

Annual Comprehensive Financial Report

For Fiscal Year Ended

December 31, 2023

JIM WELLS COUNTY, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

Prepared By:
Jim Wells County Auditor's Office
Mr. Noe Gamez
County Auditor

Jim Wells County, Texas
Annual Comprehensive Financial Report
For The Year Ended December 31, 2023

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/Table</u>
INTRODUCTORY SECTION		
Letter of Transmittal.....	3	
GFOA Certificate of Achievement.....	11	
Organizational Chart.....	12	
List of Principal Officials.....	13	
FINANCIAL SECTION		
Independent Auditors' Report.....	17	
Management's Discussion and Analysis (Required Supplementary Information).....	21	
<u>Basic Financial Statements</u>		
Government-wide Financial Statements:		
Statement of Net Position.....	36	Exhibit A-1
Statement of Activities.....	37	Exhibit A-2
Fund Financial Statements:		
Balance Sheet - Governmental Funds.....	38	Exhibit A-3
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position.....	39	Exhibit A-4
Statement of Revenues, Expenditures, and Changes in		
Fund Balances - Governmental Funds.....	40	Exhibit A-5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in		
Fund Balances of Governmental Funds to the Statement of Activities.....	41	Exhibit A-6
Statement of Fiduciary Net Position - Fiduciary Funds.....	42	Exhibit A-7
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	43	Exhibit A-8
Notes to the Financial Statements	45	
<u>Required Supplementary Information</u>		
Budgetary Comparison Schedules:		
General Fund.....	66	Exhibit B-1
ARPA Grant Fund.....	70	Exhibit B-2

Jim Wells County, Texas
Annual Comprehensive Financial Report
For The Year Ended December 31, 2023

TABLE OF CONTENTS

	Page	Exhibit/Table
Schedule of the County's Proportionate Share of the		
Net Pension Liability - Pension Plan.....	71	Exhibit B-3
Schedule of County's Contributions - Pension Plan.....	72	Exhibit B-4
Notes to Schedule of Pension Contributions.....	73	
Schedule of the Changes in Total OPEB Liability		
and Related Ratios.....	74	Exhibit B-5
Notes to Schedule of OPEB Contributions.....	75	
Notes to Required Supplementary Information.....	76	
<u>Combining Statements and Budgetary Comparison Schedules as Supplementary Information:</u>		
Combining Balance Sheet - All Nonmajor Governmental Funds.....	78	Exhibit C-1
Combining Statement of Revenues, Expenditures and Changes in		
Fund Balances - All Nonmajor Governmental Funds.....	79	Exhibit C-2
Special Revenue Funds:		
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	80	Exhibit C-3
Combining Statement of Revenues, Expenditures and Changes		
in Fund Balances - Nonmajor Special Revenue Funds.....	90	Exhibit C-4
Budgetary Comparison Schedules:		
Road & Bridge No. 21 Fund.....	100	Exhibit C-5
Road & Bridge No. 22 Fund.....	101	Exhibit C-6
Road & Bridge No. 23 Fund.....	102	Exhibit C-7
Road & Bridge No. 24 Fund.....	103	Exhibit C-8
Small Dams No. 32 Fund.....	104	Exhibit C-9
Law Library Fund.....	105	Exhibit C-10
Debt Service Funds:		
Budgetary Comparison Schedule:		
Debt Service Fund.....	106	Exhibit C-11
Capital Projects Funds:		
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	107	Exhibit C-12
Combining Statement of Revenues, Expenditures and Changes		
in Fund Balances - Nonmajor Capital Projects Funds.....	108	Exhibit C-13
Fiduciary Funds:		
Custodial Funds:		
Combining Statement of Fiduciary Net Position.....	110	Exhibit C-16
Combining Statement of Changes in Fiduciary Net Position.....	114	Exhibit C-17

Jim Wells County, Texas
Annual Comprehensive Financial Report
For The Year Ended December 31, 2023

