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(39,348)</u>	<u>(39,348)</u>
NET CHANGE IN FUND BALANCE	56,045	55,805	110,691	54,886
FUND BALANCE, BEGINNING	<u>1,201,904</u>	<u>1,201,904</u>	<u>1,201,904</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,257,949</u>	<u>\$ 1,257,709</u>	<u>\$ 1,312,595</u>	<u>\$ 54,886</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

VOTING AND ELECTIONS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 4,441	\$ 31,019	\$ 26,578
Charges for services	-	-	27,414	27,414
Total revenues	-	4,441	58,433	53,992
EXPENDITURES				
Current:				
General government	-	54,522	53,140	1,382
Total expenditures	-	54,522	53,140	1,382
NET CHANGE IN FUND BALANCE	-	(50,081)	5,293	55,374
FUND BALANCE, BEGINNING	69,700	69,700	69,700	-
FUND BALANCE, ENDING	\$ 69,700	\$ 19,619	\$ 74,993	\$ 55,374

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

LAW LIBRARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 81,000	\$ 81,000	\$ 93,100	\$ 12,100
Miscellaneous	120	120	115	(5)
Total revenues	<u>81,120</u>	<u>81,120</u>	<u>93,215</u>	<u>12,095</u>
EXPENDITURES				
Current:				
Judicial	<u>85,127</u>	<u>85,247</u>	<u>82,899</u>	<u>2,348</u>
Total expenditures	<u>85,127</u>	<u>85,247</u>	<u>82,899</u>	<u>2,348</u>
NET CHANGE IN FUND BALANCE	(4,007)	(4,127)	10,316	14,443
FUND BALANCE, BEGINNING	<u>131,895</u>	<u>131,895</u>	<u>131,895</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 127,888</u>	<u>\$ 127,768</u>	<u>\$ 142,211</u>	<u>\$ 14,443</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

HEALTH CARE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 55,000	\$ 55,000	\$ 63,246	\$ 8,246
Investment earnings	<u>16,000</u>	<u>16,000</u>	<u>2,995</u>	<u>(13,005)</u>
Total revenues	<u>71,000</u>	<u>71,000</u>	<u>66,241</u>	<u>(4,759)</u>
EXPENDITURES				
Current:				
Health and human services	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	31,000	31,000	26,241	(4,759)
FUND BALANCE, BEGINNING	<u>3,314,005</u>	<u>3,314,005</u>	<u>3,314,005</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 3,345,005</u>	<u>\$ 3,345,005</u>	<u>\$ 3,340,246</u>	<u>\$ (4,759)</u>

GREGG COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

AIRPORT CAPITAL IMPROVEMENT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,269,700	\$ 119,901	\$ 119,901	\$ -
Charges for services	70,000	70,000	112,483	42,483
Total revenues	<u>3,339,700</u>	<u>189,901</u>	<u>232,384</u>	<u>42,483</u>
EXPENDITURES				
Capital outlay	3,633,000	114,780	114,780	-
Total expenditures	<u>3,633,000</u>	<u>114,780</u>	<u>114,780</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(293,300)	75,121	117,604	42,483
OTHER FINANCING SOURCES (USES)				
Transfers in	1,415,758	10,407,836	1,415,758	(8,992,078)
Total other financing sources (uses)	<u>1,415,758</u>	<u>10,407,836</u>	<u>1,415,758</u>	<u>(8,992,078)</u>
NET CHANGE IN FUND BALANCE	1,122,458	10,482,957	1,533,362	(8,949,595)
FUND BALANCE, BEGINNING	414,832	414,832	414,832	-
FUND BALANCE, ENDING	<u>1,537,290</u>	<u>10,897,789</u>	<u>1,948,194</u>	<u>(26,891,268)</u>

GREGG COUNTY, TEXAS

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2023

	<u>Print Shop</u>	<u>Self Insurance</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ -	\$ 1,105,702	\$ 1,105,702
Investments	-	3,600,000	3,600,000
Accounts receivable, net of allowance	-	51,459	51,459
Inventory	<u>4,909</u>	<u>-</u>	<u>4,909</u>
Total current assets	<u>4,909</u>	<u>4,757,161</u>	<u>4,762,070</u>
Noncurrent assets:			
Capital assets:			
Equipment	60,578	-	60,578
Less accumulated depreciation	<u>(60,578)</u>	<u>-</u>	<u>(60,578)</u>
Total capital assets	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>4,909</u>	<u>4,757,161</u>	<u>4,762,070</u>
LIABILITIES			
Current liabilities:			
Due to other funds	71,015	-	71,015
Accrued liabilities	<u>-</u>	<u>688,474</u>	<u>688,474</u>
Total liabilities	<u>71,015</u>	<u>688,474</u>	<u>759,489</u>
NET POSITION			
Unrestricted	<u>(66,106)</u>	<u>4,068,687</u>	<u>4,002,581</u>
Total net position	<u>\$ (66,106)</u>	<u>\$ 4,068,687</u>	<u>\$ 4,002,581</u>

GREGG COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Print Shop	Self Insurance	Totals
OPERATING REVENUES			
Charges for services	\$ 19,686	\$ 7,088,217	\$ 7,107,903
Other	<u>-</u>	<u>10,540</u>	<u>10,540</u>
Total operating revenues	<u>19,686</u>	<u>7,098,757</u>	<u>7,118,443</u>
OPERATING EXPENSES			
Salaries	11,941	-	11,941
Fringe benefits	8,111	-	8,111
Materials and supplies	8,941	-	8,941
Insurance consultant	-	133,559	133,559
Claims	-	4,602,542	4,602,542
Administrative	-	1,023,492	1,023,492
Depreciation	<u>15,664</u>	<u>-</u>	<u>15,664</u>
Total operating expenses	<u>44,657</u>	<u>5,759,593</u>	<u>5,804,250</u>
OPERATING INCOME (LOSS)	(24,971)	1,339,164	1,314,193
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	<u>-</u>	<u>271,465</u>	<u>271,465</u>
Total nonoperating revenues (expenses)	<u>-</u>	<u>271,465</u>	<u>271,465</u>
CHANGE IN NET POSITION	(24,971)	1,610,629	1,585,658
TOTAL NET POSITION, BEGINNING	<u>(41,135)</u>	<u>2,458,058</u>	<u>2,416,923</u>
TOTAL NET POSITION, ENDING	<u>\$ (66,106)</u>	<u>\$ 4,068,687</u>	<u>\$ 4,002,581</u>

GREGG COUNTY, TEXAS

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Print Shop	Self Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from interfund charges for print shop services	\$ 19,973	\$ -	\$ 19,973
Cash receipts from interfund charges for self-insurance services	-	7,053,492	7,053,492
Payments to suppliers for goods and services	79	(5,445,997)	(5,445,918)
Payments to employees for salaries and benefits	(20,052)	-	(20,052)
Net cash provided (used) by operating activities	<u>-</u>	<u>1,607,495</u>	<u>1,607,495</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	-	271,465	271,465
Purchase of investments	<u>-</u>	<u>(1,100,000)</u>	<u>(1,100,000)</u>
Net cash flows provided (used) by investing activities	<u>-</u>	<u>(828,535)</u>	<u>(828,535)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	778,960	778,960
CASH AND CASH EQUIVALENTS, BEGINNING	<u>-</u>	<u>326,742</u>	<u>326,742</u>
CASH AND CASH EQUIVALENTS, ENDING	<u><u>-</u></u>	<u><u>1,105,702</u></u>	<u><u>1,105,702</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	(24,971)	1,339,164	1,314,193
Adjustments to reconcile operating income (loss) to net cash used by operating activities:			
Depreciation	15,664	-	15,664
Changes in assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	287	(45,265)	(44,978)
Inventory	1,888	-	1,888
Increase (decrease) in liabilities:			
Accounts payable	(305)	(26,451)	(26,756)
Interfund payables	7,437	-	7,437
Accrued liabilities	<u>-</u>	<u>340,047</u>	<u>340,047</u>
Net cash used by operating activities	<u>\$ -</u>	<u>\$ 1,607,495</u>	<u>\$ 1,607,495</u>

FIDUCIARY FUNDS

CUSTODIAL FUNDS

Custodial funds are used to account for short-term custodial collections of resources on behalf of another individual, entity, or government.

