

AGENDA PLACEMENT FORM

(Submission Deadline – Monday, 5:00 PM before Regular Court Meetings)

Date: 3/18/2024

Meeting Date: 3/25/2024

Submitted By: S. Watson

Department: Auditor

Signature of Elected Official/Department Head:



Court Decision: <small>This section to be completed by County Judge's Office</small>
 March 25, 2024

Description:

Presentation of FY23 Annual Comprehensive Financial Report for Johnson
County

(May attach additional sheets if necessary)

Person to Present: Wade Whitlow, CPA, KM&L

(Presenter must be present for the item unless the item is on the Consent Agenda)

Supporting Documentation: (check one) PUBLIC CONFIDENTIAL

(PUBLIC documentation may be made available to the public prior to the Meeting)

Estimated Length of Presentation: 10 minutes

Session Requested: (check one)

Action Item Consent Workshop Executive Other Announce

Check All Departments That Have Been Notified:

County Attorney IT Purchasing Auditor

Personnel Public Works Facilities Management

Other Department/Official (list) _____

**Please List All External Persons Who Need a Copy of Signed Documents
In Your Submission Email**

JOHNSON COUNTY, TEXAS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Fiscal Year Ended
September 30, 2023

JOHNSON COUNTY, TEXAS
JOHNSON COUNTY AUDITOR'S OFFICE
#2 North Main Street
Cleburne, Texas 76033



JOHNSON COUNTY, TEXAS

Annual Comprehensive Financial Report
For the Year Ended September 30, 2023

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JOHNSON COUNTY, TEXAS

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JOHNSON COUNTY, TEXAS

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INTRODUCTORY SECTION





JOHNSON COUNTY AUDITOR

JOHNSON COUNTY COURTHOUSE

#2 N. MAIN

CLEBURNE, TEXAS 76033

Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson
County Auditor

Jennifer R. Lyon
First Assistant County Auditor

March 21, 2024

Citizens of Johnson County
The Honorable District Judges and
The Honorable Commissioners Court:

In compliance with the statutory duties of the County Auditor as prescribed by Section 114.025 of the Local Government Code of the State of Texas, the Annual Comprehensive Financial Report of Johnson County, Texas (County), for the fiscal year ended September 30, 2023, is submitted herewith. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the County. This report has been prepared using generally accepted accounting principles and guidelines promulgated by the Governmental Accounting Standards Board. We have attempted to conform substantially to the high standards of public financial reporting as recommended by the Government Finance Officers Association of the United States and Canada. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The County is required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance and Texas Grant Management Standards for federal and state awards, respectively. Information related to this single audit, and the independent auditors' reports of the internal control structure and compliance with applicable laws and regulations are included in the single audit section of this report.

In developing the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes (1) the cost of a control should not exceed the benefits derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The County Auditor's Office continually assesses its ability to ensure that adequate internal accounting controls are in place to safeguard assets and provide reasonable assurance of proper recording of financial transactions. With this ongoing effort, and growth of the County, the internal audit function becomes a larger task each year, addressing the needs that change and growth dictate.

ECONOMIC CONDITION AND OUTLOOK

Johnson County is strategically located in North Central Texas and is considered a part of the Fort Worth metropolitan area. Johnson County is a member of the North Central Texas Council of Governments which is comprised of sixteen counties. The area has experienced steady growth, which is expected to continue for several years due to the influence of Dallas and Fort Worth, adjacent to our northern border, and improved transportation routes.

Johnson County is experiencing growth with obvious signs of significant future growth. The region has a varied manufacturing and industrial tax base that contributes to the relatively favorable unemployment rate.

With the creation of the Johnson County Economic Development Commission (JCEDC) in September 1989, the County continues to be a competitive area for creating a favorable business climate. The JCEDC has a goal of attracting new business to the area, resulting in new jobs and significant increases to the tax rolls.

Population growth is noticeable throughout all sections of the County. Even the smaller communities have experienced very impressive residential development. Five years ago, construction on new residential developments began, and new neighborhoods continue to be built today. Combined efforts of the cities and county government have proven to be effective in attracting industry as well. Several communities, including the Cities of Cleburne, Burleson, Godley and Venus continue to experience growth in residential building. Godley, Texas currently has several subdivisions underway, in which, many are valued significantly above the average for the County. The tollway is certainly considered as a contributing factor for this development. Additionally, it has added a measurable quality of life to citizens that must commute to Fort Worth, as the travel time is about half of what it was prior to the tollway.

The County provides a full range of services authorized by statute. These services include general governmental services such as recording and licensing, sustaining the County, County and Justice Court systems, maintaining public facilities, ensuring public safety, preserving public health and welfare, aiding conservation, and maintaining County roads and bridges.

MAJOR INITIATIVES

Johnson County, because of its continued growth, is faced with many challenges in delivering services to its citizens while maintaining a conservative financial approach. The Commissioners Court has been committed to meeting increasing needs for services and facilities. The following initiatives reflect the County's commitment to ensuring that its citizens are able to live and work in an enviable environment.

For the Year

Construction for one significant project is ongoing; A new 911 telecommunications center is almost complete. The Sheriff's Administration building renovation was recently completed, and the County recently purchased nearly 20,000 square feet of additional workspace.

For the Future

The growth experienced by the County requires our elected officials to be forward-thinking to address issues before they become significant challenges. As in most Texas counties, the need to accommodate the law enforcement and administration of justice functions can be difficult. Johnson County will endeavor to stay ahead of the curve with the expected growth that is now a reality. One piece of this has kicked off the Master Thoroughfare Planning process.

FINANCIAL CONDITION

Current Condition. Johnson County continues to be well positioned financially, with above average fund balances. This financial strength has been maintained with no hardship, even with decisions to fund capital projects with available cash. The County's Fund Balance Policy, with the minimum balances established by the policy, is taken seriously. Fund balances will continue to exceed the popular rules of thumb. The unassigned fund balance of the General Fund has been at a healthy level for consecutive years, and the County has always used prudence in the decisions to use cash to finance qualifying projects.

Long Range Financial Planning. Johnson County has a determination to manage funds in a conservative and judicious manner. One initiative adopted by the County includes a separate "Operating Reserve" line-item in the budget which ensures that unexpected situations do not create unmanageable conditions. With the knowledge that mineral royalty revenues and mineral values will fluctuate with the price of natural gas, the County has never and will not put itself in a position to depend upon such revenue.

Significant Financial Policy. It is the policy of Johnson County to maintain an above-average fund balance as evidenced by the Fund Balance Policy. To ensure fund balances remain at these levels the County will strive to balance the General Fund budget each year or use only a minimum amount of the fund balance to finance the budget. This conservative practice will ensure that the County has adequate funding in future years if it faces economic challenges.

Administration. The officials having responsibility for the financial administration of the County are the County Judge and four County Commissioners (the "Commissioners Court"), the County Treasurer (all of whom are elected for four-year terms), and the County Auditor who is appointed for a two-year term by the State District Judges having jurisdiction within the County. The governing body of the County is the Commissioners Court. It has only those powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other things, it approves the County budget, determines the County tax rate, approves contracts in the name of the County, determines whether a proposition to issue bonds should be submitted to the voters, conducts official business of the County at designated meeting times, and appoints certain individuals to manage various departments.

The County Judge is the presiding officer of the Commissioners Court. Each Commissioner represents one of the four precincts into which the County is divided and is elected by the voters of the precinct. The County Commissioners supervise construction and maintenance of the County road systems as well as perform other administrative duties.

The County Treasurer is the custodian of funds and has the sole authority to disburse funds for the County. This includes receipting and depositing all funds paid to the County. The Treasurer is also the designated County Investment Officer and confers with the County Auditor regarding investments of County funds. The Commissioners Court has adopted an investment policy in compliance with the Public Funds Investment Act.

The County Auditor is responsible for substantially all County financial and accounting control functions. The responsibilities of the County Auditor include those of accounting, auditing, accounts payable and financial operations and reporting. Also, the County Auditor works with the Treasurer to determine the type, terms, and amounts of investments of County funds.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit. The County's financial statements have been audited by KM&L, LLC., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal 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; assessing the accounting principles used and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Johnson County, Texas 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.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Johnson County for its annual comprehensive financial report for fiscal year ended September 30, 2022. This was the thirty-second consecutive year that the County has earned this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments. The production of this report is attributable to the dedication and work of the County Auditor's Office staff and KM&L, LLC., our independent auditor. I would like to thank all Johnson County Elected Officials, Department Heads, and their staffs for their cooperation and leadership in conducting the financial affairs of the County. A special thanks is extended to my staff that dedicate themselves so fully throughout the year.

Respectfully submitted,



Steven E. Watson
Johnson County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

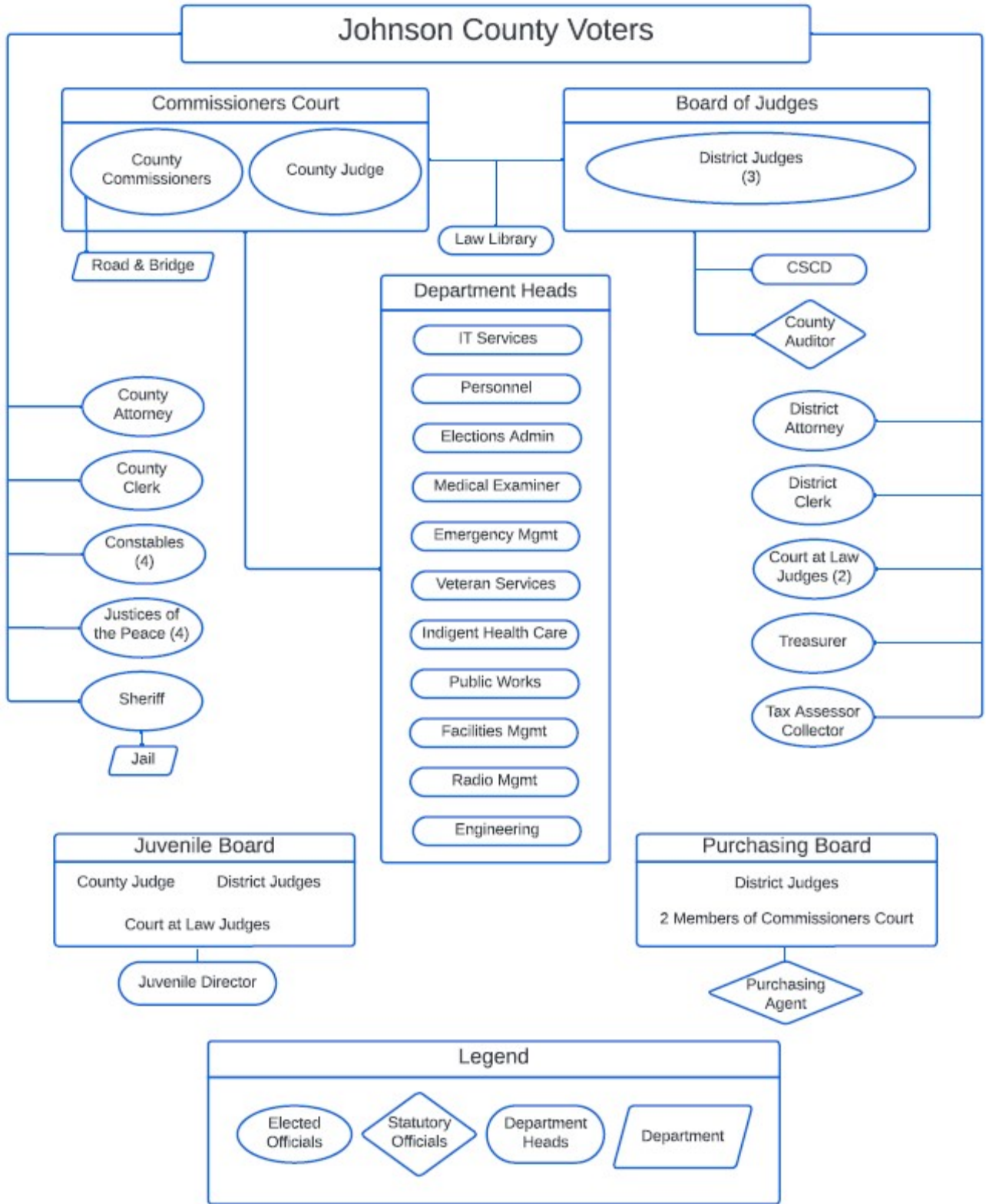
**Johnson County
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO



JOHNSON COUNTY, TEXAS

PRINCIPAL OFFICIALS

COMMISSIONERS COURT

COUNTY JUDGE

Christopher Boedeker

COUNTY COMMISSIONERS

Precinct 1

Rick Bailey

Precinct 2

Kenny Howell

Precinct 3

Mike White

Precinct 4

Larry Woolley

JUDICIAL

DISTRICT JUDGE

18th Judicial District

Sydney B. Hewlett

249th Judicial District

Tiffany Strother

413th Judicial District

William C. Bosworth, Jr.

COUNTY COURT-AT-LAW I

John Neill

COUNTY COURT-AT-LAW II

Steve McClure

JUSTICE OF THE PEACE

Precinct 1

Ronald R. McBroom

Precinct 2

Jeff Monk

Precinct 3

Andrew Nolan

Precinct 4

Robert Shaw

LAW ENFORCEMENT AND LEGAL

DISTRICT ATTORNEY

Dale Hanna

COUNTY ATTORNEY

Bill Moore

SHERIFF

Adam King

CONSTABLES

Precinct 1

Matt Wylie

Precinct 2

Adam Crawford

Precinct 3

Steve Williams

Precinct 4

Troy Fuller

COMMUNITY SUPERVISION DIRECTOR*

Diane Crowe

CHIEF JUVENILE PROBATION OFFICER*

Jeremy Burnell

FINANCIAL ADMINISTRATION

COUNTY AUDITOR*

Steven Watson

COUNTY TREASURER

Kathy Blackwell

TAX ASSESSOR - COLLECTOR

Scott Porter

PURCHASING AGENT*

Ralph McBroom

COURT CLERKS

DISTRICT CLERK

David Lloyd

COUNTY CLERK

April Long

*Denotes appointed officials. All others are elected officials.



FINANCIAL SECTION





Independent Auditor's Report

The Honorable County Judge
and Members of Commissioners Court
Johnson County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Johnson 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2023, and the respective changes in financial position, 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 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, during the year ended September 30, 2023, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Lake Jackson
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Lake Jackson, TX 77566
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El Campo
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Bay City
2245 Avenue G
Bay City, TX 77414
979-245-9236



The Honorable County Judge,
and Members of Commissioners
Court of Johnson County, Texas

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

The Honorable County Judge,
and Members of Commissioners
Court of Johnson County, Texas

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, required pension schedules and required OPEB schedules on pages 5 through 17 and pages 74 through 83 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the schedule of expenditures of state awards as required by the Texas Grant Management Standards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards and the schedule of expenditures of state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

The Honorable County Judge,
and Members of Commissioners
Court of Johnson County, Texas

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. 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.

KM&L, LLC

Lake Jackson, Texas
March 21, 2024

JOHNSON COUNTY, TEXAS

Management's Discussion and Analysis For the Year Ended September 30, 2023

As management of Johnson County, Texas (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 our letter of transmittal, which can be found on pages i - iv of this report.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year for governmental activities by \$ 154,673,685 (net position). Of this amount, \$ 66,678,169 (unrestricted net position), may be used to meet the government's ongoing obligations to citizens and creditors with the County's fund designation.
- The County's total net position increased for governmental activities by \$ 29,343,846.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 75,064,844. 66.61% of this amount, \$ 50,000,706 (unassigned fund balance), was available for use within the County's fund designations. Of the governmental funds amount, \$ 1,389,143 is nonspendable and \$ 23,674,995 has been restricted for specific uses.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$ 50,000,706 or 61.81% of the total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the 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, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported when 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 the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

JOHNSON COUNTY, TEXAS

Management's Discussion and Analysis For the Year Ended September 30, 2023

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The *governmental activities* of the County include general government, administration of justice, financial administration, elections, law enforcement, highways and streets, health and welfare, culture and recreation, and conservation. The County has no *business-type activities*.

The government-wide financial statements can be found on pages 20 through 21 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 current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains sixty-one (61) 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 balance for the General Fund, the Road & Bridge Fund, the General Debt Service Fund and the American Rescue Plan Act (ARPA) Fund; all of which are considered to be major funds. Data from the other fifty-seven (57) 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 funds financial statements can be found on pages 22 through 25 of this report.

- **Proprietary Funds.** The County uses internal service funds to report activities that provide services for the County's other programs and activities. The Healthcare Fund is the County's internal service fund. Its purpose is to provide for the accumulation of funds for insurance and employee benefits used in County operations. Since all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found on pages 26 through 28 of this report.

JOHNSON COUNTY, TEXAS

Management's Discussion and Analysis For the Year Ended September 30, 2023

- **Fiduciary Funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's operations. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The County's basic fiduciary financial statements can be found on pages 29 through 30.

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 32 through 72 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Required supplementary information can be found on pages 74 through 83 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information. Combining and individual statements and schedules can be found on pages 92 through 119 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 154,673,685 as of September 30, 2023. This is an increase in net position of \$ 29,343,846 which is primarily due to a net increase in property taxes and operating and capital grants and contributions.

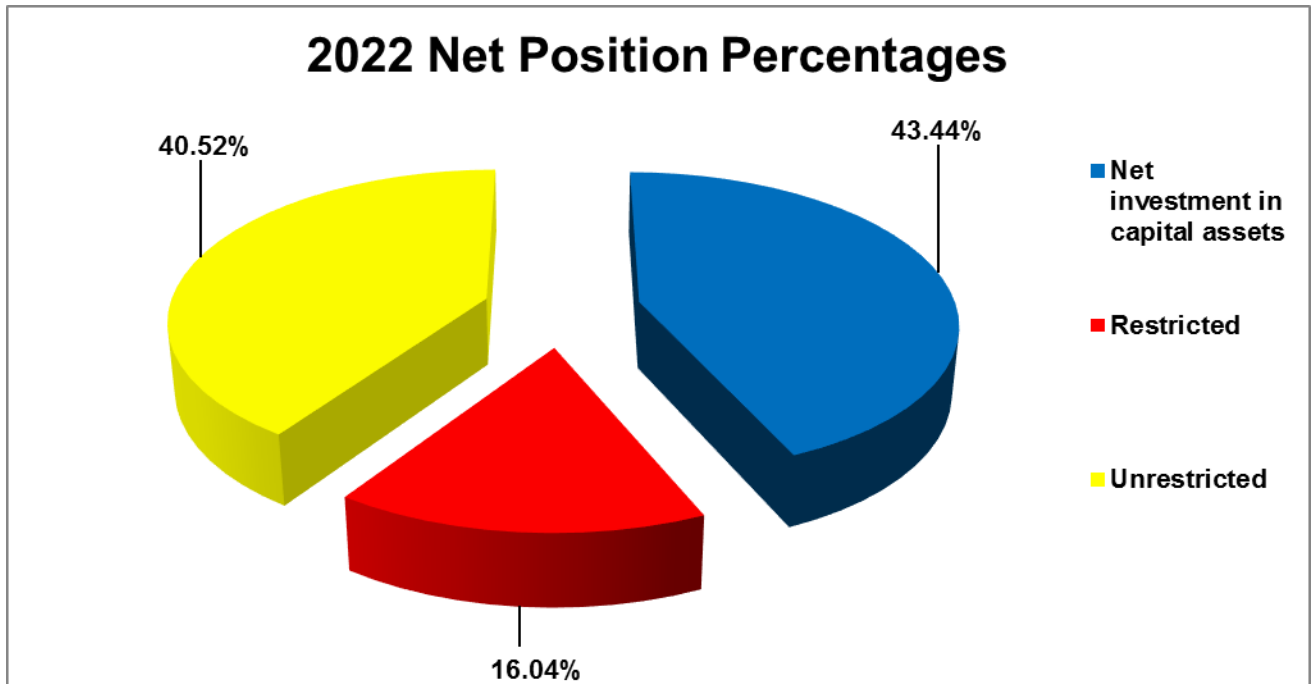
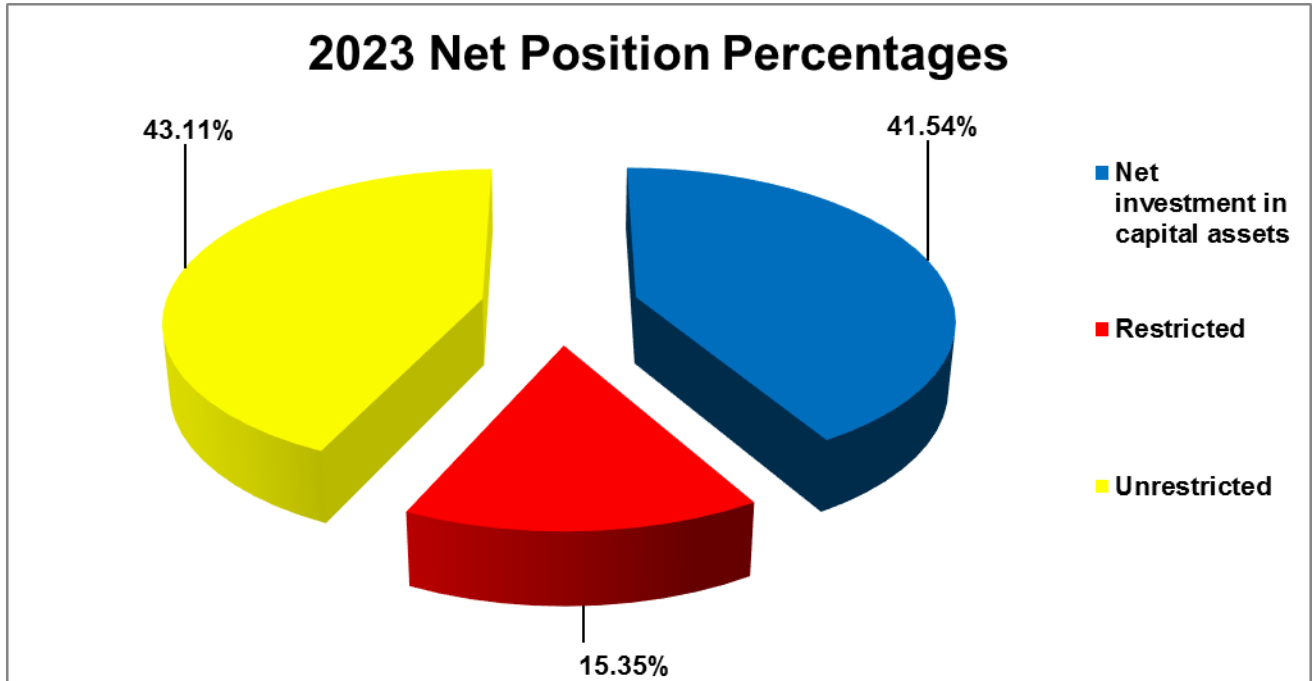
The largest portion of the County's net position is \$ 64,256,709 (41.54%) which reflects its investments in capital assets (e.g., land; construction in progress, buildings and improvements; furniture, equipment and vehicles; right to use leased assets subscription based IT assets; and infrastructure) less any debt used to acquire those assets that is still outstanding. The County uses capital assets to provide service to citizens and 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. Net investment in capital assets increased by \$ 9,818,322 due to capital additions exceeding depreciation and amortization expense and the maturity of long-term debt in the current fiscal year.

JOHNSON COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2023

An additional portion of the County's net position is \$ 23,738,807 (15.35%) which represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$ 66,678,169 (43.11%) may be used to meet the government's ongoing obligations to citizens and creditors.

JOHNSON COUNTY'S NET POSITION

	<u>Governmental Activities</u>		Net Change
	<u>2023</u>	<u>2022</u>	
Assets:			
Current and other assets	\$ 121,703,792	\$ 123,188,086	\$(1,484,394)
Capital assets	<u>81,890,312</u>	<u>70,758,996</u>	<u>11,131,316</u>
Total assets	<u>203,594,104</u>	<u>193,947,182</u>	<u>9,646,922</u>
Total deferred outflows of resources	<u>12,312,590</u>	<u>10,635,260</u>	<u>1,677,330</u>
Liabilities:			
Current and other liabilities	24,849,608	35,492,310	(10,642,702)
Long-term liabilities	<u>35,169,351</u>	<u>24,212,824</u>	<u>10,956,527</u>
Total liabilities	<u>60,018,959</u>	<u>59,705,134</u>	<u>313,825</u>
Total deferred inflows of resources	<u>1,214,050</u>	<u>19,547,469</u>	<u>(18,333,419)</u>
Net Position:			
Net investment in capital assets	64,256,709	54,442,387	9,814,322
Restricted	23,738,807	20,104,612	3,634,195
Unrestricted	<u>66,678,169</u>	<u>50,782,840</u>	<u>15,895,329</u>
Total net position	<u>\$ 154,673,685</u>	<u>\$ 125,329,839</u>	<u>\$ 29,343,846</u>

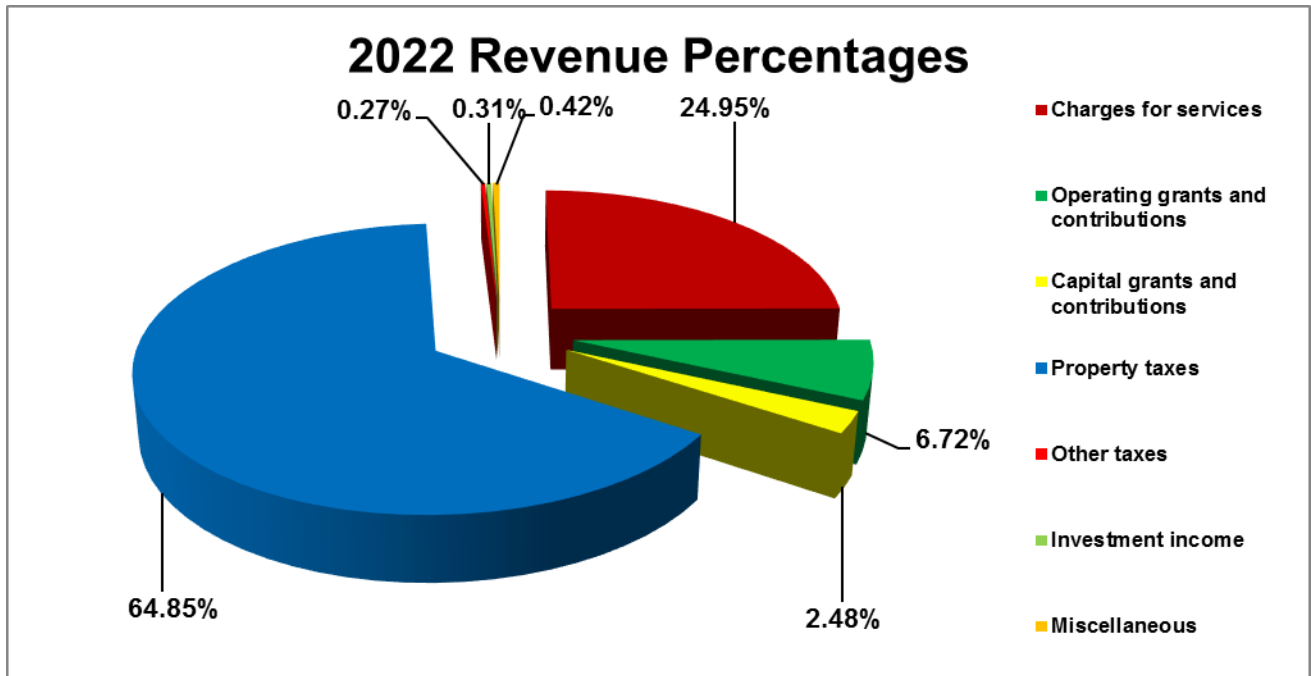
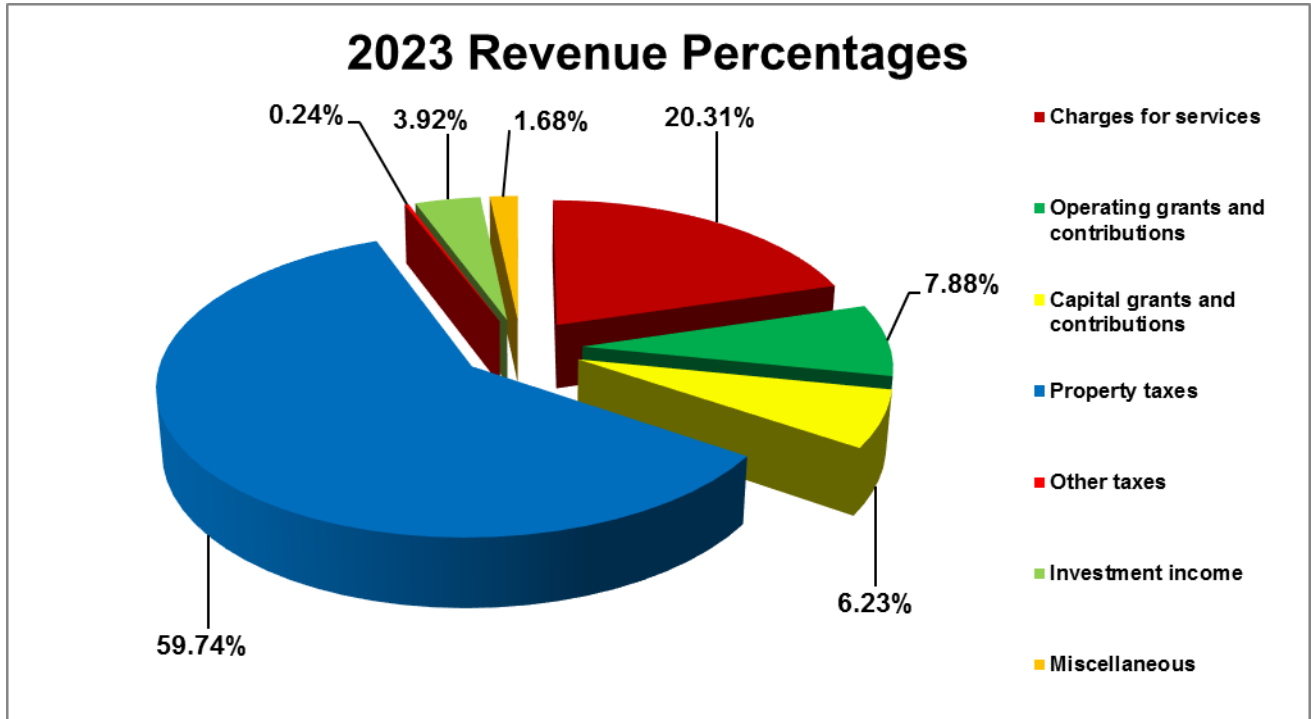


JOHNSON COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2023

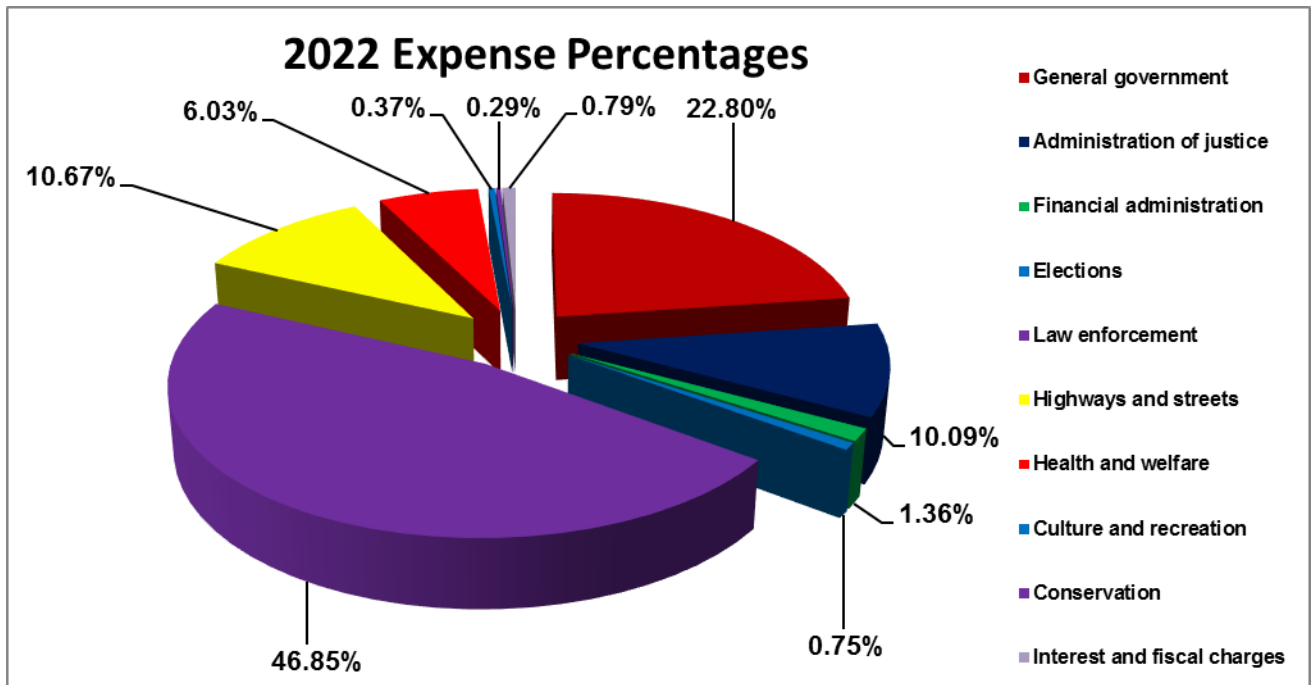
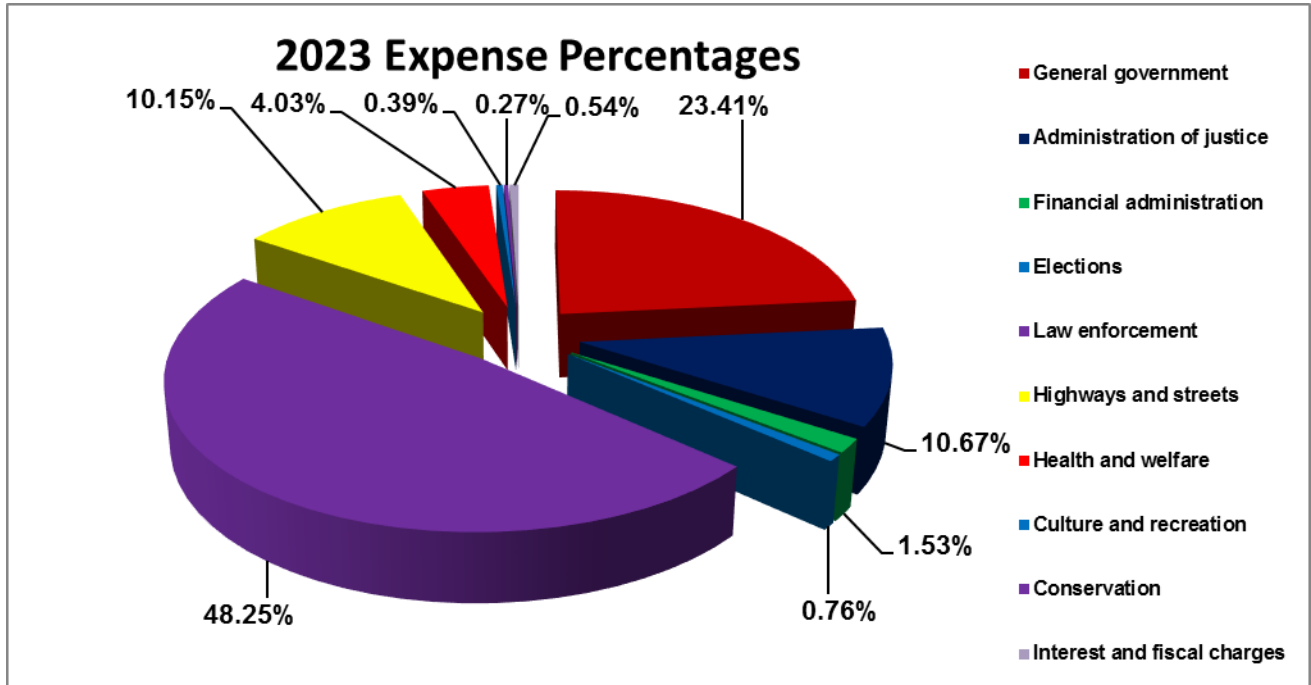
Analysis of the County's Operations. Governmental activities reported an increase in net position in the amount of \$ 29,343,846 due to increased property taxes and operating and capital grants and contributions. The following table provides a summary of the County's operations for the years ended September 30, 2023 and 2022.

JOHNSON COUNTY'S CHANGES IN NET POSITION

	<u>Governmental Activities</u>		<u>Net Change</u>
	<u>2023</u>	<u>2022</u>	
Revenues:			
Program Revenues:			
Charges for services	\$ 26,180,375	\$ 25,688,348	\$ 492,027
Operating grants and contributions	10,161,363	6,915,063	3,246,300
Capital grants and contributions	8,030,066	2,551,378	5,478,688
General Revenues:			
Property taxes	76,994,098	66,758,736	10,235,362
Other taxes	312,743	276,378	36,365
Investment income	5,047,441	316,056	4,731,385
Miscellaneous	<u>2,168,559</u>	<u>439,123</u>	<u>1,729,436</u>
Total revenues	<u>128,894,645</u>	<u>102,945,082</u>	<u>25,949,563</u>
Expenses:			
General government	23,304,470	19,947,398	3,357,072
Administration of justice	10,623,732	8,829,558	1,794,174
Financial administration	1,524,166	1,186,407	337,759
Elections	756,577	654,004	102,573
Law enforcement	48,035,051	40,984,943	7,050,108
Highways and streets	10,101,391	9,335,140	766,251
Health and welfare	4,009,672	5,276,133	(1,266,461)
Culture and recreation	389,618	323,382	66,236
Conservation	273,176	249,067	24,109
Interest and fiscal charges	<u>532,946</u>	<u>690,177</u>	<u>(157,231)</u>
Total expenses	<u>99,550,799</u>	<u>87,476,209</u>	<u>12,074,590</u>
Change in net position	29,343,846	15,468,873	13,874,973
Net position - beginning	<u>125,329,839</u>	<u>109,860,966</u>	<u>15,468,873</u>
Net position - ending	<u>\$ 154,673,685</u>	<u>\$ 125,329,839</u>	<u>\$ 29,343,846</u>



JOHNSON COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2023



JOHNSON COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2023

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.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$ 75,064,844. The unassigned fund balance of \$ 50,000,706 constitutes 66.61% of ending fund balance. The fund balance is categorized as 1) nonspendable of \$ 1,389,143, 2) restricted of \$ 23,674,995, and 3) unassigned of \$ 50,000,706.