TABLE OF CONTENTS

	Page	Exhibit/Table
 STATISTICAL SECTION		
Net Position by Component.....	118	Table E-1
Expenses, Program Revenues, and Net (Expense)/Revenue.....	119	Table E-2
General Revenues and Total Change in Net Position.....	120	Table E-3
Fund Balances of Governmental Funds.....	121	Table E-4
Changes in Fund Balances of Governmental Funds.....	122	Table E-5
Tax Revenues by Source, Governmental Funds.....	123	Table E-6
Assessed Value and Estimated Actual Value of Taxable Property.....	124	Table E-7
Direct and Overlapping Property Tax Rates.....	125	Table E-8
Principal Property Tax Payers.....	126	Table E-9
Property Tax Levies and Collections.....	127	Table E-10
Taxable Sales by Category.....	128	Table E-11
Direct and Overlapping Sales Tax Rates.....	129	Table E-12
Ratios of Outstanding Debt by Type.....	130	Table E-13
Ratios of General Bonded Debt Outstanding.....	131	Table E-14
Direct and Overlapping Governmental Activities Debt.....	132	Table E-15
Legal Debt Margin Information.....	133	Table E-16
Demographic and Economic Statistics.....	134	Table E-17
Principal Employers.....	135	Table E-18
Full-Time-Equivalent Employees by Function/Program.....	136	Table E-19
Operating Indicators By Function/Program.....	137	Table E-20
Capital Asset Statistics by Function/Program.....	138	Table E-21
 OTHER SUPPLEMENTARY INFORMATION SECTION		
Independent Auditors' Report on Internal Control over Financial Reporting and On Compliance and Others Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	141	
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.....	143	
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the State of Texas Grant Management Standard:	147	
Schedule of Findings and Questioned Costs	150	
Schedule of Findings and Questioned Costs	151	
Summary Schedule of Prior Audit Findings.....	152	
Corrective Action Plan.....	153	
Schedule of Expenditures of Federal and State Awards.....	154	Exhibit D-1
Notes to the Schedule of Expenditures of Federal Awards.....	155	

Introductory Section

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COUNTY OF JIM WELLS

STATE OF TEXAS

NOE GAMEZ
COUNTY AUDITOR

ALICE, TEXAS 78332

OFFICE (361) 668-5701
FAX (361) 664-6366

August 14, 2024

Honorable District Judge
Honorable County Judge
Honorable County Commissioners
Citizens of Jim Wells County
Jim Wells County
Alice, TX 78332

Ladies and Gentlemen:

State law, V.T.C.A. Local Government Code 114.025 and 115.045, requires issuance of an annual financial report, audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants, of all matters relating to fiscal affairs of the County. Pursuant to those requirements, we hereby issue the annual comprehensive financial report of the County of Jim Wells for the fiscal year ended December 31, 2023.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and compile sufficient reliable information for the preparation of the County's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Responsibility for internal controls is shared by the Commissioners Court, which is the governing body; the County Auditor, who is appointed by the District Judge and, the County Treasurer. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Raul Hernandez & Company, P.C. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 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 significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended December 31, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the other supplementary information section of this report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The introduction includes this transmittal letter, the County's organizational chart and a list of principal officials. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors. The financial section also includes government-wide financial statements, fund financial statements, notes to the financial statements, required supplementary information and the combining and individual fund financial statements and schedules in addition to the report of the independent auditors on the financial statements and schedules. The statistical section of this report includes selected financial and demographic information, which is generally presented on a multi-year basis.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the other supplementary information section of this report.

Profile of Jim Wells County

Jim Wells County is a political subdivision of the State of Texas. It has no legislative powers, and very restricted judicial and administrative powers. The governing body of the County is its Commissioners' Court of five members. The county judge is its chairman and the commissioner from each of the four road and bridge precincts is also a member. The Court has only such powers as are conferred upon it by the Constitution and the Statutes or by necessary implication there from. County government provides many varied services for the public it serves. Among these services are maintenance and minor construction work on county owned and operated roads and bridges, recording functions related to property rights and vital statistics of the county, operation of the county and district judicial system, operation of the county jail, operation of the county welfare department, operation of the county agriculture extension service, and the operation and maintenance of the city/county library and county fairgrounds.

The commissioners' court sets the tax rates, establishes policies for County operations, approves contracts for the County and develops and adopts the County budget within the resources as estimated by the county auditor. The commissioners' court is also responsible for development of policies and order, approving financial commitments and appointment of various department heads.