Tax Assessor-Collector Fund – This fund is used to account for funds held by the Tax Office as an agent for other taxing entities. Collections are initially accounted for here and subsequently submitted to the appropriate State, County or other taxing entity. It is also used to account for interest earned on the Vehicle Inventory Tax for the Tax Assessor-Collector to defray the cost of administration of the prepayment procedure.

County Clerk Fund – This fund is used to account for the collection of fees and other costs by the County Clerk and the distribution of those monies or interest earnings and principal cash established by the Court for various reasons within the Court's jurisdiction. Upon completion and court order, the latter funds are remitted to the appropriate individuals.

District Clerk Fund – This fund is used to account for the collection of fees and other costs by the District Clerk and the distribution of those monies or interest earnings and principal cash established by the Court for various reasons within the Court's jurisdiction. Upon completion and court order, the latter funds are remitted to the appropriate individuals.

Sheriff Fund – This fund is used to account for monies of County inmates held in escrow on their behalf. The monies are disbursed to the jail commissary and other parties upon direction from the inmates. This fund is also used to account for various monies collected or deposited with the County associated with activities such as bail bonds of individuals, restitution and attorneys' fees awarded by the Courts and seizures pending. The monies are disbursed to the parties for whom the assets are held by order of the Courts.

District Attorney Fund – This fund is used to account for restitution payable to victims and temporarily holds fees collected on hot checks.

Code Forfeiture Pending Fund – This fund is used to account for monies seized in criminal cases. The funds are held until their disposition, primarily as forfeitures to law enforcement agencies and the District Attorney's office, as established by court order.

Gregg/Harrison First Call Warning Fund – This fund is used to account for donations and payments of funding for software to run a First Call Warning system. The fund has been inactive in recent years.

Adult Probation Fund – This fund is used to account for funds held by the County for the Gregg County Adult Probation Department.

Juvenile Probation Fund – This fund is used to account for funds held by the County for the Gregg County Juvenile Probation Department or the Gregg County Juvenile Detention Center.

GREGG COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2023

	Tax Assessor Collector	County Clerk	District Clerk	Sheriff
ASSETS				
Cash and cash equivalents	\$ 3,373,910	\$ 890,890	\$ 3,446,934	\$ 305,490
Total assets	<u>3,373,910</u>	<u>890,890</u>	<u>3,446,934</u>	<u>305,490</u>
LIABILITIES				
Due to others	<u>1,871,623</u>	-	-	-
Total liabilities	<u>1,871,623</u>	-	-	-
NET POSITION				
Restricted for:				
Individuals	-	890,890	3,446,934	305,490
Other governments	<u>1,502,287</u>	-	-	-
Total net position	<u>\$ 1,502,287</u>	<u>\$ 890,890</u>	<u>\$ 3,446,934</u>	<u>\$ 305,490</u>

District Attorney	Code Forfeiture Pending	Gregg Harrison First Call Warning	Adult Probation	Justice of the Peace	Juvenile Probation	Totals
\$ 127,539	\$ 48,741	\$ 8,982	\$ 2,217,178	\$ 919	\$ 230	\$ 10,420,813
<u>127,539</u>	<u>48,741</u>	<u>8,982</u>	<u>2,217,178</u>	<u>919</u>	<u>230</u>	<u>10,420,813</u>
-	-	-	-	-	-	10,420,813
-	-	-	-	-	-	<u>1,871,623</u>
-	48,741	-	2,217,178	919	230	6,910,382
<u>127,539</u>	<u>-</u>	<u>8,982</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,638,808</u>
<u>\$ 127,539</u>	<u>\$ 48,741</u>	<u>\$ 8,982</u>	<u>\$ 2,217,178</u>	<u>\$ 919</u>	<u>\$ 230</u>	<u>\$ 8,549,190</u>

GREGG COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Tax Assessor Collector	County Clerk	District Clerk	Sheriff
ADDITIONS				
Tax collections	\$ 252,957,780	\$ -	\$ -	\$ -
Judgments collected	-	2,406,060	2,933,995	-
Probation payments	-	-	-	-
Bail bonds	-	149,100	2,700	274,642
Inmate deposits	-	-	-	984,313
Fees	-	-	-	82,626
Investment earnings	24,373	6,139	15,941	17
Other	-	117,691	568,101	464
Total assets	<u>252,982,153</u>	<u>2,678,990</u>	<u>3,520,737</u>	<u>1,342,062</u>
DEDUCTIONS				
Tax disbursements	250,597,296	-	-	-
Probation costs	-	-	-	-
Bail bonds	-	308,541	-	94,500
Beneficiary payments	-	1,551,970	3,449,091	83,336
Fees remitted	-	-	-	980,383
Other	4,123,115	584,360	4,617	150,283
Total liabilities	<u>254,720,411</u>	<u>2,444,871</u>	<u>3,453,708</u>	<u>1,308,502</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	(1,738,258)	234,119	67,029	33,560
NET POSITION, BEGINNING	<u>3,240,545</u>	<u>656,771</u>	<u>3,379,905</u>	<u>271,930</u>
NET POSITION, ENDING	<u>\$ 1,502,287</u>	<u>\$ 890,890</u>	<u>\$ 3,446,934</u>	<u>\$ 305,490</u>

District Attorney	Code Forfeiture Pending	Gregg Harrison First Call Warning	Adult Probation	Justice of the Peace	Juvenile Probation	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 252,957,780
24,937	-	-	-	-	-	5,364,992
-	-	-	3,357,269	462,737	9,162	3,829,168
-	-	-	-	-	-	426,442
-	-	-	-	-	-	984,313
-	1,006	-	-	-	-	83,632
-	196	-	-	-	-	46,666
59,245	-	-	-	-	-	745,501
<u>84,182</u>	<u>1,202</u>	<u>-</u>	<u>3,357,269</u>	<u>462,737</u>	<u>9,162</u>	<u>264,438,494</u>
-	-	-	-	-	-	250,597,296
-	-	-	3,004,894	462,600	10,882	3,478,376
-	-	-	-	-	-	403,041
14,338	-	-	-	-	-	5,098,735
-	4,461	1,125	-	-	-	985,969
51,900	-	-	-	-	90	4,914,365
<u>66,238</u>	<u>4,461</u>	<u>1,125</u>	<u>3,004,894</u>	<u>462,600</u>	<u>10,972</u>	<u>265,477,782</u>
17,944	(3,259)	(1,125)	352,375	137	(1,810)	(1,039,288)
<u>109,595</u>	<u>52,000</u>	<u>10,107</u>	<u>1,864,803</u>	<u>782</u>	<u>2,040</u>	<u>9,588,478</u>
<u>\$ 127,539</u>	<u>\$ 48,741</u>	<u>\$ 8,982</u>	<u>\$ 2,217,178</u>	<u>\$ 919</u>	<u>\$ 230</u>	<u>\$ 8,549,190</u>

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STATISTICAL SECTION

This part of the 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 County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends: These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	80
Revenue Capacity: These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	90
Debt Capacity: 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.	100
Demographic and Economic Information: These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	105
Operating Information: These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information related to the services the County provides and the activities it performs.	107