Fund balance of the General Fund increased by \$ 3,033,553; the Road & Bridge Fund increased by \$ 1,969,313; the General Debt Service Fund decreased by \$ 104,482, the American Rescue Plan Act (ARPA) Fund had no change and Other Governmental Funds increased by \$ 1,190,341.

The increase in fund balance in the General Fund is a result of actual revenue exceeding actual expenditures by \$ 11,420,914 with a net of other financing sources and uses of (\$ 8,387,361). As for the Road & Bridge Fund (special revenue fund), the increase in fund balance was the result of revenue exceeding expenditures by \$ 1,813,915 with a net of other financing sources and uses of \$ 155,398. The significant decrease in fund balance for the General Debt Service (debt service fund) of \$ 104,482 was due to the costs related to re-funding long-term debt to strengthen the County's financial position. The increase in fund balance for other governmental funds is primarily due to transfers into the funds from the General Fund for capital expenditures.

General Fund Budgetary Highlights. The County budget is prepared by the County Judge's Office and presented to Commissioners Court for approval. The County operates within this budget for the fiscal year with expenditure amendments made as needed.

The difference between the General Fund original expenditure budget and the revised budget was an increase of \$1,006,012 primarily due to amendments allowing the County to pay for purchases of vehicles and equipment that were budgeted and ordered in the prior year, but did not arrive due to supply chain issues. This was unforeseeable during the budgeting process.

During the year, revenues exceeded budget while expenditures were less than the budget. Total revenue exceeded projections primarily due to American Recovery Plan Act funds. Lower than budgeted expenditures resulted in many areas, primarily in the areas of general government and administration of justice. The lower than expected expenditure amounts are somewhat attributable to the pandemic experienced during the first few months of the year.

Total General Fund revenue exceeded the amended budget by approximately 5.63% and total General Fund expenditures were under the amended budget by approximately 7.04%.

JOHNSON COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Capital Assets

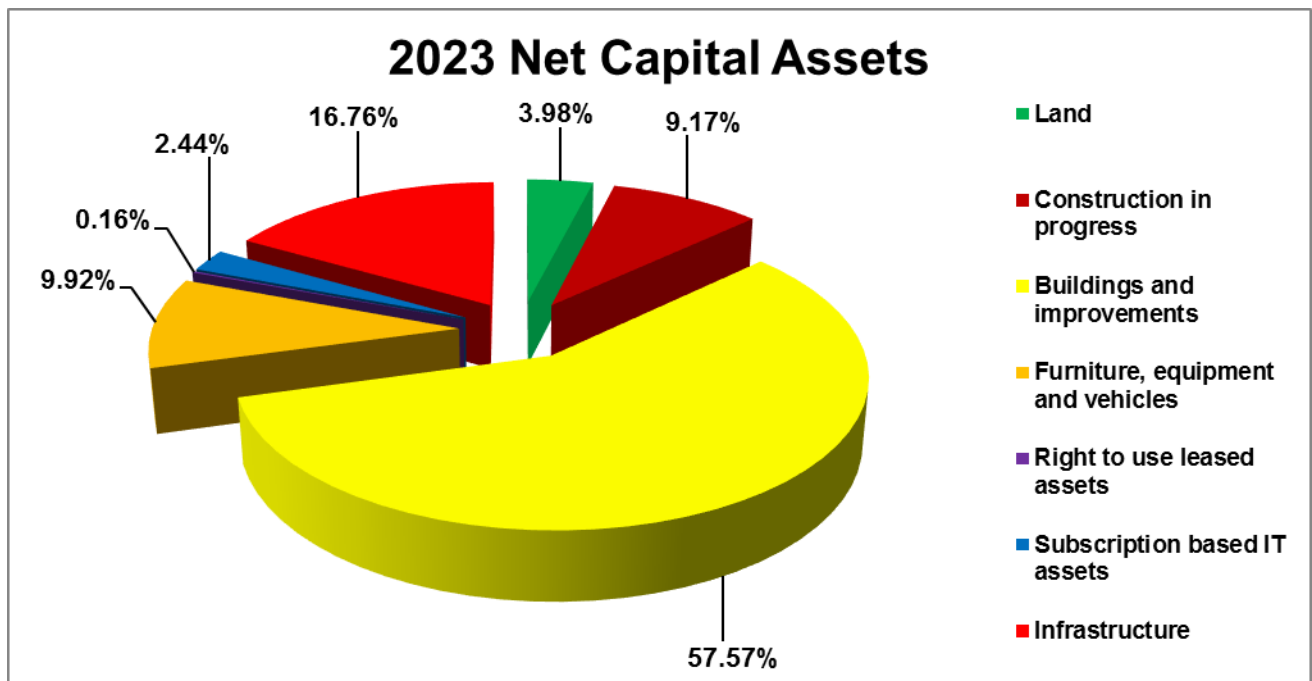
This investment in capital assets includes land; construction in progress; buildings and improvements; furniture, equipment and vehicles; right to use leased assets, subscription based IT assets, and infrastructure.

Major capital asset events during the current fiscal year included the following:

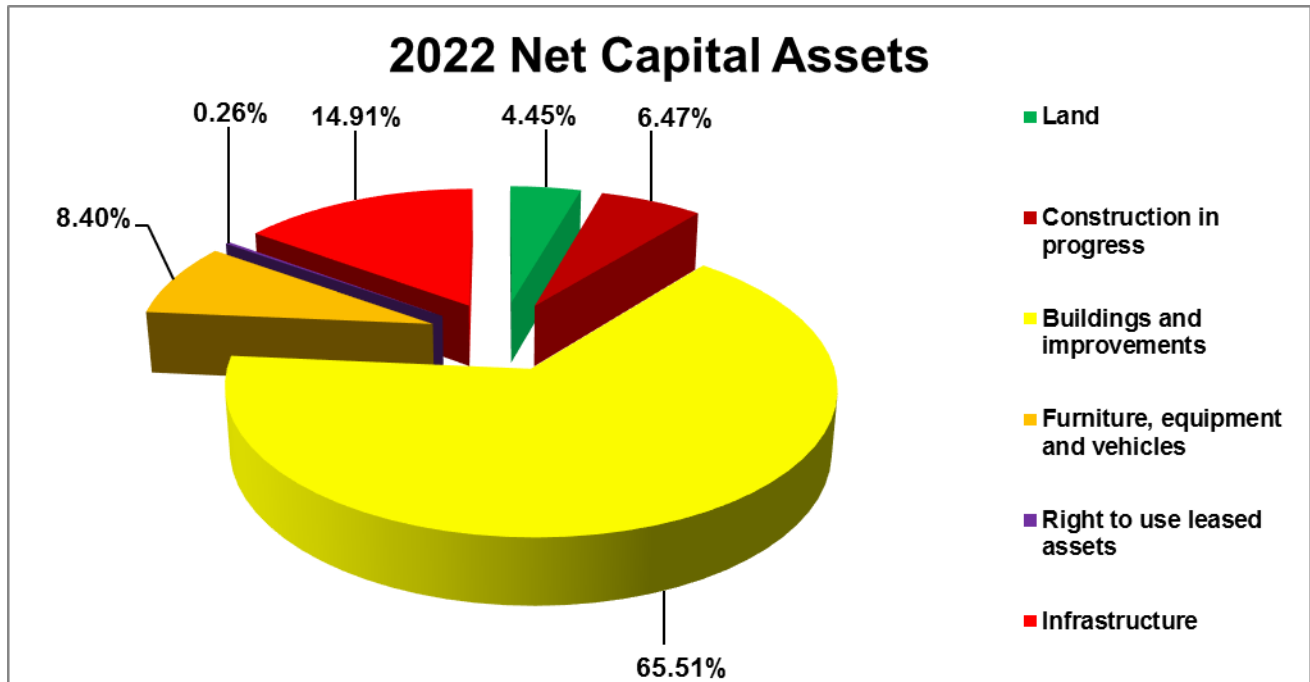
- Acquisition of new vehicles, various road and bridge equipment, and technology equipment.
- Renovation of existing buildings placed in service during the current fiscal year.
- Resurfacing of roads.

JOHNSON COUNTY'S CAPITAL ASSETS
Net of Accumulated Depreciation/Amortization

	<u>Governmental Activities</u>		<u>Net Change</u>
	<u>2023</u>	<u>2022</u>	
Land	\$ 3,259,403	\$ 3,147,691	\$ 111,712
Construction in progress	7,510,145	4,578,238	2,931,907
Buildings and improvements	47,140,666	46,357,217	783,449
Furniture, equipment and vehicles	8,127,517	5,941,263	2,186,254
Right to use leased assets	132,540	183,558	(51,018)
Subscription based IT assets	1,997,928	-	1,997,928
Infrastructure	<u>13,722,113</u>	<u>10,551,029</u>	<u>3,171,084</u>
 Total	 <u>\$ 81,890,312</u>	 <u>\$ 70,758,996</u>	 <u>\$ 11,131,316</u>



JOHNSON COUNTY, TEXAS
Management's Discussion and Analysis
For the Year Ended September 30, 2023



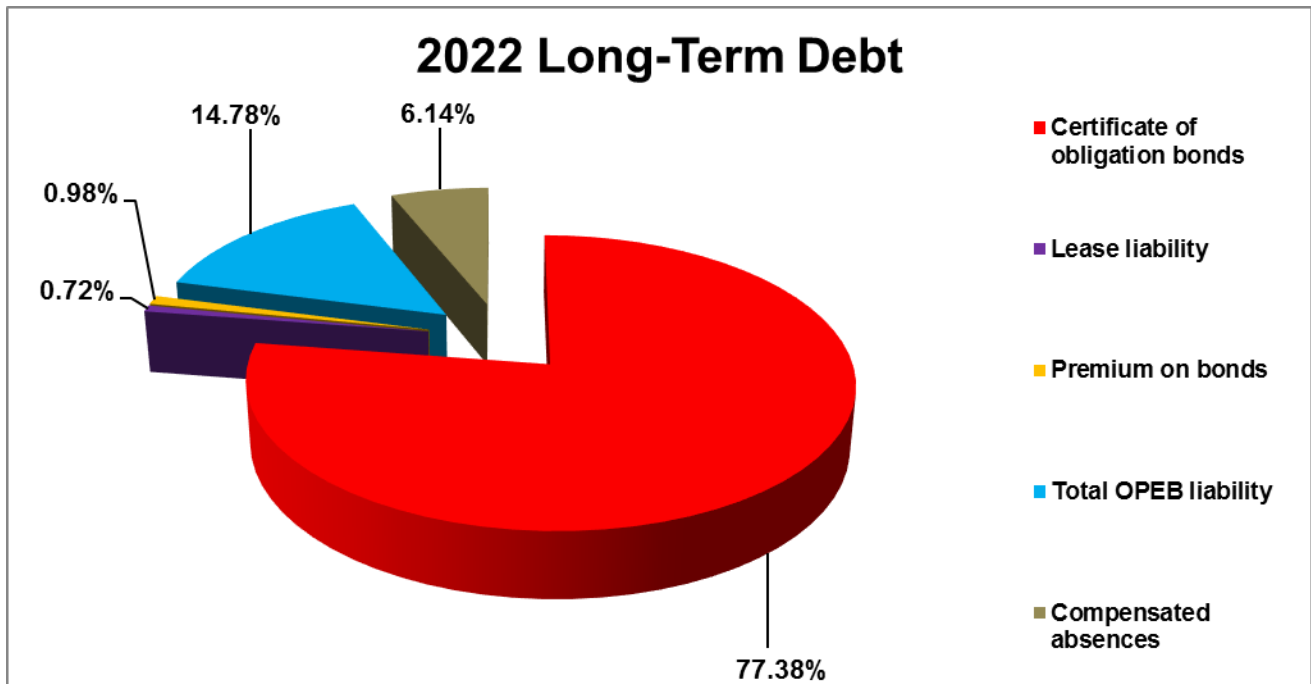
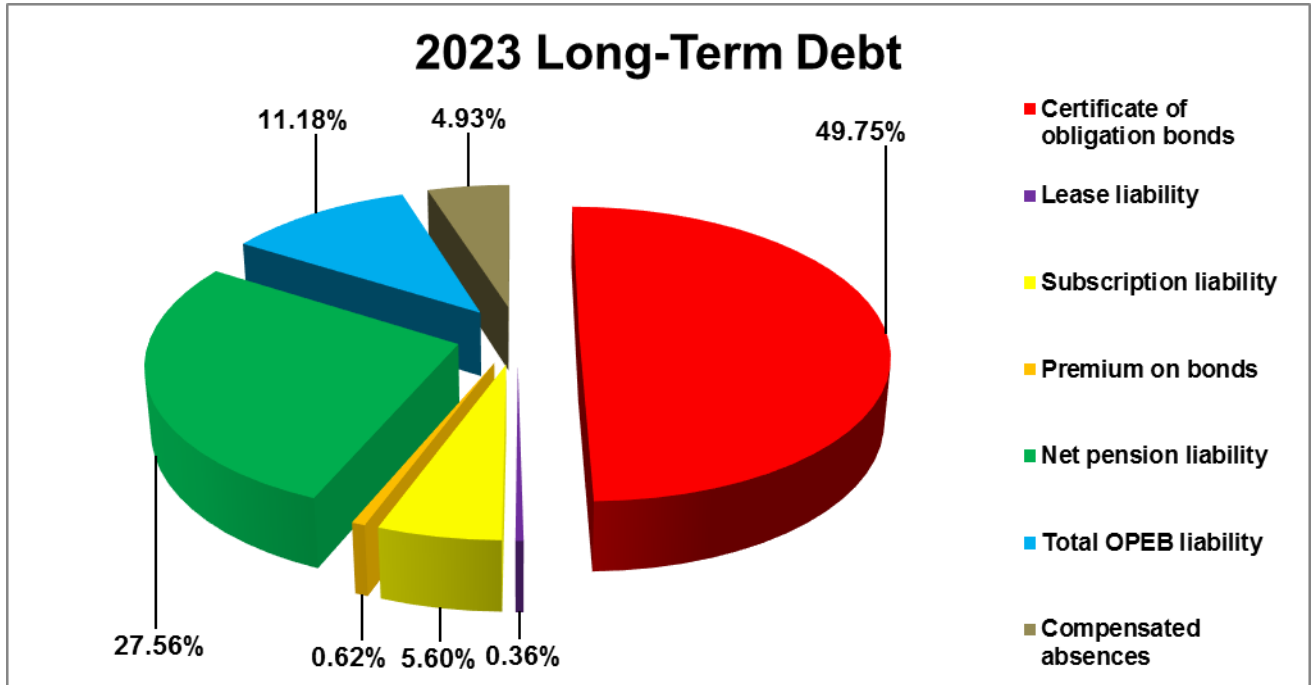
Additional information on the County's capital assets can be found in Note 6 on pages 54 through 56 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the County had a total bonded and note debt of \$ 17,495,000, which, comprises bonded and debt backed by the full faith and credit of the County agreement. The bonds will be retired with revenues from property taxes.

JOHNSON COUNTY'S LONG-TERM DEBT

	Governmental Activities		Net Change
	2023	2022	
Certificates of obligation bonds	\$ 17,495,000	\$ 18,735,000	\$(1,240,000)
Lease liability	127,191	174,247	(47,056)
Subscription liability	1,970,146	-	1,970,146
Premiums on bonds	218,834	238,072	(19,238)
Net pension liability	9,691,098	-	9,691,098
Total OPEB liability	3,932,768	3,578,133	354,635
Compensated absences	1,734,314	1,487,372	246,942
Total	\$ 35,169,351	\$ 24,212,824	\$ 10,956,527



JOHNSON COUNTY, TEXAS

*Management's Discussion and Analysis
For the Year Ended September 30, 2023*

During the fiscal year, the County's total debt increased \$ 10,956,527 or 45.25%. The net increase was due primarily to the additions to the net pension liability.

All of the outstanding Bonds of the County payable from its limited taxes are insured and are, therefore, rated "AA+" by Fitch Ratings ("Fitch"), and "AA" by Standard & Poor's ("S&P"). State statutes limit the amount of general obligation debt a government may issue to 25% of its total assessed valuation. The current limitation for the County significantly exceeds the outstanding general obligation debt.

Additional information on the County's long-term debt can be found in Note 8 on pages 57 through 58 of this report.

Economic Factors and Next Year's Budgets and Rates

The annual budget is the means by which Commissioners Court sets the direction of the County, and allocates its resources.

In considering the budget for FY 2024, Commissioners Court considered the following factors:

- Property tax rate was \$ 0.415000, a \$ 0.005000 decrease from the previous year and was under the rollback rate by \$ 0.016325. It appears the County will continue to see increases in unassigned fund balances in the General Fund, primarily due to conservative revenue projections and consistently underspending the budget.
- Employees received an average of a 6% increase in compensation for cost of living. The increase in positions budgeted represents less than 5% of our total employment.

Request for Information

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Johnson County Auditor, #2 N. Main Street, Cleburne, Texas, 76033, or call (817) 556-6305.



BASIC FINANCIAL STATEMENTS

JOHNSON COUNTY, TEXAS
Statement of Net Position
September 30, 2023

Exhibit 1

	Governmental Activities
ASSETS	
Cash and temporary investments	\$ 82,971,144
Investments	24,408,379
Receivables (Net of Allowance for Uncollectibles):	
Taxes	1,077,532
Accounts	11,514,261
Due from other governments	343,333
Inventories	546,958
Prepaid expenses	842,185
Capital Assets:	
Land	3,259,403
Construction in progress	7,510,145
Buildings and improvements (net)	47,140,666
Furniture, equipment and vehicles (net)	8,127,517
Right to use leased assets (net)	132,540
Subscription based IT assets (net)	1,997,928
Infrastructure (net)	<u>13,722,113</u>
Total assets	<u>203,594,104</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources	<u>12,312,590</u>
Total deferred outflows of resources	<u>12,312,590</u>
LIABILITIES	
Accounts and accrued liabilities payable	7,732,526
Accrued interest payable	47,276
Unearned revenue	17,069,806
Noncurrent Liabilities:	
Due within one year	3,402,788
Due in more than one year:	
Other noncurrent liabilities	18,142,697
Net pension liability	9,691,098
Total OPEB liability	<u>3,932,768</u>
Total liabilities	<u>60,018,959</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources	<u>1,214,050</u>
Total deferred inflows of resources	<u>1,214,050</u>
NET POSITION	
Net investment in capital assets	64,256,709
Restricted:	
Public transportation	9,852,261
Records management	5,211,031
Other purposes	8,675,515
Unrestricted	<u>66,678,169</u>
Total net position	<u>\$ 154,673,685</u>

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

JOHNSON COUNTY, TEXAS

Statement of Activities

For the Year Ended September 30, 2023

Exhibit 2

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Change In Net Position Governmental Activities	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental Activities:					
General government	\$ 23,304,470	\$ 8,448,046	\$ 1,832,414	\$ 2,363,039	\$(10,660,971)
Administration of justice	10,623,732	2,981,535	2,244,506	62,716	(5,334,975)
Financial administration	1,524,166	-	-	-	(1,524,166)
Elections	756,577	126,437	37,255	-	(592,885)
Law enforcement	48,035,051	12,272,413	1,050,224	855,361	(33,857,053)
Highways and streets	10,101,391	2,255,642	111,156	4,327,665	(3,406,928)
Health and welfare	4,009,672	-	4,885,808	421,285	1,297,421
Culture and recreation	389,618	96,302	-	-	(293,316)
Conservation	273,176	-	-	-	(273,176)
Interest and fiscal charges	532,946	-	-	-	(532,946)
Total governmental activities	99,550,799	26,180,375	10,161,363	8,030,066	(55,178,995)
General Revenues:					
Property taxes					76,994,098
Other taxes					312,743
Investment income					5,047,441
Miscellaneous					<u>2,168,559</u>
Total general revenues					84,522,841
Change in net position					29,343,846
Net position - beginning					<u>125,329,839</u>
Net position - ending					\$ <u>154,673,685</u>

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

JOHNSON COUNTY, TEXAS
Balance Sheet - Governmental Funds
 September 30, 2023

Exhibit 3

	Major Funds				Non-Major Funds	
	General Fund	Road & Bridge Fund	General Debt Service Fund	American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and temporary investments	\$ 30,370,476	\$ 7,634,559	\$ 7,476	\$ 18,042,195	\$ 16,316,438	\$ 72,371,144
Investments	22,918,282	536,739	-	-	953,358	24,408,379
Receivables (net of allowance for uncollectibles):						
Taxes	906,356	127,543	20,156	-	23,477	1,077,532
Accounts	948,766	130,532	-	-	38,334	1,117,632
Due from other governments	54,171	10,682	-	-	278,480	343,333
Due from other funds	306,470	-	-	366,090	131,968	804,528
Inventories	-	442,503	-	-	104,455	546,958
Prepaid expenditures	<u>773,546</u>	<u>63,347</u>	<u>-</u>	<u>-</u>	<u>5,292</u>	<u>842,185</u>
Total assets	<u>\$ 56,278,067</u>	<u>\$ 8,945,905</u>	<u>\$ 27,632</u>	<u>\$ 18,408,285</u>	<u>\$ 17,851,802</u>	<u>\$ 101,511,691</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts and accrued liabilities payable	\$ 4,624,200	\$ 424,848	\$ -	\$ 1,513,023	\$ 1,170,455	\$ 7,732,526
Due to other funds	132,668	-	-	-	671,860	804,528
Unearned revenue	<u>44,160</u>	<u>-</u>	<u>-</u>	<u>16,895,262</u>	<u>130,384</u>	<u>17,069,806</u>
Total liabilities	<u>4,801,028</u>	<u>424,848</u>	<u>-</u>	<u>18,408,285</u>	<u>1,972,699</u>	<u>25,606,860</u>
Deferred Inflows of Resources:						
Deferred inflows of resources	<u>702,787</u>	<u>102,972</u>	<u>15,846</u>	<u>-</u>	<u>18,382</u>	<u>839,987</u>
Total deferred inflows of resources	<u>702,787</u>	<u>102,972</u>	<u>15,846</u>	<u>-</u>	<u>18,382</u>	<u>839,987</u>
Fund Balances:						
Nonspendable	773,546	505,850	-	-	109,747	1,389,143
Restricted	-	7,912,235	11,786	-	15,750,974	23,674,995
Unassigned	<u>50,000,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000,706</u>
Total fund balances	<u>50,774,252</u>	<u>8,418,085</u>	<u>11,786</u>	<u>-</u>	<u>15,860,721</u>	<u>75,064,844</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 56,278,067</u>	<u>\$ 8,945,905</u>	<u>\$ 27,632</u>	<u>\$ 18,408,285</u>	<u>\$ 17,851,802</u>	<u>\$ 101,511,691</u>

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

JOHNSON COUNTY, TEXAS

Exhibit 3R

Reconciliation of the Governmental Funds Balance Sheet to the Governmental Activities Statement of Net Position
September 30, 2023

Total fund balance - governmental funds balance sheet (Exhibit 3) \$ 75,064,844

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in the governmental funds. Those assets consist of:

Capital assets	\$ 185,208,286	
Accumulated depreciation/amortization	(<u>103,317,974</u>)	81,890,312

Some of the County's assets are not available to pay for the current period's expenditures and therefore, are reported as unavailable revenue in the funds. These assets consist of:

Property taxes receivable	\$ 839,987	
Judicial receivables (net allowance for uncollectibles)	(<u>10,396,629</u>)	11,236,616

Some liabilities are not due and payable in the current period and therefore, are not reported as liabilities in the funds. Liabilities at year-end related to such items consist of:

Deferred charge on bond refundings	\$ 1,516,215	
Deferred outflows - pension	10,541,314	
Deferred outflows - OPEB	255,061	
Accrued interest on bonds	(47,276)	
Bonds payable	(17,495,000)	
Lease liability	(127,191)	
Subscription liability	(1,970,146)	
Premium on bonds payable	(218,834)	
Compensated absences	(1,734,314)	
Net pension liability	(9,691,098)	
Net OPEB liability	(3,932,768)	
Deferred inflows - pension	(160,847)	
Deferred inflows - OPEB	(<u>1,053,203</u>)	(24,118,087)

Internal service funds are used by the County. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. Internal Service net position is:

10,600,000

Net position of governmental activities - statement of net position

\$ 154,673,685

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

JOHNSON COUNTY, TEXAS

Exhibit 4

*Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the Year Ended September 30, 2023*

	Major Funds				Non-Major Funds	
	General Fund	Road & Bridge Fund	General Debt Service Fund	American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 65,493,325	\$ 8,575,452	\$ 1,379,457	\$ -	\$ 1,631,229	\$ 77,079,463
Intergovernmental	1,737,559	111,156	-	12,280,712	2,152,176	16,281,603
Fees	17,856,706	2,255,642	-	-	3,011,828	23,124,176
Fines	1,432,127	-	-	-	376,360	1,808,487
Licenses and permits	26,000	-	-	-	-	26,000
Investment income	4,021,779	412,712	4,943	-	608,007	5,047,441
Miscellaneous	1,747,857	250,923	-	-	248,868	2,247,648
Total revenues	92,315,353	11,605,885	1,384,400	12,280,712	8,028,468	125,614,818
EXPENDITURES						
Current:						
General government	19,764,479	-	-	1,115,612	754,955	21,635,046
Administration of justice	8,881,393	-	-	196,148	1,740,678	10,818,219
Financial administration	1,493,180	-	-	-	-	1,493,180
Elections	729,599	-	-	-	34,992	764,591
Law enforcement	43,389,684	-	-	670,617	2,300,177	46,360,478
Highways and streets	-	8,452,723	-	-	-	8,452,723
Health and welfare	1,381,778	-	-	1,916,622	554,209	3,852,609
Culture and recreation	389,149	-	-	-	-	389,149
Conservation	276,143	-	-	-	-	276,143
Capital outlay	3,998,576	1,339,247	-	5,696,998	4,321,176	15,355,997
Debt service:						
Principal	566,018	-	1,240,000	18,209	6,982	1,831,209
Interest and fiscal charges	24,440	-	398,882	231	-	423,553
Total expenditures	80,894,439	9,791,970	1,638,882	9,614,437	9,713,169	111,652,897
Excess (deficiency) of revenues over expenditures	11,420,914	1,813,915	(254,482)	2,666,275	(1,684,701)	13,961,921
Other Financing Sources (Uses):						
Proceeds from sale of capital assets	63,107	149,398	-	-	-	212,505
Issuance of right to use leased assets	8,714	-	-	12,369	-	21,083
Issuance of subscription based IT arrangements	2,432,201	-	-	11,194	49,821	2,493,216
Transfers in	614,632	6,000	150,000	-	5,696,592	6,467,224
Transfers out	(11,506,015)	-	-	(2,689,838)	(2,871,371)	(17,067,224)
Total other financing sources (uses)	(8,387,361)	155,398	150,000	(2,666,275)	2,875,042	(7,873,196)
Net change in fund balances	3,033,553	1,969,313	(104,482)	-	1,190,341	6,088,725
Fund balances - beginning	47,740,699	6,448,772	116,268	-	14,670,380	68,976,119
Fund balances - ending	\$ 50,774,252	\$ 8,418,085	\$ 11,786	\$ -	\$ 15,860,721	\$ 75,064,844

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

JOHNSON COUNTY, TEXAS

Exhibit 4R

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds to Governmental Activities Statement of Activities For the Year Ended September 30, 2023

Net change in fund balance - total governmental funds (Exhibit 4) \$ 6,088,725

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

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/amortization expense.

Capital outlay	\$ 15,355,997	
Capital contributions	2,207,701	
Depreciation/amortization expense	<u>(6,408,102)</u>	11,155,596

Governmental funds report the entire sales price (proceeds) from the sale of an asset as revenue because it provides current resources. In contrast, in the statement of activities, only the gain/loss on the sale of capital assets is reported. Thus, the change in net position differs from the change in the fund balance by the book value of capital assets sold. (24,280)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect on premiums and similar items when debt is issued, whereas these amounts are amortized in the statement of activities.

Issuance of right to use leased asset	\$ (21,083)	
Issuance of subscription based IT arrangement	(2,493,216)	
Principal payments on bonds payable	1,240,000	
Principal payments on lease liability	68,139	
Principal payments on subscription liability	523,070	
Change in accrued interest	4,663	
Change in compensated absences	(246,942)	
Amortization of bond premium	19,238	
Amortization of deferred charge on bond refundings	<u>(133,294)</u>	(1,039,425)

The net change in net pension liability, deferred outflows and deferred inflows is reported in the statement of activities but does not require the use of current resources and, therefore, is not reported as an expenditure in the governmental funds. The net change consists of the following:

Net pension asset increased	\$ (18,110,079)	
Deferred outflows increased	1,867,466	
Deferred inflows decreased	<u>18,104,006</u>	1,861,393

The net change in total OPEB liability, deferred outflows and deferred inflows is reported in the statement of activities but does not require the use of current resources and, therefore, is not reported as an expenditure in the governmental funds. The net change consists of the following:

Total OPEB liability increased	\$ (354,635)	
Deferred outflows decreased	(56,842)	
Deferred inflows decreased	<u>229,413</u>	(182,064)

Because some property taxes receivable, and judicial receivables will not be collected for several months after the County's fiscal year ends, they are not considered available revenues in the governmental funds. 883,901

Internal service funds are used by the County. The net revenue of the internal service funds are reported With the governmental activities. 10,600,000

Change in net position of governmental activities (see Exhibit 2) \$ 29,343,846

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

JOHNSON COUNTY, TEXAS
Statement of Net Position - Proprietary Fund
 September 30, 2023

Exhibit 5

	<u>Internal Service Fund</u>
ASSETS	
Current Assets:	
Cash and temporary investments	\$ <u>10,600,000</u>
Total assets	<u>10,600,000</u>
LIABILITIES	
Current Liabilities:	
Accounts and accrued liabilities payable	<u>-</u>
Total liabilities	<u>-</u>
NET POSITION	
Unrestricted	<u>10,600,000</u>
Total net position	<u>\$ 10,600,000</u>

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

JOHNSON COUNTY, TEXAS

Exhibit 6

*Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund
For the Year Ended September 30, 2023*

	<u>Internal Service Fund</u>
Transfers in	\$ <u>10,600,000</u>
Change in net position	10,600,000
Net position - beginning	<u>-</u>
Net position - ending	<u>\$ 10,600,000</u>

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

JOHNSON COUNTY, TEXAS
Statement of Cash Flows - Proprietary Fund
For the Year Ended September 30, 2023

Exhibit 7

	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Net cash provided (used) by operating activities	\$ <u> -</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	<u> 10,600,000</u>
Net cash provided by noncapital financing activities	<u> 10,600,000</u>
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES	
Net cash provided (used) by capital financing activities	<u> -</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Net cash provided (used) by investing activities	<u> -</u>
Net change in cash and temporary investments	10,600,000
Cash and temporary investments - beginning	<u> -</u>
Cash and temporary investments - ending	\$ <u><u> 10,600,000</u></u>

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

JOHNSON COUNTY, TEXAS
Statement of Fiduciary Net Position
September 30, 2023

Exhibit 8

	<u>Custodial Funds</u>
ASSETS	
Cash and temporary investments	\$ 15,202,842
Accounts receivable	<u>150,131</u>
Total assets	<u>15,352,973</u>
LIABILITIES	
Accounts and accrued liabilities payable	659,002
Held for others	7,404,383
Unearned revenue	<u>382,689</u>
Total liabilities	<u>8,446,074</u>
NET POSITION	
Individuals, organizations and other governments	<u>6,906,899</u>
Total net position	<u>\$ 6,906,899</u>

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

JOHNSON COUNTY, TEXAS
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2023

Exhibit 9

	<u>Custodial Funds</u>
Additions	
Collections for adult probation	\$ 6,665,239
Tax collections for other governments	108,752,751
Held for others	58,048,224
Earnings of investments	<u>52,326</u>
Total additions	<u>173,518,540</u>
Deductions:	
Payments for adult probation	6,632,818
Payments to individuals	57,957,505
Payments to other governments	<u>108,420,114</u>
Total deductions	<u>173,010,437</u>
Net change in net position	508,103
Net position - beginning	<u>6,398,796</u>
Net position - ending	<u>\$ 6,906,899</u>

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

JOHNSON COUNTY, TEXAS
Notes to the Financial Statements
For the Year Ended September 30, 2023

Note

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JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Johnson County, Texas (the "County") related to the funds in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the County are described below.

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the County's reporting entity. Financial statements for component units can be obtained from the office of the County Auditor.

Included in the reporting entity:

Johnson County, Texas (Primary Government)

The County is a political subdivision of the State of Texas. The County is governed by the Commissioners Court, composed of four elected County Commissioners and an elected County Judge. Each of these officials serves a term of four years. The primary activities of the County include: the construction and maintenance of county roads, provision of public safety through a sheriff's department, support of area fire protection and ambulance service, administration of justice, correctional facilities, health and welfare services, culture and recreation, and other social and administrative services.

For the year ended September 30, 2023, no other organizations have been combined for either blended or discrete presentation in the County's financial statements. The following organizations are not considered "related organizations."

Excluded from the reporting entity:

Adult Probation

This entity is considered a separate agency of the State of Texas. While the County provides office space, utilities, telephone and certain supplies, the operations of this unit are primarily provided for by the State. A separate board develops the operating budget, which is also approved and controlled by the State of Texas. Required County expenditures are disclosed as a department within the County function of Administration of Justice. Due to custodial responsibility, the accounts of this entity are reported as a Custodial Fund of the County.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Reporting Entity - Continued

Johnson County Appraisal District

This is a separate entity providing property appraisal services to all taxing units within the County. This entity has its own governing board, elected by the various taxing units, which it serves; however, the taxing units do not designate management or significantly influence operations. The entity's cost of operations is divided on a prorated basis among the various taxing units within the County. The County's share of this cost is disclosed within the General Fund under the general government function.

Other entities within the County, which provide similar services but are not included in the reporting entity because they do not meet the criteria, are: municipalities, school districts, drainage districts, hospital districts, water districts and various non-profit organizations.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the nonfiduciary activities of the primary government. For the most part, interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County has no business-type activities.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The County has no proprietary funds.

Measurement Focus, Basis Of Accounting, and Financial Statement Presentation

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

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus, Basis Of Accounting, and Financial Statement Presentation - Continued

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

Revenues from taxes, intergovernmental, prisoner housing services, fees, fines, and investment income associated with the current fiscal period are all considered to be susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment income is recorded as earned, since they are both measurable and available.

Revenue from investments, including governmental external investment pools, is based upon fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

Grant funds are considered earned to the extent of the expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until the related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the County to refund all or part of the unused amount.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

The County has presented the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the general fund.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus, Basis Of Accounting, and Financial Statement Presentation - Continued

The *Road & Bridge Fund* accounts for the property taxes and fees from auto registration, certificates of title, gross weight and axle fees, and approved expenditures for public transportation projects.

The *General Debt Service Fund* is utilized to account for the accumulation of resources from property tax collections for the repayment of general obligation bonded debt, interest and related costs of the County.

The *American Rescue Plan Act (ARPA) Fund* accounts for the federal grant funds received by the County to 1) respond to or mitigate the public health emergency with respect to the COVID-19 emergency or its negative impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel and hospitality; 2) provide government services to the extent of the reduction in revenue due to the public health emergency; 3) make necessary investments in water, sewer, or broadband infrastructure; 4) state and local governments can transfer the funds to a private nonprofit organization, a public benefit corporation involved in the transportation of passengers or cargo or a special-purpose unit of State or local government; 5) respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the County that perform such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.

Additionally, the County reports the following fiduciary funds:

The internal service fund is used to account for the County's employee benefits for employees and their dependents, including medical and dental. The principal source of revenue is contributions paid by individual funds.

The *custodial funds* account for assets that the government holds on behalf of others as their agent. The County's custodial funds include Sheriff Seizures, Special Crimes Operations Seizures, Unclaimed Property, District Clerk Jury, Sheriff Escrow, Constables, Sheriff Inmate, County Clerk, District Clerk, District & County Attorney Deposits, Juvenile Probation Restitution, Johnson & Somervell County Supervision, Tax Collector and Adult Probation.

New Pronouncements

GASB issues statements on a routine basis with the intent to provide authoritative guidance on the preparation of financial statements and to improve governmental accounting and financial reporting of governmental entities. Management reviews these statements to ensure that preparation of its financial statements are in conformity with generally accepted accounting principles and to anticipate changes in those requirements. The following recent GASB Statements reflect the action and consideration of management regarding these requirements:

GASB Statement No. 91 "Conduit Debt Obligations" was issued in May 2019. The statement was implemented and did not have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after December 15, 2021.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Pronouncements - Continued

GASB Statement No. 94 “Public-Private and Public-Public Partnerships and Availability Payment Arrangements” was issued in March 2020. The statement was implemented and did not have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 96 “Subscription-Based Information Technology Arrangements” was issued in May 2020. The statement was implemented and did have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 99 “Omnibus 2022” was issued in April 2022. The statement was implemented and did not have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 100 “Accounting Changes and Error Corrections - an amendment to GASB Statement No. 62” was issued in June 2022. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after June 15, 2023.