The management and leadership provided by members of the commissioners' court and the elected and appointed officials of other departments are crucial to the success of the County's financial management and growth. The county auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and "examining, auditing and approving" all disbursements from County funds prior to their submission to the commissioners' court for approval. The County provides many varied services for the public it serves. These services include operation of the district, county and justices of the peace judicial systems, voting operations for national, state and some local elections, maintenance on and construction of county owned roads and bridges, recording functions relating to property rights and vital statistics, operation of the law enforcement agencies (sheriff and constables), operation of the county jail, operation of the public health department in conjunction with the City of Alice, operation of the park services department, operation of the county libraries, assistance to indigents, the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children as well as property tax collections for multiple agencies.

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation to the county auditor on or before June 30 of each year. The county judge, assisted by the county auditor, uses these requests as the starting point for developing a base line budget, but without any tax increases or personnel changes. The county auditor then presents this base line budget to the commissioners' court for review prior to July. The commissioners' court holds several budget workshops to discuss priorities or meet with department heads. The county judge, assisted by the county auditor, then prepares the proposed budget with all the revisions as directed by commissioners' court. A copy of the proposed budget is filed with the county clerk and county auditor. The commissioners' court then must hold a public hearing on a day within seven calendar days after the date the proposed budget is filed but before October 1st of the current year. The commissioners' court must take action on the proposed budget at the conclusion of the public hearing. The appropriated budget is prepared by fund, department, and budget category. On some items of greater importance, the budget is prepared by line item. All transfers between budget categories and departments require the special approval of the commissioners' court, except State and Federal grants. The appropriate department head can make a budget transfer with the approval of grantor agency for those special revenue funds.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basis financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the Supplemental Nonmajor Governmental Funds subsection of this report. Also included in the governmental fund subsection is project-length budget-to-actual comparison for each governmental fund for which a project length budget has been adopted (road & bridges, small dams, law library and capital projects fund).

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

Oil and Gas. The oil and gas industry is a major employer in Jim Wells County. Our strategic central location makes Alice ideal for companies to utilize all forms of transportation: rail, air, land or sea. Several major oilfield service companies and drilling contractors have established regional operations in Alice. Approximately 90 percent of local oilfield activity is related to natural gas exploration and production.

According to the US Department of Agriculture Economic Research Service, Jim Wells County is categorized as a mining dependent county. This means that mining contributed a weighted annual average of 15 percent or more of total labor and proprietor income over the three years from 1987 to 1989. By far, the majority of employees in the category "Mining" are in the area of oil and gas field services.

Alice is the Hub of the South Texas oil and gas industry with five major drilling companies, six international oilfield service companies, and an array of rental tool companies, completion and production companies and trucking companies. Currently the Eagle Ford Shale boom is bringing many new companies and workers to Alice and Jim Wells County. Many job openings exist for workers looking to train into the oilfield with good pay and benefits. Alice is rapidly growing to the next tier community. (1).

Agriculture. Since the late 1800's, agribusiness has been a heavy contributor to the economy of the Alice area and South Texas. The combination of rich, fertile soils and long growing seasons provide farmers and ranchers with ideal conditions. Agribusiness is the second most important source of income for the Alice area. The city is also one of Texas' largest beef cattle centers.

Jim Wells County boasts more than 510,000 acres of agriculture land. Agricultural commodities include wheat, corn, hay sorghum, cotton, sunflower oil and melons. Cattle, goats, hogs, horses, exotic animals and aquaculture are also agricultural related commodities that are significant contributors to agribusiness in Alice and Jim Wells County.

The agricultural business is still a leading contributor to the economy of Jim Wells County, Texas in 2023.

Unemployment Rate. The current unemployment rate of Jim Wells County, Texas is 4.5%, which is higher than the national unemployment rate of 3.7% and the statewide average rate is 3.9%.

Retail Trades. For many years Alice, Texas, the county seat of Jim Wells County, has served as the retail trade center for many surrounding communities. The general public still remains mobile and uses Corpus Christi, Texas (located 55 miles east of Alice) as the principle retail center for our area. Tourism is on the rise in Alice, and the City is focusing on the tourism industry and working to attract Winter Texans to boost local retail trade. (1) Alice is the Hub of South Texas retail. A Super Wal-Mart, HEB, 6 banks, 2 credit unions, 3 car dealerships and the Alice News Papers Inc. form the core of the Alice retail community. In 2023, the sales tax revenues were down compared to 2022.

Healthcare. Alice is the Hub of the South Texas health care community. The health care cluster in Alice consists of a 138 bed primary care hospital, kidney dialysis center, heart center, cancer center, orthopedic clinic, nursing homes and rehabilitation centers.