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

GREGG COUNTY TEXAS

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Governmental activities:				
Net investment in capital assets	\$ 58,218,734	\$ 63,174,980	\$ 64,504,455	\$ 65,833,674
Restricted for:				
Archive restoration	506,979	549,472	415,018	447,686
Transportation and road improvements	7,664,128	6,608,420	5,488,768	5,567,382
Public safety operations	561,196	584,247	467,702	477,648
Judicial operations	164,282	126,653	110,549	126,704
Bail bond board operations	34,820	36,169	38,600	41,973
Airport operations	203,040	170,363	170,363	170,368
Court technology and security	313,465	344,102	345,819	418,139
Records management and preservation	919,572	932,554	912,570	911,568
Voting and elections	23,195	25,158	35,722	19,402
Health and human services operations	29,250	33,771	22,797	26,055
Vehicle inventory tax administration	1,589	2,673	11,801	8,224
Water system improvements	-	-	-	-
Permanent improvements	4,573,899	4,959,943	3,865,325	3,615,437
COVID recovery	-	-	-	-
Unrestricted	<u>63,043,040</u>	<u>60,350,642</u>	<u>60,883,184</u>	<u>53,811,155</u>
Total governmental activities net position	<u>\$136,257,189</u>	<u>\$137,899,147</u>	<u>\$137,272,673</u>	<u>\$131,475,415</u>
Business-type activities:				
Net investment in capital assets	\$ 490,770	\$ -	\$ -	\$ -
Unrestricted	<u>(93,857)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities net position	<u>\$ 396,913</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government:				
Net investment in capital assets	\$ 58,709,504	\$ 63,174,980	\$ 64,504,455	\$ 65,833,674
Restricted for:				
Archive restoration	506,979	549,472	415,018	447,686
Transportation and road improvements	7,664,128	6,608,420	5,488,768	5,567,382
Public safety operations	561,196	584,247	467,702	477,648
Bail bond board operations	34,820	36,169	38,600	41,973
Judicial operations	164,282	126,653	110,549	126,704
Airport operations	203,040	170,363	170,363	170,368
Court technology and security	313,465	334,102	345,819	418,139
Records management and preservation	919,572	932,554	912,570	911,568
Voting and elections	23,195	25,158	35,722	19,402
Health and human services operations	29,250	33,771	22,797	26,055
Vehicle inventory tax administration	1,589	2,673	11,801	8,224
Water system improvements	-	-	-	-
Permanent improvements	4,573,899	4,959,943	3,865,325	3,615,437
COVID recovery	-	-	-	-
Unrestricted	<u>63,043,040</u>	<u>60,350,642</u>	<u>60,883,184</u>	<u>53,811,155</u>
Total primary government net position	<u>\$136,257,189</u>	<u>\$137,899,147</u>	<u>\$137,272,673</u>	<u>\$131,475,415</u>

TABLE 1

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 64,668,350	\$ 63,600,358	\$ 61,788,769	\$ 58,149,676	\$ 57,992,566	\$ 55,765,633	
252,514	263,928	396,223	456,212	530,230	607,784	
5,316,591	4,326,763	4,210,888	2,815,514	1,673,559	1,592,414	
1,018,044	816,293	769,306	1,427,911	1,231,793	1,228,578	
144,327	139,507	189,141	228,797	414,832	1,948,194	
44,334	46,313	51,278	53,244	436,288	619,874	
208,385	286,758	270,030	343,467	715,332	847,583	
490,523	563,116	638,603	686,717	1,201,904	1,312,595	
921,998	977,970	1,134,622	1,137,739	90,826	74,993	
30,742	41,013	139,687	136,985	1,097,608	1,090,565	
29,940	39,193	40,723	68,856	226,140	3,509,658	
4,814	5,853	14,411	16,816	-	-	
-	6,800	-	-	-	-	
3,907,542	3,039,599	3,005,924	2,861,054	2,868,831	2,775,220	
-	-	-	3,566,078	3,566,078	3,566,078	
<u>53,841,001</u>	<u>55,859,382</u>	<u>56,553,741</u>	<u>59,464,100</u>	<u>80,397,473</u>	<u>95,665,896</u>	
<u>\$ 130,879,105</u>	<u>\$ 130,012,846</u>	<u>\$ 129,203,346</u>	<u>\$ 131,413,166</u>	<u>\$ 152,443,460</u>	<u>\$ 170,605,065</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	-	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 64,668,350	\$ 63,600,358	\$ 61,788,768	\$ 58,149,676	\$ 57,992,566	\$ 55,765,633	
252,514	263,928	396,223	456,212	530,230	607,784	
5,316,591	4,326,763	4,210,888	2,815,514	1,673,559	1,592,414	
1,018,044	816,293	769,306	1,427,911	1,231,793	1,228,578	
44,334	46,313	51,278	228,797	436,288	619,874	
144,327	139,507	189,141	53,244	414,832	1,948,194	
208,385	286,758	270,030	343,467	715,332	847,583	
490,523	563,116	638,603	686,717	1,201,904	1,312,595	
921,998	977,970	1,134,622	1,137,739	90,826	74,993	
30,742	41,013	139,687	136,985	1,097,608	1,090,565	
29,940	39,193	40,723	68,856	226,140	3,509,658	
4,814	5,853	14,411	16,816	-	-	
-	6,800	-	-	-	-	
3,907,542	3,039,599	3,005,924	2,861,054	2,868,831	2,775,220	
-	-	-	3,566,078	-	-	
<u>53,841,001</u>	<u>55,859,382</u>	<u>56,553,741</u>	<u>59,464,100</u>	<u>80,397,473</u>	<u>95,665,896</u>	
<u>\$ 130,879,105</u>	<u>\$ 130,012,846</u>	<u>\$ 129,203,346</u>	<u>\$ 131,413,166</u>	<u>\$ 148,877,382</u>	<u>\$ 167,038,987</u>	

GREGG COUNTY TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
EXPENSES				
Governmental activities:				
General government	\$ 12,848,089	\$ 12,705,059	\$ 13,609,494	\$ 13,851,975
Judicial	7,554,982	7,775,332	8,195,921	8,797,765
Public safety	16,931,848	16,649,033	18,879,371	19,802,883
Health and human services	2,771,049	3,026,687	2,969,427	2,875,016
Public buildings	3,273,248	3,399,292	3,266,908	3,475,073
Transportation and roads	7,929,120	9,132,170	7,449,750	9,063,627
Interest on long-term debt	74	5,242	7,698	10,115
Total governmental activities	<u>51,308,410</u>	<u>52,692,815</u>	<u>54,378,569</u>	<u>57,876,454</u>
Business-type activities:				
Longview community center	159,406	-	-	-
Total business-type activities	<u>159,406</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 51,467,816</u>	<u>\$ 52,692,815</u>	<u>\$ 54,378,569</u>	<u>\$ 57,876,454</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 2,825,010	\$ 2,767,426	\$ 2,752,922	\$ 2,923,510
Judicial	1,630,996	1,415,001	1,446,437	1,428,754
Public safety	1,239,998	1,177,427	1,880,271	1,423,690
Health and human services	178,194	38,970	39,331	33,871
Public buildings	2,118,869	1,880,943	2,090,108	1,214,336
Transportation and roads	2,040,208	1,920,942	2,176,065	1,999,583
Operating grants and contributions	1,014,974	1,785,205	1,743,595	1,570,400
Capital grants and contributions	3,274,049	4,647,778	3,331,207	3,355,888
Total governmental activities	<u>14,322,298</u>	<u>15,633,692</u>	<u>15,459,936</u>	<u>13,950,032</u>
Business-type activities:				
Charges for services:				
Longview community center	50,633	-	-	-
Total business-type activities	<u>50,633</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 14,372,931</u>	<u>\$ 15,633,692</u>	<u>\$ 15,459,936</u>	<u>\$ 13,950,032</u>
NET (EXPENSE) REVENUE				
Governmental activities	\$(36,986,112)	\$(37,059,123)	\$(38,918,633)	\$(43,926,422)
Business-type activities	<u>(108,773)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$(37,094,885)</u>	<u>\$(37,059,123)</u>	<u>\$(38,918,633)</u>	<u>\$(43,926,422)</u>