GASB Statement No. 101 “Compensated Absences” was issued in June 2022. The management of the County does not expect the implementation of this standard to have a material effect on the financial statements of the County. The requirements of this statement are effective for reporting periods beginning after December 15, 2023.

Budgetary Data

The budget law of the State of Texas provides that amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in the funds, plus the anticipated revenues for the current year as estimated by the County Auditor. The legal level of budgetary control is at the category or line item level (salaries and wages and employee benefits, and operating expenditures) within departments of each fund. Any expenditure, which alters the total budgeted amounts of a fund must be approved by Commissioners Court, and the budget amended. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Annual appropriated budgets are adopted for the General Fund, certain special revenue funds (Road & Bridge Fund, Law Library Fund, Records Management and Preservation County Clerk Fund, Records Management & Preservation District Clerk Fund, Records Management & Preservation Recording Fund, Vital Statistics Preservation Fund, Election Services Contract Fund, District Attorney Forfeiture Fund, STOP SCU Forfeiture Fund, Juvenile Justice Alternative Education Fund, Juvenile Case Manager Fund, Juvenile Probation Fees Fund, Justice of the Peace Technology Fund, County Specialty Court Fund, Courthouse Security Fund, Justice Court Building Security Fund, Court Facility Fund, Guardianship Fee Fund, Language Access Fund, Court Reporter Service Fund, Judicial Education and Support Fund, Record Archives - County Clerk Fund, Record Archives - District Clerk Fund, County/District Court Technology Fund, Court Records Preservation Digital Fund, District Court Records Technology Fund, Indigent Health Care Fund, Right of Way Fund, Historical Commission Fund, Veteran’s Service Juror Donations Fund, Pre-Trial Supervision Fund, STOP SCU Operations Fund), and the General Debt Service Fund.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Budgetary Data - Continued

Prior to May 1 of each year, or as soon thereafter as practical, the County Judge, assisted by the County Auditor, prepares a proposed operating budget for the subsequent fiscal year beginning the following October 1st. The proposed operating budget establishes estimated revenues and other resources available for appropriation. Proposed expenditures may not exceed estimated revenues, other resources, and available fund balances.

Subsequent to May 15 and after proper publication of notice, a public hearing is conducted by the Commissioners Court to obtain taxpayer comments. If an increase to the effective tax rate of more than 3% is proposed as a result of the proposed budget, additional notices and public hearings are required.

After the public hearing(s) the Commissioners Court makes appropriate budget changes and adopts the budget through the passage of an order at a regularly scheduled meeting. A separate order is adopted to levy the taxes necessary to finance the budgeted expenditures.

Although the level of budgetary control is total revenues plus available fund balance, the County adopts its budget at a line-item level for managerial control purposes. Line item level is defined for revenue purposes as the type of revenue to be derived and for expenditure purposes by department and type of expenditures (salaries and wages, and employee benefits; operating expenses/expenditures; and capital outlay).

At the discretion of Commissioners Court, transfers of line item budgets within a fund may be made. Amendments to provide for items not included in the original budget may be made by the Commissioners Court upon finding and declaration of the existence of an emergency sufficient to require action. County management has no prerogative to amend the budget without the approval of Commissioners Court. Appropriations not exercised in the current year lapse at the end of the year. Numerous supplemental budget amendments in the general and special revenue funds were deemed necessary due to the timing of planned expenditures and construction projects.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. As of September 30, 2023, the County had no encumbrances outstanding.

Cash and Investments

Cash and temporary investments include amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the County. For purposes of the cash flow statement, cash and temporary investments are considered cash equivalents. In accordance with GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments are stated at fair value.

The County maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and temporary investments under each fund's caption. Funds are allowed to exceed the amount of their equity in the pooled cash account. Funds with overdrawn accounts are disclosed as an interfund payable in the liability section of the balance sheet.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property Taxes

Property taxes are levied as of October 1st of each year with statements prepared and mailed at that date or soon thereafter. The tax levy is based upon appraised property values as of each previous January 1st for all taxable property within the County. Payments are due and payable when taxes are levied and may be timely paid through January 31st. On February 1st, taxes become delinquent and subject to penalty and interest charges. After June 30th, any uncollected taxes are subject to tax suit and additional charges to offset related legal costs. The lien date for property taxes is July 1st.

The appraisal of property within the county is the responsibility of the Johnson County Appraisal District. The Texas Legislature established the Appraisal District and the related Appraisal Review Board in 1979 through the adoption of a comprehensive Property Tax Code. The Appraisal District is required under the Code to assess property at 100% of its appraised value. Real property is reappraised at least every four years. Under certain circumstances, taxpayers and taxing units including the County, may challenge orders of the Appraisal Review Board through various appeals and, if necessary, legal action.

Under the Code, the Commissioners Court will continue to set annual tax rates on the property. The Code also provides that, if approved by the qualified voters in the Appraisal District, collection functions may be placed with the Appraisal District. The County bills and collects its property taxes and those of certain other taxing entities. Collections of those taxes pending distribution are accounted for in a custodial fund.

The County is permitted by Article VIII, Section 9 of the State of Texas Constitution to levy taxes up to \$ 0.80 per \$ 100 assessed valuation for general governmental services including payment of principal and interest on general long-term debt and maintenance of roads and bridges. Article 6790 of Vernon's Civil Statutes permits the County to collect an additional \$ 0.15 per \$ 100 valuation for road and bridge purposes. Article 7048a of Vernon's Civil Statutes permits the County to collect \$ 0.30 per \$ 100 valuation for road, bridge and flood control purposes.

The County's 2022 tax levy, supporting the 2023 fiscal period budget, totaled \$ 0.415000 per \$ 100 valuation and was comprised as follows:

General Fund	\$ 0.352185
Indigent Health Care Fund	0.008815
Road & Bridge Fund	0.046545
General Debt Service Fund	<u>0.007455</u>
Combined tax rate	<u>\$ 0.415000</u>

Interfund 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 non-current portion of interfund loans). All outstanding balances between funds are reported as "due to/from other funds". The County had no advances between funds. All activity between funds was for short-term cash flow requirements. See Note 5 for additional discussion of interfund receivables and payables.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Inventories and Prepaid Items

The County utilizes the consumption method to account for inventory and prepaid items. Under this method, inventory and prepaid items are considered an expenditure/expense when used rather than when purchased. Significant inventories are reported on the balance sheet at cost, using the first-in, first-out method, with an offsetting reservation of fund balance in the governmental fund financial statements since they do not constitute "available spendable resources" even though they are a component of current assets. Inventories in the governmental funds are comprised of road materials, bulk fuel, parts, and chemicals.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in government-wide and prepaid expenditures in the fund financial statements.

Capital Assets

Capital assets, which include land, buildings and improvements, furniture, equipment and vehicles, infrastructure, and construction in progress are reported in the governmental activities column in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their acquisition value on the date of donation. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest cost to be capitalized on assets with tax-exempt borrowing is equal to the cost of the borrowing less interest earned on the related tax-exempt borrowing. During the year ended September 30, 2023, no capitalized interest was included in the cost of capital assets under construction.

Assets capitalized have an original cost of \$ 5,000 or more and over two years of useful life. Depreciation/amortization has been calculated on each class of depreciable/amortizable property using the straight-line method. Estimated useful lives are as follows:

Buildings and improvements	5-50 Years
Furniture, equipment and vehicles	5-20 Years
Right to use leased assets	5 Years
Subscription based IT assets	2-7 Years
Infrastructure	20-35 Years

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Compensated Absences

Employees are allowed paid absences due to sickness and vacation time. Sick leave benefits are earned by all full time employees at a rate of 96 hours annually. The leave policy allows employees to accumulate up to ninety days of sick leave benefit. Sick leave benefits are recognized in the period in which time off is actually taken. Vacation benefits accrue monthly at rates depending upon an employee's length of service. Employees may accumulate a maximum of 18 months of vacation credits based on the earning rate and length of service. Employees who reach the maximum accumulated rate will not accrue additional time until they use sufficient vacation to bring their accumulated rate below the maximum level.

The liability for compensated absences disclosed in the financial statements represents accumulated vacation and compensatory time at September 30, 2023, computed at pay rates in effect at that time was \$ 1,734,314.

Compensated absence liabilities for governmental activities have been paid from the general fund and various special revenue funds.

Leases

Lessee: The County is a lessee for noncancellable leases of equipment. The County recognizes a lease liability and an intangible right-to-use leased asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial individual value of \$ 5,000 or more.

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

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

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

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

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

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Subscription Based Information Technology Arrangements

The County adopted GASB 96 - Subscription Based Information Technology Arrangements (SBITA). The County recognizes a liability and corresponding right to use the information technology software in the government-wide financial statements. The County recognizes subscription liabilities with an initial, individual value of \$ 5,000 or more and a contract term of twelve months or more.

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

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

- The County generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments.

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

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

Deferred Outflows and Inflows of Resources

Guidance for deferred outflows of resources and deferred inflows of resources is provided by GASB No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Further, GASB No. 65, "Items Previously Reported as Assets and Liabilities", had an objective to either (a) properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or (b) recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The general fund is used to liquidate any future liabilities.

Other Post-Employment Benefits

The fiduciary net position of the Johnson County Retiree Health Care Plan (the "Plan") has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the Plan's total OPEB liability. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no assets as this is a pay-as-you-go plan. The general fund is used to liquidate any future liabilities.

Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as interest and fiscal charge expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt is reported as other financing resources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

The County's Commissioners Court meets on a regular basis to manage and review cash financial activities and to ensure compliance with established policies. The County's unassigned General Fund Balance is maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The unassigned General Fund Balance may only be appropriated by resolution of the County's Commissioners Court. Fund Balance of the County may be committed for a specific source by formal action of the County's Commissioners Court. Amendments or modifications of the committed fund balance must also be approved by formal action by the County's Commissioners Court. When it is appropriate for fund balance to be assigned, the County's Commissioners Court has delegated authority to the County Judge or the County Auditor. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended are as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund Equity - Continued

Fund Balance Classifications:

The *nonspendable* fund balance includes a portion of net resources that cannot be spent because of their form or because they must be maintained intact. Resources not in spendable form include inventories, prepaid expenditures and long-term receivables.

The *restricted* fund balance includes net resources that can be spent only for the specific purposes stipulated by constitution, external resource providers (creditors, grantors, and contributors), laws and regulations of other governments, or through enabling legislation.

The enabling legislation authorizes the County to access, levy, charge or otherwise mandate payment of resources from external resource providers; those resources can be used only for the specific purposes stipulated in the legislation. The County's fee revenue generated through enabling legislations include auto registration fees, birth/death certificate fees, adult bond supervision fees, child abuse protection fees, court technology fees, election service fees, family protection fees, financial security fees, juvenile case management fees, law library fees, records archive fees, and records management and preservation fees reported under Non-Major Special Revenue Funds, and auto registration fees, certificates of title, and gross weight and axle fees reported under the Road & Bridge Fund.

The *committed* fund balance includes spendable net resources that can only be used for specific purposes pursuant to constraints imposed by formal Commissioners Court actions, no later than the close of the fiscal year. Those constraints remain binding unless removed or changed in the same manner employed to previously commit those resources. At September 30, 2023, there are no commitments of fund balance.

The *assigned* fund balance includes amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Such intent should be expressed by Commissioners Court or its designated officials to assign amounts to be used. Constraints imposed on the use of assigned amounts can be removed with no formal Commissioners Court actions. At September 30, 2023, there are no assignments of fund balance.

The *unassigned* fund balance represents spendable net resources that have not been restricted, committed, or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund Equity - Continued

The following schedule presents details of fund balance components at September 30, 2023:

	Major Funds			Non-Major Funds	Total Governmental Funds
	General Fund	Road & Bridge Fund	General Debt Service Fund	Other Governmental Funds	
Fund Balance:					
Nonspendable:					
Inventories	\$ -	\$ 442,503	\$ -	\$ 104,455	\$ 546,958
Prepaid expenditures	773,546	63,347	-	5,292	842,185
Restricted:					
Capital projects	-	-	-	661,353	661,353
Contributor purposes	-	-	-	65,115	65,115
Court improvements and operations	-	-	-	1,010,866	1,010,866
Debt service	-	-	11,786	-	11,786
Election services	-	-	-	830,793	830,793
Health services	-	-	-	3,431,975	3,431,975
Inmate services	-	-	-	1,033,404	1,033,404
Juvenile services	-	-	-	199,346	199,346
Library services	-	-	-	163,077	163,077
Public safety personnel training	-	-	-	23,533	23,533
Public transportation projects	-	7,912,235	-	1,331,204	9,243,439
Records management	-	-	-	5,211,031	5,211,031
Special crimes operations	-	-	-	996,916	996,916
County/District attorney services	-	-	-	190,663	190,663
Sheriff services	-	-	-	6,288	6,288
Other	-	-	-	595,410	595,410
Unassigned	<u>50,000,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000,706</u>
Total fund balance	<u>\$ 50,774,252</u>	<u>\$ 8,418,085</u>	<u>\$ 11,786</u>	<u>\$ 15,860,721</u>	<u>\$ 75,064,844</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Position

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

	<u>Governmental Activities</u>
Net Position:	
Net investment in capital assets	\$ 64,256,709
Restricted:	
Public transportation	9,852,261
Records management	5,211,031
Other:	
Contributor purposes	65,115
Court improvements and operations	1,010,866
Election services	830,793
Health services	3,450,357
Inmate services	1,137,859
Juvenile services	199,346
Library services	163,077
Public safety personnel training	23,533
Special crime operations	1,002,208
County/District attorney services	190,663
Sheriff services	6,288
Other	595,410
Unrestricted	<u>66,678,169</u>
Total net position	<u>\$ 154,673,685</u>

NOTE 2 - DEPOSITS AND INVESTMENTS

The County classifies deposits and investments for financial statement purposes as cash and temporary investments, and investments based upon both liquidity (demand deposits) and maturity date (deposits and investments) of the asset at the date of purchase. For this purpose, a temporary investment is one that when purchased had a maturity date of three months or less. Investments are classified as either short-term investments or investments. Short-term investments have a maturity of one year or less and investments are those that have a maturity of one year or more. See Note 1 for additional Governmental Accounting Standards Board Statement No. 31 disclosures. Cash and temporary investments as reported on the financial statements at September 30, 2023 are as follows:

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

	<u>Governmental Funds</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and Temporary Investments:				
Cash (petty cash accounts)	\$ 16,657	\$ -	\$ -	\$ 16,657
Financial Institution Deposits:				
Demand deposits	44,249,757	10,600,000	15,202,842	70,052,599
Local Government Investment Pools:				
Texas CLASS	4,381,429	-	-	4,381,429
Texas CLASS Government	4,160,062	-	-	4,160,062
Texpool	16,331,636	-	-	16,331,636
Texpool Prime	<u>3,231,603</u>	<u>-</u>	<u>-</u>	<u>3,231,603</u>
Total Cash and Temporary Investments	<u>72,371,144</u>	<u>10,600,000</u>	<u>15,202,842</u>	<u>98,173,986</u>
Investments:				
Broker Dealer:				
Government Securities	484,298	-	-	484,298
U.S. Agency Securities	13,560,863	-	-	13,560,863
Certificates of deposit	<u>10,363,218</u>	<u>-</u>	<u>-</u>	<u>10,363,218</u>
Total Investments	<u>24,408,379</u>	<u>-</u>	<u>-</u>	<u>24,408,379</u>
Total Cash and Temporary Investments and Investments	<u>\$ 96,779,523</u>	<u>\$ 10,600,000</u>	<u>\$ 15,202,842</u>	<u>\$ 122,582,365</u>

Deposits

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a financial institution failure, the County’s deposits may not be returned to them. The County requires that all deposits with financial institutions be collateralized in an amount equal to 103 percent of uninsured balances.

At year-end, in addition to petty cash accounts of \$ 16,657, the carrying amount of the County's financial institution deposits, was \$ 80,415,817, while the financial institution balances totaled \$ 80,826,476. Of these balances, \$ 3,114,637 represents amounts controlled by County courts and held by various financial institutions jointly under the name of the County and the court’s beneficiaries and carrying the identification number of the beneficiaries. These accounts are entirely covered by federal deposit insurance. Of the remaining balances, \$ 10,863,218 was covered by federal depository insurance coverage and \$ 66,848,621 was covered by collateral held by the County's agent in the County's name.

Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the County to invest its funds under written investment policy (the “investment policy”). The investment policy primarily emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity and addresses the quality and capability of investment personnel. This investment policy defines what constitutes the legal list of investments allowed under the policies, which excludes certain instruments allowed under chapter 2256 of the Texas Government Code.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

Investments - Continued

The County's deposits and investments are invested pursuant to the investment policy, which is approved by Commissioners Court. The investment policy includes lists of authorized investment instruments and allowable stated maturity of individual investments. In addition it includes an "Investment Strategy Statement" that specifically addresses each investment option and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield. Additionally, the soundness of financial institutions (including broker/dealers) in which the County will deposit funds is addressed. The County's investment policy and types of investments are governed by the Public Funds Investment Act (PFIA). The County's management believes it complied with the requirements of the PFIA and the County's investment policy.

The County's Investment Officer submits an investment report each quarter to the Commissioners Court. The report details the investment positions of the County and the compliance of the investment portfolio as it relates to both the adopted investment strategy statements and Texas state law.

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

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. No-load money market mutual funds: regulated by SEC, with a dollar-weighted average stated maturity of 90 days or less, includes in its investment objectives the maintenance of a stable \$ 1.00 net asset value per each share, and limited in quantity to the requirements, set forth in Chapter 2256, Government Code Section 2256.014;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Certificates of deposit if issued by a state or national bank and is: guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, secured in any manner and amount provided by law for deposits of the County;
7. Eligible investment pools if the Commissioners Court by resolution authorizes investment in the particular pool. An investment pool shall invest funds it receives from entities in authorized investments permitted by the Public Funds Investment Act. The County by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

Investments - Continued

The County is invested in certificates of deposit at various financial institutions to provide its liquidity needs. This investment is insured, registered, or the County's agent holds the securities in the County's name; therefore, the County is not exposed to custodial credit risk with these deposits.

Texas CLASS and Texas CLASS Government were created as a local government investment pool pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code. Per State Code, entities may pool any of their funds, or funds under their control, to preserve principal, maintain the liquidity of the funds and maximize yield. The Texas CLASS and Texas CLASS Government agreements are agreements of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. Texas CLASS and Texas CLASS Government seek to maintain a constant net asset value of \$ 1.00, although this cannot be fully guaranteed. Texas CLASS and Texas Class Government are rated AAAM and must maintain a dollar weighted average maturity not to exceed 60 days, which is the limit.

TexPool and TexPool Prime are local government investment pools that were established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. TexPool and TexPool Prime are 2(a)7 like funds, meaning that they are structured similar to a money market mutual fund. Such funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of \$ 1.00, although this cannot be fully guaranteed. TexPool and TexPool Prime are rated AAAM and must maintain a dollar weighted average maturity not to exceed 60 days, which is the limit.

At September 30, 2023 Texas CLASS, Texas CLASS Government, TexPool and TexPool Prime has a weighted average maturity of 49 days, 23 days, 26 days and 39 days, respectively. Although the pools have a weighted average maturity, the County considers holdings in these funds to have a one day weighted average maturity. This is due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, unless there has been a significant change in value.

As of September 30, 2023, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
Texas CLASS	\$ 4,381,429	49
Texas CLASS Government	4,160,062	23
TexPool	16,331,636	26
TexPool Prime	3,231,603	39
Government Securities	484,298	334
U.S. Agency Securities	13,560,863	302
Certificates of Deposit	<u>10,363,218</u>	524
Total	<u>\$ 52,513,109</u>	201

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

Investments - Continued

Credit Risk - As of September 30, 2023, the LGIP's (which represent approximately 53.52% of the investment portfolio) are rated AAAM by Standard and Poor's, the U.S. Agency securities and government securities (which represent 26.75% of the investment portfolio) were covered by private insurance and the certificates of deposit (which represents 19.73% of the investment portfolio) were covered by Federal Depository Insurance coverage, respectively, therefore, the County does not have a significant exposure to credit risk.

Interest Rate Risk - As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities will not exceed the lesser of a dollar weighted average maturity of three years or the anticipated cash flow requirements of the funds. Quality short-to-medium term securities may be purchased, which complement each other in a structured manner that minimizes risk and meets the County's cash flow requirements.

Fair Value Measures

Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS - Continued

Fair Value Measures - Continued

The following table sets forth by level, within the fair value hierarchy, the County's assets at fair value as of September 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Government Securities	\$ 484,298	\$ -	\$ -	\$ 484,298
U.S. Agency Securities	<u>13,560,863</u>	<u>-</u>	<u>-</u>	<u>13,560,863</u>
Total assets at fair value	<u>\$ 14,045,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,045,161</u>

NOTE 3 - RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS

Receivables and Allowances

Receivables as of September 30, 2023, for the government's individual governmental major and nonmajor funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Major Funds</u>			<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>General Debt Service Fund</u>		
Receivables:					
Property taxes	\$ 2,569,768	\$ 324,088	\$ 113,515	\$ 81,112	\$ 3,088,483
Accounts	948,766	130,532	-	38,334	1,117,632
Due from other governments	<u>54,171</u>	<u>10,682</u>	<u>-</u>	<u>278,480</u>	<u>343,333</u>
Gross receivables	3,572,705	465,302	113,515	397,926	4,549,448
Less Allowance for Uncollectible:					
Property taxes	<u>1,663,412</u>	<u>196,545</u>	<u>93,359</u>	<u>57,635</u>	<u>2,010,951</u>
Total net receivables	<u>\$ 1,909,293</u>	<u>\$ 268,757</u>	<u>\$ 20,156</u>	<u>\$ 340,291</u>	<u>\$ 2,538,497</u>
					<u>Fiduciary Fund</u>
Receivables:					
Accounts:					
Adult probationers					<u>\$ 150,131</u>
Net total receivables					<u>\$ 150,131</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 3 - RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS - Continued

Receivables From Other Governments

The County participates in a variety of federal and state programs from which it receives grants to, partially or fully, finance certain activities. In addition, the County receives entitlements from the State through the legislative actions and taxes collected by the State on behalf of the County (other taxes). All federal grants shown below are either direct or passed through state or local agencies and are reported on the financial statements as due from other governments.

Amounts due from federal and state as of September 30, 2023 are summarized below:

	<u>Federal Grants</u>	<u>State Grants</u>	<u>Total</u>
Major Governmental Funds:			
General fund	\$ 6,298	\$ 47,873	\$ 54,171
Road and Bridge fund	-	10,682	10,682
Non-major governmental funds	<u>5,274</u>	<u>273,206</u>	<u>278,480</u>
Total	<u>\$ 11,572</u>	<u>\$ 331,761</u>	<u>\$ 343,333</u>

Judicial Receivables

Judicial receivables are reported in the governmental activities statement of net position. Since these receivables do not represent current available resources, they are not reported in the governmental funds balance sheet. The allowance for uncollectible receivables related to the County's various court assessments is determined based on historical experience and evaluation of collectability in relation to the aging of customer accounts. The following is a summary of the receivable and allowance for uncollectible as of September 30, 2023:

	<u>Judicial Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
Justice of the peace	\$ 464,239	\$ 139,272	\$ 324,967
County courts	1,620,482	405,121	1,215,361
District courts	<u>17,712,602</u>	<u>8,856,301</u>	<u>8,856,301</u>
Total	<u>\$ 19,797,323</u>	<u>\$ 9,400,694</u>	<u>\$ 10,396,629</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 4 - DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUE

Governmental Funds

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of September 30, 2023, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Major Funds				Non-Major Funds	
	General Fund	Road & Bridge Fund	General Debt Service Fund	American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	Total
Deferred Inflows of Resources:						
Delinquent property taxes receivable	\$ 702,787	\$ 102,972	\$ 15,846	\$ -	\$ 18,382	\$ 839,987
Unearned Revenue:						
Federal grants	-	-	-	16,895,262	111,533	17,006,795
State grants	38,500	-	-	-	18,851	57,351
Interlocal agreements	5,020	-	-	-	-	5,020
Rental deposits	640	-	-	-	-	640
	<u>\$ 746,947</u>	<u>\$ 102,972</u>	<u>\$ 15,846</u>	<u>\$ 16,895,262</u>	<u>\$ 148,766</u>	<u>\$ 17,909,793</u>

Governmental Activities

Governmental activities defer the recognition of pension expense for contributions made from the measurement date to the current year-end of September 30, 2023 and report these as deferred outflows of resources. Governmental activities also defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a deferred inflow of resources. Further, for governmental activities, like governmental funds, defer revenue recognition in connection with resources that have been received, but not yet earned and report these amounts as a liability (unearned revenue).

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 4 - DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES AND UNEARNED REVENUE - Continued

Governmental Activities - Continued

As of September 30, 2023, the various components of deferred outflows and inflows of resources and unearned revenue reported in the governmental activities were as follows:

<u>Governmental Activities:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Unearned Revenue</u>
Bond refunding cost (net of accumulated amortization)	\$ 1,516,215	\$ -	\$ -
Pension Related:			
Differences between expected and actual experience	470,306	103,551	-
Net difference between projected and actual investment earnings	3,443,717	-	-
Changes in assumptions	2,027,617	57,296	-
Subsequent contributions	4,599,674	-	-
OPEB Related:			
Changes in assumptions	223,558	484,768	-
Differences between expected and actual experience	31,503	568,435	-
Unearned Revenue:			
Federal grants	-	-	17,006,795
State allocations	-	-	57,351
Interlocal agreements	-	-	5,020
Rental deposits	-	-	640
	<u> </u>	<u> </u>	<u> </u>
Totals	\$ <u>12,312,590</u>	\$ <u>1,214,050</u>	\$ <u>17,069,806</u>

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2023 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>09-30-23</u>
General Fund	Other Governmental Funds	\$ 306,470
American Rescue Plan Act (ARPA) Fund	General Fund	700
American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	365,390
Other Governmental Funds	General Fund	<u>131,968</u>
Total		\$ <u>804,528</u>

Interfund receivables and payables represent short-term borrowings primarily for cash flow purposes. These include short-term borrowings for reimbursement grants and some revenue or expenditures/expense adjustments between funds at or near year-end.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Interfund transfers for the year ended September 30, 2023 consisted of the following individual fund transfers in and transfers out:

<u>Transferring Fund</u>	<u>Receiving Fund</u>	<u>09-30-23</u>
General Fund	General Debt Service Fund	\$ 150,000
General Fund	Other Governmental Funds	756,015
General Fund	Internal Service Funds	10,600,000
American Rescue Plan Act (ARPA) Fund	Road & Bridge Fund	6,000
American Rescue Plan Act (ARPA) Fund	Other Governmental Funds	2,683,838
Other Governmental Funds	General Fund	614,632
Other Governmental Funds	Other Governmental Funds	<u>2,256,739</u>
Total		<u>\$ 17,067,224</u>

The Commissioners Court approved these transfers, as transfers of operational funds to cover planned expenditures/expenses.

NOTE 6 - CAPITAL ASSETS

Capital Transactions

	<u>Balance 10-01-22</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments & Transfers</u>	<u>Balance 09-30-23</u>
Governmental Activities:					
Capital Assets, Not Depreciated/ Amortized:					
Land	\$ 3,147,691	\$ 111,712	\$ -	\$ -	\$ 3,259,403
Construction in progress	<u>4,578,238</u>	<u>8,334,004</u>	<u>-</u>	<u>(5,402,097)</u>	<u>7,510,145</u>
Total capital assets not being depreciated/amortized	<u>7,725,929</u>	<u>8,445,716</u>	<u>-</u>	<u>(5,402,097)</u>	<u>10,769,548</u>
Capital Assets, Being Depreciated/ Amortized:					
Buildings and improvements	87,686,148	818,447	-	2,939,511	91,444,106
Furniture, equipment and vehicles	34,217,091	3,506,610	1,562,522	420,586	36,581,765
Right to use assets - equipment	245,913	21,083	-	-	266,996
Subscription based IT assets	-	2,518,216	-	-	2,518,216
Infrastructure	<u>40,053,288</u>	<u>2,253,626</u>	<u>721,259</u>	<u>2,042,000</u>	<u>43,627,655</u>
Total capital assets being depreciated/amortized, net	<u>162,202,440</u>	<u>9,117,982</u>	<u>2,283,781</u>	<u>5,402,097</u>	<u>174,438,738</u>

(continued)

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 6 - CAPITAL ASSETS - Continued

Capital Transactions - Continued

	Balance 10-01-22	Additions	Retirements	Adjustments & Transfers	Balance 09-30-23
Less Accumulated Depreciation/ Amortization For:					
Buildings and improvements	\$ 41,328,931	\$ 2,974,509	\$ -	\$ -	\$ 44,303,440
Furniture, equipment and vehicles	28,275,828	1,716,662	1,538,242	-	28,454,248
Right to use assets - equipment	62,355	72,101	-	-	134,456
Subscription based IT assets	-	520,288	-	-	520,288
Infrastructure	<u>29,502,259</u>	<u>1,124,542</u>	<u>721,259</u>	<u>-</u>	<u>29,905,542</u>
Total accumulated depreciation/ amortization	<u>99,169,373</u>	<u>6,408,102</u>	<u>2,259,501</u>	<u>-</u>	<u>103,317,974</u>
Total capital assets being depreciated/amortized, net	<u>63,033,067</u>	<u>2,709,880</u>	<u>24,280</u>	<u>5,402,097</u>	<u>71,120,764</u>
Governmental activities capital assets, net	<u>\$ 70,758,996</u>	<u>\$ 11,155,596</u>	<u>\$ 24,280</u>	<u>\$ -</u>	<u>\$ 81,890,312</u>

During the year ended September 30, 2023, the County received equipment and roads from various sources totaling \$ 2,207,701.

Depreciation

Depreciation expense was charged as direct expense to functional categories of the County as follows:

	<u>09-30-23</u>
Governmental Activities:	
General government	\$ 1,911,349
Administration of justice	44,018
Financial administration	58,489
Law enforcement	2,441,954
Highways and streets	1,760,314
Health and welfare	177,851
Culture and recreation	<u>14,127</u>
Total depreciation expense	<u>\$ 6,408,102</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 6 - CAPITAL ASSETS - Continued

Construction Commitments

Construction in progress for various projects at September 30, 2023 is as follows.

	<u>Contract Value</u>	<u>Expended To Date</u>	<u>Commitment</u>
Sheriff's Office Renovation	\$ 2,979,356	\$ 2,820,494	\$ 158,862
911 Call Center	4,574,576	1,504,129	3,070,447
Building Maintenance Workshop	13,600	4,934	8,666
Evidence Processing Building	6,400	5,800	600
Guinn Chillers	479,576	-	479,576
Law Enforcement Software	412,200	266,483	145,717
Guinn Generators	1,852,197	1,772,197	80,000
C4 Jail Smoke Purge System	<u>206,701</u>	<u>88,769</u>	<u>117,932</u>
 Total	 <u>\$ 10,524,606</u>	 <u>\$ 6,462,806</u>	 <u>\$ 4,061,800</u>

NOTE 7 - DISAGGREGATION OF ACCOUNTS AND ACCRUED LIABILITIES PAYABLE

Accounts and accrued liabilities payable as of September 30, 2023, for the government's individual governmental major and nonmajor funds, and fiduciary funds in the aggregate are as follows:

	<u>Major Funds</u>				<u>Total</u>
	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>American Rescue Plan Act (ARPA) Fund</u>	<u>Other Governmental Funds</u>	
Accounts and Accrued Liabilities Payable:					
Vendors	\$ 1,422,336	\$ 169,585	\$ 1,480,562	\$ 1,035,835	\$ 4,108,318
Accrued compensation	2,961,018	255,263	32,461	77,901	3,326,643
Due to other governments	2,253	-	-	-	2,253
Due to others	<u>238,593</u>	<u>-</u>	<u>-</u>	<u>56,719</u>	<u>295,312</u>
 Totals	 <u>\$ 4,624,200</u>	 <u>\$ 424,848</u>	 <u>\$ 1,513,023</u>	 <u>\$ 1,170,455</u>	 <u>\$ 7,732,526</u>
				<u>Fiduciary Funds</u>	
Accounts and Accrued Liabilities Payable:					
Vendors					\$ 17,274
Bonds payable					219,511
Accrued compensation					182,352
Due to others					<u>239,865</u>
 Total					 <u>\$ 659,002</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 8 - LONG-TERM DEBT

Bonded Debt

Bonds payable at September 30, 2023, are summarized as follows:

	Interest Rate %	Series Dates			Bonds Outstanding 09-30-23
		Issued	Maturity	Callable	
Certificates of Obligation Bonds Taxable Series 2015	1.704 - 4.627	2015	2025	--	\$ 2,205,000
Certificates of Obligation Refunding Bonds Taxable Series 2021	1.800 - 3.000	2021	2035	2032	<u>15,290,000</u>
Total					<u>\$ 17,495,000</u>

General obligation and certificates of obligation bond transactions for the year ended September 30, 2023 were as follows:

Bonds outstanding, October 1, 2022	\$ 18,735,000
Maturities	<u>(1,240,000)</u>
Bonds outstanding, September 30, 2023	<u>\$ 17,495,000</u>

The bond ordinances require that a tax be levied sufficient to pay current interest and create a sinking fund of not less than the amount to pay current principal and interest. For the year ended September 30, 2023, the amount of ad valorem taxes collected for interest and sinking were \$ 1,379,457, while the debt service requirements for principal and interest was \$ 1,638,882. The bond resolutions provide no express remedies in the event of default and make no provision for acceleration of maturity of the bonds.

Certificate of Obligation Bonded Debt

The following is a summary of general obligation and certificate of obligation bond requirements by year as of September 30, 2023:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2024	\$ 1,285,000	\$ 358,676	\$ 1,643,676
2025	1,325,000	316,016	1,641,016
2026	1,360,000	280,290	1,640,290
2027	1,390,000	252,790	1,642,790
2028	1,415,000	224,740	1,639,740
2029-2033	7,510,000	688,620	8,198,620
2034-2035	<u>3,210,000</u>	<u>65,715</u>	<u>3,275,715</u>
Total	<u>\$ 17,495,000</u>	<u>\$ 2,186,847</u>	<u>\$ 19,681,847</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 8 - LONG-TERM DEBT - Continued

On December 7, 2021, the County issued General Obligation Refunding Bonds, Series 2021 in the amount of \$ 15,865,000. The proceeds from the sale of the bonds will provide funds to refund a portion of the Certificates of Obligation Bonds Taxable Series 2015 in the amount of \$ 14,065,000. Both cash and the SLGS have been irrevocably pledged to the payment of the outstanding bonds. Principal and interest from the cash and SLGS have been deemed sufficient to retire the principal and interest of the outstanding balance of the Certificates of Obligation Bonds Taxable Series 2015. The General Obligation Refunding Bonds, Series 2021 are calculated to provide cash flow savings of \$ 1,380,830 and an economic gain (net present value of savings) of \$ 1,185,539.

Changes in Long-Term Debt

Transactions for the year ended September 30, 2023 are summarized as follows:

	<u>Balance</u> <u>10-01-22</u>	<u>Issues or</u> <u>Additions</u>	<u>Payments or</u> <u>Expenditures</u>	<u>Balance</u> <u>09-30-23</u>	<u>Due Within</u> <u>One Year</u>
Governmental Type Activities:					
Certificates of obligation bonds	\$ 18,735,000	\$ -	\$ 1,240,000	\$ 17,495,000	\$ 1,285,000
Lease liability	174,247	21,083	68,139	127,191	70,156
Subscription liability	-	2,493,216	523,070	1,970,146	470,568
Net pension liability	-	31,540,737	21,849,639	9,691,098	-
Total OPEB liability	3,578,133	551,214	196,579	3,932,768	-
Compensated absences	1,487,372	2,005,493	1,758,551	1,734,314	1,557,826
Premium on bonds	<u>238,072</u>	<u>-</u>	<u>19,238</u>	<u>218,834</u>	<u>19,238</u>
Total governmental activities	<u>\$ 24,212,824</u>	<u>\$ 36,611,743</u>	<u>\$ 25,655,216</u>	<u>\$ 35,169,351</u>	<u>\$ 3,402,788</u>

NOTE 9 - LEASES

In November 2021, the County entered a five year lease agreement for the lease of a copier. Based on this agreement, the County is required to make quarterly payments of \$ 509. There are no renewal options included in this lease agreement and the County will not purchase the copier at the end of the lease term. An initial lease liability was recorded in the amount of \$ 9,428 using 3.00% discount rate.

In January 2022, the County entered a five year lease agreement for the lease of a copier. Based on this agreement, the County is required to make quarterly payments of \$ 1,515. There are no renewal options included in this lease agreement and the County will not purchase the copier at the end of the lease term. An initial lease liability was recorded in the amount of \$ 28,040 using 3.00% discount rate.

In October 2021, the County entered a three year lease agreement for the lease of a phone system. Based on this agreement, the County is required to make monthly payments of \$ 4,115. There are no renewal options included in this lease agreement and the County will not purchase the phone system at the end of the lease term. An initial lease liability was recorded in the amount of \$ 152,730 using 3.00% discount rate.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 9 - LEASES - Continued

In January 2022, the County entered a five year lease agreement for the lease of public safety equipment. Based on this agreement, the County is required to make annual payments of \$ 8,989. There are no renewal options included in this lease agreement and the County will not purchase the public safety equipment at the end of the lease term. An initial lease liability was recorded in the amount of \$ 55,715 using 3.00% discount rate.