The CHRISTUS Spohn Hospital System in 1999 opened a \$20 million, 71-bed hospital. The facility offers primary care, obstetrics, diagnostic and emergency services as well as wellness, educational and disease prevention programs. In addition, the facility has a helicopter pad for air-ambulance transport www.christusspohn.org

During 2004 CHRISTUS Spohn Health System purchased Triad's Alice Regional Hospital which was established in 1931 and opened a new \$40 million hospital in Alice during 1999. The facility consists of 177,000 square feet and is licensed for 138 beds. The purchase immediately transforms CHRISTUS Spohn Hospital Alice from a 73-bed facility to a 148-bed facility. Alice Regional Hospital was renamed CHRISTUS Spohn Hospital Alice. CHRISTUS Spohn Hospital Alice was renamed CHRISTUS Spohn Laviana Plaza and will house physician office and a 10-bed inpatient geropsychiatric unit. The full service, acute care hospital offers 24 hour emergency service, outpatient and inpatient surgical services, intensive and critical care units, diagnostic radiology, geriatric psychiatric unit, obstetrical and newborn services, pediatric unit, women's center, physical therapy, nuclear medicine, rural health clinics, home health services, and community outreach services.

Transportation. Alice and Jim Wells County offer an enviable location to any firm dependent on transportation or trade in the United States, its immediate neighbors or Central America. The city has an advantage over other regions in its close proximity to Mexico and to deep-water ports. There are 15 ports of entry within 120 miles of Alice and Jim Wells County. These ports are:

- The Port of Corpus Christi
- La Quinta Terminal
- Laredo - Juarez-Lincoln Bridge, Gateway to the Americas Bridge, World Trade Bridge, Colombia Bridge
- Roma - Roma-Miguel Aleman Bridge
- Rio Grande City - Rio Grande City-Camargo Bridge
- Los Ebanos Ferry
- McAllen - Hidalgo-Reynosa Bridge
- Pharr - Pharr-Reynosa Bridge
- Progreso - Progreso International Bridge
- Harlingen - Free Trade Bridge
- Brownsville - Gateway International Bridge, B & M Bridge, The Port of Brownsville

Alice is equally accessible to both coasts, and the central time zone eases communication with other zones. There has been considerable focus on the region and the impact of trade with Mexico. First, the maquiladora or twin plant concept became an important development along the border with Mexico. Then, the passage of NAFTA had the effect of opening markets. Because of our location, much of the goods in trade pass through Jim Wells County. The county is positioned to provide valuable resources and to take advantage of opportunities that will accompany expanded trade with Mexico and Canada. Also our transportation infrastructure is being expanded to take advantage of these opportunities.

Major Highways: SH44/US 59 provides a major east-west trade corridor between the Port of Corpus Christi, Laredo, and Monterrey, Mexico and points south. US 281 provides a major north-south trade corridor between Northern Mexico, the Rio Grande Valley and points north. Alice is strategically located at the intersection of SH 44 and US 281, an essential component of the proposed Interstate Highway 69 International Trade Corridor. I-69 will connect Mexico, the United States and Canada.

Railroad: Texas Mexican Railway operates its main line through Alice. Tex-Mex recently merged with Kansas City Southern Railway and now provides service from Mexico through Laredo, to Corpus Christi, Houston, the Midwest and the East Coast.

Airports: Alice International Airport provides a 6,000-foot runway. Corpus Christi International Airport, 35 minutes east of Alice, provides daily passenger, commercial and cargo service.

Professional Sports: During May 2005, a 21.5 million dollar baseball stadium named "Whataburger Field" was completed in Corpus Christi, Texas, (which is 35 miles east of Alice, Texas) and is the home of the Corpus Christi Hooks, Houston Astros AA league affiliate. The addition of a professional baseball team has provided a positive impact to the economy throughout all of South Texas.

Law Enforcement: Alice and Jim Wells County are served by numerous law enforcement agencies including the Alice Police Department, Jim Wells County Sheriff's Department, Texas Department of Public Safety, Texas Parks and Wildlife, the U.S. Border Patrol, and other municipal police departments in Orange Grove, Premont, and San Diego.