TABLE 2

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 13,927,884	\$ 14,797,092	\$ 14,395,419	\$ 14,832,112	\$ 13,344,379	\$ 14,272,802
8,526,064	8,900,412	8,725,085	8,190,162	7,515,640	8,037,895
18,729,013	21,021,882	21,221,134	22,130,067	14,134,232	22,698,862
2,033,655	2,188,647	3,086,783	3,460,025	55,055,329	47,269,391
3,684,481	3,778,985	3,756,749	3,906,247	3,694,653	3,345,554
6,665,651	6,642,772	6,253,874	6,464,096	6,406,183	8,975,996
13,262	10,838	150	72	759	1,074
<u>53,580,010</u>	<u>57,340,628</u>	<u>57,439,194</u>	<u>58,982,782</u>	<u>100,151,175</u>	<u>104,601,574</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 53,580,010</u>	<u>\$ 57,340,628</u>	<u>\$ 57,439,194</u>	<u>\$ 58,982,782</u>	<u>\$100,151,175</u>	<u>\$104,601,574</u>
\$ 3,185,507	\$ 3,112,835	\$ 3,003,846	\$ 3,168,662	\$ 3,167,146	\$ 2,824,293
1,628,129	1,739,059	1,608,365	1,570,155	1,659,559	1,521,891
2,213,009	1,785,996	1,381,048	2,189,043	2,441,766	2,647,530
35,003	41,469	38,428	41,138	36,642	36,851
1,082,799	1,615,833	1,636,024	1,828,201	2,200,591	2,416,444
2,070,214	2,292,409	2,102,880	2,240,285	2,062,430	2,011,822
1,612,051	1,236,127	2,620,918	9,496,808	51,411,506	54,687,902
573,426	1,059,468	1,639,363	206,622	1,068,859	119,901
<u>12,400,138</u>	<u>12,883,196</u>	<u>14,030,872</u>	<u>20,740,914</u>	<u>64,048,499</u>	<u>66,266,634</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,400,138</u>	<u>\$ 12,883,196</u>	<u>\$ 14,030,872</u>	<u>\$ 20,740,914</u>	<u>\$ 64,048,499</u>	<u>\$ 66,266,634</u>
\$ (41,179,872)	\$ (44,457,432)	\$ (43,408,321)	\$ (38,241,869)	\$ (36,102,676)	\$ (38,334,940)
-	-	-	-	-	-
<u>\$ (41,179,872)</u>	<u>\$ (44,457,432)</u>	<u>\$ (43,408,321)</u>	<u>\$ (38,241,869)</u>	<u>\$ (36,102,676)</u>	<u>\$ (38,334,940)</u>

GREGG COUNTY TEXAS

CHANGES IN NET POSITION
(Continued)
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
General revenue and transfers				
Governmental activities				
Property taxes	\$ 21,899,820	\$ 22,016,974	\$ 21,975,330	\$ 21,712,637
Sales taxes	17,854,086	16,542,149	15,317,566	15,403,190
Alcoholic beverage taxes	234,572	245,031	256,688	268,852
Other taxes	91,337	98,421	103,769	106,430
Unrestricted investment earnings	130,130	236,805	578,646	440,265
Gain on sale of assets	-	87,374	-	-
Miscellaneous	-	21,892	70,160	197,790
Transfers	(213,166)	396,913	-	-
Total governmental activities	<u>39,996,779</u>	<u>39,645,559</u>	<u>38,302,159</u>	<u>38,129,164</u>
Business-type activities				
Transfers	<u>213,166</u>	<u>(396,913)</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>213,166</u>	<u>(396,913)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>40,209,945</u>	<u>39,248,646</u>	<u>38,302,159</u>	<u>38,129,164</u>
Changes in net position				
Governmental activities	3,010,667	2,586,436	(616,474)	(5,797,258)
Business-type activities	<u>104,393</u>	<u>(396,913)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 3,115,060</u>	<u>\$ 2,189,523</u>	<u>\$ (616,474)</u>	<u>\$ (5,797,258)</u>

TABLE 2

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 21,963,195	\$ 22,412,596	\$ 23,486,627	\$ 23,901,293	\$ 26,865,433	\$ 29,257,376
17,484,152	18,380,283	17,267,702	18,705,939	19,395,404	20,733,413
284,838	314,175	238,313	295,750	362,170	370,504
81,127	92,634	115,333	120,648	2,292,898	2,342,520
629,133	2,109,272	1,283,662	261,203	935,241	2,989,137
-	-	-	-	-	-
141,117	282,213	207,183	343,423	443,388	803,595
-	-	-	-	-	-
<u>40,583,562</u>	<u>43,591,173</u>	<u>42,598,820</u>	<u>43,628,257</u>	<u>50,294,534</u>	<u>56,496,545</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>40,583,562</u>	<u>43,591,173</u>	<u>42,598,820</u>	<u>43,628,257</u>	<u>50,294,534</u>	<u>56,496,545</u>
(596,310)	(866,259)	(809,501)	5,386,388	14,191,858	18,161,605
-	-	-	-	-	-
<u>\$ (596,310)</u>	<u>\$ (866,259)</u>	<u>\$ (809,501)</u>	<u>\$ 5,386,388</u>	<u>\$ 14,191,858</u>	<u>\$ 18,161,605</u>

GREGG COUNTY, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
General fund:				
Nonspendable	\$ 7,216	\$ 3,260	\$ 7,963	\$ 16,045
Restricted	583,839	629,028	486,486	522,785
Assigned	450,410	598,796	1,470,589	266,892
Unassigned	<u>34,676,637</u>	<u>32,520,331</u>	<u>31,124,930</u>	<u>29,882,152</u>
Total general fund	<u>35,718,102</u>	<u>33,751,415</u>	<u>33,089,968</u>	<u>30,687,874</u>
All other governmental funds				
Nonspendable	133,327	896,741	1,005,349	1,082,534
Restricted	12,428,031	11,631,632	9,110,706	8,980,072
Committed	4,569,024	4,059,191	4,037,226	4,076,286
Assigned	18,344,340	17,800,616	19,758,839	18,173,388
Unassigned	-	-	-	-
Total all other governmental funds	<u>35,474,722</u>	<u>34,388,180</u>	<u>33,912,120</u>	<u>32,312,280</u>
Total governmental funds	<u>\$ 71,192,824</u>	<u>\$ 68,139,595</u>	<u>\$ 67,002,088</u>	<u>\$ 63,000,154</u>

TABLE 3

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 2,701	\$ 25,667	\$ 29,371	\$ 17,696	\$ 13,959	\$ 56,956
330,859	344,832	483,622	862,041	544,730	737,606
252,619	295,795	942,001	791,997	-	-
<u>34,153,891</u>	<u>41,665,065</u>	<u>39,810,869</u>	<u>38,974,677</u>	<u>52,104,402</u>	<u>63,301,054</u>
<u>34,740,070</u>	<u>42,331,359</u>	<u>41,265,863</u>	<u>40,646,410</u>	<u>52,663,091</u>	<u>64,095,616</u>
929,661	956,563	914,485	663,735	766,971	863,411
9,650,677	7,534,919	7,577,721	11,669,114	8,872,801	13,800,040
4,104,224	3,914,918	4,086,651	4,400,556	5,148,546	4,894,445
14,894,318	11,819,913	13,368,150	17,011,241	16,710,612	18,470,285
-	-	-	-	(1,069,812)	(1,069,812)
<u>29,578,880</u>	<u>24,226,313</u>	<u>25,947,007</u>	<u>33,744,646</u>	<u>30,429,118</u>	<u>36,958,369</u>
<u>\$ 64,318,950</u>	<u>\$ 66,557,672</u>	<u>\$ 67,212,870</u>	<u>\$ 74,391,056</u>	<u>\$ 83,092,209</u>	<u>\$ 101,053,985</u>