In October 2022, the County entered a two year lease agreement for the lease of a administration of justice building. Based on this agreement, the County is required to make monthly payments of \$ 600. There are no renewal options included in this lease agreement and the County will not purchase the administration of justice building at the end of the lease term. An initial lease liability was recorded in the amount of \$ 12,369 using 2.024% discount rate during the current fiscal year.

In March 2023, the County entered a five year lease agreement for the lease of public safety equipment. Based on this agreement, the County is required to make monthly payments of \$ 155. There are no renewal options included in this lease agreement and the County will not purchase the public safety equipment at the end of the lease term. An initial lease liability was recorded in the amount of \$ 8,714 using 2.682% discount rate during the current fiscal year.

The future principal and interest lease payments as of September 30, 2022, were as follows:

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2024	\$ 70,156	\$ 3,572	\$ 73,728
2025	17,362	1,585	18,947
2026	17,880	1,067	18,947
2027	12,296	578	12,874
2028	<u>9,497</u>	<u>267</u>	<u>9,764</u>
Totals	\$ <u>127,191</u>	\$ <u>7,069</u>	\$ <u>134,260</u>

NOTE 10 - SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The County has entered into subscription based information technology arrangements (SBITAs) for the right to use the other party's information technology software which have been accounted for in accordance with GASB 96. The County is required to make annual payments on each arrangement at the County's incremental borrowing rate or the interest rate stated or implied in the subscription term which ranges from 2.332% to 3.410%. The value of the right to use subscription asset as of September 30, 2023 is \$ 2,518,216 with accumulated amortization of \$ 520,288.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 10 - SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS - Continued

The future principal and interest SBITA payments for governmental activities as of September 30, 2023 are as follows:

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2024	\$ 470,568	\$ 57,213	\$ 527,781
2025	415,899	45,673	461,572
2026	338,776	32,561	371,337
2027	312,343	22,500	334,843
2028	311,008	12,599	323,607
2029-2030	<u>121,552</u>	<u>3,447</u>	<u>124,999</u>
Totals	<u>\$ 1,970,146</u>	<u>\$ 173,993</u>	<u>\$ 2,144,139</u>

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN

Plan Description - The County provides retirement, disability, and death benefits for all of its full-time employees through a non-traditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of more than 850 non-traditional defined benefit 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 79768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

All eligible employees of the County are required to participate in TCDRS.

The plan provisions are adopted by the Commissioner’s Court of the County, within the options available in the state statutes governing TCDRS. Plan provisions for the County were as follows:

	<u>Plan Year 2023</u>	<u>Plan Year 2022</u>
Employee deposit rate	7.00%	7.00%
Employer deposit rate	12.45%	12.45%
Matching ratio (County to employee)	2 to 1	2 to 1
Years required for vesting	8	8
Service retirement eligibility (expressed as age/years of service)	60/8, 0/20	60/8, 0/20

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

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	419
Inactive employees entitled to but not yet receiving benefits	625
Active employees	<u>836</u>
	<u>1,880</u>

Contributions - The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee compensation, and the employer matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the employer. Under the state laws governing TCDRS, the contribution rate for each employer is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. Participating employers are required to contribute at the actuarially determined rates to ensure adequate funding for each employer’s plan. Employer contribution rates are determined annually and approved by the TCDRS Board of Trustees.

Each employer has the opportunity to make additional contributions in excess of its annual required contribution rate either by adopting an elected rate that is higher than the required rate or by making additional contributions on an ad hoc basis. Employers may make additional contributions to pay down their liabilities faster, pre-fund benefit enhancements and/or buffer against future adverse experience. In addition, employers annually review their plans and may adjust benefits and costs based on their local needs and budgets. Although accrued benefits may not be reduced, employers may reduce future benefit accruals and immediately reduce costs.

Employees of the County were required to contribute 7.00% of their annual compensation during the fiscal year. The County’s required contribution rates were 10.52% and 12.45% in calendar years 2023 and 2022, respectively. The County’s contributions to TCDRS for the year ended September 30, 2023 were \$ 6,266,209.

Net Pension Liability - The County’s Net Pension Liability was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Asset 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	3.00% per year
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

Except where indicated in the section of this GASB 68 report entitled “Actuarial Methods and Assumptions Used for GASB Calculations”, the assumptions used in this analysis for the December 31, 2022 financial reporting metrics are the same as those used in the December 31, 2022 actuarial valuation analysis for the County.

Following is a description of the assumptions used in the December 31, 2022 actuarial valuation analysis for the County. This information may also be found in the Johnson County December 31, 2022 Summary Valuation Report.

Economic Assumptions:

TCDRS System-Wide Economic Assumptions

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

The assumed long-term investment return of 7.50% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 7.50% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.50% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.70% per year for a career employee.

Employer Specific Economic Assumptions

Growth in membership	0.00%
Payroll growth	3.00%

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

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS’ investment consultant, Cliffwater LLC. The numbers are based on January 2023 information for a 10-year time horizon.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

The valuation assumption for long-term expected return is re-assessed in detail at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	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 U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.39%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	7.60%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽⁵⁾	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

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

⁽²⁾ Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.30%, per Cliffwater's 2023 capital market assumptions

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

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

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

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

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

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

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

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future value, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternative methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. Our alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

1. 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.
2. Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
3. 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.
4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

Based on the above, 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 total 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, we have used a discount rate of 7.60%. 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.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a)-(b)
Balance as of December 31, 2021	\$ 152,146,180	\$ 160,565,161	\$(8,418,981)
Changes for the Year:			
Service cost	5,829,990	-	5,829,990
Interest on total pension liability ⁽¹⁾	11,756,529	-	11,756,529
Effect of plan changes ⁽²⁾	-	-	-
Effect of economic/demographic gains or losses	361,493	-	361,493
Effect of assumptions changes or inputs	-	-	-
Refunds of contributions	(345,557)	(345,557)	-
Employer contributions	-	5,808,389	(5,808,389)
Member contributions	-	3,265,769	(3,265,769)
Net investment income	-	(9,615,677)	9,615,677
Benefit payment,	(6,346,987)	(6,346,987)	-
Administrative expense	-	(90,077)	90,077
Other changes ⁽³⁾	-	469,529	(469,529)
	<u>\$ 163,401,648</u>	<u>\$ 153,710,550</u>	<u>\$ 9,691,098</u>
Balance as of December 31, 2022	<u>\$ 163,401,648</u>	<u>\$ 153,710,550</u>	<u>\$ 9,691,098</u>

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

⁽²⁾ No plan changes valued.

⁽³⁾ Relates to allocation of system-wide items.

Sensitivity Analysis - The following presents the net pension liability of the county, calculated using the discount rate of 7.60%, as well as what the County's net pension liability would be if it were calculated using a discount rate of 1 percentage-point lower (6.60%) or 1 percentage-point higher (8.60%) than the current rate:

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

	1% Decrease In Discount Rate <u>(6.60%)</u>	Discount Rate <u>(7.60%)</u>	1% Increase In Discount Rate <u>(8.60%)</u>
Total pension liability	\$ 185,545,014	\$ 163,401,648	\$ 144,934,575
Fiduciary net position	<u>153,710,550</u>	<u>153,710,550</u>	<u>153,710,550</u>
Net pension liability / (asset)	<u>\$ 31,834,464</u>	<u>\$ 9,691,098</u>	<u>\$ (8,775,975)</u>

<i>Pension Expense:</i>	<u>Year Ended 12-31-22</u>
Service cost	\$ 5,829,990
Interest on total pension liability ⁽¹⁾	11,756,529
Administrative expenses	90,077
Member contributions	(3,265,769)
Expected investment return net of investment expenses	(12,305,952)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	316,154
Recognition of assumption changes or inputs	1,998,971
Recognition of investment gains or losses	454,329
Other ⁽²⁾	<u>(469,529)</u>
Pension expense	<u>\$ 4,404,800</u>

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

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

Deferred Inflows and Outflows - 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	\$ 470,306	\$ 103,551
Net difference between projected and actual investment earnings	3,443,717	-
Changes in assumptions	2,027,617	57,296
Contributions subsequent to the measurement date ⁽³⁾	<u>4,599,674</u>	<u>-</u>
Totals	<u>\$ 10,541,314</u>	<u>\$ 160,847</u>

JOHNSON COUNTY, TEXAS
Notes to the Financial Statements
For the Year Ended September 30, 2023

NOTE 11 - TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM PENSION PLAN - Continued

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

<u>Year Ended</u> <u>September 30,</u>		
2024	\$	613,873
2025		87,771
2026		694,824
2027		4,384,325
2028		-
Thereafter ⁽⁴⁾		-

⁽³⁾ Any eligible employer contributions were made subsequent to the measurement date through the employer's fiscal year end, the employer should reflect these contributions, adjusted as outlined in GASB No. 71.

⁽⁴⁾ Total remaining balance to be recognized in future years, if any. Note that additional deferred inflows and outflows of resources may impact these numbers.

NOTE 12 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description - The County's defined benefit OPEB plan, Johnson County Retiree Health Care Plan (JCRHCP), provides medical benefits to plan members of the County. JCRHCP is a single-employer defined benefit OPEB plan administered by the County. Local Government Code Section 157.101 assigns the authority to establish and amend benefit provisions to Commissioners Court. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided - Plan participants are full-time regular employees who, at the time they leave County employment, are:

1. Eligible for retirement benefits under Texas County and District Retirement guidelines, and
2. Have a total of 20 years of service with Johnson County, of which at least 10 years are continuous service, and
3. Are covered under the County group health insurance program at the time of the separation, and
4. Are not Medicare eligible, or

Elected officials who, at the time they leave Johnson County employment, are:

1. Eligible for retirement benefits under Texas County and District Retirement guidelines, and
2. Have a total of 16 years of service with the County, of which at least 10 years are continuous service, and
3. Are covered under the County group health insurance program at the time of their separation, and
4. Are not Medicare eligible.

Members retiring under TCDRS disability retirement provisions must satisfy social security disability requirements that are therefore Medicare eligible. Disabled retirees are not eligible for the County's health insurance. Retiree healthcare ceases when a covered retiree becomes eligible for Medicare coverage.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 12 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued

Coverage for dependents who are not Medicare eligible and who are participants in the County’s group health insurance plan at the time of the employee’s separation may also be continued. Premiums will be paid for by the retiree and are to be made to the County Treasurer no later than the 10th day of each month. In the event of the retiree’s death, covered dependents may continue coverage until they become Medicare eligible provided they make required premium payments on a timely basis. The County will pay for the retiree’s vision coverage for 3 years or until the age 65. Any dependent coverage the retiree may have will be at the retiree’s cost.

The following table provides a summary of the number of participants in the plan as of September 30, 2023:

Inactive plan members or beneficiaries currently receiving benefits	10
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>515</u>
	<u><u>525</u></u>

Contributions - Local Government Code Section 157.102 assigns to Commissioners Court the authority to establish and amend contribution requirements of the plan members. The County may contribute all, part of, or none of the premium payment. The County’s contribution, if any, will be determined annually by Commissioners Court during the County budget process and will be effective on a fiscal year basis. The County does not contribute toward the cost of coverage for retirees who do not meet the eligibility requirements. The County pays no more for retiree healthcare than the premium it pays for active employees for each rate tier structure (retiree only, retiree + spouse, retiree + child, retiree + children, retiree + family).

The plan is funded on a pay-as-you-go basis. For the year ended September 30, 2023, the total benefit payments made to the plan was \$ 196,579. The total benefit payments made include explicit benefit payments made by the County of \$ 132,794 and an implicit benefit payment of \$ 63,785. The implicit subsidy is calculated using a factor which equals the ratio of the expected implicit subsidy to the expected total medical premiums. Since the plan utilizes blended premiums, the benefit payments must include an adjustment for the implicit subsidy. This adjustment reflects the underlying costs of the benefits provided to retirees.

Total OPEB Liability - The County’s total OPEB liability of \$ 3,932,768 was measured as of September 30, 2023 utilizing the actuarial valuation performed as of September 30, 2022.

Actuarial assumptions and other inputs - The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Individual Entry Age
Discount rate	4.77%
Inflation	2.50%
Salary increases	3.50%
Health care trend rates	Level 4.50%
Participation rates	90% for retirees eligible for the County subsidy; 10% for retirees not eligible for the County subsidy

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 12 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued

The gender distinct RP-2014 Healthy Annuitant Mortality Tables are used with rates for males multiplied by 130% and rates for females multiplied by 110%. For healthy retirees, the valuation employs fully generational mortality projections based on 110% of the ultimate rates of Scale MP-2021.

The gender distinct RP-2014 Disabled Retiree mortality Tables are used with rates for males multiplied by 130% and rates for females multiplied by 115%. For disabled retirees, the valuation employs fully generational mortality projections based on 110% of the ultimate rates of Scale MP-2021.

The gender distinct RP2014 Employee Mortality Tables are used with rates for males and females multiplied by 90%. For active members, the valuation employs fully generational mortality projections based on 110% of the ultimate rates of Scale MP-2021.

The actuarial assumptions used in the September 30, 2022 valuation were based on the experience study covering the four-year period ending December 31, 2016, as conducted for the Texas County and District Retirement System.

Discount Rate - For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on S&P municipal bond 20 year grade rate index as of the measurement date. For the purpose of this valuation, the municipal bond rate is 4.77%. The discount rate was 2.19% as of the prior measurement date.

Changes in Total OPEB Liability - The changes in the total OPEB liability as of September 30, 2023 are as follows:

	<u>Total OPEB Liability</u>
Service cost	\$ 367,687
Interest on total OPEB liability	183,527
Benefit payments	<u>(196,579)</u>
Net change in total OPEB liability	354,635
Total OPEB liability, September 30, 2022	<u>3,578,133</u>
Total OPEB liability, September 30, 2023	<u>\$ 3,932,768</u>

Changes in assumptions reflect a change in the discount rate from 2.19% as of September 30, 2021 to 4.77% as of September 30, 2022.

The benefit payments during the measurement period were determined as follows:

Explicit benefit payments (County's portion of premiums)	\$ 132,794
Implicit benefit payments	<u>63,785</u>
Total benefit payments	<u>\$ 196,579</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 12 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued

The implicit benefit payments took the total premiums of \$ 196,579 multiplied by a factor of 0.324. The factor equals the ratio of the expected implicit subsidy to the expected explicit costs.

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the County, calculated using the discount rate of 4.77%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate of 1 percentage-point lower (3.77%) or 1 percentage-point higher (5.77%) than the current rate:

	1% Decrease In Discount Rate <u>(3.77%)</u>	Discount Rate <u>(4.77%)</u>	1% Increase In Discount Rate <u>(5.77%)</u>
Total OPEB liability	\$ 4,202,474	\$ 3,932,768	\$ 3,680,989

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the County, calculated using the healthcare cost trend rate of 4.50%, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate rate of 1 percentage-point lower (3.50%) or 1 percentage-point higher (5.50%) than the current rate:

	1% Decrease In Trend Rate <u>(3.50%)</u>	Trend Rate <u>(4.50%)</u>	1% Increase In Trend Rate <u>(5.50%)</u>
Total OPEB liability	\$ 3,570,752	\$ 3,932,768	\$ 4,350,628

<i>OPEB Expense:</i>	<u>Year Ended 09-30-23</u>
Service cost	\$ 367,687
Interest on the total OPEB liability	183,527
Difference between expected and actual experience	(112,432)
Changes in assumptions or other inputs	<u>(60,139)</u>
OPEB expense	<u>\$ 378,643</u>

Deferred Inflows and Outflows - At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 31,503	\$ 568,435
Changes in assumptions	<u>223,558</u>	<u>484,768</u>
Totals	<u>\$ 255,061</u>	<u>\$ 1,053,203</u>

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 12 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - Continued

The County did not have any contributions subsequent to the measurement date due to the measurement date and the date of this report both ending as of September 30, 2023.

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended</u> <u>September 30,</u>	
2024	\$(172,571)
2025	(172,571)
2026	(171,421)
2027	(167,797)
2028	(113,179)
Thereafter	(603)

NOTE 13 - GRANTS, ENTITLEMENTS AND SHARED REVENUES

During the year ended September 30, 2023, the County applied for and received federal and state grants related to various activities. The operations of these grants are reported in the general fund, various special revenue funds, and capital projects fund. For the most part, these grants are reimbursement type grants, therefore, revenues equal expenditures. Grant revenues are classified as intergovernmental revenues. The federal financial assistance programs are covered by the requirements of the Single Audit Act and the Uniform Guidance.

The state financial assistance programs are covered by the Texas Grant Management Standards. A single audit was performed on the federal and state financial assistance programs as the federal and state financial assistance programs met the \$ 750,000 threshold.

NOTE 14 - BAIL BOND COLLATERAL

The County holds, as collateral, time deposits and other cash equivalents and real property pledged toward bail bonds. The County does not have access to the assets unless the bond is violated; therefore, these assets are not reported in the financial statements of the County as of September 30, 2023. As of September 30, 2023, bail bonds outstanding totaled \$ 20,205,096 and collateral pledged against these bonds amounted to \$ 1,675,702, respectively.

NOTE 15 - LITIGATION

The County is contingently liable in respect to lawsuits and other claims in the ordinary course of its operations. Such lawsuits include various civil claims that are currently between the stages of discovery and pleadings. The outcome of these lawsuits and other claims are not presently determinable and the resolutions of these matters are not expected to have a material effect on the financial condition of the County. The County does not have any contingent estimated liability as of September 30, 2023.

NOTE 16 - RISK COVERAGE

The County is a participant in the Texas Association of Counties insurance pool for coverage of liability, property, and worker's compensation. The County pays annual premiums to the pool for the coverage stated. Property and liability insurance provide varying and appropriate coverage, with most claims subject to a \$ 5,000 deductible.

JOHNSON COUNTY, TEXAS

Notes to the Financial Statements

For the Year Ended September 30, 2023

NOTE 17 - TAX ABATEMENTS

The County enters into property tax abatement agreements with taxpayers under the State Property Tax Abatement Act, Tax Code Chapter 312. Under the act, the County may enter into a local agreement with a taxpayer that exempts all or part of the increase in the value of the real property and/or tangible personal property from taxation for a period not to exceed 10 years. Tax abatements are an economic development tool available to the County to attract new industries and to engage in the retention and development of existing businesses through property tax exemptions or reductions.

For the year ended September 30, 2023, the County abated property taxes totaling \$ 811,748 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 75 percent property tax abatement to an oil and gas company for the expansion and development of property to include buildings, structures, fixed machinery and equipment, site improvements plus office space and related fixed improvements necessary to the operation and administration of the facility to accommodate an industrial gas plant and all associated transmission equipment and lines. The abatement in the current fiscal year amounted to \$ 277,748.
- A 75 percent property tax abatement to a manufacturer of tools for the construction of a new facility for increased manufacturing capacity and increased employment. The abatement in the current fiscal year amounts to \$ 115,163.
- A 75 percent property tax abatement to a retail company for the construction of a regional distribution center and increased employment. The abatement in the current fiscal year amounts to \$ 112,131.
- A 75 percent property tax abatement for the construction of a new facility for food processing and packaging and increased employment. The abatement in the current fiscal year amounted to \$ 85,674.

NOTE 18 - EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through March 21, 2024, the date which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

JOHNSON COUNTY, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund and Road & Bridge Fund For the Year Ended September 30, 2023

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Taxes	\$ 67,303,219	\$ 67,303,219	\$ 65,493,325	\$(1,809,894)
Intergovernmental	1,473,045	1,528,045	1,737,559	209,514
Fees	16,877,725	16,822,725	17,856,706	1,033,981
Fines	794,100	794,100	1,432,127	638,027
Licenses and permits	26,000	26,000	26,000	-
Investment income	404,000	404,000	4,021,779	3,617,779
Miscellaneous	515,090	515,090	1,747,857	1,232,767
Total revenues	<u>87,393,179</u>	<u>87,393,179</u>	<u>92,315,353</u>	<u>4,922,174</u>
Expenditures				
Current:				
General government	23,251,696	23,032,867	19,764,479	3,268,388
Administration of justice	10,389,758	10,393,337	8,881,393	1,511,944
Financial administration	1,546,848	1,546,848	1,493,180	53,668
Elections	971,943	972,963	729,599	243,364
Law enforcement	47,163,865	47,253,036	43,389,684	3,863,352
Highways and streets	-	-	-	-
Health and welfare	1,418,506	1,483,137	1,381,778	101,359
Culture and recreation	418,072	418,072	389,149	28,923
Conservation	291,266	291,535	276,143	15,392
Capital outlay	558,786	1,624,957	3,998,576	(2,373,619)
Debt Service:				
Principal	-	-	566,018	(566,018)
Interest and fiscal charges	-	-	24,440	(24,440)
Total expenditures	<u>86,010,740</u>	<u>87,016,752</u>	<u>80,894,439</u>	<u>6,122,313</u>
Excess (deficiency) of revenues over expenditures	<u>1,382,439</u>	<u>376,427</u>	<u>11,420,914</u>	<u>11,044,487</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	10,000	10,000	63,107	53,107
Issuance of right to use leased assets	-	-	8,714	8,714
Issuance of subscription based IT arrangements	-	-	2,432,201	2,432,201
Transfers in	615,501	618,501	614,632	(3,869)
Transfers out	(1,557,984)	(11,953,661)	(11,506,015)	447,646
Total other financing sources (uses)	<u>(932,483)</u>	<u>(11,325,160)</u>	<u>(8,387,361)</u>	<u>2,937,799</u>
Net change in fund balance	449,956	(10,948,733)	3,033,553	13,982,286
Fund balance - beginning	<u>47,740,699</u>	<u>47,740,699</u>	<u>47,740,699</u>	<u>-</u>
Fund balance - ending	<u>\$ 48,190,655</u>	<u>\$ 36,791,966</u>	<u>\$ 50,774,252</u>	<u>\$ 13,982,286</u>

Road & Bridge Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 8,794,304	\$ 8,794,304	\$ 8,575,452	\$(218,852)
68,000	68,000	111,156	43,156
2,064,000	2,064,000	2,255,642	191,642
-	-	-	-
-	-	-	-
40,200	40,200	412,712	372,512
<u>121,600</u>	<u>121,600</u>	<u>250,923</u>	<u>129,323</u>
<u>11,088,104</u>	<u>11,088,104</u>	<u>11,605,885</u>	<u>517,781</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
13,344,085	13,215,050	8,452,723	4,762,327
-	-	-	-
-	-	-	-
-	-	-	-
1,336,492	1,577,564	1,339,247	238,317
-	-	-	-
-	-	-	-
<u>14,680,577</u>	<u>14,792,614</u>	<u>9,791,970</u>	<u>5,000,644</u>
<u>(3,592,473)</u>	<u>(3,704,510)</u>	<u>1,813,915</u>	<u>5,518,425</u>
-	-	149,398	149,398
-	-	-	-
-	-	6,000	6,000
-	-	-	-
-	-	<u>155,398</u>	<u>155,398</u>
<u>(3,592,473)</u>	<u>(3,704,510)</u>	1,969,313	5,673,823
<u>6,448,772</u>	<u>6,448,772</u>	<u>6,448,772</u>	-
<u>\$ 2,856,299</u>	<u>\$ 2,744,262</u>	<u>\$ 8,418,085</u>	<u>\$ 5,673,823</u>

JOHNSON COUNTY, TEXAS

Texas County and District Retirement System

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios For the Last Ten Measurement Years Ended December 31,

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Pension Liability				
Service cost	\$ 5,829,990	\$ 4,594,581	\$ 3,983,381	\$ 3,590,557
Interest on total pension liability	11,756,529	10,987,082	10,246,724	9,554,779
Effect of plan changes	-	-	-	-
Effect of assumption changes or inputs	-	(114,592)	8,110,474	-
Effect of economic/demographic (gains) or losses	361,493	(207,101)	796,747	313,482
Benefit payments/refunds of contributions	(6,692,544)	(6,061,159)	(5,315,194)	(5,303,269)
Net Change in Total Pension Liability	11,255,468	9,198,811	17,822,132	8,155,549
Total Pension Liability - beginning	<u>152,146,180</u>	<u>142,947,369</u>	<u>125,125,237</u>	<u>116,969,688</u>
Total Pension Liability - ending (a)	<u>\$ 163,401,648</u>	<u>\$ 152,146,180</u>	<u>\$ 142,947,369</u>	<u>\$ 125,125,237</u>
Fiduciary Net Position				
Employer contributions	\$ 5,808,389	\$ 3,979,341	\$ 3,596,528	\$ 3,175,837
Member contributions	3,265,769	2,424,284	2,191,101	2,041,377
Investment income net of investment expense	(9,615,677)	28,894,667	12,264,209	16,767,350
Benefit payments/refunds of contributions	(6,692,544)	(6,061,159)	(5,315,194)	(5,303,269)
Administrative expense	(90,077)	(86,867)	(96,125)	(90,459)
Other	<u>469,529</u>	<u>45,997</u>	<u>21,157</u>	<u>13,906</u>
Net Change in Fiduciary Net Position	(6,854,611)	29,196,263	12,661,676	16,604,742
Fiduciary Net Position - beginning	<u>160,565,161</u>	<u>131,368,898</u>	<u>118,707,222</u>	<u>102,102,480</u>
Fiduciary Net Position - ending (b)	<u>\$ 153,710,550</u>	<u>\$ 160,565,161</u>	<u>\$ 131,368,898</u>	<u>\$ 118,707,222</u>
Net Pension Liability/(Asset) - ending (a)-(b)	<u>\$ 9,691,098</u>	<u>\$(8,418,981)</u>	<u>\$ 11,578,471</u>	<u>\$ 6,418,015</u>
Fiduciary Net Position as a Percentage of Total Pension Liability	94.07%	105.53%	91.90%	94.87%
Pensionable covered payroll	\$ 46,653,839	\$ 34,632,632	\$ 31,301,448	\$ 29,162,524
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	20.77%	(24.31%)	36.99%	22.01%

Note - This schedule is presented to illustrate the requirements to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 68, they should not be shown. Therefore, we have shown only years for which the new GASB statements have been implemented.

	2018	2017	2016	2015	2014
\$	3,466,432	\$ 3,602,644	\$ 3,686,376	\$ 3,356,710	\$ 3,228,313
	8,924,763	8,331,782	7,591,733	7,131,530	6,593,390
	-	-	-	(605,396)	-
	-	409,272	-	1,024,387	-
	393,570	(183,883)	291,215	(1,277,227)	63,386
	(4,965,130)	(4,450,589)	(4,014,436)	(3,799,131)	(3,231,425)
	7,819,635	7,709,226	7,554,888	5,830,873	6,653,664
	<u>109,150,053</u>	<u>101,440,827</u>	<u>93,885,939</u>	<u>88,055,066</u>	<u>81,401,402</u>
\$	<u>116,969,688</u>	<u>109,150,053</u>	<u>101,440,827</u>	<u>93,885,939</u>	<u>88,055,066</u>
\$	2,886,381	\$ 2,704,447	\$ 2,617,668	\$ 2,511,927	\$ 2,470,381
	1,867,348	1,873,863	1,805,291	1,703,829	1,688,738
(	1,946,155)	13,284,062	6,229,109	(616,199)	5,292,764
(	4,965,130)	(4,450,589)	(4,014,436)	(3,799,131)	(3,231,425)
(	82,009)	(69,388)	(67,695)	(60,576)	(62,523)
	<u>4,182</u>	<u>1,058</u>	<u>409,118</u>	<u>199,540</u>	<u>(138,000)</u>
(	2,235,383)	13,343,453	6,979,055	(60,610)	6,019,935
	<u>104,337,863</u>	<u>90,994,410</u>	<u>84,015,355</u>	<u>84,075,965</u>	<u>78,056,030</u>
\$	<u>102,102,480</u>	<u>104,337,863</u>	<u>90,994,410</u>	<u>84,015,355</u>	<u>84,075,965</u>
\$	<u>14,867,208</u>	<u>4,812,190</u>	<u>10,446,417</u>	<u>9,870,584</u>	<u>3,979,101</u>
	87.29%	95.59%	89.70%	89.49%	95.48%
\$	26,676,399	\$ 26,104,730	\$ 25,789,868	\$ 24,340,413	\$ 24,124,827
	55.73%	18.43%	40.51%	40.55%	16.49%

JOHNSON COUNTY, TEXAS

*Texas County And District Retirement System
 Schedule Of Employer Contributions
 For the Ten Years Ended September 30,*

Exhibit 12

	<u>Actuarially Determined Contribution⁽¹⁾</u>	<u>Actual Employer Contribution⁽¹⁾</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll⁽²⁾</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2014	\$ 2,407,913	\$ 2,407,913	\$ -	\$ 23,781,437	10.1%
2015	2,492,624	2,492,624	-	24,205,219	10.3%
2016	2,707,614	2,707,614	-	26,561,630	10.2%
2017	2,687,041	2,687,041	-	26,059,464	10.3%
2018	2,801,251	2,801,251	-	26,149,000	10.7%
2019	3,139,996	3,139,996	-	28,876,370	10.9%
2020	3,397,114	3,397,114	-	29,926,967	11.4%
2021	3,478,172	3,552,854	(74,682)	30,921,273	11.5%
2022	5,481,255	5,520,861	(39,606)	45,269,691	12.2%
2023	5,553,167	6,266,209	(713,042)	50,330,993	12.5%

⁽¹⁾ TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

⁽²⁾ Payroll is calculated based on contributions as reported to TCDRS.



JOHNSON COUNTY, TEXAS

Johnson County Retiree Health Care Plan

Schedule of Changes in Total OPEB Liability and Related Ratios

Fiscal Year Ending September 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total OPEB Liability				
Service cost	\$ 367,687	\$ 331,882	\$ 331,882	\$ 407,464
Interest on the Total OPEB Liability	183,527	101,088	98,711	116,430
Difference between expected and actual experience	-	(376,519)	48,981	(541,872)
Changes of assumptions	-	(664,048)	70,005	96,586
Benefit payments	(196,579)	(196,579)	(194,407)	(163,135)
Net Change in Total OPEB Liability	354,635	(804,176)	355,172	(84,527)
Total OPEB Liability - beginning	<u>3,578,133</u>	<u>4,382,309</u>	<u>4,027,137</u>	<u>4,111,664</u>
Total OPEB Liability - ending	<u>\$ 3,932,768</u>	<u>\$ 3,578,133</u>	<u>\$ 4,382,309</u>	<u>\$ 4,027,137</u>
Covered-Employee Payroll	<u>\$ 35,235,254</u>	<u>\$ 35,235,254</u>	<u>\$ 28,665,295</u>	<u>\$ 27,456,551</u>
Net OPEB Liability as a Percentage of Covered-Employee Payroll	<u>11.16%</u>	<u>10.15%</u>	<u>15.29%</u>	<u>14.67%</u>

Notes to Schedule:

There are no assets accumulated in a trust that meets the criteria of GASB to pay related benefits for the OPEB plan.

For the year ending September 30, 2023, the health care trend rates were reset to better reflect the plan's anticipated experience and to reflect the repeal of the excise tax on high-cost employer health plans.

Changes of assumptions reflect the effects of changes in the discount rates each period. The following are the discount rates used in each period.

<u>Fiscal Year Ending</u>	<u>Discount Rate</u>
2023	4.77%
2022	4.77%
2021	2.19%
2020	2.41%
2019	2.76%
2018	3.83%
2017	3.50%

This schedule is presented to illustrate the requirements to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74, they should not be shown. Therefore, we have shown only years for which the new GASB statements have been implemented.

<u>2019</u>	<u>2018</u>
\$ 311,838	\$ 319,478
138,249	118,225
(7,941)	-
284,814	(78,374)
<u>(138,030)</u>	<u>(109,424)</u>
588,930	249,905
<u>3,522,734</u>	<u>3,272,829</u>
\$ <u>4,111,664</u>	\$ <u>3,522,734</u>
\$ <u>26,417,574</u>	\$ <u>22,612,390</u>
<u>15.56%</u>	<u>15.58%</u>

JOHNSON COUNTY, TEXAS

Notes to the Required Supplementary Information
For the Year Ended September 30, 2023

NOTE 1 - BUDGETARY INFORMATION

The budget law of the State of Texas provides that amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in the funds, plus the anticipated revenues for the current year as estimated by the County Auditor. The fund budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles. The major funds, General Fund and Road & Bridge Fund, budget and actual comparisons are presented as Required Supplementary Information at the fund level.

Although the level of budgetary control is total revenues plus available fund balance, the County adopts its budget at a line-item level for managerial control purposes. Line item level is defined for revenue purposes as the type of revenue to be derived and for expenditures purposes by department and type of expenditures (salaries and wages and employee benefits; operating expenditures; and capital outlay). Budget amendments to transfer budgeted amounts from one line item to another may be made at the discretion of the Commissioners Court.

NOTE 2 - SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSETS) AND RELATED RATIOS

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	8.6 years (based on contribution rate calculated in 12/31/2022 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	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

JOHNSON COUNTY, TEXAS

*Notes to the Required Supplementary Information
For the Year Ended September 30, 2023*

NOTE 2 - SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSETS) AND RELATED RATIOS - Continued

Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*

2015: New inflation, mortality and other assumption were reflected.
2017: New mortality assumptions were reflected.
2019: New inflation, mortality and other assumptions were reflected.
2022: New investment return and inflation assumptions were reflected.

Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*

2015: No changes in plan provisions were reflected in the Schedule.
2016: No changes in plan provisions were reflected in the Schedule.
2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.
2018: No changes in plan provisions were reflected in the Schedule.
2019: No changes in plan provisions were reflected in the Schedule.
2020: No changes in plan provisions were reflected in the Schedule.
2021: No changes in plan provisions were reflected in the Schedule.
2022: No changes in plan provisions were reflected in the Schedule.

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



**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Law Library Fund - This fund accounts for the cost of operating and maintaining a law library for public use. Revenues are derived from law library fees assessed against each civil case filed in District and County courts.

Records Management and Preservation Fund - The "Records Management and Preservation" fee collected by the County and District Clerks, pursuant to Local Government Code 118.011, is for the records management and preservation services performed after the filing and recording of a document in the records of the office of the clerk. The fee is used to provide funds for specific records preservation and automation projects.

Records Management & Preservation - County Clerk Fund - A percentage of civil fees collected by the court clerk, pursuant to Local Government Code 135.154, are for records management and preservation services, including automation, performed by the County Clerk.

Records Management & Preservation - District Clerk Fund - A percentage of civil fees collected by the court clerk, pursuant to Local Government Code 135.154, are for records management and preservation services, including automation, performed by the District Clerk.

Records Management & Preservation - Recording Fund - Pursuant to Local Government Code 118.011(b)(2) & 118.0216, fees for filing or recording services for non-court related documents are used for specific records managements and preservation, including for automation purposes. This fund may also be used for employee salaries or, with prior commissioners' court approval, to supplement deputies' salaries. Salaries must be proportional to the amount of time each employee spends on management & preservation purposes.

Vital Statistics Preservation Fund - The "Vital Statistics" fee collected by the County Clerk pursuant to Health & Safety Code 191.0045 is for the preservation of vital statistical records. This includes preserving records, training regarding vital statistics and ensuring safety and security of vital statistics records.

Elections Services Contract Fund - This fund accounts for surplus funds from Election Service Contracts under the Texas Election Code 31.003. Funds are used only to defray expenses of the County election officer's office in connection with election-related duties or functions.

STOP SCU Federal Forfeitures Fund - This fund accounts for the funds received from forfeitures in a federal case.

District Attorney Forfeiture Fund - This fund accounts for funds forfeited by the court to the District Attorney. Disbursement is at the discretion of the District Attorney.

Sheriff Forfeiture Fund - This fund accounts for funds forfeited by the court to the Sheriff. Disbursement is at the discretion of the Sheriff.

STOP SCU Forfeiture Fund - This fund accounts for the funds received from forfeitures.

Juvenile Justice Alternative Education Fund - This fund accounts for intergovernmental revenues from the Texas Juvenile Justice Department to fund mandatory juvenile justice alternative education programs as required under Chapter 37, Texas Education Code.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Truancy Prevention and Diversion Fund - This fund accounts for proceeds which are used by Juvenile Case Managers for management of juvenile truancy case activity.

Juvenile Probation Fees Fund - This fund accounts for the receipt and disbursement of fees collected by the Juvenile Probation Department.

Unclaimed Juvenile Restitution Fund - This fund accounts for funds resulting from unclaimed juvenile restitution payments. Family Code, Section 54.0482 authorized such funds to be used for the same purposes for which the County may expend juvenile state aide.

Justice of the Peace Technology Fund - This fund accounts for the mandate that each Johnson County justice court assess a technology fee on each conviction, as defined by Art. 102.0173 Code of Criminal Procedure, for a fine-only misdemeanor committed on or after January 1, 2002. The use of this fee is restricted to the purchase of technological enhancements for a justice court.

County Specialty Court Fund - This fund is used to record fees collected under Local Government Code 134 to fund only specialty court programs under Subtitle K, Title 2 of the Government Code.

Courthouse Security Fund - This fund accounts for funds used to monitor and increase courthouse security.

Justice Court Building Security Fund - The State Legislature amended the Court of Criminal Procedures Art. 102.017 by adding \$ 1 to the existing Courthouse Security Fund. The Justice of the Peace collect the funds and deposit them in a Justice Court building security fund for providing security services for a Justice Court located in a building that is not in the County Courthouse.

Court Facility Fund - A percentage of civil fees collected by the court clerk, pursuant to Local Government Code 135.152, to fund the construction, renovation, or improvement of facilities that house the courts or pay the principal of, interest on, and costs of issuance of bonds issued for the construction, renovation, or improvement of the facilities

Guardianship Fee Fund - This fund accounts for proceeds that provide guardians for indigent incapacitated persons who do not have family members suitable and willing to serve as guardians.