Attractions

Visitors and residents of Jim Wells County enjoy the outdoor-oriented lifestyle of South Texas. With an abundance of wildlife, hunting, fishing, and bird watching are favorite activities of those both living in Alice and visiting in the area. Other attractions in the area include:

South Texas Museum- focuses on distinctive history and traditions of this South Texas region. Exhibits trace habitation from American Indian to 20th Century farm, ranch, railroad, and oil activities, with emphasis on pioneer ranch and household artifacts. Includes mounted wildlife and livestock specimens. The museum is located at 66 South Wright Street.

Tejano ROOTS- is a private, non-profit organization established June 9, 1999. The Hall of Fame honors and recognizes Tejano artists, musicians, composers and any other persons who have contributed to the awareness and entertainment of the Tejano culture. The museum preserves the historical artifacts, documents and culture of the Tejano Music Industry. The museum is located at 213 N. Wright Street. www.tejanorootshalloffame.com.

Jose De Escandon Statue- Don Jose de Escandón was chosen in 1746 to explore and settle the South Texas area. He founded 23 settlements in the area over a two year period. Ranching and farming were the economic foundation of these settlements. This still held true through the 1800's, as Alice was recognized as the largest cattle-shipping center in the world. On November 14, 1999 a statue of Don Jose de Escandón was donated to the City of Alice by the children of the late Tomas and Eloisa Pena Martinez: Jose C. Martinez, Rita Martinez Jaso, Lucila Martinez Reynolds and Guadalupe T. Martinez

Guinness Book of World Records-Only in Alice will one find the world's tallest, cement water tower. Located in downtown Alice near City Hall, is what the 1976 Guinness Book of Records calls the tallest concrete water tower in the world. Built in 1926-27, the 165-foot tall tower has a 3-foot tall tank which; measures 28.4 feet in diameter.

Golf Courses- Golfers have two courses to choose from in the Hub City. The two courses with a total of 27 holes are home for golfing organizations such as the Alice Pan American Golf Association and the Alice 50 Plus Golf Association. Benefit and high school tournaments are also held at the courses. Lined with mesquite trees, the Alice Municipal Golf Course is the larger of the two courses with 18 holes. The course, located at Anderson Park on North Texas Boulevard, features everything from long fairways to water hazards with a total of 5,911 yards of fairways and greens. Green fees on Monday through Friday vary according to days and tee-times.

Future Economic Developments

The County experienced a pandemic on March 15, 2020, resulting from the coronavirus COVID-19. All financial activity related to COVID-19 is recorded in the Disaster Recovery department under the Special Revenue Fund. The Disaster Recovery department is used to account for disaster related expenditures, insurance proceeds, and Coronavirus Aid, Relief and Economic Security Act (CARES) grant distributions as well as other grants that are available. The County continues to evaluate the pandemics effects and anticipates reimbursements from other federal agencies through Texas Department of Emergency Management (TDEM). The grant monies distributed by the federal government must be spent by the year end of 2024.

Looking forward, even with the current COVID-19 pandemic our outlook is strong for continued growth in the near future. The Commissioners court continues to plan expenditures in a conservative manner. The 2022/2023 budget kept expenditures at or near the same levels as the prior budget with a few exceptions.

Long-term financial planning.

The County is participating in the Jim Wells County & Alice Economic Development Task Force which is a public/private county wide alliance for the purpose of developing strategies and support for economic development proposals. The Jim Wells County & Alice Transportation Committee, also a public/private effort in which the County is a participant, has successfully worked with the Texas Department of Transportation to develop the State Highway 44 Relief Route and the U.S. 281 Relief Route and the improvement of S.H. 44 and U.S. 281 business routes through our County. The Transportation Committee is active in promoting the upgrade of U.S. 281, U.S. 59/S.H. 44 and U.S. 77 to interstate standards. These roadways link our area to the proposed I-69 project, which connects South Texas to Houston and the Midwest.

The County of Jim Wells and the City of Alice jointly operate the Municipal Airport. Through grant programs offered by the FAA and TAC, this facility has been upgraded to a level that could be of enormous benefit to any industry considering the area as a location site.

The essential components are coming together to open the door to diversification of our local industrial base and release the County from the swings of the volatile oil market.

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jim Wells County, Texas for its annual comprehensive financial report for the year ended December 31, 2022. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such ACFR 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 our current report continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation and execution of this audit could not have been accomplished without the efforts and cooperation of my staff, other County officials, their staffs, and the Commissioners' Court. I wish to thank them all.