GREGG COUNTY, TEXAS

CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
REVENUES				
Taxes	\$40,075,700	\$ 38,883,763	\$ 37,680,522	\$ 37,397,684
Licenses and permits	1,391,051	1,318,187	1,368,688	1,611,272
Intergovernmental	4,716,379	6,706,941	6,002,423	5,290,478
Charges for services	3,675,306	3,657,872	3,762,203	3,652,141
Fines and forfeitures	1,237,949	1,020,076	1,053,456	908,746
Investment earnings	128,868	230,099	566,938	430,102
Rents and commissions	2,694,410	2,468,488	2,681,868	1,885,931
Miscellaneous	285,407	288,464	266,969	484,111
Total revenues	<u>54,205,070</u>	<u>54,573,890</u>	<u>53,383,067</u>	<u>51,660,465</u>
EXPENDITURES				
General government	10,139,547	10,242,264	10,732,178	10,156,100
Judicial	7,870,174	7,996,962	8,189,239	8,304,087
Public safety	16,782,174	16,404,214	17,735,449	17,792,423
Health and human services	2,779,179	3,035,557	2,942,710	2,769,152
Public buildings	2,220,231	2,283,921	2,068,225	2,061,398
Transportation and roads	6,690,923	7,120,809	5,337,956	7,011,659
Debt service:				
Principal	2,216	-	390,689	393,659
Interest	74	-	8,853	9,163
Capital outlay	<u>5,312,160</u>	<u>10,956,107</u>	<u>8,005,304</u>	<u>8,271,961</u>
Total expenditures	<u>51,796,678</u>	<u>58,039,834</u>	<u>55,410,603</u>	<u>56,769,602</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,408,392</u>	<u>(3,465,944)</u>	<u>(2,027,536)</u>	<u>(5,109,137)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	9,447,050	11,108,908	4,803,175	3,305,204
Transfers out	(9,447,050)	(11,202,765)	(4,803,175)	(3,305,204)
Issuance of lease	-	390,689	393,063	514,252
Sale of capital assets	64,243	93,991	426,806	420,632
Insurance recoveries	<u>61,408</u>	<u>21,892</u>	<u>70,160</u>	<u>172,319</u>
Total other financing sources and uses	<u>125,651</u>	<u>412,715</u>	<u>890,029</u>	<u>1,107,203</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,534,043</u>	<u>\$ (3,053,229)</u>	<u>\$ (1,137,507)</u>	<u>\$ (4,001,934)</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	0.00%	0.00%	0.80%	0.80%

TABLE 4

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 39,832,098	\$ 41,073,738	\$ 41,226,509	\$ 43,025,432	\$ 48,886,281	\$ 52,612,464	
1,640,018	1,671,693	1,655,966	1,672,977	1,667,574	1,664,254	
2,532,804	2,667,343	4,785,889	10,415,830	53,267,234	56,311,227	
3,813,950	3,898,398	3,688,913	4,442,472	4,625,055	4,039,723	
1,855,873	1,396,983	888,576	1,169,777	1,518,921	1,304,518	
605,223	2,090,265	1,283,491	261,203	919,483	2,717,672	
1,762,233	2,413,561	2,442,128	2,813,739	2,662,892	2,859,985	
626,993	411,416	219,402	187,291	202,560	280,302	
<u>52,669,192</u>	<u>55,623,397</u>	<u>56,190,874</u>	<u>63,988,720</u>	<u>113,750,000</u>	<u>121,790,145</u>	
10,547,494	11,006,600	11,007,130	11,736,746	11,383,718	11,303,523	
8,511,970	8,611,558	9,109,841	8,526,344	8,735,552	8,340,998	
17,872,901	19,256,488	20,642,224	22,703,903	17,728,133	23,112,047	
2,018,964	2,128,033	3,058,813	3,484,246	55,140,574	49,196,748	
2,253,368	2,251,114	2,298,970	2,471,549	2,414,495	1,922,444	
4,812,169	4,511,345	4,512,042	5,134,963	7,695,395	7,684,743	
510,408	513,665	988	1,065	72,743	74,442	
12,285	16,853	150	72	759	1,074	
5,932,875	5,319,966	5,113,552	3,305,377	4,432,501	2,844,090	
<u>52,472,434</u>	<u>53,615,622</u>	<u>55,743,710</u>	<u>57,364,266</u>	<u>107,603,870</u>	<u>104,480,109</u>	
196,758	2,007,775	447,164	6,624,454	6,146,130	17,310,036	
2,266,067	1,179,908	4,957,633	6,874,169	2,869,684	8,801,447	
(2,266,067)	(1,179,908)	(4,957,633)	(6,874,169)	(2,869,684)	(8,801,447)	
512,749	-	161,655	-	77,019	30,438	
590,000	147,750	46,379	50,352	187,316	289,180	
19,289	83,196	-	293,071	88,129	332,122	
<u>1,122,038</u>	<u>230,946</u>	<u>208,034</u>	<u>343,423</u>	<u>352,464</u>	<u>651,740</u>	
\$ <u>1,318,796</u>	\$ <u>2,238,721</u>	\$ <u>655,198</u>	\$ <u>6,967,877</u>	\$ <u>6,498,594</u>	\$ <u>17,961,776</u>	
1.10%	1.10%	0.00%	0.00%	0.07%	0.08%	

GREGG COUNTY, TEXAS

ASSESSED VALUE AND ESTIMATED TAXABLE VALUE OF PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Real Property Residential	Real Property Commercial and Industrial	Personal Property	All Other	Total Assessed Value
2023	\$6,095,870,404	\$2,500,213,507	\$2,480,197,931	\$1,528,937,885	\$12,605,219,727
2022	5,361,006,803	2,026,898,732	2,245,884,005	1,315,174,608	10,948,964,148
2021	5,132,654,033	1,894,740,795	2,383,523,983	1,304,389,295	10,715,308,106
2020	4,937,491,609	1,869,971,596	2,450,970,628	1,351,949,475	10,610,383,308
2019	4,816,156,986	1,715,120,893	2,257,125,453	1,241,121,407	10,029,524,739
2018	4,783,998,161	1,683,497,067	2,201,544,674	1,195,065,994	9,864,105,896
2017	4,703,337,968	1,680,887,027	2,245,585,257	1,114,605,868	9,744,416,120
2016	4,557,346,032	1,646,063,178	2,426,246,461	1,238,924,358	9,868,580,029
2015	4,465,741,722	1,558,361,232	2,510,554,165	1,345,006,507	9,879,663,626
2014	4,350,648,888	1,496,395,216	2,598,610,843	1,303,433,696	9,749,088,643

Source: Gregg County Appraisal District

Note: The difference between total assessed value and total estimated adjusted taxable value is due to tax exemptions and exclusions.