Language Access Fund - A percentage of civil fees collected by the court clerk, pursuant to Local Government Code 135.155, to provide language access services for individuals appearing before the court or receiving court services.

Court Reporter Service Fund - This fund accounts for court reporter service fees collected on each civil case filed in courts with an official court reporter. Funds are used only to defray the cost of court reporter related services.

Judicial Education & Support Fund - A percentage of civil fees collected by the court clerk, pursuant to Local Government Code 135.159, to pay the continuing judicial education and travel expenses of the judge and staff of the probate court; or the county's contribution to fund the compensation required by Government Code 25.0022 for the presiding judge of a statutory probate court.

Record Archives - County Clerk Fund - The "Records Archive" fee collected by the County Clerk, pursuant to Local Government Code 118.011 (f), is for the preservation and restoration services performed by the County Clerk in connection with maintaining a County Clerk's records archive.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

Record Archives - District Clerk Fund - The "Records Archive" fee collected by the District Clerk, pursuant to Local Government Code 118.011 (f), is for the preservation and restoration services performed by the District Clerk in connection with maintaining a District Clerk's records archive.

County/District Court Technology Fund - This fund accounts for fees collected and utilized for the purchase and maintenance of technological enhancements, or the cost of continuing education and training of county/district court judges and clerks regarding technological enhancements.

Court Records Preservation Digital Fund - This fund accounts for funds received to provide systems to be used for court records preservation.

District Court Records Technology Fund - This fund accounts for fees collected and utilized solely for the preservation and restoration of District Court archives.

Pecan Valley Centers Fund - This fund accounts for the activities of Pecan Valley Centers.

Indigent Health Care Fund - This fund is used to account for the cost of providing medical care to indigent County residents. Property taxes are allocated each year for this purpose.

Opioid Remediation Fund - This fund is used to account for revenue received from the State's Opioid Abatement settlement funds. Funds are to be utilized to address opioid-related harms in the community.

Right of Way Fund - This fund accounts for proceeds used to acquire and maintain right-of-ways for various road projects throughout the County. These expenditures are a mixture of both capital and operating costs.

Historical Commission Fund - This fund accounts for resources used to preserve the history and heritage of Johnson County.

Veterans Service Juror Donations Fund - To deposit juror reimbursement donations, pursuant to Government Code 61.003, directed to benefit veterans services, into a special revenue fund to be utilized by the veterans county service office. Funds received can be utilized for any legitimate and lawful expenses of the veterans service office, within commissions court approved budgeted line items.

Pre-Trial Bond Supervision Fund - This fund accounts for fees earned and expenditures authorized for participants' successful completion of the pre-trial bond program ordered by the court under the supervision of the Community Service and Corrections Department.

STOP SCU Operations Fund - This fund accounts for the funds provided through interlocal agreements and utilized for the drug task force.

Sheriff Inmate Commissary Fund - This fund is used to account for jail inmates' purchase of food, toiletry items, and other supplies. Expenditures are for the purchase of stock and profits generated may be used by the Sheriff to purchase items for the benefit of the inmate population.

Sheriff LEOSE Fund - This fund accounts for fees provided for law enforcement officers' educational expenditures under the Law Enforcement Officers Standards & Education program.

County Attorney Collection Fund - This fund accounts for receipt and disbursement of fees earned for the collection of bad checks issued in the County. Disbursement is at the discretion of the County Attorney.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - Continued

County Attorney LEOSE Fund - This fund accounts for fees provided for law enforcement officers' educational expenditures under the Law Enforcement Officers Standards & Education program.

District Attorney 18th Judicial Fund - This fund accounts for funds received from the state for salary supplements and welfare fraud expense reimbursements in the District Attorney's Office.

District Attorney Collection Fund - This fund accounts for receipt and disbursement of fees earned for the collection of bad checks issued in the County. Disbursement is at the discretion of the District Attorney.

Combined Constables LEOSE Fund - This fund accounts for fees provided for law enforcement officers' educational expenditures under the Law Enforcement Officers Standards & Education program.

MVIE - Tax A/C Penalty & Interest - This fund accounts for interest earned from the Tax Assessor/Collector Special Inventory Account to provide more efficient service to dealers. Disbursement is at the discretion of the Tax Assessor/Collector.

Cities Readiness Initiative Fund - This fund accounts for grant proceeds that allow the County to assist the Office of Public Health in the implementation of activities associated with the FY 04 Centers for Disease Control and Prevention (CDC) Public Health Preparedness and Response for Bioterrorism Cooperative Agreement. This project is designed to upgrade state and local public health jurisdictions' preparedness for a response to bioterrorism, other outbreaks of infectious disease, and other public health threats and emergencies.

LATCF (Local Assistance & Tribal Consistency Fund) - This fund is used to account for the federal grant funds received by Johnson County that shall be used on programs, services and/or capital expenditures that are traditionally undertaken by a government and considered to fulfill a "governmental purpose."

Juvenile Probation Fund - This fund accounts for revenues received from the Texas Juvenile Justice Department to supplement expenditures of the County in administering a Juvenile Probation Department. The County operates under an approved budget with the TJJD and submits reports quarterly with an annual contract report submitted as of each fiscal year ended August 31.

Bullet Resistant Shield Grant - This fund is used to account for the state grant funds from the Office of the Governor - Criminal Justice Division that shall be used to provide bullet resistant shields for the Sheriff's office and the four Constables' office.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Construction Projects Fund - This fund is used to record costs incurred in constructing or improving a capital asset that meet the capital construction criteria and are not funded by either grants or borrowed funds.

Software Projects Fund - This fund is used to account for the acquisition and implementation of new software systems.

Burleson Sub Courthouse Construction Fund - This fund is used to account for expenditures incurred in the renovation of the Burleson Sub Courthouse.

Sheriff's Office Renovation Fund - This fund is used to account for expenditures incurred in the renovation of the Sheriff's office.

911 Call Center Fund - This fund is used to record expenditures for the construction of a 911 Call Center and the costs incurred to equip the call center. Funding is provided thru the American Rescue Plan Act (ARPA).

Building Maintenance Workshop Fund - This fund is used to record expenditures for the construction of a maintenance workshop for Johnson County as well as a workshop for the Community Supervision and Corrections Department.

Evidence Processing Building - This fund is used to account for expenditures for the construction of an Evidence Processing Building. This facility will be used by law enforcement to secure evidence and to process automobiles for evidence.

Law Enforcement Software Fund - This fund is used to record expenditures for the configuration and implementation of a Law Enforcement/Public Safety software platform.



JOHNSON COUNTY, TEXAS

*Combining Balance Sheet -
Nonmajor Governmental Funds
September 30, 2023*

	Law Library Fund	Records Management and Preservation Fund	Special Records Management & Preservation County Clerk Fund
Assets:			
Cash and temporary investments	\$ 168,959	\$ -	\$ 560,358
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid expenditures	-	-	-
Total assets	\$ 168,959	\$ -	\$ 560,358
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ 5,882	\$ -	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	5,882	-	-
Deferred Inflows of Resources:			
Deferred inflows of resources	-	-	-
Total deferred inflows of resources	-	-	-
Fund Balance:			
Nonspendable	-	-	-
Restricted	163,077	-	560,358
Total fund balance	163,077	-	560,358
Total liabilities, deferred inflows of resources and fund balance	\$ 168,959	\$ -	\$ 560,358

Revenue Funds

Records Management & Preservation District Clerk Fund	Records Management & Preservation Recording Fund	Vital Statistics Preservation Fund	Election Services Contract Fund	STOP SCU Federal Forfeitures Fund	District Attorney Forfeiture Fund
\$ 136,041	\$ 2,917,315	\$ 42,353	\$ 830,793	\$ 4,813	\$ 128,797
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	342
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>136,041</u>	<u>2,917,315</u>	<u>42,353</u>	<u>830,793</u>	<u>4,813</u>	<u>129,139</u>
\$ -	\$ 6,237	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	6,237	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>136,041</u>	<u>2,911,078</u>	<u>42,353</u>	<u>830,793</u>	<u>4,813</u>	<u>129,139</u>
<u>136,041</u>	<u>2,911,078</u>	<u>42,353</u>	<u>830,793</u>	<u>4,813</u>	<u>129,139</u>
<u>\$ 136,041</u>	<u>\$ 2,917,315</u>	<u>\$ 42,353</u>	<u>\$ 830,793</u>	<u>\$ 4,813</u>	<u>\$ 129,139</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Balance Sheet -
Nonmajor Governmental Funds - Continued
September 30, 2023*

	Sheriff Forfeiture Fund	STOP SCU Forfeiture Fund	Special Juvenile Justice Alternative Education Fund
Assets:			
Cash and temporary investments	\$ 6,288	\$ 806,432	\$ 62,744
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	62,694
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid expenditures	-	-	-
Total assets	<u>\$ 6,288</u>	<u>\$ 806,432</u>	<u>\$ 125,438</u>
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ -	\$ -	\$ 19,328
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>19,328</u>
Deferred Inflows of Resources:			
Deferred inflows of resources	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Nonspendable	-	-	-
Restricted	6,288	806,432	106,110
Total fund balance	<u>6,288</u>	<u>806,432</u>	<u>106,110</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 6,288</u>	<u>\$ 806,432</u>	<u>\$ 125,438</u>

Revenue Funds

Truancy Prevention and Diversion Fund	Juvenile Probation Fees Fund	Unclaimed Juvenile Restitution Fund	Justice of the Peace Technology Fund	County Specialty Court Fund	Courthouse Security Fund
\$ 23,504	\$ 68,189	\$ 1,378	\$ 303,701	\$ 46,169	\$ 228,925
-	-	-	-	-	-
-	-	-	-	-	-
-	1,552	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,504</u>	<u>69,741</u>	<u>1,378</u>	<u>303,701</u>	<u>46,169</u>	<u>228,925</u>
\$ 9	\$ -	\$ -	\$ 1,481	\$ -	\$ 15,575
-	-	-	-	-	-
-	-	-	-	-	-
<u>9</u>	<u>-</u>	<u>-</u>	<u>1,481</u>	<u>-</u>	<u>15,575</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,495</u>	<u>69,741</u>	<u>1,378</u>	<u>302,220</u>	<u>46,169</u>	<u>213,350</u>
<u>23,495</u>	<u>69,741</u>	<u>1,378</u>	<u>302,220</u>	<u>46,169</u>	<u>213,350</u>
<u>\$ 23,504</u>	<u>\$ 69,741</u>	<u>\$ 1,378</u>	<u>\$ 303,701</u>	<u>\$ 46,169</u>	<u>\$ 228,925</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Balance Sheet -
Nonmajor Governmental Funds - Continued
September 30, 2023*

	Special		
	Justice Court Building Security Fund	Court Facility Fund	Guardianship Fee Fund
Assets:			
Cash and temporary investments	\$ 99,310	\$ 105,530	\$ 42,020
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid expenditures	-	-	-
	<u>99,310</u>	<u>105,530</u>	<u>42,020</u>
Total assets	\$ <u>99,310</u>	\$ <u>105,530</u>	\$ <u>42,020</u>
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:			
Deferred inflows of resources	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Nonspendable	-	-	-
Restricted	99,310	105,530	42,020
	<u>99,310</u>	<u>105,530</u>	<u>42,020</u>
Total fund balance	<u>99,310</u>	<u>105,530</u>	<u>42,020</u>
Total liabilities, deferred inflows of resources and fund balance	\$ <u>99,310</u>	\$ <u>105,530</u>	\$ <u>42,020</u>

Revenue Funds

Language Access Fund	Court Reporter Service Fund	Judicial Education & Support Fund	Record Archives - County Clerk Fund	Record Archives - District Clerk Fund	County/District Court Technology Fund
\$ 33,418	\$ 138,939	\$ 4,761	\$ 869,275	\$ 82,991	\$ 13,212
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,418</u>	<u>138,939</u>	<u>4,761</u>	<u>869,275</u>	<u>82,991</u>	<u>13,212</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,418</u>	<u>138,939</u>	<u>4,761</u>	<u>869,275</u>	<u>82,991</u>	<u>13,212</u>
<u>33,418</u>	<u>138,939</u>	<u>4,761</u>	<u>869,275</u>	<u>82,991</u>	<u>13,212</u>
<u>\$ 33,418</u>	<u>\$ 138,939</u>	<u>\$ 4,761</u>	<u>\$ 869,275</u>	<u>\$ 82,991</u>	<u>\$ 13,212</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Balance Sheet -
Nonmajor Governmental Funds - Continued
September 30, 2023*

	Special		
	Court Records Preservation Digital Fund	District Court Records Technology Fund	Pecan Valley Centers Fund
Assets:			
Cash and temporary investments	\$ 417,501	\$ 236,565	\$ 18,755
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	491
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid expenditures	-	-	-
Total assets	<u>\$ 417,501</u>	<u>\$ 236,565</u>	<u>\$ 19,246</u>
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ -	\$ 45,131	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>45,131</u>	<u>-</u>
Deferred Inflows of Resources:			
Deferred inflows of resources	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Nonspendable	-	-	-
Restricted	417,501	191,434	19,246
Total fund balance	<u>417,501</u>	<u>191,434</u>	<u>19,246</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 417,501</u>	<u>\$ 236,565</u>	<u>\$ 19,246</u>

Revenue Funds

Indigent Health Care Fund	Opioid Remediation Fund	Right of Way Fund	Historical Commission Fund	Veterans Service Juror Donations Fund	Pre-trial Bond Supervision Fund
\$ 3,397,372	\$ 129,648	\$ 508,933	\$ 65,175	\$ 11,861	\$ 462,425
131,851	-	821,507	-	-	-
23,477	-	-	-	-	-
188	-	764	-	76	20,816
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,552,888</u>	<u>129,648</u>	<u>1,331,204</u>	<u>65,175</u>	<u>11,937</u>	<u>483,241</u>
\$ 232,179	\$ -	\$ -	\$ 60	\$ -	\$ 12,280
-	-	-	-	-	-
-	-	-	-	-	-
<u>232,179</u>	<u>-</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>12,280</u>
<u>18,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>18,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>3,302,327</u>	<u>129,648</u>	<u>1,331,204</u>	<u>65,115</u>	<u>11,937</u>	<u>470,961</u>
<u>3,302,327</u>	<u>129,648</u>	<u>1,331,204</u>	<u>65,115</u>	<u>11,937</u>	<u>470,961</u>
<u>3,552,888</u>	<u>129,648</u>	<u>1,331,204</u>	<u>65,175</u>	<u>11,937</u>	<u>483,241</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Balance Sheet -
Nonmajor Governmental Funds - Continued
September 30, 2023*

	Special		
	STOP SCU Operations Fund	Sheriff Inmate Commissary Fund	Sheriff LEOSE Fund
Assets:			
Cash and temporary investments	\$ 189,989	\$ 1,082,788	\$ 21,069
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	618	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	-	104,455	-
Prepaid expenditures	5,292	-	-
	<u>195,899</u>	<u>1,187,243</u>	<u>21,069</u>
Total assets	\$ 195,899	\$ 1,187,243	\$ 21,069
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ 4,936	\$ 49,384	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
	<u>4,936</u>	<u>49,384</u>	<u>-</u>
Total liabilities	4,936	49,384	-
Deferred Inflows of Resources:			
Deferred inflows of resources	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	-	-	-
Fund Balance:			
Nonspendable	5,292	104,455	-
Restricted	185,671	1,033,404	21,069
	<u>190,963</u>	<u>1,137,859</u>	<u>21,069</u>
Total fund balance	190,963	1,137,859	21,069
Total liabilities, deferred inflows of resources and fund balance	\$ 195,899	\$ 1,187,243	\$ 21,069

Revenue Funds

County Attorney Collection Fund	County Attorney LEOSE Fund	District Attorney 18 th Judicial Fund	District Attorney Collection Fund	Combined Constables LEOSE Fund	MVIE Tax A/C Penalty & Interest Fund
\$ 48,854	\$ 1,617	\$ 781	\$ 11,889	\$ 19,698	\$ 92,292
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,830	-	-	11,533
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 48,854</u>	<u>\$ 1,617</u>	<u>\$ 2,611</u>	<u>\$ 11,889</u>	<u>\$ 19,698</u>	<u>\$ 103,825</u>
\$ -	\$ -	\$ 1,830	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	18,851	-
-	-	1,830	-	18,851	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>48,854</u>	<u>1,617</u>	<u>781</u>	<u>11,889</u>	<u>847</u>	<u>103,825</u>
<u>48,854</u>	<u>1,617</u>	<u>781</u>	<u>11,889</u>	<u>847</u>	<u>103,825</u>
<u>\$ 48,854</u>	<u>\$ 1,617</u>	<u>\$ 2,611</u>	<u>\$ 11,889</u>	<u>\$ 19,698</u>	<u>\$ 103,825</u>

(continued)

JOHNSON COUNTY, TEXAS

Combining Balance Sheet -
 Nonmajor Governmental Funds - Continued
 September 30, 2023

	Special Revenue		
	Cities Readiness Initiative Fund	Local Assistance & Tribal Consistency Fund	Juvenile Probation Fund
Assets:			
Cash and temporary investments	\$ 28,401	\$ 111,533	\$ 125,618
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	124
Due from other governments	5,274	-	210,512
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid expenditures	-	-	-
Total assets	\$ 33,675	\$ 111,533	\$ 336,254
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ 3,675	\$ -	\$ 59,784
Due to other funds	30,000	-	276,470
Unearned revenue	-	111,533	-
Total liabilities	33,675	111,533	336,254
Deferred Inflows of Resources:			
Deferred inflows of resources	-	-	-
Total deferred inflows of resources	-	-	-
Fund Balance:			
Nonspendable	-	-	-
Restricted	-	-	-
Total fund balance	-	-	-
Total liabilities, deferred inflows of resources and fund balance	\$ 33,675	\$ 111,533	\$ 336,254

Funds		Capital Project Funds			
Bullet Resistant Shield Grant Fund	Total Special Revenue Funds	Construction Projects Fund	Software Projects Fund	Burleson Sub Courthouse Construction Fund	Sheriff's Office Renovation Fund
\$ -	\$ 14,708,979	\$ -	\$ 149,755	\$ -	\$ 38,375
-	953,358	-	-	-	-
-	23,477	-	-	-	-
-	38,334	-	-	-	-
-	278,480	-	-	-	-
-	-	-	-	-	131,968
-	104,455	-	-	-	-
-	5,292	-	-	-	-
<u>\$ -</u>	<u>\$ 16,112,375</u>	<u>\$ -</u>	<u>\$ 149,755</u>	<u>\$ -</u>	<u>\$ 170,343</u>
\$ -	\$ 457,771	\$ -	\$ -	\$ -	\$ 170,343
-	306,470	-	-	-	-
-	130,384	-	-	-	-
-	894,625	-	-	-	170,343
-	18,382	-	-	-	-
-	18,382	-	-	-	-
-	109,747	-	-	-	-
-	15,089,621	-	149,755	-	-
-	15,199,368	-	149,755	-	-
<u>\$ -</u>	<u>\$ 16,112,375</u>	<u>\$ -</u>	<u>\$ 149,755</u>	<u>\$ -</u>	<u>\$ 170,343</u>

continued)

JOHNSON COUNTY, TEXAS

*Combining Balance Sheet -
Nonmajor Governmental Funds - Continued
September 30, 2023*

	Capital		
	911 Call Center Fund	Building Maintenance Workshop Fund	Evidence Processing Building Fund
Assets:			
Cash and temporary investments	\$ 921,948	\$ 230,895	\$ 3
Investments	-	-	-
Receivables (Net of Allowance for Uncollectibles):			
Taxes	-	-	-
Accounts	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid expenditures	-	-	-
Total assets	\$ 921,948	\$ 230,895	\$ 3
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts and accrued liabilities payable	\$ 542,341	\$ -	\$ -
Due to other funds	365,390	-	-
Unearned revenue	-	-	-
Total liabilities	907,731	-	-
Deferred Inflows of Resources:			
Deferred inflows of resources	-	-	-
Total deferred inflows of resources	-	-	-
Fund Balance:			
Nonspendable	-	-	-
Restricted	14,217	230,895	3
Total fund balance	14,217	230,895	3
Total liabilities, deferred inflows of resources and fund balance	\$ 921,948	\$ 230,895	\$ 3

Project Funds

<u>Law Enforcement Software Fund</u>	<u>Total Capital Project Funds</u>	<u>Total Non-Major Governmental Funds</u>
\$ 266,483	\$ 1,607,459	\$ 16,316,438
-	-	953,358
-	-	23,477
-	-	38,334
-	-	278,480
-	131,968	131,968
-	-	104,455
-	-	5,292
<u>\$ 266,483</u>	<u>\$ 1,739,427</u>	<u>\$ 17,851,802</u>
\$ -	\$ 712,684	\$ 1,170,455
-	365,390	671,860
-	-	130,384
-	1,078,074	1,972,699
-	-	18,382
-	-	18,382
-	-	109,747
<u>266,483</u>	<u>661,353</u>	<u>15,750,974</u>
<u>266,483</u>	<u>661,353</u>	<u>15,860,721</u>
<u>\$ 266,483</u>	<u>\$ 1,739,427</u>	<u>\$ 17,851,802</u>

JOHNSON COUNTY, TEXAS

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
For the Year Ended September 30, 2023*

	Law Library Fund	Records Management and Preservation Fund	Special Records Management & Preservation County Clerk Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	110,528	-	42,258
Fines	-	-	-
Investment income	3,847	-	19,212
Miscellaneous	-	-	-
Total revenues	114,375	-	61,470
Expenditures:			
Current:			
General government	98,564	-	6,218
Administration of justice	-	-	-
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
Total expenditures	98,564	-	6,218
Excess (deficiency) of revenue over expenditures	15,811	-	55,252
Other Financing Sources (Uses):			
Issuance of subscription based IT arrangements	-	-	-
Transfers in	-	-	-
Transfers out	-	(2,256,739)	-
Total other financing sources (uses)	-	(2,256,739)	-
Net change in fund balance	15,811	(2,256,739)	55,252
Fund balance - beginning	147,266	2,256,739	505,106
Fund balance - ending	<u>\$ 163,077</u>	<u>\$ -</u>	<u>\$ 560,358</u>

Revenue Funds

Records Management & Preservation District Clerk Fund	Records Management & Preservation Recording Fund	Vital Statistics Preservation Fund	Election Services Contract Fund	STOP SCU Federal Forfeitures Fund	District Attorney Forfeiture Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	37,255	-	-
80,823	375,290	10,799	-	-	-
-	-	-	-	-	2,779
2,378	111,826	894	22,494	118	3,100
-	-	-	126,437	-	-
<u>83,201</u>	<u>487,116</u>	<u>11,693</u>	<u>186,186</u>	<u>118</u>	<u>5,879</u>
6,517	184,762	-	-	-	-
-	-	-	-	-	-
-	-	-	34,992	-	-
-	-	-	-	-	-
-	5,792	-	-	-	-
-	-	-	-	-	-
<u>6,517</u>	<u>190,554</u>	<u>-</u>	<u>34,992</u>	<u>-</u>	<u>-</u>
<u>76,684</u>	<u>296,562</u>	<u>11,693</u>	<u>151,194</u>	<u>118</u>	<u>5,879</u>
-	-	-	-	-	-
-	2,256,739	-	-	-	-
-	-	-	-	-	-
-	<u>2,256,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
76,684	2,553,301	11,693	151,194	118	5,879
<u>59,357</u>	<u>357,777</u>	<u>30,660</u>	<u>679,599</u>	<u>4,695</u>	<u>123,260</u>
<u>\$ 136,041</u>	<u>\$ 2,911,078</u>	<u>\$ 42,353</u>	<u>\$ 830,793</u>	<u>\$ 4,813</u>	<u>\$ 129,139</u>

(continued)

JOHNSON COUNTY, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Continued
 For the Year Ended September 30, 2023

	Sheriff Forfeiture Fund	STOP SCU Forfeiture Fund	Special Juvenile Justice Alternative Education Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	325,781
Fees	-	-	-
Fines	2,838	370,743	-
Investment income	90	16,118	1,569
Miscellaneous	-	7,461	-
	<u>2,928</u>	<u>394,322</u>	<u>327,350</u>
Total revenues			
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	-	310,826
Elections	-	-	-
Law enforcement	-	322	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
	<u>-</u>	<u>322</u>	<u>310,826</u>
Total expenditures			
Excess (deficiency) of revenue over expenditures	<u>2,928</u>	<u>394,000</u>	<u>16,524</u>
Other Financing Sources (Uses):			
Issuance of subscription based IT arrangements	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)			
Net change in fund balance	2,928	394,000	16,524
Fund balance - beginning	<u>3,360</u>	<u>412,432</u>	<u>89,586</u>
Fund balance - ending	<u>\$ 6,288</u>	<u>\$ 806,432</u>	<u>\$ 106,110</u>

Revenue Funds

Truancy Prevention and Diversion Fund	Juvenile Probation Fees Fund	Unclaimed Juvenile Restitution Fund	Justice of the Peace Technology Fund	County Specialty Court Fund	Courthouse Security Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
17,397	14,669	-	13,362	16,883	126,044
-	-	-	-	-	-
887	6,100	34	7,714	786	5,772
-	-	-	-	-	-
<u>18,284</u>	<u>20,769</u>	<u>34</u>	<u>21,076</u>	<u>17,669</u>	<u>131,816</u>
-	-	-	-	-	-
59,459	-	-	35,610	-	-
-	-	-	-	-	-
-	-	-	-	-	38,106
-	-	-	-	-	-
-	30,887	-	-	-	114,277
-	-	-	-	-	-
<u>59,459</u>	<u>30,887</u>	<u>-</u>	<u>35,610</u>	<u>-</u>	<u>152,383</u>
(<u>41,175</u>)	(<u>10,118</u>)	<u>34</u>	(<u>14,534</u>)	<u>17,669</u>	(<u>20,567</u>)
-	-	-	-	-	-
53,000	-	-	-	28,500	-
-	-	-	-	-	-
<u>53,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,500</u>	<u>-</u>
11,825	(10,118)	34	(14,534)	46,169	(20,567)
<u>11,670</u>	<u>79,859</u>	<u>1,344</u>	<u>316,754</u>	<u>-</u>	<u>233,917</u>
<u>\$ 23,495</u>	<u>\$ 69,741</u>	<u>\$ 1,378</u>	<u>\$ 302,220</u>	<u>\$ 46,169</u>	<u>\$ 213,350</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds - Continued
For the Year Ended September 30, 2023*

	Justice Court Building Security Fund	Court Facility Fund	Special Guardianship Fee Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	163	61,527	20,705
Fines	-	-	-
Investment income	2,431	1,751	1,066
Miscellaneous	-	-	-
Total revenues	<u>2,594</u>	<u>63,278</u>	<u>21,771</u>
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	-	17,527
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>17,527</u>
Excess (deficiency) of revenue over expenditures	<u>2,594</u>	<u>63,278</u>	<u>4,244</u>
Other Financing Sources (Uses):			
Issuance of subscription based IT arrangements	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	2,594	63,278	4,244
Fund balance - beginning	<u>96,716</u>	<u>42,252</u>	<u>37,776</u>
Fund balance - ending	<u>\$ 99,310</u>	<u>\$ 105,530</u>	<u>\$ 42,020</u>

Revenue Funds

Language Access Fund	Court Reporter Service Fund	Judicial Education & Support Fund	Record Archives - County Clerk Fund	Record Archives - District Clerk Fund	County/District Court Technology Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
20,156	79,440	2,600	375,140	785	4,063
-	-	-	-	-	-
550	2,326	81	34,422	2,025	269
-	-	-	9,327	-	-
<u>20,706</u>	<u>81,766</u>	<u>2,681</u>	<u>418,889</u>	<u>2,810</u>	<u>4,332</u>
-	-	-	428,985	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	428,985	-	-
<u>20,706</u>	<u>81,766</u>	<u>2,681</u>	<u>(10,096)</u>	<u>2,810</u>	<u>4,332</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
20,706	81,766	2,681	(10,096)	2,810	4,332
<u>12,712</u>	<u>57,173</u>	<u>2,080</u>	<u>879,371</u>	<u>80,181</u>	<u>8,880</u>
<u>\$ 33,418</u>	<u>\$ 138,939</u>	<u>\$ 4,761</u>	<u>\$ 869,275</u>	<u>\$ 82,991</u>	<u>\$ 13,212</u>

(continued)

JOHNSON COUNTY, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Continued
 For the Year Ended September 30, 2023

	Court Records Preservation Digital Fund	District Court Records Technology Fund	Special Pecan Valley Centers Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	1,881	1,128	-
Fines	-	-	-
Investment income	12,666	6,008	396
Miscellaneous	-	-	5,889
	<u>14,547</u>	<u>7,136</u>	<u>6,285</u>
Total revenues			
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	55,585	-
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures			
	<u>-</u>	<u>55,585</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures			
	<u>14,547</u>	<u>(48,449)</u>	<u>6,285</u>
Other Financing Sources (Uses):			
Issuance of subscription based IT arrangements	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)			
	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance			
	14,547	(48,449)	6,285
Fund balance - beginning	<u>402,954</u>	<u>239,883</u>	<u>12,961</u>
Fund balance - ending	<u>\$ 417,501</u>	<u>\$ 191,434</u>	<u>\$ 19,246</u>

Revenue Funds

Indigent Health Care Fund	Opioid Remediation Fund	Right of Way Fund	Historical Commission Fund	Veterans Service Juror Donations Fund	Pre-trial Bond Supervision Fund
\$ 1,631,229	\$ -	\$ -	\$ -	\$ -	\$ -
100,370	128,297	-	-	-	247,568
-	-	-	-	-	-
-	-	-	-	-	-
162,760	1,351	53,358	1,605	195	11,396
3,390	-	-	-	7,862	-
<u>1,897,749</u>	<u>129,648</u>	<u>53,358</u>	<u>1,605</u>	<u>8,057</u>	<u>258,964</u>
-	-	-	4,171	517	-
-	-	-	-	-	201,958
-	-	-	-	-	-
1,042,499	-	-	-	-	-
476,520	-	-	-	-	-
-	-	88,000	-	-	-
-	-	-	-	-	-
<u>1,519,019</u>	<u>-</u>	<u>88,000</u>	<u>4,171</u>	<u>517</u>	<u>201,958</u>
<u>378,730</u>	<u>129,648</u>	<u>(34,642)</u>	<u>(2,566)</u>	<u>7,540</u>	<u>57,006</u>
-	-	-	-	-	-
-	-	-	10,000	-	-
-	-	-	-	-	-
-	-	-	10,000	-	-
378,730	129,648	(34,642)	7,434	7,540	57,006
<u>2,923,597</u>	<u>-</u>	<u>1,365,846</u>	<u>57,681</u>	<u>4,397</u>	<u>413,955</u>
<u>\$ 3,302,327</u>	<u>\$ 129,648</u>	<u>\$ 1,331,204</u>	<u>\$ 65,115</u>	<u>\$ 11,937</u>	<u>\$ 470,961</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds - Continued
For the Year Ended September 30, 2023*

	Special		
	STOP SCU Operations Fund	Sheriff Inmate Commissary Fund	Sheriff LEOSE Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	44,203	-	5,241
Fees	-	1,633,767	-
Fines	-	-	-
Investment income	5,975	21,556	594
Miscellaneous	2,653	73,832	-
Total revenues	<u>52,831</u>	<u>1,729,155</u>	<u>5,835</u>
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	-	-
Elections	-	-	-
Law enforcement	157,804	1,049,552	6,701
Health and welfare	-	-	-
Capital outlay	-	139,471	-
Debt Service:			
Principal	-	-	-
Total expenditures	<u>157,804</u>	<u>1,189,023</u>	<u>6,701</u>
Excess (deficiency) of revenue over expenditures	<u>(104,973)</u>	<u>540,132</u>	<u>(866)</u>
Other Financing Sources (Uses):			
Issuance of subscription based IT arrangements	-	-	-
Transfers in	90,504	-	-
Transfers out	-	(592,610)	-
Total other financing sources (uses)	<u>90,504</u>	<u>(592,610)</u>	<u>-</u>
Net change in fund balance	<u>(14,469)</u>	<u>(52,478)</u>	<u>(866)</u>
Fund balance - beginning	<u>205,432</u>	<u>1,190,337</u>	<u>21,935</u>
Fund balance - ending	<u>\$ 190,963</u>	<u>\$ 1,137,859</u>	<u>\$ 21,069</u>

Revenue Funds

County Attorney Collection Fund	County Attorney LEOSE Fund	District Attorney 18 th Judicial Fund	District Attorney Collection Fund	Combined Constables LEOSE Fund	MVIE Tax A/C Penalty & Interest Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	1,061	22,057	-	2,849	-
1,970	-	-	450	-	-
-	-	-	-	-	-
953	29	91	282	454	40,293
-	-	-	-	-	12,017
<u>2,923</u>	<u>1,090</u>	<u>22,148</u>	<u>732</u>	<u>3,303</u>	<u>52,310</u>
-	-	-	-	-	7,215
-	-	-	-	-	-
-	-	-	-	-	-
1,168	903	666	-	2,456	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,168</u>	<u>903</u>	<u>666</u>	<u>-</u>	<u>2,456</u>	<u>7,215</u>
<u>1,755</u>	<u>187</u>	<u>21,482</u>	<u>732</u>	<u>847</u>	<u>45,095</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(21,964)	-	-	-
-	-	(21,964)	-	-	-
1,755	187	(482)	732	847	45,095
<u>47,099</u>	<u>1,430</u>	<u>1,263</u>	<u>11,157</u>	<u>-</u>	<u>58,730</u>
<u>\$ 48,854</u>	<u>\$ 1,617</u>	<u>\$ 781</u>	<u>\$ 11,889</u>	<u>\$ 847</u>	<u>\$ 103,825</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Continued
 For the Year Ended September 30, 2023*

	Cities Readiness Initiative Fund	Local Assistance & Tribal Consistency Fund	Special Revenue Juvenile Probation Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	47,291	-	1,059,713
Fees	-	-	-
Fines	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
Total revenues	47,291	-	1,059,713
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	-	1,059,713
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	77,689	-	-
Capital outlay	49,821	-	-
Debt Service:			
Principal	6,982	-	-
Total expenditures	134,492	-	1,059,713
Excess (deficiency) of revenue over expenditures	(87,201)	-	-
Other Financing Sources (Uses):			
Issuance of subscription based IT arrangements	49,821	-	-
Transfers in	37,380	-	-
Transfers out	-	-	-
Total other financing sources (uses)	87,201	-	-
Net change in fund balance	-	-	-
Fund balance - beginning	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -

Funds		Capital Project Funds			
Bullet Resistant Shield Grant Fund	Total Special Revenue Funds	Construction Projects Fund	Software Projects Fund	Burleson Sub Courthouse Construction Fund	Sheriff's Office Renovation Fund
\$ -	\$ 1,631,229	\$ -	\$ -	\$ -	\$ -
130,490	2,152,176	-	-	-	-
-	3,011,828	-	-	-	-
-	376,360	-	-	-	-
-	567,822	-	3,669	620	16,347
-	248,868	-	-	-	-
<u>130,490</u>	<u>7,988,283</u>	<u>-</u>	<u>3,669</u>	<u>620</u>	<u>16,347</u>
-	736,949	-	-	16,209	1,797
-	1,740,678	-	-	-	-
-	34,992	-	-	-	-
-	2,300,177	-	-	-	-
-	554,209	-	-	-	-
130,490	558,738	316,232	-	-	1,338,952
-	6,982	-	-	-	-
<u>130,490</u>	<u>5,932,725</u>	<u>316,232</u>	<u>-</u>	<u>16,209</u>	<u>1,340,749</u>
-	2,055,558	(316,232)	3,669	(15,589)	(1,324,402)
-	49,821	-	-	-	-
-	2,476,123	316,232	-	183,532	346,968
-	(2,871,313)	-	-	(58)	-
-	(345,369)	316,232	-	183,474	346,968
-	1,710,189	-	3,669	167,885	(977,434)
-	13,489,179	-	146,086	(167,885)	977,434
<u>\$ -</u>	<u>\$ 15,199,368</u>	<u>\$ -</u>	<u>\$ 149,755</u>	<u>\$ -</u>	<u>\$ -</u>

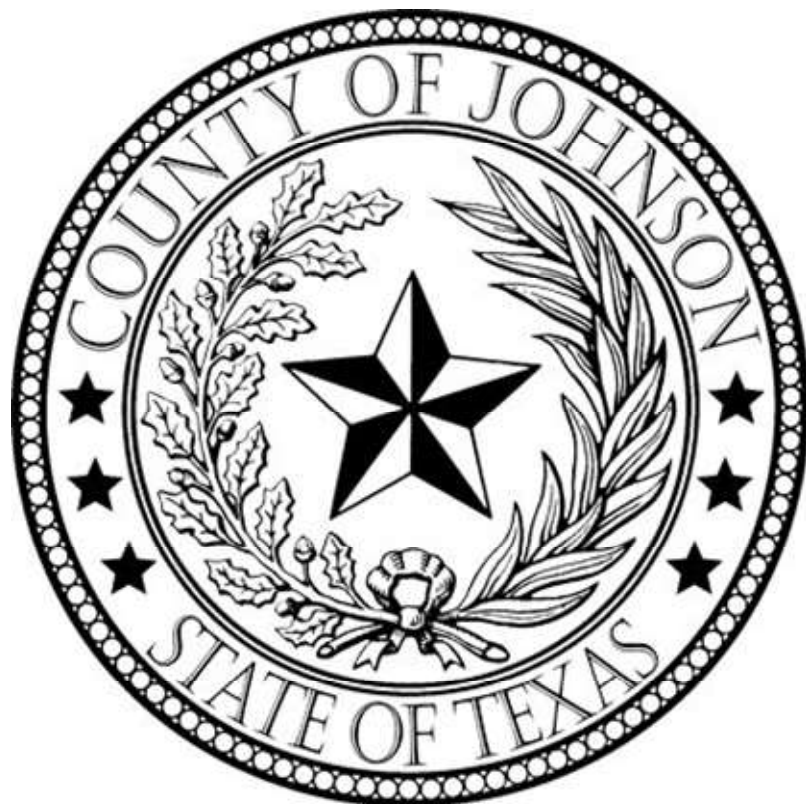
(continued)