Respectfully Submitted,

A handwritten signature in black ink that reads "Noe Gamez". The signature is fluid and cursive, with the first name "Noe" and last name "Gamez" clearly distinguishable.

Noe Gamez
County Auditor

(1)Source: Alice Chamber of Commerce, Alice/Jim Wells Economic Development Corp.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Jim Wells County
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

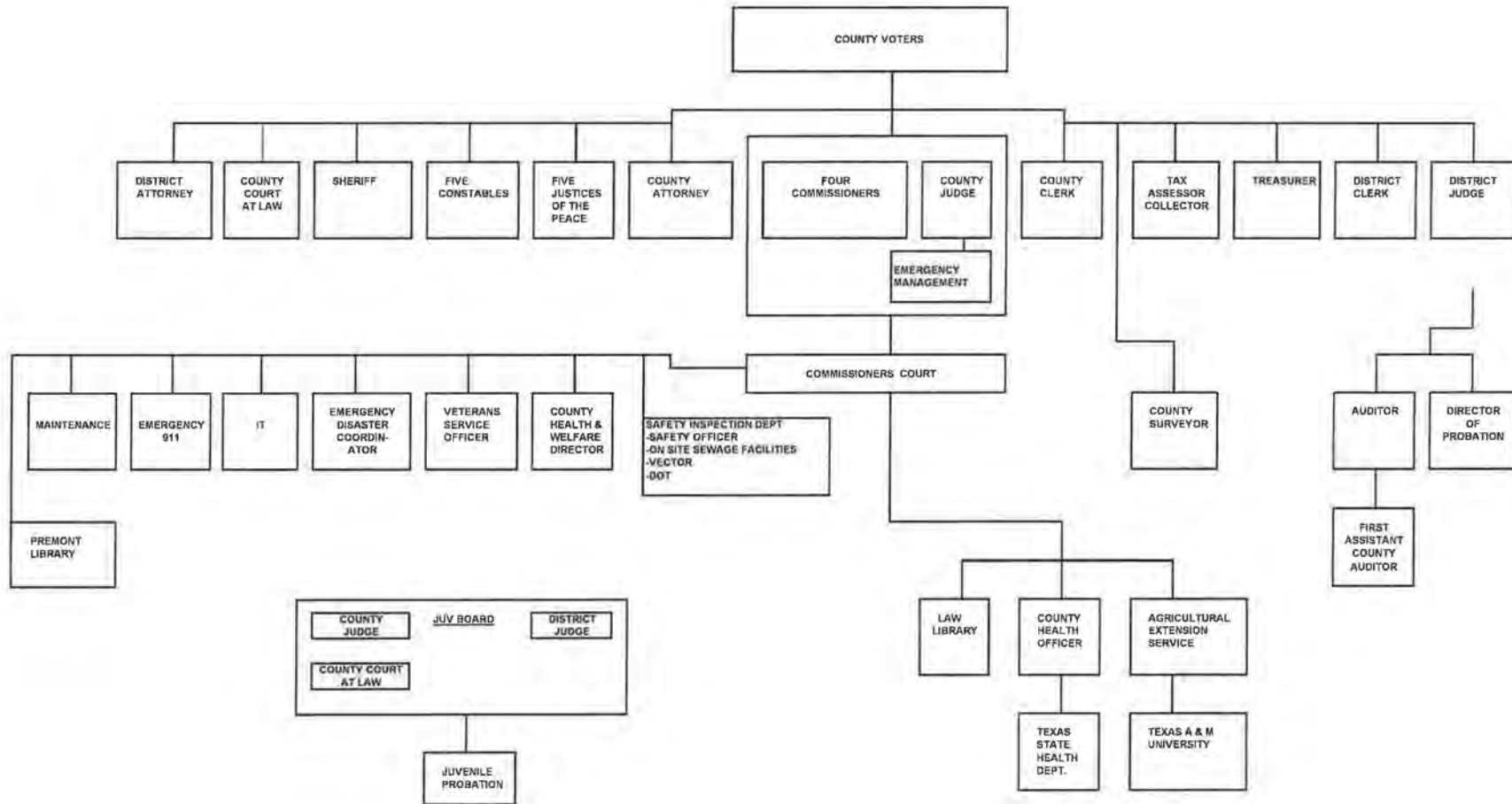
December 31, 2022

Christopher P. Morill

Executive Director/CEO

JIM WELLS COUNTY, TEXAS

ORGANIZATION



**JIM WELLS COUNTY, TEXAS
DIRECTORY OF OFFICIALS**

DECEMBER 31, 2023

DISTRICT COURT

Richard Terrell	Judge, 79th Judicial District
Carlos O. Garcia	District Attorney
R. David Guerrero	District Clerk
Sonia Trevino	District Court Reporter