TABLE 5

<u>Total Direct Tax Rate</u>	<u>Total Estimated Adjusted Taxable Value</u>	<u>Ratio of Assessed to Taxable Value</u>
0.2871	\$10,938,185,854	86.78%
0.2975	9,490,451,166	86.68%
0.2625	9,326,166,678	87.04%
0.2625	9,271,817,888	87.38%
0.2625	8,807,335,194	87.81%
0.2625	8,613,348,448	87.32%
0.2625	8,508,354,050	87.32%
0.2625	8,651,079,813	87.66%
0.2625	8,668,365,415	87.74%
0.2625	8,551,471,159	87.72%

GREGG COUNTY, TEXAS

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

	Fiscal Year			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Direct rates:				
Gregg County general	.257200	.257200	.257200	.257200
Gregg Co. special road and bridge	<u>.005300</u>	<u>.005300</u>	<u>.005300</u>	<u>.005300</u>
Total direct debt	<u>.262500</u>	<u>.262500</u>	<u>.262500</u>	<u>.262500</u>
Overlapping debt:				
City rates:				
Clarksville City	.450110	.450110	.599900	.739910
East Mountain	.100000	.120000	.120000	.140000
Easton	.250000	.250000	.250000	.250000
Gladewater	.644502	.641426	.656321	.749900
Kilgore	.420000	.450000	.473100	.505700
Lakeport	.627450	.614500	.582010	.582010
Longview	.500900	.509900	.509900	.509900
Warren City	.250000	.250000	.250000	.250000
White Oak	.520110	.531700	.546870	.586800
School districts:				
Gladewater ISD	1.170000	1.490000	1.565000	1.565000
Kilgore ISD	1.309200	1.309200	1.309200	1.309200
Longview ISD	1.513000	1.513000	1.513000	1.513000
Pine Tree ISD	1.550000	1.555000	1.555000	1.555000
Sabine ISD	1.292830	1.273000	1.301430	1.301430
Spring Hill ISD	1.670000	1.670000	1.670000	1.670000
White Oak ISD	1.243200	1.246000	1.236000	1.247500
Special district rates:				
Gregg Co. ESD #1	.098290	.098290	.098290	.982900
Gregg Co. ESD #2	-	-	.100000	.100000
Gregg Co. ESD #3	-	-	-	-
Kilgore Junior College	<u>.154000</u>	<u>.154000</u>	<u>.175000</u>	<u>.175000</u>
Total direct and overlapping rates	<u>14.026092</u>	<u>14.388626</u>	<u>14.773521</u>	<u>15.995750</u>

Source: Gregg County Appraisal District

TABLE 6

Fiscal Year					
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
.257200	.257200	.257200	.257200	.292200	.276940
<u>.005300</u>	<u>.005300</u>	<u>.005300</u>	<u>.005300</u>	<u>.005300</u>	<u>.004760</u>
<u>.262500</u>	<u>.262500</u>	<u>.262500</u>	<u>.262500</u>	<u>.297500</u>	<u>.281700</u>
.644160	.613460	.571250	.647520	.740950	.740950
.133400	.250000	.140088	.140090	.143265	.465630
.250000	.133400	.250000	.250000	.450000	.124212
.749990	.750000	.749990	.751560	.751562	.739089
.539000	.539000	.539000	.539000	.599000	.599000
.579920	.579920	.579920	.578470	.578470	.568600
.509900	.509900	.558900	.558900	.558900	.578900
.240300	.250000	.250000	.250000	.265705	.225780
.586280	.586280	.602400	.602400	.628940	.628750
1.565000	1.565000	1.463400	1.449700	1.449700	1.285596
1.309200	1.309200	1.239200	1.225600	1.222600	1.385300
1.513000	1.513000	1.443000	1.439400	1.414700	1.327600
1.555000	1.525000	1.423300	1.399700	1.396700	1.282500
1.301430	1.301430	1.231430	1.227830	1.206830	1.155830
1.670000	1.670000	1.568300	1.553200	1.547700	1.489700
1.503000	1.449300	1.366500	1.332400	1.361700	1.302700
.098290	.098290	.098290	.098290	.098290	.175000
.100000	.100000	.100000	.100000	.100000	.100000
-	-	.100000	.099930	.098580	.095700
<u>.175000</u>	<u>.175000</u>	<u>.175000</u>	<u>.175000</u>	<u>.175000</u>	<u>.091200</u>
<u>15.285370</u>	<u>15.180680</u>	<u>14.712468</u>	<u>14.681490</u>	<u>15.086092</u>	<u>14.643737</u>

GREGG COUNTY, TEXAS

PRINCIPAL TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2023		
	2021 Total Assessed Value	Rank	Percentage of Total Assessed Value
Southwestern Electric Power Co./ AEP/SWEPCO	\$ 181,736,200	1	1.66%
Komatsu Mining Corp/Komatsu America Corp/Komatsu Financial LP	97,763,140	2	0.89%
Wal-Mart Real Estate Business Tr/ Wal-Mart Nbhd Market/Wal-Mart Stores/ Sam's East/Sam's Real Estate Business Tr	74,849,530	3	0.68%
Joy Global Longview Operations LLC/ Joy Global Surface Mining Inc	73,769,609	4	0.67%
Longview Medical Center/Longview Regional Hospital/Texas HCP Holding	72,566,581	5	0.66%
Christus Good Shepherd/Good Shepherd Health/Hospital/Northpark/GAHC3	60,471,514	6	0.55%
Longview Tx Outpatient MOB II LLC CP/AAON Coil Products Inc/ CP/AAON Inc	59,309,980	7	0.54%
Dollar General/Dollar General Stores/ DG Logistics LLC/DG Distribution of Texas LLC	50,783,770	8	0.46%
Southern Plastics Inc	45,922,360	9	0.42%
Orgill Inc	<u>44,496,840</u>	10	<u>0.41%</u>
Letourneau Inc/Letourneau Technologies Inc Haliburton Energy Services/Haliburton Co/Haliburton Services-Wellnite Cudd Pressure Control (CPS) Trican (Liberty Pressure Pump) Quantum Resources Mgmt J-W Power Co/J W Power Co/J-W Operating Co RI/WI/J W Manufacturing Co			
Trinity Industries			
Total	<u>\$761,669,524</u>		<u>6.96%</u>

Source: Gregg County Appraisal District

TABLE 7

2014		
<u>2012 Total Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>
\$ 92,131,570	3	1.08%
79,905,700	4	0.93%
55,491,750	9	0.65%
188,053,350	1	2.20%
99,760,310	2	1.17%
73,403,380	5	0.86%
70,534,970	6	0.82%
60,379,290	7	0.71%
55,920,650	8	0.65%
<u>52,960,150</u>	10	<u>0.62%</u>
<u>\$ 828,541,120</u>		<u>9.69%</u>

GREGG COUNTY, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Tax Levy for Fiscal Year	Collected Within Fiscal Year of Levy		Adjustments to Levy in Subsequent Years	Total Adjusted Levy
		Levy Collected	Percent of Original Levy		
2023	\$ 30,015,275	\$ 29,376,566	97.87%	\$ (119,192)	\$ 29,896,083
2022	27,451,450	26,908,747	98.02%	(182,502)	27,268,948
2021	24,118,746	23,771,683	98.56%	4,396	24,123,142
2020	24,005,405	23,574,886	98.21%	(45,172)	23,960,233
2019	22,783,600	22,401,181	98.32%	48,917	22,832,517
2018	22,252,567	21,904,972	98.44%	9,998	22,262,565
2017	21,970,434	21,583,173	98.24%	(61,670)	21,908,764
2016	22,328,401	21,950,095	98.31%	(79,512)	22,248,889
2015	22,365,509	22,035,855	98.53%	(68,354)	22,297,155
2014	22,067,295	21,783,376	98.71%	(72,423)	21,994,872

- (1) Taxes are levied on assessed property values on January 1 of prior calendar year (i.e., in 2019, taxes are levied on calendar year 2018)
- (2) Adjustments to the original levy include exonerations, tax relief, and supplemental assessments
- (3) This table includes real estate taxes only and does not include penalty and interest