JOHNSON COUNTY, TEXAS

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds - Continued
For the Year Ended September 30, 2023*

	Capital		
	911 Call Center Fund	Building Maintenance Workshop Fund	Evidence Processing Building Fund
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Fees	-	-	-
Fines	-	-	-
Investment income	13,889	5,657	3
Miscellaneous	-	-	-
	<u>13,889</u>	<u>5,657</u>	<u>3</u>
Total revenues			
Expenditures:			
Current:			
General government	-	-	-
Administration of justice	-	-	-
Elections	-	-	-
Law enforcement	-	-	-
Health and welfare	-	-	-
Capital outlay	1,834,972	-	5,800
Debt Service:			
Principal	-	-	-
	<u>1,834,972</u>	<u>-</u>	<u>5,800</u>
Total expenditures			
Excess (deficiency) of revenue over expenditures	(1,821,083)	5,657	(5,797)
Other Financing Sources (Uses):			
Issuance of subscription based IT arrangements	-	-	-
Transfers in	1,834,972	-	5,800
Transfers out	-	-	-
	<u>1,834,972</u>	<u>-</u>	<u>5,800</u>
Total other financing sources (uses)			
Net change in fund balance	13,889	5,657	3
Fund balance - beginning	<u>328</u>	<u>225,238</u>	<u>-</u>
Fund balance - ending	<u>\$ 14,217</u>	<u>\$ 230,895</u>	<u>\$ 3</u>

<u>Project Funds</u>		
<u>Law Enforcement Software Fund</u>	<u>Total Capital Project Funds</u>	<u>Total Non-Major Governmental Funds</u>
\$ -	\$ -	\$ 1,631,229
-	-	2,152,176
-	-	3,011,828
-	-	376,360
-	40,185	608,007
-	-	248,868
<u>-</u>	<u>40,185</u>	<u>8,028,468</u>
-	18,006	754,955
-	-	1,740,678
-	-	34,992
-	-	2,300,177
-	-	554,209
266,482	3,762,438	4,321,176
<u>-</u>	<u>-</u>	<u>6,982</u>
<u>266,482</u>	<u>3,780,444</u>	<u>9,713,169</u>
(<u>266,482</u>)	(<u>3,740,259</u>)	(<u>1,684,701</u>)
-	-	49,821
532,965	3,220,469	5,696,592
<u>-</u>	(<u>58</u>)	(<u>2,871,371</u>)
<u>532,965</u>	<u>3,220,411</u>	<u>2,875,042</u>
266,483	(519,848)	1,190,341
<u>-</u>	<u>1,181,201</u>	<u>14,670,380</u>
<u>\$ 266,483</u>	<u>\$ 661,353</u>	<u>\$ 15,860,721</u>



JOHNSON COUNTY, TEXAS

*Schedule of Expenditures - Budget and Actual - By Function, Department,
and Legal Level of Budgetary Control - General Fund
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration:				
County Clerk:				
Salaries and wages, and employee benefits	\$ 2,750,591	\$ 2,750,591	\$ 2,528,130	\$ 222,461
Operating expenditures	91,363	91,363	88,844	2,519
Total County Clerk	2,841,954	2,841,954	2,616,974	224,980
County Judge:				
Salaries and wages, and employee benefits	550,172	550,172	523,206	26,966
Operating expenditures	12,485	15,085	12,329	2,756
Total County Judge	562,657	565,257	535,535	29,722
County Commissioners:				
Salaries and wages, and employee benefits	641,339	641,339	626,403	14,936
Total County Commissioners	641,339	641,339	626,403	14,936
Veterans:				
Salaries and wages, and employee benefits	316,242	316,242	250,846	65,396
Operating expenditures	15,050	15,050	8,657	6,393
Total Veterans	331,292	331,292	259,503	71,789
Engineering:				
Salaries and wages, and employee benefits	127,982	127,982	86,135	41,847
Operating expenditures	-	3,850	-	3,850
Total Engineering	127,982	131,832	86,135	45,697
Public Works:				
Salaries and wages, and employee benefits	854,428	854,428	773,258	81,170
Operating expenditures	50,254	50,254	41,137	9,117
Capital outlay	26,245	26,245	26,245	-
Total Public Works	930,927	930,927	840,640	90,287
Facilities Management:				
Salaries and wages, and employee benefits	1,515,172	1,515,172	1,428,917	86,255
Operating expenditures	2,787,619	2,946,529	2,116,598	829,931
Capital outlay	55,363	288,810	288,381	429
Total Facilities Management	4,358,154	4,750,511	3,833,896	916,615
Purchasing:				
Salaries and wages, and employee benefits	565,024	581,458	575,448	6,010
Operating expenditures	73,699	84,099	68,086	16,013
Debt service	-	-	8,098	(8,098)
Total Purchasing	638,723	665,557	651,632	13,925

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Expenditures - Budget and Actual - By Function, Department, and Legal Level of Budgetary Control - General Fund - Continued
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Administration - Continued:				
Information Systems:				
Salaries and wages, and employee benefits	\$ 1,498,613	\$ 1,498,613	\$ 1,438,576	\$ 60,037
Operating expenditures	2,835,614	2,835,614	1,817,073	1,018,541
Capital outlay	198,000	198,000	2,222,441	(2,024,441)
Debt service	-	-	482,994	(482,994)
Total Information Systems	<u>4,532,227</u>	<u>4,532,227</u>	<u>5,961,084</u>	<u>(1,428,857)</u>
Mail Room:				
Salaries and wages, and employee benefits	125,687	125,687	122,922	2,765
Operating expenditures	9,100	12,530	7,463	5,067
Capital outlay	-	13,100	13,077	23
Total Mail Room	<u>134,787</u>	<u>151,317</u>	<u>143,462</u>	<u>7,855</u>
Telecommunications:				
Salaries and wages, and employee benefits	59,765	59,765	59,414	351
Total Telecommunications	<u>59,765</u>	<u>59,765</u>	<u>59,414</u>	<u>351</u>
Personnel:				
Salaries and wages, and employee benefits	604,503	604,503	570,136	34,367
Operating expenditures	31,200	31,200	14,294	16,906
Total Personnel	<u>635,703</u>	<u>635,703</u>	<u>584,430</u>	<u>51,273</u>
County Tax Collector:				
Salaries and wages, and employee benefits	2,183,471	2,183,471	1,997,028	186,443
Operating expenditures	330,319	330,319	203,437	126,882
Capital outlay	5,669	5,669	5,669	-
Total County Tax Collector	<u>2,519,459</u>	<u>2,519,459</u>	<u>2,206,134</u>	<u>313,325</u>
Non-departmental:				
Salaries and wages, and employee benefits	770,133	728,706	640,276	88,430
Operating expenditures	4,451,871	4,078,845	3,765,866	312,979
Capital outlay	-	42,474	149,727	(107,253)
Debt service	-	-	49,381	(49,381)
Total Non-departmental	<u>5,222,004</u>	<u>4,850,025</u>	<u>4,605,250</u>	<u>244,775</u>
Total General Administration	<u>23,536,973</u>	<u>23,607,165</u>	<u>23,010,492</u>	<u>596,673</u>
Administration of Justice:				
County Court at Law I:				
Salaries and wages, and employee benefits	746,061	746,061	706,186	39,875
Operating expenditures	322,325	294,934	218,034	76,900
Total County Court at Law I	<u>1,068,386</u>	<u>1,040,995</u>	<u>924,220</u>	<u>116,775</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Expenditures - Budget and Actual - By Function, Department, and Legal Level of Budgetary Control - General Fund - Continued
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Administration of Justice - Continued:				
County Court at Law II:				
Salaries and wages, and employee benefits	\$ 578,500	\$ 578,500	\$ 545,990	\$ 32,510
Operating expenditures	<u>334,725</u>	<u>268,393</u>	<u>161,579</u>	<u>106,814</u>
Total County Court at Law II	<u>913,225</u>	<u>846,893</u>	<u>707,569</u>	<u>139,324</u>
General County Court:				
Salaries and wages, and employee benefits	80,265	80,265	32,239	48,026
Operating expenditures	<u>10,500</u>	<u>10,500</u>	<u>2,690</u>	<u>7,810</u>
Total General County Court	<u>90,765</u>	<u>90,765</u>	<u>34,929</u>	<u>55,836</u>
General District Court:				
Salaries and wages, and employee benefits	80,265	80,265	40,172	40,093
Operating expenditures	<u>115,891</u>	<u>160,894</u>	<u>156,937</u>	<u>3,957</u>
Total General District Court	<u>196,156</u>	<u>241,159</u>	<u>197,109</u>	<u>44,050</u>
249 th District Court:				
Salaries and wages, and employee benefits	377,728	377,728	362,733	14,995
Operating expenditures	<u>417,700</u>	<u>417,700</u>	<u>370,616</u>	<u>47,084</u>
Total 249 th District Court	<u>795,428</u>	<u>795,428</u>	<u>733,349</u>	<u>62,079</u>
18 th District Court:				
Salaries and wages, and employee benefits	351,133	351,143	330,141	21,002
Operating expenditures	<u>436,900</u>	<u>426,900</u>	<u>411,599</u>	<u>15,301</u>
Total 18 th District Court	<u>788,033</u>	<u>778,043</u>	<u>741,740</u>	<u>36,303</u>
413 th District Court:				
Salaries and wages, and employee benefits	372,453	372,453	357,690	14,763
Operating expenditures	<u>643,458</u>	<u>681,583</u>	<u>584,852</u>	<u>96,731</u>
Total 413 th District Court	<u>1,015,911</u>	<u>1,054,036</u>	<u>942,542</u>	<u>111,494</u>
District Clerk:				
Salaries and wages, and employee benefits	1,767,625	1,767,625	1,705,228	62,397
Operating expenditures	<u>85,529</u>	<u>82,373</u>	<u>81,314</u>	<u>1,059</u>
Total District Clerk	<u>1,853,154</u>	<u>1,849,998</u>	<u>1,786,542</u>	<u>63,456</u>
Jury:				
Operating expenditures	145,900	173,068	169,870	3,198
Capital outlay	-	<u>13,379</u>	<u>13,379</u>	-
Total Jury	<u>145,900</u>	<u>186,447</u>	<u>183,249</u>	<u>3,198</u>
Justice of the Peace #1:				
Salaries and wages, and employee benefits	375,484	375,636	371,188	4,448
Operating expenditures	<u>20,852</u>	<u>20,852</u>	<u>14,877</u>	<u>5,975</u>
Total Justice of the Peace #1	<u>396,336</u>	<u>396,488</u>	<u>386,065</u>	<u>10,423</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Expenditures - Budget and Actual - By Function, Department, and Legal Level of Budgetary Control - General Fund - Continued
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Administration of Justice - Continued:				
Justice of the Peace #2:				
Salaries and wages, and employee benefits	\$ 366,951	\$ 366,951	\$ 298,630	\$ 68,321
Operating expenditures	<u>22,350</u>	<u>22,350</u>	<u>19,391</u>	<u>2,959</u>
Total Justice of the Peace #2	<u>389,301</u>	<u>389,301</u>	<u>318,021</u>	<u>71,280</u>
Justice of the Peace #3:				
Salaries and wages, and employee benefits	373,380	373,380	355,127	18,253
Operating expenditures	<u>24,900</u>	<u>24,900</u>	<u>19,108</u>	<u>5,792</u>
Total Justice of the Peace #3	<u>398,280</u>	<u>398,280</u>	<u>374,235</u>	<u>24,045</u>
Justice of the Peace #4:				
Salaries and wages, and employee benefits	367,091	367,091	362,545	4,546
Operating expenditures	<u>22,877</u>	<u>22,877</u>	<u>10,693</u>	<u>12,184</u>
Total Justice of the Peace #4	<u>389,968</u>	<u>389,968</u>	<u>373,238</u>	<u>16,730</u>
Bail Bonds Office:				
Salaries and wages, and employee benefits	74,060	74,060	72,908	1,152
Operating expenditures	<u>2,000</u>	<u>2,000</u>	<u>1,500</u>	<u>500</u>
Total Bail Bonds Office	<u>76,060</u>	<u>76,060</u>	<u>74,408</u>	<u>1,652</u>
Adult Probation:				
Operating expenditures	<u>7,600</u>	<u>7,600</u>	<u>4,902</u>	<u>2,698</u>
Total Adult Probation	<u>7,600</u>	<u>7,600</u>	<u>4,902</u>	<u>2,698</u>
Juvenile Probation:				
Salaries and wages, and employee benefits	449,836	449,836	424,970	24,866
Operating expenditures	<u>1,414,919</u>	<u>1,414,919</u>	<u>687,377</u>	<u>727,542</u>
Total Juvenile Probation	<u>1,864,755</u>	<u>1,864,755</u>	<u>1,112,347</u>	<u>752,408</u>
Child Protection Court:				
Operating expenditures	<u>500</u>	<u>500</u>	<u>307</u>	<u>193</u>
Total Child Protection Court	<u>500</u>	<u>500</u>	<u>307</u>	<u>193</u>
Total Administration of Justice	<u>10,389,758</u>	<u>10,406,716</u>	<u>8,894,772</u>	<u>1,511,944</u>
Financial Administration:				
County Auditor:				
Salaries and wages, and employee benefits	1,239,549	1,239,549	1,217,480	22,069
Operating expenditures	<u>48,800</u>	<u>48,800</u>	<u>33,829</u>	<u>14,971</u>
Total County Auditor	<u>1,288,349</u>	<u>1,288,349</u>	<u>1,251,309</u>	<u>37,040</u>
County Treasurer:				
Salaries and wages, and employee benefits	245,999	246,539	230,714	15,825
Operating expenditures	<u>12,500</u>	<u>11,960</u>	<u>11,157</u>	<u>803</u>
Total County Treasurer	<u>258,499</u>	<u>258,499</u>	<u>241,871</u>	<u>16,628</u>
Total Financial Administration	<u>1,546,848</u>	<u>1,546,848</u>	<u>1,493,180</u>	<u>53,668</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Expenditures - Budget and Actual - By Function, Department, and Legal Level of Budgetary Control - General Fund - Continued
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Elections:				
Elections:				
Salaries and wages, and employee benefits	\$ 795,443	\$ 796,463	\$ 606,259	\$ 190,204
Operating expenditures	176,500	176,500	123,340	53,160
Total Elections	971,943	972,963	729,599	243,364
Law Enforcement:				
County Attorney:				
Salaries and wages, and employee benefits	2,589,360	2,589,360	2,483,044	106,316
Operating expenditures	103,521	103,661	93,800	9,861
Total County Attorney	2,692,881	2,693,021	2,576,844	116,177
District Attorney:				
Salaries and wages, and employee benefits	2,680,848	2,680,848	2,537,512	143,336
Operating expenditures	146,765	156,285	134,730	21,555
Total District Attorney	2,827,613	2,837,133	2,672,242	164,891
County/District Attorney Supplement:				
Salaries and wages, and employee benefits	22,064	22,064	20,151	1,913
Total County/District Attorney Supplement	22,064	22,064	20,151	1,913
Constable - Precinct 1:				
Salaries and wages, and employee benefits	477,397	477,397	461,476	15,921
Operating expenditures	111,768	123,750	110,416	13,334
Capital outlay	86,210	73,287	73,286	1
Total Constable - Precinct 1	675,375	674,434	645,178	29,256
Constable - Precinct 2:				
Salaries and wages, and employee benefits	360,198	361,398	359,369	2,029
Operating expenditures	47,771	49,170	40,921	8,249
Capital outlay	-	59,300	59,775	(475)
Total Constable - Precinct 2	407,969	469,868	460,065	9,803
Constable - Precinct 3:				
Salaries and wages, and employee benefits	350,197	350,697	346,831	3,866
Operating expenditures	47,242	47,242	21,281	25,961
Total Constable - Precinct 3	397,439	397,939	368,112	29,827
Constable - Precinct 4:				
Salaries and wages, and employee benefits	452,060	452,060	447,611	4,449
Operating expenditures	80,109	80,109	55,499	24,610
Total Constable - Precinct 4	532,169	532,169	503,110	29,059

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Expenditures - Budget and Actual - By Function, Department,
and Legal Level of Budgetary Control - General Fund - Continued
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Law Enforcement - Continued:				
Sheriff Admin-Patrol:				
Salaries and wages, and employee benefits	\$ 13,473,338	\$ 13,596,197	\$ 12,536,251	\$ 1,059,946
Operating expenditures	1,555,015	1,588,873	1,163,898	424,975
Capital outlay	179,299	731,619	836,356	(104,737)
Debt service	-	-	25,211	(25,211)
Total Sheriff Admin-Patrol	<u>15,207,652</u>	<u>15,916,689</u>	<u>14,561,716</u>	<u>1,354,973</u>
Sheriff-Jail:				
Salaries and wages, and employee benefits	17,654,540	17,541,172	16,696,237	844,935
Operating expenditures	2,892,145	2,951,976	2,630,067	321,909
Capital outlay	8,000	168,582	168,582	-
Total Sheriff-Jail	<u>20,554,685</u>	<u>20,661,730</u>	<u>19,494,886</u>	<u>1,166,844</u>
Jail Medical:				
Salaries and wages, and employee benefits	2,497,955	2,499,955	1,943,059	556,896
Operating expenditures	756,090	712,729	595,884	116,845
Total Jail Medical	<u>3,254,045</u>	<u>3,212,684</u>	<u>2,538,943</u>	<u>673,741</u>
Sheriff Commissary:				
Salaries and wages, and employee benefits	594,590	595,590	452,156	143,434
Total Sheriff Commissary	<u>594,590</u>	<u>595,590</u>	<u>452,156</u>	<u>143,434</u>
Texas DPS Office:				
Salaries and wages, and employee benefits	78,117	78,117	77,708	409
Operating expenditures	750	750	737	13
Total Texas DPS Office	<u>78,867</u>	<u>78,867</u>	<u>78,445</u>	<u>422</u>
SRO-Cleburne ISD:				
Salaries and wages, and employee benefits	175,305	175,975	163,865	12,110
Operating expenditures	16,720	17,661	17,181	480
Total SRO-Cleburne ISD	<u>192,025</u>	<u>193,636</u>	<u>181,046</u>	<u>12,590</u>
Total Law Enforcement	<u>47,437,374</u>	<u>48,285,824</u>	<u>44,552,894</u>	<u>3,732,930</u>
Health and Welfare:				
Medical Examiner:				
Salaries and wages, and employee benefits	390,297	390,637	380,409	10,228
Operating expenditures	320,137	360,446	357,125	3,321
Capital outlay	-	4,492	4,491	1
Total Medical Examiner	<u>710,434</u>	<u>755,575</u>	<u>742,025</u>	<u>13,550</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Expenditures - Budget and Actual - By Function, Department,
and Legal Level of Budgetary Control - General Fund - Continued
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Health and Welfare - Continued:				
Non-departmental:				
Operating expenditures	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Total Non-departmental	10,000	10,000	10,000	-
Emergency Management:				
Salaries and wages, and employee benefits	189,611	197,952	195,940	2,012
Operating expenditures	23,523	23,523	16,260	7,263
Total Emergency Management	213,134	221,475	212,200	9,275
Radio Management:				
Salaries and wages, and employee benefits	98,968	98,968	98,570	398
Operating expenditures	385,970	401,611	323,474	78,137
Capital outlay	-	-	137,167	(137,167)
Debt service	-	-	24,774	(24,774)
Total Radio Management	484,938	500,579	583,985	(83,406)
Total Health and Welfare	1,418,506	1,487,629	1,548,210	(60,581)
Culture and Recreation:				
Hamm Creek Park:				
Salaries and wages, and employee benefits	385,072	385,072	359,536	25,536
Operating expenditures	33,000	33,000	29,613	3,387
Total Hamm Creek Park	418,072	418,072	389,149	28,923
Total Culture and Recreation	418,072	418,072	389,149	28,923
Conservation:				
County Extension:				
Salaries and wages, and employee benefits	272,866	273,135	258,448	14,687
Operating expenditures	18,400	18,400	17,695	705
Total County Extension	291,266	291,535	276,143	15,392
Total Conservation	291,266	291,535	276,143	15,392
Total current expenditures	\$ 86,010,740	\$ 87,016,752	\$ 80,894,439	\$ 6,122,313

JOHNSON COUNTY, TEXAS

Exhibit 17

*Schedule of Expenditures - Budget and Actual - By Function, Department
and Legal Level of Budgetary Control - Road & Bridge Fund
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Highways and Streets:				
Road & Bridge Precinct 1:				
Salaries and wages, and employee benefits	\$ 1,618,246	\$ 1,618,246	\$ 1,464,596	\$ 153,650
Operating expenditures	1,587,802	1,494,942	998,148	496,794
Capital outlay	<u>418,992</u>	<u>551,702</u>	<u>412,098</u>	<u>139,604</u>
Total Road & Bridge Precinct 1	<u>3,625,040</u>	<u>3,664,890</u>	<u>2,874,842</u>	<u>790,048</u>
Road & Bridge Precinct 2:				
Salaries and wages, and employee benefits	1,389,623	1,389,623	882,001	507,622
Operating expenditures	1,736,911	1,737,411	731,121	1,006,290
Capital outlay	<u>405,000</u>	<u>404,500</u>	<u>390,302</u>	<u>14,198</u>
Total Road & Bridge Precinct 2	<u>3,531,534</u>	<u>3,531,534</u>	<u>2,003,424</u>	<u>1,528,110</u>
Road & Bridge Precinct 3:				
Salaries and wages, and employee benefits	1,738,691	1,738,691	1,167,824	570,867
Operating expenditures	1,398,220	1,323,220	802,670	520,550
Capital outlay	<u>127,000</u>	<u>274,187</u>	<u>254,823</u>	<u>19,364</u>
Total Road & Bridge Precinct 3	<u>3,263,911</u>	<u>3,336,098</u>	<u>2,225,317</u>	<u>1,110,781</u>
Road & Bridge Precinct 4:				
Salaries and wages, and employee benefits	1,805,153	1,805,153	1,495,164	309,989
Operating expenditures	2,069,439	2,107,764	911,199	1,196,565
Capital outlay	<u>385,500</u>	<u>347,175</u>	<u>282,024</u>	<u>65,151</u>
Total Road & Bridge Precinct 4	<u>4,260,092</u>	<u>4,260,092</u>	<u>2,688,387</u>	<u>1,571,705</u>
Total expenditures	<u>\$ 14,680,577</u>	<u>\$ 14,792,614</u>	<u>\$ 9,791,970</u>	<u>\$ 5,000,644</u>

JOHNSON COUNTY, TEXAS

Exhibit 18

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Debt Service Fund
For the Year Ended September 30, 2023*

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,638,383	\$ 1,638,383	\$ 1,379,457	\$(258,926)
Investment income	<u>275</u>	<u>275</u>	<u>4,943</u>	<u>4,668</u>
Total revenues	<u>1,638,658</u>	<u>1,638,658</u>	<u>1,384,400</u>	<u>(254,258)</u>
Expenditures:				
Debt Service:				
Principal	1,240,000	1,240,000	1,240,000	-
Interest and fiscal charges	<u>398,383</u>	<u>398,383</u>	<u>398,882</u>	<u>(499)</u>
Total expenditures	<u>1,638,383</u>	<u>1,638,383</u>	<u>1,638,882</u>	<u>(499)</u>
Excess (deficiency) of revenues over expenditures	<u>275</u>	<u>275</u>	<u>(254,482)</u>	<u>(254,757)</u>
Other Financing Sources:				
Transfers in	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Net change in fund balance	275	150,275	(104,482)	(254,757)
Fund balance - beginning	<u>116,268</u>	<u>116,268</u>	<u>116,268</u>	<u>-</u>
Fund balance - ending	<u>\$ 116,543</u>	<u>\$ 266,543</u>	<u>\$ 11,786</u>	<u>\$(254,757)</u>

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control
For the Year Ended September 30, 2023*

	Law Library Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees	\$ 113,200	\$ 113,200	\$ 110,528	\$(2,672)
Investment income	<u>100</u>	<u>100</u>	<u>3,847</u>	<u>3,747</u>
Total revenues	<u>113,300</u>	<u>113,300</u>	<u>114,375</u>	<u>1,075</u>
Expenditures:				
General Government:				
Salaries and wages, and employee benefits	69,037	69,037	68,725	312
Operating expenditures	<u>62,275</u>	<u>62,275</u>	<u>29,839</u>	<u>32,436</u>
Total expenditures	<u>131,312</u>	<u>131,312</u>	<u>98,564</u>	<u>32,748</u>
Net change in fund balance	(18,012)	(18,012)	15,811	33,823
Fund balance - beginning	<u>147,266</u>	<u>147,266</u>	<u>147,266</u>	<u>-</u>
Fund balance - ending	<u>\$ 129,254</u>	<u>\$ 129,254</u>	<u>\$ 163,077</u>	<u>\$ 33,823</u>

<u>Records Management & Preservation County Clerk Fund</u>			
<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
<u>Original</u>	<u>Final</u>		
\$ 35,629	\$ 35,629	\$ 42,258	\$ 6,629
950	950	19,212	18,262
<u>36,579</u>	<u>36,579</u>	<u>61,470</u>	<u>24,891</u>
-	-	-	-
<u>100,000</u>	<u>100,000</u>	<u>6,218</u>	<u>93,782</u>
<u>100,000</u>	<u>100,000</u>	<u>6,218</u>	<u>93,782</u>
(63,421)	(63,421)	55,252	118,673
<u>505,106</u>	<u>505,106</u>	<u>505,106</u>	<u>-</u>
<u>\$ 441,685</u>	<u>\$ 441,685</u>	<u>\$ 560,358</u>	<u>\$ 118,673</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Records Management & Preservation District Clerk Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees	\$ 70,178	\$ 70,178	\$ 80,823	\$ 10,645
Investment income	80	80	2,378	2,298
Total revenues	<u>70,258</u>	<u>70,258</u>	<u>83,201</u>	<u>12,943</u>
Expenditures:				
General Government:				
Salaries and wages, and employee benefits	-	-	-	-
Operating expenditures	20,000	20,000	6,517	13,483
Capital outlay	-	-	-	-
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>6,517</u>	<u>13,483</u>
Excess (deficiency) of revenues over expenditures	<u>50,258</u>	<u>50,258</u>	<u>76,684</u>	<u>26,426</u>
Other Financing Sources:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	50,258	50,258	76,684	26,426
Fund balance - beginning	<u>59,357</u>	<u>59,357</u>	<u>59,357</u>	<u>-</u>
Fund balance - ending	<u>\$ 109,615</u>	<u>\$ 109,615</u>	<u>\$ 136,041</u>	<u>\$ 26,426</u>

<u>Records Management & Preservation Recording Fund</u>			
<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
<u>Original</u>	<u>Final</u>		
\$ 477,940	\$ 477,940	\$ 375,290	\$ (102,650)
<u>600</u>	<u>600</u>	<u>111,826</u>	<u>111,226</u>
<u>478,540</u>	<u>478,540</u>	<u>487,116</u>	<u>8,576</u>
200,067	200,067	183,122	16,945
320,000	320,000	1,640	318,360
<u>10,000</u>	<u>10,000</u>	<u>5,792</u>	<u>4,208</u>
<u>530,067</u>	<u>530,067</u>	<u>190,554</u>	<u>339,513</u>
(51,527)	(51,527)	<u>296,562</u>	<u>348,089</u>
-	-	<u>2,256,739</u>	<u>2,256,739</u>
-	-	<u>2,256,739</u>	<u>2,256,739</u>
(51,527)	(51,527)	2,553,301	2,604,828
<u>357,777</u>	<u>357,777</u>	<u>357,777</u>	<u>-</u>
<u>\$ 306,250</u>	<u>\$ 306,250</u>	<u>\$ 2,911,078</u>	<u>\$ 2,604,828</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Vital Statistics Preservation Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Fees	9,908	9,908	10,799	891
Investment income	100	100	894	794
Total revenues	<u>10,008</u>	<u>10,008</u>	<u>11,693</u>	<u>1,685</u>
Expenditures:				
Elections:				
Operating expenditures	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	10,008	10,008	11,693	1,685
Fund balance - beginning	<u>30,660</u>	<u>30,660</u>	<u>30,660</u>	<u>-</u>
Fund balance - ending	<u>\$ 40,668</u>	<u>\$ 40,668</u>	<u>\$ 42,353</u>	<u>\$ 1,685</u>

Election Services Contract Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ 37,255	\$ 37,255
-	-	126,437	126,437
<u>2,300</u>	<u>2,300</u>	<u>22,494</u>	<u>20,194</u>
<u>2,300</u>	<u>2,300</u>	<u>186,186</u>	<u>183,886</u>
<u>97,500</u>	<u>97,500</u>	<u>34,992</u>	<u>62,508</u>
<u>97,500</u>	<u>97,500</u>	<u>34,992</u>	<u>62,508</u>
(95,200)	(95,200)	151,194	246,394
<u>679,599</u>	<u>679,599</u>	<u>679,599</u>	<u>-</u>
<u>\$ 584,399</u>	<u>\$ 584,399</u>	<u>\$ 830,793</u>	<u>\$ 246,394</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	District Attorney Forfeiture Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fines	\$ -	\$ -	\$ 2,779	\$ 2,779
Investment income	300	300	3,100	2,800
Miscellaneous	-	-	-	-
Total revenues	<u>300</u>	<u>300</u>	<u>5,879</u>	<u>5,579</u>
Expenditures:				
Law Enforcement:				
Operating expenditures	6,600	6,600	-	6,600
Capital outlay	-	-	-	-
Total expenditures	<u>6,600</u>	<u>6,600</u>	<u>-</u>	<u>6,600</u>
Excess (deficiency) of revenues over expenditures	<u>(6,300)</u>	<u>(6,300)</u>	<u>5,879</u>	<u>12,179</u>
Other Financing Uses:				
Transfers out	-	(3,000)	-	3,000
Total other financing uses	<u>-</u>	<u>(3,000)</u>	<u>-</u>	<u>3,000</u>
Net change in fund balance	<u>(6,300)</u>	<u>(9,300)</u>	<u>5,879</u>	<u>15,179</u>
Fund balance - beginning	<u>123,260</u>	<u>123,260</u>	<u>123,260</u>	<u>-</u>
Fund balance - ending	<u>\$ 116,960</u>	<u>\$ 113,960</u>	<u>\$ 129,139</u>	<u>\$ 15,179</u>

STOP SCU Forfeiture Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ 370,743	\$ 370,743
1,200	1,200	16,118	14,918
-	-	7,461	7,461
<u>1,200</u>	<u>1,200</u>	<u>394,322</u>	<u>393,122</u>
30,400	30,400	322	30,078
<u>70,000</u>	<u>70,000</u>	<u>-</u>	<u>70,000</u>
<u>100,400</u>	<u>100,400</u>	<u>322</u>	<u>100,078</u>
(99,200)	(99,200)	394,000	493,200
-	-	-	-
-	-	-	-
(99,200)	(99,200)	394,000	493,200
<u>412,432</u>	<u>412,432</u>	<u>412,432</u>	<u>-</u>
\$ <u>313,232</u>	\$ <u>313,232</u>	\$ <u>806,432</u>	\$ <u>493,200</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Juvenile Justice Alternative Education Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 190,000	\$ 190,000	\$ 325,781	\$ 135,781
Fees	-	-	-	-
Investment income	<u>200</u>	<u>200</u>	<u>1,569</u>	<u>1,369</u>
Total revenues	<u>190,200</u>	<u>190,200</u>	<u>327,350</u>	<u>137,150</u>
Expenditures:				
Administration of Justice:				
Salaries and wages, and employee benefits	345,464	345,464	237,262	108,202
Operating expenditures	<u>97,060</u>	<u>97,060</u>	<u>73,564</u>	<u>23,496</u>
Total expenditures	<u>442,524</u>	<u>442,524</u>	<u>310,826</u>	<u>131,698</u>
Excess (deficiency) of revenues over expenditures	(252,324)	(252,324)	<u>16,524</u>	<u>268,848</u>
Other Financing Sources:				
Transfers in	<u>190,800</u>	<u>190,800</u>	-	(190,800)
Total other financing sources	<u>190,800</u>	<u>190,800</u>	-	(190,800)
Net change in fund balance	(61,524)	(61,524)	16,524	78,048
Fund balance - beginning	<u>89,586</u>	<u>89,586</u>	<u>89,586</u>	-
Fund balance - ending	<u>\$ 28,062</u>	<u>\$ 28,062</u>	<u>\$ 106,110</u>	<u>\$ 78,048</u>

Truancy Prevention and Diversion Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
12,000	12,000	17,397	5,397
<u>100</u>	<u>100</u>	<u>887</u>	<u>787</u>
<u>12,100</u>	<u>12,100</u>	<u>18,284</u>	<u>6,184</u>
62,651	62,651	58,763	3,888
<u>2,000</u>	<u>2,000</u>	<u>696</u>	<u>1,304</u>
<u>64,651</u>	<u>64,651</u>	<u>59,459</u>	<u>5,192</u>
(52,551)	(52,551)	(41,175)	11,376
<u>53,000</u>	<u>53,000</u>	<u>53,000</u>	<u>-</u>
<u>53,000</u>	<u>53,000</u>	<u>53,000</u>	<u>-</u>
449	449	11,825	11,376
<u>11,670</u>	<u>11,670</u>	<u>11,670</u>	<u>-</u>
<u>\$ 12,119</u>	<u>\$ 12,119</u>	<u>\$ 23,495</u>	<u>\$ 11,376</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Juvenile Probation Fees Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 7,500	\$ 7,500	\$ 14,669	\$ 7,169
Investment income	1,000	1,000	6,100	5,100
Total revenues	<u>8,500</u>	<u>8,500</u>	<u>20,769</u>	<u>12,269</u>
Expenditures:				
Administration of Justice:				
Salaries and wages, and employee benefits	-	-	-	-
Operating expenditures	6,000	6,000	-	6,000
Capital outlay	36,000	36,000	30,887	5,113
Total expenditures	<u>42,000</u>	<u>42,000</u>	<u>30,887</u>	<u>11,113</u>
Net change in fund balance	(33,500)	(33,500)	(10,118)	23,382
Fund balance - beginning	<u>79,859</u>	<u>79,859</u>	<u>79,859</u>	<u>-</u>
Fund balance - ending	<u>\$ 46,359</u>	<u>\$ 46,359</u>	<u>\$ 69,741</u>	<u>\$ 23,382</u>

Justice of the Peace Technology Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 10,380	\$ 10,380	\$ 13,362	\$ 2,982
<u>750</u>	<u>750</u>	<u>7,714</u>	<u>6,964</u>
<u>11,130</u>	<u>11,130</u>	<u>21,076</u>	<u>9,946</u>
90,072	90,072	32,409	57,663
23,123	23,123	3,201	19,922
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>113,195</u>	<u>113,195</u>	<u>35,610</u>	<u>77,585</u>
(102,065)	(102,065)	(14,534)	87,531
<u>316,754</u>	<u>316,754</u>	<u>316,754</u>	<u>-</u>
<u>\$ 214,689</u>	<u>\$ 214,689</u>	<u>\$ 302,220</u>	<u>\$ 87,531</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	County Specialty Court Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees	\$ 13,500	\$ 13,500	\$ 16,883	\$ 3,383
Investment income	-	-	786	786
Total revenues	<u>13,500</u>	<u>13,500</u>	<u>17,669</u>	<u>4,169</u>
Expenditures:				
Law Enforcement:				
Operating expenditures	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>13,500</u>	<u>13,500</u>	<u>17,669</u>	<u>4,169</u>
Other Financing Sources:				
Transfers in	<u>28,500</u>	<u>28,500</u>	<u>28,500</u>	<u>-</u>
Total other financing sources	<u>28,500</u>	<u>28,500</u>	<u>28,500</u>	<u>-</u>
Net change in fund balance	42,000	42,000	46,169	4,169
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ 42,000</u>	<u>\$ 42,000</u>	<u>\$ 46,169</u>	<u>\$ 4,169</u>

Courthouse Security Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 100,000	\$ 100,000	\$ 126,044	\$ 26,044
<u>700</u>	<u>700</u>	<u>5,772</u>	<u>5,072</u>
<u>100,700</u>	<u>100,700</u>	<u>131,816</u>	<u>31,116</u>
75,000	52,160	38,106	14,054
<u>94,282</u>	<u>117,122</u>	<u>114,277</u>	<u>2,845</u>
<u>169,282</u>	<u>169,282</u>	<u>152,383</u>	<u>16,899</u>
(68,582)	(68,582)	(20,567)	48,015
-	-	-	-
-	-	-	-
(68,582)	(68,582)	(20,567)	48,015
<u>233,917</u>	<u>233,917</u>	<u>233,917</u>	<u>-</u>
\$ <u>165,335</u>	\$ <u>165,335</u>	\$ <u>213,350</u>	\$ <u>48,015</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Justice Court Building Security Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 225	\$ 225	\$ 163	\$(62)
Investment income	100	100	2,431	2,331
Total revenues	<u>325</u>	<u>325</u>	<u>2,594</u>	<u>2,269</u>
Expenditures:				
Administration of Justice:				
Operating expenditures	<u>20,000</u>	<u>20,000</u>	-	20,000
Total expenditures	<u>20,000</u>	<u>20,000</u>	-	20,000
Net change in fund balance	(19,675)	(19,675)	2,594	22,269
Fund balance - beginning	<u>96,716</u>	<u>96,716</u>	<u>96,716</u>	-
Fund balance - ending	<u>\$ 77,041</u>	<u>\$ 77,041</u>	<u>\$ 99,310</u>	<u>\$ 22,269</u>