TABLE 8

Collections in Subsequent Years	Total Collections to Date		Delinquent Taxes 9/30/23	Delinquent Taxes to Total Adj. Levy
	Total Collections To Date	Percent of Adjusted Levy		
\$ -	\$ 29,376,566	98.26%	\$ 519,516	1.74%
111,225	27,019,972	99.09%	248,976	0.91%
181,927	23,953,610	99.30%	169,531	0.70%
252,508	23,827,394	99.45%	132,839	0.55%
320,102	22,721,283	99.51%	111,234	0.49%
268,582	22,173,554	99.60%	89,011	0.40%
263,916	21,847,089	99.72%	61,676	0.28%
241,602	22,191,697	99.74%	57,191	0.26%
211,230	22,247,085	99.78%	50,070	0.22%
173,433	21,956,809	99.83%	38,063	0.17%

GREGG COUNTY, TEXAS

GOVERNMENT REVENUE BY SOURCE

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Intergovernmental</u>	<u>Charges for Services</u>	<u>Fines and Forfeitures</u>
2023	\$ 52,612,464	\$ 1,664,254	\$ 56,311,227	\$ 4,039,723	\$ 1,304,518
2022	48,886,281	1,667,574	53,267,234	4,625,055	1,518,921
2021	43,025,432	1,672,977	10,415,830	4,442,472	1,169,777
2020	41,226,507	1,655,966	4,785,889	3,688,910	888,577
2019	41,073,738	1,671,693	2,667,343	3,898,398	1,396,983
2018	39,832,100	1,640,018	2,532,805	3,813,949	1,855,873
2017	37,397,684	1,611,272	5,290,478	3,652,141	908,746
2016	37,680,521	1,368,687	6,002,422	3,762,205	1,053,456
2015	38,883,763	1,318,187	6,706,941	3,657,872	1,020,076
2014	40,075,700	1,391,051	4,716,379	3,675,306	1,237,949

Source: Extracted from Statement of Revenues, Expenditures, and Changes in Fund Balances

TABLE 9

<u>Investment Earnings</u>	<u>Rents and Commissions</u>	<u>Miscellaneous</u>	<u>Totals</u>
\$ 2,717,672	\$ 2,859,985	\$ 280,302	\$ 121,790,145
919,483	2,662,892	202,560	113,750,000
261,203	2,813,739	187,291	63,988,720
1,283,491	2,442,127	219,416	56,190,883
2,090,265	2,413,561	411,416	55,623,397
605,222	1,762,233	626,993	52,669,192
430,102	1,885,931	484,111	51,660,465
567,035	2,681,868	266,871	53,383,067
230,099	2,468,488	288,464	54,573,890
128,868	2,694,410	285,407	54,205,070

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Leases	Notes Payable	Available in Debt Service Fund	Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
2023	\$ -	\$ 140,981	\$ -	\$ -	\$ 140,981	*	*
2022	-	184,985	-	-	184,985	0.00%	\$ 1.47
2021	-	279	-	-	279	0.00%	-
2020	-	1,344	-	-	1,344	0.00%	0.01
2019	-	2,332	-	-	2,332	0.00%	0.02
2018	-	515,997	-	-	515,997	0.01%	4.17
2017	-	513,656	-	-	513,656	0.01%	4.16
2016	-	393,063	-	-	393,063	0.01%	3.18
2015	-	390,689	-	-	390,689	0.01%	3.15
2014	-	-	-	-	-	0.00%	-

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

¹ See the Schedule of Demographic and Economic Statistics for personal income and population data.

* Personal income and per capita income data unavailable

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

The County has had no general bonded debt outstanding in the past ten fiscal years.

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DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2023

Government Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Direct Debt:			
Gregg County	\$ 140,981	100.00%	\$ 140,981
Total Direct Debt	<u>\$ 140,981</u>		<u>\$ 140,981</u>
Overlapping Debt:			
Clarksville City, City of	\$ 1,960,896	99.95%	\$ 1,959,868
East Mountain, City of	-	1.54%	-
Easton, City of	-	92.10%	-
Gladewater, City of	15,118,000	62.40%	9,434,388
Kilgore, City of	42,683,131	86.39%	36,872,327
Lakeport, City of	865,000	100.00%	865,000
Longview, City of	208,040	94.50%	196,594
Warren City, City of	-	96.02%	-
White Oak, City of	9,309,820	100.00%	9,309,820
Gladewater Independent School District	26,314,525	51.49%	13,550,350
Kilgore Independent School District	166,411,677	70.68%	117,616,226
Longview Independent School District	131,917,868	100.00%	131,917,868
Pine Tree Independent School District	40,054,409	100.00%	40,054,409
Sabine Independent School District	17,676,678	100.00%	17,676,678
Spring Hill Independent School District	35,349,338	100.00%	35,349,338
White Oak Independent School District	22,261,681	100.00%	22,261,681
Kilgore College	<u>19,809,124</u>	62.13%	<u>12,306,764</u>
Gregg County ESD# 2	175,279	100.00%	175,279
Gregg County ESD# 3	<u>1,734,344</u>	100.00%	<u>1,734,344</u>
Total Overlapping Debt	<u>\$ 531,849,810</u>		<u>\$ 451,280,934</u>
Total Direct and Overlapping Debt	<u>\$ 532,024,086</u>		<u>\$ 451,455,209</u>

GREGG COUNTY, TEXAS

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

	Fiscal Year			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt Limit	\$ 2,137,867,790	\$ 2,167,091,354	\$ 2,467,145,007	\$ 2,436,104,030
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 2,137,867,790</u>	<u>\$ 2,167,091,354</u>	<u>\$ 2,467,145,007</u>	<u>\$ 2,436,104,030</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

TABLE 13

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 2,466,026,474	\$ 2,507,381,185	\$ 2,652,595,827	\$ 2,678,827,027	\$ 2,737,241,037	\$ 2,734,546,464
-	-	-	-	-	-
<u>\$ 2,466,026,474</u>	<u>\$ 2,507,381,185</u>	<u>\$ 2,652,595,827</u>	<u>\$ 2,678,827,027</u>	<u>\$ 2,737,241,037</u>	<u>\$ 2,734,546,464</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

GREGG COUNTY, TEXAS

TABLE 14

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN CALENDAR YEARS

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2023	*	*	*	4.4%
2022	125,443	7,019,956	55,961	4.3%
2021	124,201	6,577,421	52,958	5.6%
2020	124,239	6,106,055	49,152	9.2%
2019	123,945	5,838,955	47,109	3.7%
2018	123,707	5,616,460	45,401	4.0%
2017	123,367	5,437,195	44,073	4.5%
2016	123,745	5,516,563	44,580	6.6%
2015	124,108	5,791,380	46,664	5.0%
2014	123,204	6,149,459	49,913	4.3%

Sources: U.S. Census Bureau (census.gov)
U.S. Bureau of Economic Analysis (bea.gov)

* Data unavailable

GREGG COUNTY, TEXAS

TABLE 15

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employees	Employees	Rank	Percentage of Total County Employees
Christus Good Shepherd Health System	2,850	1	3.8%	3,100	1	3.9%
Eastman Chemical	1,510	2	2.0%	1,552	3	2.0%
Longview Regional Medical Center	1,393	3	1.8%	951	7	1.2%
Longview ISD	1,280	4	1.7%	1,212	4	1.5%
City Of Longview	867	5	1.1%	837	8	1.1%
Dollar General	762	6	1.0%	-	-	0.0%
Pine Tree ISD	704	7	0.9%	655	9	0.8%
Komatsu	675	8	0.9%	-	-	0.0%
Gregg County	620	9	0.8%	-	-	0.0%
AAON Coil Products	<u>613</u>	10	<u>0.8%</u>	-	-	0.0%
Trinity Rail, LLC				1,898	2	2.4%
Wal-Mart				1,149	5	1.5%
Joy Global				<u>821</u>	6	<u>1.0%</u>
Diagnostic Clinic of Longview				616	10	0.8%
Total	11,274		14.9%	12,791		16.2%

Source: Longview Economic Development Corporation (Employment by Company)
Bureau of Labor Statistics (County Total Employment)

Notes: 2023 Percentage of total County employment is based on County employment of 75544.

GREGG COUNTY, TEXAS

COUNTY EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS
SEPTEMBER 30, 2023

Function/Program	Fiscal Year				
	2014	2015	2016	2017	2018
General government	100	102	102	102	99
Judicial	92	92	91	91	90
Public safety	260	262	263	264	262
Health and Human Services	12	12	12	12	12
Public buildings	19	18	18	19	19
Transportation and roads	<u>47</u>	<u>48</u>	<u>48</u>	<u>48</u>	<u>47</u>
Totals	<u>530</u>	<u>534</u>	<u>533</u>	<u>535</u>	<u>529</u>

Source: Gregg County Budget

TABLE 16

Fiscal Year				
<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
99	99	101	100	103
90	94	93	93	93
263	268	268	267	265
12	12	12	13	13
19	19	19	18	19
<u>47</u>	<u>47</u>	<u>45</u>	<u>47</u>	<u>47</u>
<u>530</u>	<u>539</u>	<u>538</u>	<u>538</u>	<u>540</u>

GREGG COUNTY, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS
SEPTEMBER 30, 2023

Function/Program	Fiscal Year			
	2014	2015	2016	2017
General Government				
County Finance				
Accounts Payable Invoices Processed	16,513	15,308	15,992	16,758
Accounts Payable Checks Processed	8,493	8,365	8,592	8,652
Tax Office (1)				
Motor Vehicle Registrations	134,302	131,334	129,890	128,866
Motor Vehicle Titles Issued	48,757	47,843	45,630	45,020
Elections Office				
Registered Voters	66,146	65,678	68,833	67,696
Number of Elections Held	11	6	10	4
Judicial				
District Court Level				
Civil & Family Cases Filed	3,297	3,091	3,253	3,004
Criminal Cases Filed	1,519	1,266	1,368	1,233
County Court Level				
Probate/Mental Health Cases Filed	516	542	627	621
Statutory County Court Level (2)				
Civil Cases Filed	1,117	1,195	1,108	1,083
Criminal Cases Filed	3,684	3,541	3,300	3,250
Law Enforcement/Corrections (3)				
Jail Facilities				
Jail Book-Ins	9,419	9,098	9,171	9,150
Law Enforcement				
Warrants Executed	4,496	4,461	4,469	4,225
Civil Process Served	4,629	4,314	4,780	3,218
Health & Human Services				
Patients Seen by Doctor	477	603	586	617
Patients Seen by Nurse	2,032	2,433	2,676	2,764
Rx - Medications Filled	3,926	3,838	4,994	5,668
Welfare Applicants	820	1,274	1,235	1,291
Immunizations (# of Shots)	5,254	5,077	4,962	4,374
Transportation & Roads				
Miles of County Roads	281	281	281	281

Sources: County departmental and court statistical reports for state and local reporting requirements

- (1) Tax Office data based on State Fiscal year
- (2) Change in Texas OCA reporting requirements
- (3) Law Enforcement data based on calendar year

TABLE 17

Fiscal Year						
2018	2019	2020	2021	2022	2023	2023
15,863	15,912	15,353	17,248	16,980	17,087	17,087
8,786	8,466	7,967	7,835	7,684	7,392	7,392
130,036	131,713	126,567	129,775	130,817	134,054	134,054
49,307	49,024	44,760	50,092	47,197	46,156	46,156
69,321	69,316	73,272	71,728	73,000	74,306	74,306
9	8	9	7	4	6	6
2,788	2,711	2,634	2,413	2,258	2,275	2,275
1,326	1,665	1,764	1,946	1,867	1,210	1,210
556	549	546	740	602	555	555
1,173	1,324	1,202	852	810	954	954
3,671	3,868	3,616	2,511	2,132	1,849	1,849
9,550	9,862	5,335	4,625	5,323	5,753	5,753
5,377	4,849	2,038	1,555	2,906	3,187	3,187
2,879	2,885	1,832	1,838	1,768	1,629	1,629
479	518	354	328	289	247	247
2,436	2,161	2,162		1,385	747	747
4,298	3,537	2,788	2,226	2,461	1,613	1,613
1,124	1,419	2,058	2,514	1,828	1,528	1,528
4,120	5,367	4,007	2,808	2,682	2,466	2,466
281	281	281	281	281	281	281

GREGG COUNTY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS
SEPTEMBER 30, 2023

FUNCTION/PROGRAM	Fiscal Year			
	2014	2015	2016	2017
General government				
Vehicles	9	10	9	9
Judicial				
Vehicles	5	6	5	5
Video/sound system	2	2	2	2
Law enforcement/corrections				
Vehicles	88	97	98	106
Transportation and roads				
Road and bridge vehicles	31	32	33	31
Road and bridge equipment	111	109	112	118
Public buildings				
Vehicles	4	3	4	3
Health and human services				
Vehicles	2	2	2	2

Source: Gregg County Depreciation Schedules

TABLE 18

	Fiscal Year				
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
9	10	10	16	17	17
5	3	3	3	3	5
2	2	2	2	2	2
109	103	106	108	108	124
34	32	35	40	40	44
117	116	121	124	129	129
4	4	4	4	4	4
2	3	2	2	2	2

GREGG COUNTY, TEXAS

SCHEDULE OF INSURANCE

SEPTEMBER 30, 2023

<u>Insuring Company</u>	<u>Type of Coverage</u>	<u>Policy From</u>	<u>Policy To</u>
		10/1/22	10/1/23
Texas Association of Counties (TAC) Risk Management Pool	Property		
		10/1/22	10/1/23
Texas Association of Counties (TAC) Risk Management Pool	Auto Liability		
		10/1/22	10/1/23
Texas Association of Counties (TAC) Risk Management Pool	General Liability		
		10/1/22	10/1/23
Texas Association of Counties (TAC) Risk Management Pool	Public Officials Liability Privacy or Security Event Liability and Expense		
JamisonPro	State Judges Professional Liability	1/1/23	1/1/24
Texas Association of Counties (TAC) Risk Management Pool	Law Enforcement Liability	10/1/22	10/1/23
Hudson Excess Insurance Company	Health Department/Jail Medical	11/1/22	11/1/23
		10/1/22	10/1/23
Old Republic Insurance Company	East Texas Regional Airport		
Nautilus Insurance Company	Storage Tank Systems	8/4/23	8/4/24

TABLE 19

Summary of Coverage	Liability Limits
Buildings	116,046,162.00
Valuable Papers	2,500,000.00
Flood - Except Special Hazard Zones	10,000,000.00
Equipment Breakdown	100,000,000.00
Crime	500,000.00
Law Enforcement Animals	30,000.00
Bodily Injury - Each Person	100,000.00
Bodily injury- Each Accident	300,000.00
Property Damage - Each Accident	100,000.00
Comprehensive	Actual cash value or cost of repair (lessor of)
Collision	Actual cash value or cost of repair (lessor of)
Bodily Injury and Property Damage	1,000,000.00
Crisis Management	100,000.00
Employee Benefits Liability - Per Claim	1,000,000.00
Garage Keepers Legal Liability	50,000.00
Aggregate: District Judge/District Attorney Endorsement	2,000,000.00
Aggregate	2,000,000.00
Damages / Claims Exp.	1,000,000.00
Aggregate District Judge Endorsement	2,000,000.00
Aggregate Each Claim	3,000,000.00 1,000,000.00
Products	5,000,000.00
Personal Injury	5,000,000.00
Malpractice	5,000,000.00
Hangar keepers	5,000,000.00
Fire Damage	50,000.00
Clean up costs, Third Party Liability, Property damage Liability	1,000,000.00

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