Court Facility Fund

Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 53,238	\$ 53,238	\$ 61,527	\$ 8,289
<u>100</u>	<u>100</u>	<u>1,751</u>	<u>1,651</u>
<u>53,338</u>	<u>53,338</u>	<u>63,278</u>	<u>9,940</u>
<u>54,137</u>	<u>54,137</u>	<u>-</u>	<u>54,137</u>
<u>54,137</u>	<u>54,137</u>	<u>-</u>	<u>54,137</u>
(799)	(799)	63,278	64,077
<u>42,252</u>	<u>42,252</u>	<u>42,252</u>	<u>-</u>
<u>\$ 41,453</u>	<u>\$ 41,453</u>	<u>\$ 105,530</u>	<u>\$ 64,077</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Guardianship Fee Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 19,974	\$ 19,974	\$ 20,705	\$ 731
Investment income	100	100	1,066	966
Total revenues	<u>20,074</u>	<u>20,074</u>	<u>21,771</u>	<u>1,697</u>
Expenditures:				
Administration of Justice:				
Operating expenditures	<u>25,574</u>	<u>25,574</u>	<u>17,527</u>	<u>8,047</u>
Total expenditures	<u>25,574</u>	<u>25,574</u>	<u>17,527</u>	<u>8,047</u>
Net change in fund balance	(5,500)	(5,500)	4,244	9,744
Fund balance - beginning	<u>37,776</u>	<u>37,776</u>	<u>37,776</u>	-
Fund balance - ending	<u>\$ 32,276</u>	<u>\$ 32,276</u>	<u>\$ 42,020</u>	<u>\$ 9,744</u>

Language Access Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 15,611	\$ 15,611	\$ 20,156	\$ 4,545
<u>20</u>	<u>20</u>	<u>550</u>	<u>530</u>
<u>15,631</u>	<u>15,631</u>	<u>20,706</u>	<u>5,075</u>
<u>18,572</u>	<u>18,572</u>	<u>-</u>	<u>18,572</u>
<u>18,572</u>	<u>18,572</u>	<u>-</u>	<u>18,572</u>
(2,941)	(2,941)	20,706	23,647
<u>12,712</u>	<u>12,712</u>	<u>12,712</u>	<u>-</u>
<u>\$ 9,771</u>	<u>\$ 9,771</u>	<u>\$ 33,418</u>	<u>\$ 23,647</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Court Reporter Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees	\$ 43,690	\$ 43,690	\$ 79,440	\$ 35,750
Investment income	75	75	2,326	2,251
Total revenues	<u>43,765</u>	<u>43,765</u>	<u>81,766</u>	<u>38,001</u>
Expenditures:				
Administration of Justice:				
Operating expenditures	<u>62,066</u>	<u>62,066</u>	-	62,066
Total expenditures	<u>62,066</u>	<u>62,066</u>	-	62,066
Net change in fund balance	(18,301)	(18,301)	81,766	100,067
Fund balance - beginning	<u>57,173</u>	<u>57,173</u>	<u>57,173</u>	-
Fund balance - ending	<u>\$ 38,872</u>	<u>\$ 38,872</u>	<u>\$ 138,939</u>	<u>\$ 100,067</u>

Judicial Education & Support Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 2,860	\$ 2,860	\$ 2,600	\$(260)
<u>5</u>	<u>5</u>	<u>81</u>	<u>76</u>
<u>2,865</u>	<u>2,865</u>	<u>2,681</u>	<u>(184)</u>
<u>3,126</u>	<u>3,126</u>	<u>-</u>	<u>3,126</u>
<u>3,126</u>	<u>3,126</u>	<u>-</u>	<u>3,126</u>
(261)	(261)	2,681	2,942
<u>2,080</u>	<u>2,080</u>	<u>2,080</u>	<u>-</u>
<u>\$ 1,819</u>	<u>\$ 1,819</u>	<u>\$ 4,761</u>	<u>\$ 2,942</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Record Archives - County Clerk Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Fees	\$ 485,000	\$ 485,000	\$ 375,140	\$(109,860)
Investment income	3,300	3,300	34,422	31,122
Miscellaneous	-	-	9,327	9,327
Total revenues	<u>488,300</u>	<u>488,300</u>	<u>418,889</u>	<u>(69,411)</u>
Expenditures:				
General government:				
Operating expenditures	500,000	500,000	428,985	71,015
Administration of Justice:				
Operating expenditures	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>428,985</u>	<u>71,015</u>
Net change in fund balance	(11,700)	(11,700)	(10,096)	1,604
Fund balance - beginning	<u>879,371</u>	<u>879,371</u>	<u>879,371</u>	<u>-</u>
Fund balance - ending	<u>\$ 867,671</u>	<u>\$ 867,671</u>	<u>\$ 869,275</u>	<u>\$ 1,604</u>

Record Archives - District Clerk Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,488	\$ 1,488	\$ 785	\$(703)
50	50	2,025	1,975
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,538</u>	<u>1,538</u>	<u>2,810</u>	<u>1,272</u>
-	-	-	-
20,894	20,894	-	20,894
<u>20,894</u>	<u>20,894</u>	<u>-</u>	<u>20,894</u>
<u>41,788</u>	<u>41,788</u>	<u>-</u>	<u>41,788</u>
(40,250)	(40,250)	2,810	43,060
<u>80,181</u>	<u>80,181</u>	<u>80,181</u>	<u>-</u>
<u>\$ 39,931</u>	<u>\$ 39,931</u>	<u>\$ 82,991</u>	<u>\$ 43,060</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	County/District Court Technology Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees	\$ 3,733	\$ 3,733	\$ 4,063	\$ 330
Investment income	<u>25</u>	<u>25</u>	<u>269</u>	<u>244</u>
Total revenues	<u>3,758</u>	<u>3,758</u>	<u>4,332</u>	<u>574</u>
Expenditures:				
General government:				
Operating expenditures	991	991	-	991
Administration of Justice:				
Operating expenditures	<u>3,867</u>	<u>3,867</u>	<u>-</u>	<u>3,867</u>
Total expenditures	<u>4,858</u>	<u>4,858</u>	<u>-</u>	<u>4,858</u>
Net change in fund balance	(1,100)	(1,100)	4,332	5,432
Fund balance - beginning	<u>8,880</u>	<u>8,880</u>	<u>8,880</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,780</u>	<u>\$ 7,780</u>	<u>\$ 13,212</u>	<u>\$ 5,432</u>

Court Records Preservation Digital Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 4,373	\$ 4,373	\$ 1,881	\$ (2,492)
<u>800</u>	<u>800</u>	<u>12,666</u>	<u>11,866</u>
<u>5,173</u>	<u>5,173</u>	<u>14,547</u>	<u>9,374</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,173	5,173	14,547	9,374
<u>402,954</u>	<u>402,954</u>	<u>402,954</u>	<u>-</u>
<u>\$ 408,127</u>	<u>\$ 408,127</u>	<u>\$ 417,501</u>	<u>\$ 9,374</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	District Court Records Technology Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fees	2,192	2,192	1,128	(1,064)
Investment income	175	175	6,008	5,833
Miscellaneous	-	-	-	-
Total revenues	<u>2,367</u>	<u>2,367</u>	<u>7,136</u>	<u>4,769</u>
Expenditures:				
Administration of Justice:				
Operating expenditures	77,992	77,992	55,585	22,407
Law Enforcement:				
Operating expenditures	-	-	-	-
Health and Welfare:				
Salaries and wages, and employee benefits	-	-	-	-
Operating expenditures	-	-	-	-
Total expenditures	<u>77,992</u>	<u>77,992</u>	<u>55,585</u>	<u>22,407</u>
Net change in fund balance	(75,625)	(75,625)	(48,449)	27,176
Fund balance - beginning	<u>239,883</u>	<u>239,883</u>	<u>239,883</u>	<u>-</u>
Fund balance - ending	<u>\$ 164,258</u>	<u>\$ 164,258</u>	<u>\$ 191,434</u>	<u>\$ 27,176</u>

Indigent Health Care Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 1,676,008	\$ 1,676,008	\$ 1,631,229	\$(44,779)
46,000	46,000	100,370	54,370
-	-	-	-
31,000	31,000	162,760	131,760
-	-	<u>3,390</u>	<u>3,390</u>
<u>1,753,008</u>	<u>1,753,008</u>	<u>1,897,749</u>	<u>144,741</u>
-	-	-	-
1,260,000	1,260,000	1,042,499	217,501
148,009	148,009	132,947	15,062
<u>562,350</u>	<u>562,350</u>	<u>343,573</u>	<u>218,777</u>
<u>1,970,359</u>	<u>1,970,359</u>	<u>1,519,019</u>	<u>451,340</u>
(217,351)	(217,351)	378,730	596,081
<u>2,923,597</u>	<u>2,923,597</u>	<u>2,923,597</u>	<u>-</u>
<u>\$ 2,706,246</u>	<u>\$ 2,706,246</u>	<u>\$ 3,302,327</u>	<u>\$ 596,081</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Right of Way Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 21,000	\$ 21,000	\$ 53,358	\$ 32,358
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>53,358</u>	<u>32,358</u>
Expenditures:				
General Government:				
Operating expenditures	-	-	-	-
Public Transportation:				
Capital outlay	<u>500,000</u>	<u>500,000</u>	<u>88,000</u>	<u>412,000</u>
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>88,000</u>	<u>412,000</u>
Deficiency of revenues over expenditures	(479,000)	(479,000)	(34,642)	<u>444,358</u>
Other Financing Sources:				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	(479,000)	(479,000)	(34,642)	444,358
Fund balance - beginning	<u>1,365,846</u>	<u>1,365,846</u>	<u>1,365,846</u>	<u>-</u>
Fund balance - ending	<u>\$ 886,846</u>	<u>\$ 886,846</u>	<u>\$ 1,331,204</u>	<u>\$ 444,358</u>

Historical Commission Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 100	\$ 100	\$ 1,605	\$ 1,505
<u>100</u>	<u>100</u>	<u>1,605</u>	<u>1,505</u>
42,000	42,000	4,171	37,829
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>42,000</u>	<u>42,000</u>	<u>4,171</u>	<u>37,829</u>
(41,900)	(41,900)	(2,566)	39,334
<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
(31,900)	(31,900)	7,434	39,334
<u>57,681</u>	<u>57,681</u>	<u>57,681</u>	<u>-</u>
\$ <u>25,781</u>	\$ <u>25,781</u>	\$ <u>65,115</u>	\$ <u>39,334</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	Veterans Service Juror Donations Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	195	195
Miscellaneous	<u>6,419</u>	<u>6,419</u>	<u>7,862</u>	<u>1,443</u>
Total revenues	<u>6,419</u>	<u>6,419</u>	<u>8,057</u>	<u>1,638</u>
Expenditures:				
General Government:				
Operating expenditures	5,000	5,000	517	4,483
Administration of Justice:				
Salaries and wages, and employee benefits	-	-	-	-
Operating expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>517</u>	<u>4,483</u>
Net change in fund balance	1,419	1,419	7,540	6,121
Fund balance - beginning	<u>4,397</u>	<u>4,397</u>	<u>4,397</u>	<u>-</u>
Fund balance - ending	<u>\$ 5,816</u>	<u>\$ 5,816</u>	<u>\$ 11,937</u>	<u>\$ 6,121</u>

Pre-Trial Bond Supervision Fund			
Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
Original	Final		
\$ 268,800	\$ 268,800	\$ 247,568	\$(21,232)
800	800	11,396	10,596
-	-	-	-
<u>269,600</u>	<u>269,600</u>	<u>258,964</u>	<u>(10,636)</u>
-	-	-	-
206,181	206,181	175,795	30,386
<u>45,300</u>	<u>45,300</u>	<u>26,163</u>	<u>19,137</u>
<u>251,481</u>	<u>251,481</u>	<u>201,958</u>	<u>49,523</u>
18,119	18,119	57,006	38,887
<u>413,955</u>	<u>413,955</u>	<u>413,955</u>	<u>-</u>
<u>\$ 432,074</u>	<u>\$ 432,074</u>	<u>\$ 470,961</u>	<u>\$ 38,887</u>

(continued)

JOHNSON COUNTY, TEXAS

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Special Revenue Funds (Nonmajor)
By Function and Legal Level of Budgetary Control - Continued
For the Year Ended September 30, 2023*

	STOP SCU Operations Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 44,203	\$ 44,203	\$ 44,203	\$ -
Investment income	500	500	5,975	5,475
Miscellaneous	-	-	2,653	2,653
Total revenues	<u>44,703</u>	<u>44,703</u>	<u>52,831</u>	<u>8,128</u>
Expenditures:				
Law enforcement:				
Operating expenditures	<u>213,963</u>	<u>213,963</u>	<u>157,804</u>	<u>56,159</u>
Total expenditures	<u>213,963</u>	<u>213,963</u>	<u>157,804</u>	<u>56,159</u>
Deficiency of revenues over expenditures	<u>(169,260)</u>	<u>(169,260)</u>	<u>(104,973)</u>	<u>64,287</u>
Other Financing Sources:				
Transfers in	<u>90,504</u>	<u>90,504</u>	<u>90,504</u>	<u>-</u>
Total other financing sources	<u>90,504</u>	<u>90,504</u>	<u>90,504</u>	<u>-</u>
Net change in fund balance	<u>(78,756)</u>	<u>(78,756)</u>	<u>(14,469)</u>	<u>64,287</u>
Fund balance - beginning	<u>205,432</u>	<u>205,432</u>	<u>205,432</u>	<u>-</u>
Fund balance - ending	<u>\$ 126,676</u>	<u>\$ 126,676</u>	<u>\$ 190,963</u>	<u>\$ 64,287</u>



JOHNSON COUNTY, TEXAS

*Combining Statement of Fiduciary Net Position
September 30, 2023*

	Sheriff Seizures Fund	Special Crimes Operations Seizures Fund	Unclaimed Property Fund
Assets:			
Cash and temporary investments	\$ 3,097	\$ 357,526	\$ 18,339
Accounts receivable	-	-	-
Total assets	<u>3,097</u>	<u>357,526</u>	<u>18,339</u>
Liabilities:			
Accounts and accrued liabilities payable	-	-	-
Held for others	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:			
Individuals, organizations and other governmental	<u>3,097</u>	<u>357,526</u>	<u>18,339</u>
Total net position	<u>\$ 3,097</u>	<u>\$ 357,526</u>	<u>\$ 18,339</u>

District Clerk Jury Fund	Sheriff Escrow Fund	Constable Fund	Sheriff Inmate Fund	County Clerk Fund	District Clerk Fund
\$ 48	\$ 87,268	\$ -	\$ 134,940	\$ 3,443,802	\$ 4,180,092
-	-	-	-	-	-
<u>48</u>	<u>87,268</u>	<u>-</u>	<u>134,940</u>	<u>3,443,802</u>	<u>4,180,092</u>
-	-	-	-	219,511	-
-	-	-	-	3,224,291	4,180,092
-	-	-	-	-	-
-	-	-	-	<u>3,443,802</u>	<u>4,180,092</u>
<u>48</u>	<u>87,268</u>	<u>-</u>	<u>134,940</u>	<u>-</u>	<u>-</u>
<u>\$ 48</u>	<u>\$ 87,268</u>	<u>\$ -</u>	<u>\$ 134,940</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

JOHNSON COUNTY, TEXAS

Combining Statement of Fiduciary Net Position - Continued
September 30, 2023

	District & County Attorney Deposit Fund	Juvenile Probation Restitution Fund	Johnson & Somervell County Supervision Fund
Assets:			
Cash and temporary investments	\$ 4,238	\$ 6,546	\$ 170,190
Accounts receivable	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>4,238</u>	<u>6,546</u>	<u>170,190</u>
Liabilities:			
Accounts and accrued liabilities payable	-	-	-
Held for others	-	-	-
Unearned revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:			
Individuals, organizations and other governmental	<u>4,238</u>	<u>6,546</u>	<u>170,190</u>
Total net position	<u>\$ 4,238</u>	<u>\$ 6,546</u>	<u>\$ 170,190</u>

Tax Collector Fund	Adult Probation Fund	Total Custodial Funds
\$ 5,002,149	\$ 1,794,607	\$ 15,202,842
<u>-</u>	<u>150,131</u>	<u>150,131</u>
<u>5,002,149</u>	<u>1,944,738</u>	<u>15,352,973</u>
-	439,491	659.002
-	-	7,404,383
<u>-</u>	<u>382,689</u>	<u>382,689</u>
<u>-</u>	<u>822,180</u>	<u>8,446,074</u>
<u>5,002,149</u>	<u>1,122,558</u>	<u>6,906,899</u>
<u>\$ 5,002,149</u>	<u>\$ 1,122,558</u>	<u>\$ 6,906,899</u>

JOHNSON COUNTY, TEXAS

*Combining Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2023*

	Sheriff Seizures Fund	Special Crimes Operations Seizures Fund	Unclaimed Property Fund
Additions:			
Collections for adult probation	\$ -	\$ -	\$ -
Tax collections for other governments	-	-	-
Held for others	-	115,818	19,883
Earnings on investments	<u>200</u>	<u>9,601</u>	<u>-</u>
Total additions	<u>200</u>	<u>125,419</u>	<u>19,883</u>
Deductions:			
Payments to adult probation	-	-	-
Payments to individuals	5,590	96,418	23,084
Payments to other governments	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>5,590</u>	<u>96,418</u>	<u>23,084</u>
Net change in net position	(5,390)	29,001	(3,201)
Net position - beginning	<u>8,487</u>	<u>328,525</u>	<u>21,540</u>
Net position - ending	<u>\$ 3,097</u>	<u>\$ 357,526</u>	<u>\$ 18,339</u>

District Clerk Jury Fund	Sheriff Escrow Fund	Constable Fund	Sheriff Inmate Fund	County Clerk Fund	District Clerk Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,258	703,423	156,387	1,348,311	10,787,208	44,762,211
-	-	-	-	-	-
<u>1,258</u>	<u>703,423</u>	<u>156,387</u>	<u>1,348,311</u>	<u>10,787,208</u>	<u>44,762,211</u>
-	-	-	-	-	-
1,218	664,505	168,532	1,299,428	10,787,208	44,762,211
-	-	-	-	-	-
<u>1,218</u>	<u>664,505</u>	<u>168,532</u>	<u>1,299,428</u>	<u>10,787,208</u>	<u>44,762,211</u>
40	38,918	(12,145)	48,883	-	-
<u>8</u>	<u>48,350</u>	<u>12,145</u>	<u>86,057</u>	-	-
<u>\$ 48</u>	<u>\$ 87,268</u>	<u>\$ -</u>	<u>\$ 134,940</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

JOHNSON COUNTY, TEXAS

*Combining Statement of Changes in Fiduciary Net Position - Continued
For the Year Ended September 30, 2023*

	District & County Attorney Deposit Fund	Juvenile Probation Restitution Fund	Johnson & Somervell County Supervision Fund
Additions:			
Collections for adult probation	\$ -	\$ -	\$ 3,409,318
Tax collections for other governments	-	-	-
Held for others	91,403	62,322	-
Earnings on investments	-	-	-
Total additions	<u>91,403</u>	<u>62,322</u>	<u>3,409,318</u>
Deductions:			
Payments to adult probation	-	-	3,239,128
Payments to individuals	89,441	59,870	-
Payments to other governments	-	-	-
Total deductions	<u>89,441</u>	<u>59,870</u>	<u>3,239,128</u>
Net change in net position	1,962	2,452	170,190
Net position - beginning	<u>2,276</u>	<u>4,094</u>	<u>-</u>
Net position - ending	<u>\$ 4,238</u>	<u>\$ 6,546</u>	<u>\$ 170,190</u>

Tax Collector Fund	Adult Probation Fund	Total Custodial Funds
\$ -	\$ 3,255,921	\$ 6,665,239
108,752,751	-	108,752,751
-	-	58,048,224
-	42,525	52,326
<u>108,752,751</u>	<u>3,298,446</u>	<u>173,518,540</u>
	3,393,690	6,632,818
-	-	57,957,505
<u>108,420,114</u>	<u>-</u>	<u>108,420,114</u>
<u>108,420,114</u>	<u>3,393,690</u>	<u>173,010,437</u>
332,637	(95,244)	508,103
<u>4,669,512</u>	<u>1,217,802</u>	<u>6,398,796</u>
<u>\$ 5,002,149</u>	<u>\$ 1,122,558</u>	<u>\$ 6,906,899</u>



STATISTICAL SECTION



JOHNSON COUNTY, TEXAS

Statistical Section
(unaudited)

This part of Johnson County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information say about the County's overall financial health.

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<u>Financial Trends</u>	174-181
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Tables 1 through 4 contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

<u>Revenue Capacity</u>	182-187
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Tables 5 through 8 contain information to help the reader assess the County's most significant local revenue source, the property tax.

<u>Debt Capacity</u>	188-192
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Tables 9 through 12 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.

<u>Demographic and Economic Indicators</u>	193-194
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Tables 13 through 14 offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

<u>Operating Information</u>	195-201
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Tables 15 through 17 contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides.

JOHNSON COUNTY, TEXAS

Net Position by Components

Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities:					
Net investment in capital assets	\$ 53,258,318	\$ 51,667,122	\$ 54,807,680	\$ 52,035,751	\$ 51,899,263
Restricted	15,003,481	16,611,684	17,487,954	16,627,902	17,425,182
Unrestricted	<u>24,860,566</u>	<u>26,616,369</u>	<u>24,783,550</u>	<u>22,457,167</u>	<u>27,032,083</u>
Total governmental activities net position	<u>\$ 93,122,365</u>	<u>\$ 94,895,175</u>	<u>\$ 97,079,184</u>	<u>\$ 91,120,820</u>	<u>\$ 96,356,528</u>

Source:

Annual Comprehensive Financial Report (Statement of Net Position)

Notes:

GASB 68 was implemented in fiscal year 2015, and only fiscal year 2014 ending balances have been restated.

GASB 75 was implemented in fiscal year 2018, and only fiscal year 2017 ending balances have been restated.

A prior period adjustment was made in fiscal year 2022, and only fiscal year 2021 ending balances have been restated.

Table 1

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 50,343,717	\$ 52,470,155	\$ 53,698,673	\$ 54,442,387	\$ 64,256,709
17,766,864	17,220,292	18,408,094	20,104,612	23,738,807
<u>29,823,904</u>	<u>33,115,029</u>	<u>37,754,199</u>	<u>50,782,840</u>	<u>66,678,169</u>
<u>\$ 97,934,485</u>	<u>\$102,805,476</u>	<u>\$109,860,966</u>	<u>\$125,329,839</u>	<u>\$154,673,685</u>

JOHNSON COUNTY, TEXAS

Changes in Net Position Last Ten Fiscal Years

	2014	2015	2016	2017	2018
Expenses					
Governmental Activities:					
General government ¹	\$ 14,087,205	\$ 16,447,095	\$ 17,988,435	\$ 18,488,450	\$ 17,471,736
Highways and streets	9,712,634	8,559,760	9,170,169	9,501,401	9,152,310
Law enforcement	32,888,061	31,694,382	34,032,010	38,498,728	40,375,051
Administration of justice	7,011,681	8,046,614	8,676,596	8,995,731	8,373,435
Financial administration	847,977	916,563	964,805	1,034,334	1,032,042
Health and welfare	1,822,344	1,558,199	1,548,476	2,157,599	1,350,522
Interest and fiscal charges	549,991	482,139	1,296,642	1,089,534	889,424
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$ 66,919,893</u>	<u>\$ 67,704,752</u>	<u>\$ 73,677,133</u>	<u>\$ 79,765,777</u>	<u>\$ 78,644,520</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government ¹	\$ 3,060,143	\$ 5,068,931	\$ 5,077,528	\$ 5,090,259	\$ 6,788,168
Highways and streets	2,176,076	2,053,735	2,158,370	1,679,048	2,047,391
Law enforcement	8,951,720	7,623,697	9,250,903	12,014,082	13,860,323
Administration of justice	2,394,904	2,584,341	2,707,047	1,107,335	4,883,071
Financial administration	1,226,240	-	-	-	-
Health and welfare	232,324	-	-	-	-
Operating grants and contributions	2,171,770	2,531,965	3,263,020	2,904,929	2,137,829
Capital grants and contributions	2,104,767	1,209,257	1,343,092	770,880	765,277
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total governmental activities program revenues	<u>22,317,944</u>	<u>21,071,926</u>	<u>23,799,960</u>	<u>23,566,533</u>	<u>30,482,059</u>
Net expense	<u>\$(44,601,949)</u>	<u>\$(46,632,826)</u>	<u>\$(49,877,173)</u>	<u>\$(56,199,244)</u>	<u>\$(48,162,461)</u>
General Revenues and Change in Net Position					
Governmental Activities:					
Taxes	\$ 45,515,078	\$ 48,990,593	\$ 50,904,776	\$ 50,749,015	\$ 51,408,011
Investment income	96,651	183,592	333,960	418,949	941,503
Miscellaneous	566,734	791,863	822,446	570,124	1,048,655
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total general revenues	<u>\$ 46,178,463</u>	<u>\$ 49,966,048</u>	<u>\$ 52,061,182</u>	<u>\$ 51,738,088</u>	<u>\$ 53,398,169</u>
Change in net position	<u>\$ 1,576,514</u>	<u>\$ 3,333,222</u>	<u>\$ 2,184,009</u>	<u>\$(4,461,156)</u>	<u>\$ 5,235,708</u>

Source: Annual Comprehensive Financial Report (Statement of Activities)

¹ Elections, Conservation and Culture and Recreation programs included here.

Table 2

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 19,432,451	\$ 19,939,709	\$ 20,294,109	\$ 21,173,851	\$ 24,723,841
9,972,948	9,403,250	9,264,597	9,335,140	10,101,391
44,308,051	41,667,920	41,822,703	40,984,943	48,035,051
9,587,841	9,263,379	8,992,175	8,829,558	10,623,732
1,179,916	1,230,024	1,251,183	1,186,407	1,524,166
1,779,079	2,698,608	2,883,698	5,276,133	4,009,672
<u>881,077</u>	<u>826,935</u>	<u>753,199</u>	<u>690,177</u>	<u>532,946</u>
<u>\$ 87,141,363</u>	<u>\$ 85,029,825</u>	<u>\$ 85,261,664</u>	<u>\$ 87,476,209</u>	<u>\$ 99,550,799</u>
\$ 7,023,886	\$ 7,165,800	\$ 8,680,453	\$ 8,955,555	\$ 8,670,785
2,091,707	2,108,552	2,222,760	2,160,172	2,255,642
15,829,815	12,871,834	12,147,431	11,876,290	12,272,413
1,630,820	2,768,435	2,486,839	2,696,331	2,981,535
-	-	-	-	-
-	-	-	-	-
2,574,611	4,334,545	3,893,806	6,915,063	10,161,363
<u>831,069</u>	<u>1,203,158</u>	<u>1,305,573</u>	<u>2,551,378</u>	<u>8,030,066</u>
<u>29,981,908</u>	<u>30,452,324</u>	<u>30,736,862</u>	<u>35,154,789</u>	<u>44,371,804</u>
<u>\$(57,159,455)</u>	<u>\$(54,577,501)</u>	<u>\$(54,524,802)</u>	<u>\$(52,321,420)</u>	<u>\$(55,178,995)</u>
\$ 56,044,426	\$ 57,008,180	\$ 60,181,153	\$ 67,035,114	\$ 77,306,841
1,907,714	1,240,278	420,936	316,056	5,047,441
<u>785,272</u>	<u>1,200,034</u>	<u>991,595</u>	<u>439,123</u>	<u>2,168,559</u>
<u>\$ 58,737,412</u>	<u>\$ 59,448,492</u>	<u>\$ 61,593,684</u>	<u>\$ 67,790,293</u>	<u>\$ 84,522,841</u>
<u>\$ 1,577,957</u>	<u>\$ 4,870,991</u>	<u>\$ 7,068,882</u>	<u>\$ 15,468,873</u>	<u>\$ 29,343,846</u>

JOHNSON COUNTY, TEXAS*Fund Balances, Governmental Funds**Last Ten Fiscal Years**(modified accrual basis of accounting)*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund:					
Nonspendable	\$ 660,339	\$ 674,400	\$ 774,454	\$ 432,469	\$ 527,761
Unassigned	<u>18,321,967</u>	<u>21,394,059</u>	<u>19,448,434</u>	<u>21,923,095</u>	<u>25,325,056</u>
Total General Fund	<u>\$ 18,982,306</u>	<u>\$ 22,068,459</u>	<u>\$ 20,222,888</u>	<u>\$ 22,355,564</u>	<u>\$ 25,852,817</u>
Road & Bridge Fund:					
Nonspendable	\$ 301,036	\$ 408,775	\$ 317,943	\$ 299,585	\$ 307,068
Restricted	<u>6,435,487</u>	<u>6,786,303</u>	<u>7,673,273</u>	<u>6,864,366</u>	<u>6,137,166</u>
Total Road & Bridge Fund	<u>\$ 6,736,523</u>	<u>\$ 7,195,078</u>	<u>\$ 7,991,216</u>	<u>\$ 7,163,951</u>	<u>\$ 6,444,234</u>
Other Governmental Funds:					
Nonspendable	\$ 2,368	\$ -	\$ 3,687	\$ 22,387	\$ 18,840
Restricted	11,422,456	10,987,061	18,952,445	9,631,368	12,452,719
Unassigned	<u>(8,937)</u>	<u>(857,052)</u>	<u>(39,000)</u>	<u>(133,470)</u>	<u>(7,333)</u>
Total Other Governmental Funds	<u>\$ 11,415,887</u>	<u>\$ 10,130,009</u>	<u>\$ 18,917,132</u>	<u>\$ 9,520,285</u>	<u>\$ 12,464,226</u>
Total Governmental Funds	<u>\$ 37,134,716</u>	<u>\$ 39,393,546</u>	<u>\$ 47,131,236</u>	<u>\$ 39,039,800</u>	<u>\$ 44,761,277</u>

Source: Annual Comprehensive Financial Report (Balance Sheet - Governmental Funds)

Table 3

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 598,241	\$ 616,970	\$ 596,155	\$ 760,899	\$ 773,546
<u>31,190,522</u>	<u>34,877,444</u>	<u>39,473,064</u>	<u>46,979,800</u>	<u>50,000,706</u>
\$ <u>31,788,763</u>	\$ <u>35,494,414</u>	\$ <u>40,069,219</u>	\$ <u>47,740,699</u>	\$ <u>50,774,252</u>
\$ 370,381	\$ 421,592	\$ 457,431	\$ 466,710	\$ 505,850
<u>4,906,587</u>	<u>4,811,290</u>	<u>5,509,332</u>	<u>5,982,062</u>	<u>7,912,235</u>
\$ <u>5,276,968</u>	\$ <u>5,232,882</u>	\$ <u>5,966,763</u>	\$ <u>6,448,772</u>	\$ <u>8,418,085</u>
\$ 4,687	\$ 4,736	\$ 9,221	\$ 140,977	\$ 109,747
13,843,571	15,158,719	15,581,178	14,813,556	15,762,760
(644)	(1,308)	-	(167,885)	-
\$ <u>13,847,614</u>	\$ <u>15,162,147</u>	\$ <u>15,590,399</u>	\$ <u>14,786,648</u>	\$ <u>15,872,507</u>
\$ <u>50,913,345</u>	\$ <u>55,889,443</u>	\$ <u>61,626,381</u>	\$ <u>68,976,119</u>	\$ <u>75,064,844</u>

JOHNSON COUNTY, TEXAS

Changes In Fund Balances, Governmental Funds Last Ten Fiscal Years

	2014	2015	2016	2017	2018
Revenues:					
Taxes	\$ 45,443,781	\$ 48,963,573	\$ 50,993,826	\$ 50,737,943	\$ 51,484,989
Prisoner housing services	6,675,022	6,030,529	7,149,116	10,112,353	11,431,715
Intergovernmental	3,272,840	2,801,723	4,124,331	3,075,841	2,435,155
Fees	7,582,746	7,622,922	8,250,780	7,985,710	11,407,259
Fines	1,474,592	1,527,368	1,670,340	1,331,314	1,406,065
Licenses and permits	-	-	-	-	-
Investment income	96,651	183,592	333,960	418,949	941,503
Miscellaneous	2,083,907	2,372,687	2,514,951	2,054,631	1,816,803
Total revenues	66,629,539	69,502,394	75,037,304	75,716,741	80,923,489
Expenditures:					
Current:					
General government ¹	12,490,998	14,672,298	16,165,457	15,950,248	15,078,893
Highways and streets	6,934,405	5,783,272	6,303,874	6,448,641	6,266,830
Law enforcement	30,917,697	29,703,957	32,061,018	35,372,987	37,537,471
Administration of justice	7,006,238	7,974,262	8,576,511	8,513,407	8,087,273
Financial administration	920,170	916,909	964,090	983,233	1,002,443
Health and welfare	1,791,012	1,509,408	1,499,931	2,095,704	1,297,291
Capital outlay	6,574,359	4,128,319	19,920,510	10,817,630	2,632,285
Debt Service:					
Principal	1,592,270	2,169,297	2,030,000	2,190,000	2,780,000
Interest and fiscal charges	403,479	452,767	635,848	1,637,067	905,826
Total expenditures	68,630,628	67,310,489	88,157,239	84,008,917	75,588,312
Excess (deficiency) of revenues over expenditures	(2,001,089)	2,191,905	(13,119,935)	(8,292,176)	5,335,177
Other Financing Sources (Uses):					
Transfers in	5,214,204	1,885,078	7,239,818	2,673,458	4,074,377
Transfers out	(5,214,204)	(1,885,078)	(7,239,818)	(2,673,458)	(4,074,377)
Proceeds from sale of capital assets	79,262	66,925	252,625	136,401	386,300
Issuance of right to use leased assets	-	-	-	-	-
Issuance of subscription based IT arrangements	-	-	-	-	-
Issuance of tax notes	4,370,000	-	-	-	-
Issuance of certificates of obligation bonds	-	-	20,605,000	6,425,000	-
Issuance of general obligation bonds	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-
Payments to escrow agent	-	-	-	(6,360,661)	-
Total other financing sources (uses)	4,449,262	66,925	20,857,625	200,740	386,300
Net change in fund balances	\$ 2,448,173	\$ 2,258,830	\$ 7,737,690	\$(8,091,436)	\$ 5,721,477
Debt service as a percentage of noncapital expenditures	3.2%	4.2%	3.9%	5.2%	5.1%

Source: Annual Comprehensive Financial Reports (Statement of Revenues, Expenditures, and Changes in Fund Balances).

¹Elections, Conservation and Culture and recreation are included here.

Table 4

2019	2020	2021	2022	2023
\$ 55,976,147	\$ 57,036,021	\$ 60,244,560	\$ 66,916,041	\$ 77,079,463
12,737,339	10,346,453	8,702,223	-	-
2,864,483	4,284,767	4,892,309	8,524,070	16,281,603
12,139,753	12,011,639	14,488,640	23,263,974	23,124,176
1,411,501	1,005,103	1,078,154	1,499,105	1,808,487
-	-	-	-	26,000
1,907,714	1,240,278	420,936	316,056	5,047,441
<u>1,740,024</u>	<u>1,905,730</u>	<u>1,400,030</u>	<u>511,669</u>	<u>2,247,648</u>
<u>88,776,961</u>	<u>87,829,991</u>	<u>91,226,852</u>	<u>101,030,915</u>	<u>125,614,818</u>
16,732,009	17,728,997	18,365,691	20,410,608	23,064,929
7,061,673	7,312,403	7,338,311	7,907,581	8,452,723
41,053,223	38,851,144	39,397,580	41,358,468	46,360,478
9,020,189	8,979,849	8,888,021	9,596,419	10,818,219
1,113,973	1,196,870	1,234,501	1,296,432	1,493,180
1,677,025	2,633,227	2,790,667	5,240,367	3,852,609
2,298,869	2,605,826	3,784,345	6,445,882	15,355,997
2,825,000	2,865,000	3,000,000	1,476,666	1,831,209
<u>865,502</u>	<u>824,274</u>	<u>771,733</u>	<u>635,584</u>	<u>423,553</u>
<u>82,647,463</u>	<u>82,997,590</u>	<u>85,570,849</u>	<u>94,368,007</u>	<u>111,652,897</u>
<u>6,129,498</u>	<u>4,832,401</u>	<u>5,656,003</u>	<u>6,662,908</u>	<u>13,961,921</u>
2,848,635	4,435,902	4,492,565	2,635,489	6,467,224
(2,848,635)	(4,435,902)	(4,492,565)	(2,635,489)	(17,067,224)
22,570	143,697	94,327	146,449	212,505
-	-	-	245,913	21,083
-	-	-	-	2,493,216
-	-	-	-	-
-	-	-	-	-
-	-	-	15,865,000	-
-	-	-	253,944	-
-	-	-	(15,824,476)	-
<u>22,570</u>	<u>143,697</u>	<u>94,327</u>	<u>686,830</u>	<u>(7,873,196)</u>
\$ <u>6,152,068</u>	\$ <u>4,976,098</u>	\$ <u>5,750,330</u>	\$ <u>7,349,738</u>	\$ <u>6,088,725</u>
4.6%	4.6%	4.6%	2.4%	2.3%

JOHNSON COUNTY, TEXAS

*Assessed Value and Estimated Actual Value of Property (a)
Last Ten Fiscal Years*

Fiscal Year	Real Property			Personal Property	Less: Homestead, Other Exemptions
	Residential Property	Commercial Property	Other Property		
2014	\$ 5,092,788,399	\$ 1,246,142,809	\$ 4,253,295,670	\$ 1,745,201,351	\$ 2,787,490,025
2015	5,134,525,144	1,243,258,320	4,704,030,325	1,694,692,822	2,991,144,902
2016	5,069,484,627	1,368,757,815	5,050,106,841	1,710,101,615	3,176,269,781
2017	5,421,617,645	1,383,963,256	4,342,528,058	1,675,333,272	3,311,636,564
2018	6,135,140,211	1,451,632,628	4,472,634,739	1,497,606,622	3,813,519,623
2019	6,886,752,383	1,499,214,256	4,788,335,664	1,584,929,158	4,172,841,706
2020	7,874,178,334	1,578,652,467	5,165,194,812	1,742,254,351	4,423,488,026
2021	8,719,295,017	1,712,899,185	5,009,469,358	1,875,534,168	4,694,308,240
2022	10,279,112,968	1,847,863,514	6,143,239,993	1,734,770,888	5,973,110,046
2023	12,807,490,059	2,045,732,501	8,983,366,828	2,128,819,457	6,644,939,506

Source: Johnson County Central Appraisal District

(a) Values represent the Appraisal Review Board's approved totals from original certified roll.

(b) Tax rates are derived from 'Total Assessed Taxable Value'

Note: Beginning in 2023, 'Other Property' and 'Estimated Actual Value' now include tax-exempt property.

Table 5

Total Taxable Assessed Value	Total Assessed Value	Total Direct Tax Rate (b)	Assessed Value as a Percentage of Actual Value
\$ 9,549,938,204	\$ 9,549,938,204	0.420154	100.00%
9,785,361,709	9,785,361,709	0.445000	100.00%
10,022,181,117	10,022,181,117	0.448000	100.00%
9,511,805,667	9,511,805,667	0.459738	100.00%
9,743,494,577	9,743,494,577	0.472000	100.00%
10,586,389,755	10,586,389,755	0.472000	100.00%
11,936,791,938	11,936,791,938	0.425000	100.00%
12,622,889,488	12,622,889,488	0.425000	100.00%
14,031,877,317	14,031,877,317	0.420000	100.00%
19,320,469,339	25,965,408,845	0.415000	74.41%

JOHNSON COUNTY, TEXAS

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$100 of assessed value)

	2014 <u>Tax Rate</u>	2015 <u>Tax Rate</u>	2016 <u>Tax Rate</u>	2017 <u>Tax Rate</u>	2018 <u>Tax Rate</u>
Johnson County	0.420154	0.445000	0.448000	0.459738	0.472000
Cities:					
Alvarado	0.665469	0.733000	0.733000	0.733000	0.709555
Burleson	0.740000	0.740000	0.735000	0.735000	0.735000
Cleburne	0.804018	0.804018	0.804018	0.804018	0.804018
Crowley	0.696829	0.739270	0.739270	0.719000	0.709000
Godley	0.540000	0.540000	0.560000	0.560000	0.540000
Grandview	0.746311	0.746311	0.746311	0.746311	0.746311
Joshua	0.725270	0.775270	0.775270	0.775270	0.775270
Keene	0.867018	0.912249	0.897823	0.897823	0.897823
Mansfield	0.710000	0.710000	0.710000	0.710000	0.710000
Rio Vista	0.598185	0.596454	0.596454	0.591810	0.640009
Venus	0.893269	0.879918	0.879918	0.879918	0.879918
School Districts:					
Alvarado ISD	1.461000	1.461000	1.461000	1.461000	1.461000
Burleson ISD	1.540000	1.540000	1.540000	1.670000	1.670000
Cleburne ISD	1.366600	1.366600	1.630000	1.630000	1.630000
Crowley ISD	1.650000	1.650000	1.650000	1.670000	1.670000
Godley ISD	1.195500	1.247660	1.540000	1.540000	1.540000
Granbury ISD	1.265000	1.265000	1.250000	1.210000	1.195000
Grandview ISD	1.400000	1.400000	1.400000	1.400000	1.266100
Joshua ISD	1.420000	1.600000	1.610000	1.600000	1.520000
Keene ISD	1.490900	1.430000	1.430000	1.430000	1.401100
Mansfield ISD	1.527100	1.510000	1.510000	1.540000	1.540000
Rio Vista ISD	1.621300	1.570000	1.600000	1.600000	1.600000
Venus ISD	1.380000	1.380000	1.587600	1.587600	1.589500
Special District Rates:					
Emergency Service	0.060000	0.060000	0.060000	0.060000	0.060000
Hill College - Alvarado ISD	0.044702	0.048850	0.048850	0.050000	0.050000
Hill College - Cleburne ISD	0.050000	0.049931	0.050000	0.050000	0.048800
Hill College - Godley ISD	0.014541	0.016832	0.022349	0.022671	0.022252
Hill College - Grandview ISD	0.050000	0.050000	0.050000	0.050000	0.050000
Hill College - Joshua ISD	0.050000	0.048492	0.050000	0.049482	0.049616
Hill College - Keene ISD	0.046349	0.047000	0.049435	0.050000	0.049327
Hill College - Rio Vista ISD	0.029535	0.032019	0.033806	0.033806	0.035216
Hill College - Venus ISD	0.047414	0.048249	0.049824	0.050000	0.048763

Source: Texas Municipal Report

Table 6

<u>2019 Tax Rate</u>	<u>2020 Tax Rate</u>	<u>2021 Tax Rate</u>	<u>2022 Tax Rate</u>	<u>2023 Tax Rate</u>	<u>% Applicable to Johnson County</u>
0.472000	0.425000	0.425000	0.420000	0.415000	
0.732031	0.751419	0.812696	0.812696	0.811895	100.00%
0.720000	0.711100	0.685900	0.657200	0.632500	79.71%
0.773206	0.760092	0.690498	0.640476	0.581318	100.00%
0.681992	0.699806	0.729545	0.645203	0.594890	22.00%
0.540000	0.540000	0.490390	0.454124	0.516064	100.00%
0.771282	0.771282	0.760566	0.650000	0.650000	100.00%
0.765270	0.761240	0.711493	0.711493	0.651229	100.00%
0.867822	0.854134	0.844134	0.834134	0.834134	100.00%
0.710000	0.690000	0.690000	0.680000	0.659293	13.48%
0.572667	0.527606	0.502741	0.399317	0.436333	100.00%
0.869918	0.838991	0.807224	0.754842	0.754842	70.06%
1.470000	1.466400	1.372000	1.354600	1.169200	100.00%
1.568350	1.538300	1.494600	1.442900	1.257500	67.14%
1.528300	1.514700	1.448600	1.397300	1.211900	100.00%
1.568400	1.539800	1.484100	1.442900	1.257500	73.00%
1.470000	1.466400	1.492000	1.474600	1.289200	89.84%
1.125000	1.111400	1.088800	0.999600	0.934200	97.00%
1.196100	1.133100	1.178100	1.105900	0.998900	97.19%
1.440000	1.396000	1.290000	1.272600	1.087200	100.00%
1.299400	1.285800	1.231270	1.165470	1.048900	100.00%
1.460000	1.446400	1.418300	1.334600	1.149200	8.66%
1.498350	1.397390	1.322990	1.322990	1.183300	98.64%
1.491500	1.421300	1.383500	1.366100	1.807000	100.00%
0.060000	0.060000	0.060000	0.060000	0.054201	100.00%
0.047389	0.050000	0.050000	0.049230	0.044780	100.00%
0.044494	0.048692	0.050000	0.049847	0.047046	100.00%
0.022252	0.025422	0.026092	0.024210	0.021423	100.00%
0.048357	0.050000	0.050000	0.047223	0.044393	97.19%
0.047566	0.050000	0.049928	0.050000	0.048091	100.00%
0.049393	0.049548	0.049548	0.043503	0.042922	100.00%
0.035216	0.035391	0.033478	0.031778	0.029441	98.64%
0.050000	0.050000	0.047245	0.039827	0.038098	100.00%

JOHNSON COUNTY, TEXAS
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 7

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	% of Total Assessed Value	Taxable Assessed Value	Rank	% of Total Assessed Value
Klein Tools, Inc.	\$ 232,358,612	1	1.20%	\$ -	-	-
Javelin Energy Partners	197,385,811	2	1.02%	-	-	-
UPP Operating, LLC	164,933,240	3	0.85%	-	-	-
ETC Texas Processing	146,395,534	4	0.76%	144,956,249	4	1.52%
James Hardie Building Products	139,585,115	5	0.72%	-	-	-
Oncor Electric Delivery	112,225,171	6	0.58%	-	-	-
Atmos Energy/Mid-Tex	108,201,093	7	0.56%	-	-	-
BVK North Texas LLC	85,756,599	8	0.44%	-	-	-
TEP Barnett USA LLC	85,690,307	9	0.44%	-	-	-
Burleson Cold Storage	83,992,534	10	0.43%	-	-	-
Devon Energy Op Co LP	-	-	-	512,734,760	1	5.37%
Chesapeake Operating, Inc.	-	-	-	191,429,655	2	2.00%
EOG Resources, Inc.	-	-	-	172,815,894	3	1.81%
XTO Energy Inc	-	-	-	132,417,077	5	1.39%
Haliburton Energy	-	-	-	116,059,237	6	1.22%
Energy Transfer Fuel LP	-	-	-	93,218,186	7	0.98%
Wal-Mart Stores East LP	-	-	-	81,371,460	8	0.85%
Brazos Electric Power Co Op	-	-	-	78,780,915	9	0.82%
Texas Midstream Gas	-	-	-	72,867,578	10	0.73%
Total	\$ <u>1,356,524,016</u>		<u>7.00%</u>	\$ <u>1,596,651,011</u>		<u>16.72%</u>
Total Taxable Assessed Value	\$ <u>19,320,469,339</u>			\$ <u>9,549,938,204</u>		

Source: Johnson County Central Appraisal District

JOHNSON COUNTY, TEXAS
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 8

Fiscal Year	Tax Levy as of Fiscal Year End	Collected Within the Fiscal Year of the Levy		Subsequent Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 43,475,291	\$ 42,278,798	97.25%	\$ 1,058,267	\$ 43,337,065	99.68%
2015	49,130,903	48,112,540	97.93%	921,603	49,034,143	99.80%
2016	48,923,628	48,472,441	99.08%	338,642	48,811,083	99.77%
2017	48,488,689	47,546,117	98.06%	823,590	48,369,707	99.75%
2018	50,862,834	49,981,168	98.27%	762,701	50,743,869	99.77%
2019	55,845,945	55,030,895	98.54%	668,652	55,699,547	99.74%
2020	56,420,778	55,930,875	99.13%	314,058	56,244,933	99.69%
2021	59,117,582	58,395,331	98.78%	500,005	58,895,336	99.62%
2022	66,495,871	65,675,514	98.77%	422,813	66,098,327	99.40%
2023	76,693,574	75,601,290	98.58%	-	75,601,290	98.58%

Source: Johnson County Tax Assessor/Collector

JOHNSON COUNTY, TEXAS

*Ratios of Outstanding Debt by Type
Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>General Obligation Bonds⁽¹⁾</u>	<u>Certificates of Obligation</u>	<u>Tax Anticipation Notes</u>	<u>Note Payable</u>	<u>Lease Liability</u>
2014	\$ 10,826,116	\$ -	\$ 4,370,000	\$ 793,243	\$ -
2015	9,481,419	-	3,805,000	-	-
2016	7,981,204	20,605,000	3,295,000	-	-
2017	6,329,927	20,605,000	2,890,000	-	-
2018	4,378,650	20,055,000	2,605,000	-	-
2019	2,267,373	19,495,000	2,445,000	-	-
2020	-	18,925,000	2,415,000	-	-
2021	-	18,340,000	-	-	-
2022	15,480,000	3,255,000	-	-	174,247
2023	15,290,000	2,205,000	-	-	127,191

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

- (1) Presented net of original issuance premiums.
- (2) Personal income is disclosed on page 196.
- (3) Population can be found in the Schedule of Demographic and Economic Statistics on page 193.

Table 9

Subscription Liability	Total Outstanding Debt	Percentage of Personal Income ⁽²⁾	Population ⁽³⁾	Per Capita	
\$	- \$	15,989,359	0.27%	156,904	101.91
	-	13,286,419	0.22%	158,614	83.77
	-	31,881,204	0.51%	160,503	198.63
	-	29,824,927	0.45%	167,301	178.27
	-	27,038,650	0.39%	169,159	159.84
	-	24,207,373	0.33%	173,388	139.61
	-	21,340,000	0.27%	180,513	118.22
	-	18,340,000	0.21%	181,837	100.86
	-	18,909,247	0.20%	187,280	100.97
1,970,146		19,592,337	0.19%	195,506	100.21

JOHNSON COUNTY, TEXAS
Ratios of General Bonded Debt
Last Ten Fiscal Years

Table 10

<u>Fiscal Year</u>	<u>General Obligation Bonds⁽¹⁾</u>	<u>Less: Amounts Available in Debt Service Fund⁽²⁾</u>	<u>Net Debt</u>	<u>Percentage of Actual Taxable Property Value⁽³⁾</u>	<u>Per Capita⁽⁴⁾</u>
2014	\$ 10,826,116	\$ 1,048,793	\$ 9,777,323	\$ 0.10%	\$ 62.31
2015	9,481,419	1,364,571	8,116,848	0.08%	51.17
2016	7,981,204	884,286	7,096,918	0.07%	44.22
2017	6,329,927	846,414	5,483,513	0.06%	32.78
2018	4,378,650	876,773	3,501,877	0.04%	20.70
2019	2,267,373	1,257,283	1,010,090	0.01%	5.83
2020	-	566,352	(566,352)	0.00%	(3.14)
2021	-	265,940	(265,940)	0.00%	(1.46)
2022	15,718,072	78,213	15,639,859	0.11%	83.51
2023	15,508,834	-	15,508,834	0.08%	79.33

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

- (1) This is the general bonded debt for the governmental activities, net of original issuance premiums.
- (2) This is the amount restricted for debt service.
- (3) See the Schedule of Assessed Value and the Estimated Actual Value of Taxable Property on page 182 through 183 for property value data.
- (4) Population data can be found in the Schedule of Demographic and Economic Statistics on page 193.

JOHNSON COUNTY, TEXAS

Computation of Direct and Overlapping Debt
September 30, 2023

Table 11

Taxing Jurisdiction	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Johnson County
City of Alvarado	\$ 37,435,000	100.00%	\$ 37,435,000
City of Burleson	169,305,000	79.71%	134,953,016
City of Crowley	43,960,000	0.22%	96,712
City of Grandview	1,055,000	100.00%	1,055,000
City of Joshua	10,850,000	100.00%	10,850,000
City of Keene	10,752,000	100.00%	10,752,000
City of Mansfield	192,175,000	13.48%	25,905,190
City of Venus	15,305,000	70.06%	10,722,683
Alvarado ISD	185,773,000	100.00%	185,773,000
Burleson ISD	274,829,335	67.14%	184,520,416
Cleburne ISD	159,524,512	100.00%	159,524,512
Crowley ISD	936,033,753	0.73%	6,833,046
Godley ISD	221,758,242	89.84%	199,227,605
Granbury ISD	76,845,000	0.97%	745,397
Grandview ISD	13,748,612	97.19%	13,362,276
Joshua ISD	85,870,000	100.00%	85,870,000
Keene ISD	10,479,000	100.00%	10,479,000
Mansfield ISD	756,251,356	8.66%	65,491,367
Rio Vista ISD	20,104,000	98.64%	19,830,586
Venus ISD	28,693,344	100.00%	<u>28,693,344</u>
Subtotal, overlapping debt			1,192,120,150
Johnson County, Texas direct debt			<u>17,713,834</u>
Total direct & overlapping debt			<u>\$ 1,209,833,984</u>

Source: Outstanding debt and applicable percentages provided by each governmental unit.

JOHNSON COUNTY, TEXAS
Computation of Legal Debt Margin
Last Ten Fiscal Years

Table 12

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Assessed value of real property ⁽¹⁾	\$ <u>9,549,938,204</u>	\$ <u>9,785,361,709</u>	\$ <u>10,022,181,117</u>	\$ <u>9,511,805,667</u>	\$ <u>9,743,494,577</u>
Debt limit ⁽²⁾	\$ <u>2,387,484,551</u>	\$ <u>2,446,340,427</u>	\$ <u>2,505,545,279</u>	\$ <u>2,377,951,417</u>	\$ <u>2,435,873,644</u>
Amount of debt applicable to limit ⁽³⁾					
Total bonded debt	15,955,602	13,258,939	31,860,000	29,810,000	27,030,000
Less: Assets in debt service fund	<u>1,158,846</u>	<u>1,433,693</u>	<u>1,594,417</u>	<u>879,771</u>	<u>962,534</u>
Total net debt applicable to limit	<u>14,796,756</u>	<u>11,825,246</u>	<u>30,265,583</u>	<u>28,930,229</u>	<u>26,067,466</u>
Legal debt margin	\$ <u>2,372,687,795</u>	\$ <u>2,434,515,181</u>	\$ <u>2,475,279,696</u>	\$ <u>2,349,021,188</u>	\$ <u>2,409,806,178</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0.62%</u>	<u>0.48%</u>	<u>1.21%</u>	<u>1.22%</u>	<u>1.07%</u>
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assessed value of real property ⁽¹⁾	\$ <u>10,586,389,755</u>	\$ <u>11,936,791,938</u>	\$ <u>12,622,889,488</u>	\$ <u>14,486,742,612</u>	\$ <u>19,320,469,339</u>
Debt limit ⁽²⁾	\$ <u>2,646,597,439</u>	\$ <u>2,984,197,985</u>	\$ <u>3,155,722,372</u>	<u>3,621,685,653</u>	\$ <u>4,830,117,335</u>
Amount of debt applicable to limit ⁽³⁾					
Total bonded debt	24,205,000	21,340,000	18,340,000	18,735,000	17,495,000
Less: Assets in debt service fund	<u>1,331,640</u>	<u>656,775</u>	<u>344,410</u>	<u>116,268</u>	<u>11,786</u>
Total net debt applicable to limit	<u>22,873,360</u>	<u>20,683,225</u>	<u>17,995,590</u>	<u>18,618,732</u>	<u>17,483,214</u>
Legal debt margin	\$ <u>2,623,724,079</u>	\$ <u>2,963,514,760</u>	\$ <u>3,137,726,782</u>	\$ <u>3,603,066,921</u>	\$ <u>4,812,634,121</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0.86%</u>	<u>0.69%</u>	<u>0.57%</u>	<u>0.51%</u>	<u>0.36%</u>

Source:

- (1) Johnson County Appraisal District.
- (2) Debt limit is 25% of assessed value of real property per Article 3 Section 52 of the Texas Constitution.
- (3) Comprehensive Annual Financial Report Statement of Net Position.

JOHNSON COUNTY, TEXAS
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 13

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	156,733	\$ 5,822,080	\$ 37,146	4.8%
2015	159,345	6,046,048	37,943	4.4%
2016	162,763	6,244,690	38,367	4.5%
2017	167,012	6,682,230	40,010	3.4%
2018	171,121	6,914,543	40,407	3.4%
2019	175,817	7,229,759	41,121	3.1%
2020	180,513	7,963,280	44,115	6.9%
2021	181,837	8,665,260	47,599	4.1%
2022	187,280	9,667,206	51,619	3.3%
2023	195,506	10,329,951	52,837	3.7%

Sources: U.S. Census Bureau, Bureau of Labor Statistics and Bureau of Economic Analysis

JOHNSON COUNTY, TEXAS
Principal Employers
Current Year and Nine Years Ago

Table 14

Employer	2023			2014		
	Number of Employees	Rank	% of Total County Employment	Number of Employees	Rank	% of Total County Employment
Burleson ISD	1,600	1	1.80%	1,514	1	2.06%
Cleburne ISD	1,160	2	1.30%	970	2	1.32%
Wal-Mart Distribution Center	1,037	3	1.17%	707	3	0.96%
Joshua ISD	917	4	1.03%	699	4	0.95%
Johnson County	794	5	0.90%	504	5	0.69%
City of Burleson	665	6	0.75%	-	-	-
Wal-Mart Supercenter (Burleson)	480	7	0.54%	496	7	0.63%
Hill College	445	8	0.50%	-	-	-
Texas Health Resources	404	9	0.46%	412	9	0.56%
HEB - Burleson	400	10	0.45%	-	-	-
Sabre Tubular Structures	-	-	-	500	6	0.68%
Wal-Mart Supercenter (Cleburne)	-	-	-	420	8	0.57%
City of Cleburne	-	-	-	342	10	0.47%
Total	<u>7,902</u>		<u>8.91%</u>	<u>6,534</u>		<u>8.89%</u>

Source: Johnson County Economic Development Commission, City of Burleson Chamber of Commerce and Individual Employers

JOHNSON COUNTY, TEXAS*Full-Time County Government Employees by Function
Last Ten Fiscal Years*

Table 15

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	129	132	140	134	135	138	137	144	148	157
Highways and streets	73	77	67	68	67	64	66	64	65	62
Law enforcement	196	202	202	199	196	204	210	401	419	445
Administration of justice	83	82	83	84	79	82	81	78	83	84
Financial administration	14	14	13	13	13	14	14	14	14	15
Health and welfare	6	7	9	8	9	10	10	11	11	11
Culture and recreation	3	4	4	4	5	4	4	4	5	5
Total	<u>504</u>	<u>518</u>	<u>518</u>	<u>510</u>	<u>504</u>	<u>516</u>	<u>522</u>	<u>716</u>	<u>745</u>	<u>779</u>

Source: County budget records

JOHNSON COUNTY, TEXAS

Operating Indicators By Function Last Ten Fiscal Years

Function	Fiscal Year				
	2014	2015	2016	2017	2018
General Government:					
County Clerk					
Criminal Cases Filed	3,673	3,024	2,685	2,386	2,286
Civil Cases Filed	916	900	983	1,120	957
Juvenile petitions Filed	113	125	107	61	76
Probate/Guardianship Cases Filed	461	399	398	459	436
Mental Health Cases Filed	65	47	77	184	181
Personnel					
Positions Filled	610	625	633	631	635
Payroll Checks Processed	15,938	16,921	17,132	16,384	16,896
Public Works					
Permits Issued	628	732	1,035	1,342	1,434
Septic Complaints Addressed	143	178	163	134	126
Purchasing					
Purchase Orders Issued	3,946	4,267	3,983	3,823	3,622
Recurring Annual Competitive Bids	13	17	34	20	28
New Competitive Bids	22	19	12	14	4
Tax Assessor/Collector					
County Tax Accounts	298,539	314,034	309,572	302,255	317,412
Automobile Registrations	168,964	167,198	169,105	173,718	178,013
Elections Administration					
Registered Voters	82,377	84,405	90,587	92,999	94,293
Administrative of Justice					
District Clerk					
Civil Cases Filed	1,288	1,365	1,036	1,136	1,440
Criminal Cases Filed	1,653	1,753	1,643	1,289	1,533
County Courts					
Criminal Cases Disposed	3,730	3,346	3,062	1,985	2,293
Civil Cases Disposed	1,038	683	905	1,298	993
Juvenile Petitions Disposed	195	113	110	65	67
Probate/Guardianship Hearings Held	397	510	892	593	661
Mental Health Hearings Held	53	49	63	289	152
District Court					
Civil Cases Disposed	1,211	830	1,233	1,189	1,475
Criminal Cases Disposed	1,744	1,608	1,492	1,260	1,359
Justice of the Peace					
Civil Cases Filed	1,644	1,789	1,882	2,135	2,452
Criminal Cases Filed	9,950	9,784	11,475	9,779	10,701
Civil Cases Disposed	1,880	2,094	1,792	1,846	2,045
Criminal Cases Disposed	11,631	10,183	10,976	8,672	11,204

(continued)

Fiscal Year				
2019	2020	2021	2022	2023
2,018	1,392	1,468	1,543	1,456
1,323	992	1,019	863	931
73	41	58	85	65
453	386	515	576	528
182	180	145	129	147
638	639	886	895	922
16,412	15,769	16,525	22,320	22,948
1,383	1,517	1,903	1,928	1,627
192	135	195	191	205
3,521	4,030	3,854	4,037	4,440
27	18	30	32	25
12	11	8	11	13
306,960	307,211	294,307	306,539	315,086
180,756	176,993	188,266	187,582	198,090
97,423	101,178	106,911	113,032	117,643
1,536	1,363	1,409	1,253	1,407
1,533	1,264	1,294	1,284	1,271
2,246	1,819	1,665	1,857	1,815
1,231	866	1,048	940	1,026
71	31	60	80	87
618	480	586	663	602
164	173	149	255	273
1,545	1,080	1,169	1,386	1,384
1,307	990	1,168	1,388	1,358
3,006	2,511	3,053	2,851	3,535
8,497	4,889	4,320	5,001	5,003
2,292	2,516	2,648	2,851	2,856
9,522	5,208	5,478	6,253	5,078

JOHNSON COUNTY, TEXAS*Operating Indicators by Function - Continued
Last Ten Fiscal Years*

Function	Fiscal Year				
	2014	2015	2016	2017	2018
Law Enforcement					
County Jail					
Average Daily Jail Population	713	661	679	703	756
Sheriff					
E-911 Calls Received (Approx)	40,908	39,141	36,751	34,563	46,653
Financial Administration					
County Auditor					
A/P Checks Processed	4,617	4,596	5,000	4,559	4,608
ACH Processed	2,124	2,102	2,535	2,047	2,140
Wire Transactions	153	137	128	230	178
Invoices Processed	13,440	14,750	14,660	14,560	15,043
Highways and Streets					
Miles of Roads Resurfaced	56	25	10	59	37
Health and Welfare					
Medical Examiner Cases Investigated	627	548	602	570	609
Indigent Clients	155	136	106	60	53
Culture and Recreation					
Hamm Creek Park Visitors	17,259	12,737	12,804	27,213	24,664

Sources: Texas Courts Online Annual Statistical Reports
Johnson County Offices

Fiscal Year				
2019	2020	2021	2022	2023
887	749	761	821	771
44,147	48,082	51,604	51,648	50,637
4,261	4,419	4,375	4,845	4,812
1,891	2,074	2,031	2,071	2,189
109	194	228	252	227
14,148	15,167	15,714	17,959	20,200
71	47	61	32	46
711	804	986	962	1,003
54	51	50	55	43
15,278	25,970	25,898	21,344	22,291

JOHNSON COUNTY, TEXAS
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/Asset Class	Fiscal Year				
	2014	2015	2016	2017	2018
Administration of Justice					
Furniture and equipment	23	24	24	23	25
Vehicles & mobile equipment	4	4	6	4	4
Land & building	1	1	-	-	-
General Government					
Furniture and equipment	171	170	174	179	185
Vehicles & mobile equipment	23	23	22	22	21
Land & building	83	83	84	83	81
Highways and Streets					
Furniture and equipment	12	12	12	14	18
Vehicles & mobile equipment	264	273	269	272	276
Land & building	20	20	20	24	21
Law Enforcement					
Furniture and equipment	90	98	104	124	122
Vehicles & mobile equipment	144	135	141	140	146
Land & building	14	14	14	15	15
Health and Welfare					
Furniture and equipment	21	19	12	12	10
Vehicles & mobile equipment	8	7	7	8	8
Land & building	2	3	3	3	3
Culture and Recreation					
Furniture and equipment	1	1	1	1	1
Vehicles & mobile equipment	5	5	5	4	4
Land & building	2	2	2	2	2

Source: Johnson County Financial Records

Table 17

Fiscal Year					
2019	2020	2021	2022	2023	
25	25	26	24	27	
5	6	6	7	8	
-	-	-	-	-	
188	218	220	220	237	
20	20	20	21	26	
81	86	87	87	89	
17	17	17	21	21	
283	281	287	294	301	
23	24	24	25	26	
135	141	153	154	199	
158	150	160	166	191	
15	15	15	17	17	
10	10	18	18	20	
9	11	13	14	15	
3	3	3	3	3	
1	-	-	-	-	
4	3	3	3	3	
2	2	2	2	2	



FEDERAL AND STATE AWARDS SECTION





Independent Auditor's Report

On Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the Honorable County Judge
and Members of Commissioners Court
Johnson County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Johnson 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, and have issued our report thereon dated March 21, 2024.

Report on Internal Control over Financial Reporting

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

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

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

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Lake Jackson, TX 77566
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El Campo, TX 77437
979-543-6836

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2801 N. Velasco, Suite C
Angleton, TX 77515
979-849-8297

Bay City
2245 Avenue G
Bay City, TX 77414
979-245-9236



The Honorable County Judge
and Members of Commissioners
Court of Johnson County, Texas

Report on Compliance and Other Matters

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

Purpose of This Report

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

KM&L, LLC

Lake Jackson, Texas
March 21, 2024



Independent Auditor's Report
On Compliance for Each Major Program and on Internal Control Over Compliance Required by
the Uniform Guidance and Texas Grant Management Standards

To the Honorable County Judge
And Members of Commissioners Court
Johnson County, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Johnson County, Texas' (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and Texas Grant Management Standards that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2023. The County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal and State Program

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

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

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El Campo
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Angleton, TX 77515
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Bay City
2245 Avenue G
Bay City, TX 77414
979-245-9236



Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

The Honorable County Judge
and Members of Commissioners
Court of Johnson County, Texas

Report on Internal Control over Compliance

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

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

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

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

KM&L, LLC

Lake Jackson, Texas
March 21, 2024



JOHNSON COUNTY, TEXAS

Schedule of Findings and Questioned Costs For the Year Ended September 30, 2023

I. Summary of auditor's results:

1. Type of auditor's report issued on the financial statements: Unmodified.
2. No internal control findings required to be reported in this schedule, were disclosed in the audit of the financial statements.
3. Noncompliance, which is material to the financial statements: None.
4. No internal control findings, that are required to be reported in this schedule, was disclosed in the audit of the major programs.
5. Type of auditor's report on compliance for major programs: Unmodified.
6. Did the audit disclose findings which are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a): No; the Texas Grant Management Standards Section 510(a): No
7. Major programs include:
 - Federal:
 - 21.027 Coronavirus State and Local Fiscal Recovery Act
 - State:
 - TJJD Cluster Programs
8. Dollar threshold used to distinguish between Type A and Type B programs:
Federal - \$ 750,000; State: - \$ 750,000.
9. Low Risk Auditee: Federal - Yes; State - Yes.

II. Findings related to the financial statements.

The audit disclosed no findings required to be reported.

III. Findings and questioned costs related to the state award.

The audit disclosed no findings required to be reported.



JOHNSON COUNTY AUDITOR

JOHNSON COUNTY COURTHOUSE

#2 N. MAIN

CLEBURNE, TEXAS 76033

Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson
County Auditor

Jennifer R. Lyon
First Assistant County Auditor

Federal:

In accordance with Title 2 U.S. Code of Federal Regulations §200.511, the auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings. This summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

The schedule of status of prior audit findings is as follows:

None.

State:

In accordance with the Texas Grant Management Standards §315(b), the auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings. This summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

The schedule of status of prior audit findings is as follows:

None.



JOHNSON COUNTY AUDITOR

JOHNSON COUNTY COURTHOUSE

#2 N. MAIN

CLEBURNE, TEXAS 76033

Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson
County Auditor

Jennifer R. Lyon
First Assistant County Auditor

Federal:

In accordance with Title 2 U.S. Code of Federal Regulations §200.511, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan must be presented to address each finding included in the current year auditor's reports. The corrective action plan is as follows:

None.

State:

In accordance with the Texas Grant Management Standards §315(b), the auditee must prepare, in a document separate from the auditor's findings described in §510(c) Audit findings, a corrective action plan must be presented to address each finding included in the current year auditor's reports. The corrective action plan is as follows:

None.



JOHNSON COUNTY, TEXAS

Exhibit 22

*Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023*

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Contract/ Program Number	Expenditures or Award Amount
U.S. Department of the Interior Passed Through Texas Fish and Wildlife Service: Payments in Lieu of Taxes	15.226	--	\$ <u>1,631</u>
TOTAL U.S. DEPARTMENT OF THE INTERIOR			\$ <u>1,631</u>
U.S. Department of Justice Passed Through Bureau of Justice Assistance: State Criminal Alien Assistance Program	16.606	15PBJA-20-RR-00202	\$ 54,070
State Criminal Alien Assistance Program	16.606	15PBJA-21-RR-04813	<u>65,916</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			\$ <u>119,986</u>
U.S. Department of Treasury Direct Program: Coronavirus State and Local Fiscal Recovery Funds	21.027	--	\$ <u>12,205,785</u>
TOTAL U.S. DEPARTMENT OF TREASURY			\$ <u>12,205,785</u>
U.S. Department of Health and Human Services: Passed Through Texas Department of Health Services: Public Health Emergency Preparedness	93.069	2023-537-18-0207-00001	\$ 38,893
Public Health Emergency Preparedness	93.069	2023-537-18-0207-00001	<u>8,398</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ <u>47,291</u>
TOTAL FEDERAL ASSISTANCE			\$ <u>12,374,693</u>
TOTAL MAJOR PROGRAMS			\$ <u>12,205,785</u>
TYPE A PROGRAM			\$ <u>750,000</u>

JOHNSON COUNTY, TEXAS
Schedule of Expenditures of State Awards
For the Year Ended September 30, 2023

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Texas Juvenile Justice Department:		
Direct Program:		
State Aid Program (1)	TJJD-A-23-126	\$ 714,016
State Aid Program (1)	TJJD-A-24-126	59,845
SB30 Detention Supplement (1)	TJJD-D-23-126	5,346
Detention Reimbursement (1)	TJJD-DR-23-126	10,920
Risk Needs Assessment (1)	TJJD-R-24-126	10,494
Regional Diversion Alternative Program (1)	TJJD-RDA-23-126	242,342
Regional Diversion Alternative Program (1)	TJJD-RDA-24-126	16,750
Passed Through Texas Education Agency:		
Juvenile Justice Alternative Education Program (Boot Camp) (1)	TJJD-P-23-126	256,538
Juvenile Justice Alternative Education Program (Boot Camp) (1)	TJJD-P-24-126	<u>62,694</u>
TOTAL TEXAS JUVENILE JUSTICE DEPARTMENT		\$ <u>1,378,945</u>
Texas Natural Resource Conservation Commission:		
Direct Program:		
Health and Safety Code 361.136(L)(1)	--	<u>\$ 74,949</u>
TOTAL NATURAL RESOURCE CONSERVATION COMMISSION		\$ <u>74,949</u>
Commission on State of Texas Emergency Communications:		
Passed Through North Central Texas Council on Government:		
911 Addressing Maintenance Contract	--	<u>\$ 33,334</u>
TOTAL COMMISSION ON STATE OF TEXAS EMERGENCY COMMUNICATIONS		\$ <u>33,334</u>
Office of Attorney General:		
Direct Program:		
Texas Victim Information and Notification Everyday (VINE)	C-00318	\$ 26,953
Texas Victim Information and Notification Everyday (VINE)	C-01129	<u>2,524</u>
TOTAL OFFICE OF ATTORNEY GENERAL		\$ <u>29,477</u>
Texas Office of the Governor:		
Passed Through Criminal Justice Division:		
Bullet Resistant Shield Grant Program	2023-SH-ST-0000	<u>\$ 130,490</u>
TOTAL TEXAS OFFICE OF THE GOVERNOR		\$ <u>130,490</u>

JOHNSON COUNTY, TEXAS

*Schedule of Expenditures of State Awards - Continued
For the Year Ended September 30, 2023*

Exhibit 23
Page 2 of 2

State Grantor/ Pass-Through Grantor/ Program Title	Contract/ Program Number	Expenditures or Award Amount
Texas Task Force on Indigent Defense:		
Direct Program:		
Indigent Defense Formula	221-22-126	\$ 24,128
Indigent Defense Formula	221-23-126	<u>98,489</u>
TOTAL TEXAS TASK FORCE ON INDIGENT DEFENSE		\$ <u>122,617</u>
Texas Department of State Health Services:		
Direct Program:		
Tobacco Settlement Funds	--	<u>\$ 100,370</u>
TOTAL TEXAS DEPARTMENT OF STATE HEALTH SERVICES		\$ <u>100,370</u>
Texas Department of Transportation:		
Direct Program:		
County Transportation Infrastructure Fund Grant Program	CTIF-01-126	<u>\$ 39,425</u>
TOTAL TEXAS DEPARTMENT OF TRANSPORTATION		\$ <u>39,425</u>
TOTAL STATE ASSISTANCE		\$ <u>1,909,607</u>
TOTAL MAJOR PROGRAMS		\$ <u>1,378,945</u>
TYPE A PROGRAM		\$ <u>300,000</u>

(1) Cluster Programs per TJJJ

JOHNSON COUNTY, TEXAS

*Notes on the Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2023*

1. The County uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designated to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources. Funds are classified into two categories: governmental and fiduciary. Each category, in turn is divided into separate "fund types". The following fund types were utilized to account for federal awards.

Governmental Fund Types:

General Fund - is the general operating fund of the County. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. Federal financial assistance not required to be reported in other funds is accounted for in the General Fund.

Special Revenue Funds - used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Federal financial assistance generally is accounted for in a Special Revenue Fund unless required to be reported in a Capital Projects Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. State grant funds were accounted for in the General Fund, Special Revenue Fund, and the Capital Projects Fund, a component of the Governmental Fund type.

The modified accrual basis of accounting is used for the Governmental Fund Types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal and state grant funds are considered to be earned to the extent of expenditures/expenses made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

JOHNSON COUNTY, TEXAS

*Notes on the Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2023*

3. The period of availability for state grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal and state project period extended 30 days beyond the federal and state project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Compliance Supplement and the Texas Grant Management Standards.
4. Indirect Costs - The County did not elect to use the 10 percent de minimus indirect cost rate and received no reimbursements for indirect costs during the year ended September 30, 2023.