COMMISSIONERS COURT

Pedro "Pete" Trevino, Jr.	County Judge
Margie H. Gonzalez	County Commissioner, Precinct No. 1
Ventura Garcia	County Commissioner, Precinct No. 2
Renee Kirchoff Chapa	County Commissioner, Precinct No. 3
Wicho Gonzalez	County Commissioner, Precinct No. 4

OTHER COUNTY OFFICIALS

Daniel J. Bueno	Sheriff
J.C. Perez, III	County Clerk
Mark Dominguez	County Treasurer
Mary Lozano	Tax Assessor-Collector
Michael Guerra	County Attorney
Noe Gamez	County Auditor
Cindy Garcia	First Assistant County Auditor

JUSTICES OF THE PEACE

Richard Deleon	Precinct No. 1
Matthew Schmidt	Precinct No. 3
Sylvia Johnson	Precinct No. 4
McKenzie Chapa	Precinct No. 5
Noe Cadena	Precinct No. 6

CONSTABLES

Albert Martinez	Precinct No. 1
Jim Long	Precinct No. 3
Frank Davila	Precinct No. 4
Gerald Arismendez	Precinct No. 5
Bartolo Guajardo	Precinct No. 6

**JIM WELLS COUNTY, TEXAS
DIRECTORY OF OFFICIALS**

**DECEMBER 31, 2023
(continued)**

OTHER OFFICIALS

Alejandro Lopez, M.D.
Rogelio Mercado
Daniel Salinas
Albert Ramirez

James A. Schmidt

County Health Officer
Agriculture Agent
Veterans Service Officer
79th Judicial District Adult
Probation
Chief Juvenile Probation
Officer

Financial Section

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Raul Hernandez & Company, P.C.
Certified Public Accountants
5402 Holly Rd., Suite 102
Corpus Christi, Texas 78411
Office (361)980-0428 Fax (361)980-1002

Independent Auditors' Report

To the County Commissioners
Jim Wells County, Texas
200 N. Almond
Alice, Texas 78332

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jim Wells County, Texas ("the County"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Jim Wells County, Texas' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Jim Wells County, Texas, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

Change in Accounting Principle

As described in Note A to the financial statements, in 2023, Jim Wells County, Texas adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is 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.

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 Jim Wells County, Texas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and budgetary comparison information and schedule of the County's proportionate share of the net pension liability and schedule of County pension contributions, and schedule of the County's proportionate share of the net OPEB liability and schedule of County OPEB contributions 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 Jim Wells County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis 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 State of Texas Grant Management Standards, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.


Management is responsible for the other information included in the annual report. The other information as identified in the table of contents comprises the information included in the annual report 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2024 on our consideration of Jim Wells County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jim Wells County, Texas' internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Raul Hernandez & Company, P.C.", written in a cursive, flowing style.

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
August 14, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) offers readers of the County financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2023. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, and in the financial statements and notes to the financial statements (which immediately follow this discussion). In 2004, the County implemented the new financial reporting requirements of GASB Statement No. 34 (Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments). These sections include this Management's Discussion and Analysis, the Government-wide Statement of Net Position, the Government-wide Statement of Activities, the concept of major fund reporting, and the reporting of infrastructure capital assets and long-term debt liabilities in the governmental activities. These concepts are explained throughout this discussion and analysis.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County of Jim Wells exceeded its liabilities and deferred inflows of the most recent fiscal year by \$43,398,219 (net position). The total assets of the County were \$51,363,372, total deferred outflows of resources were \$2,638,532, total liabilities were \$8,544,782, and total deferred inflows of resources were \$2,348,903.
- As of the close of the current fiscal year, the County of Jim Wells governmental funds reported combined ending fund balances of \$26,155,024, of which, \$12,271,580 represents an unassigned fund balance and places the County in a favorable position.
- The County of Jim Wells' total debt decreased by a net of (\$568,427) compared to the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

- *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.
- *Other information.* In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the county's progress in funding its obligation to provide pension benefits to its employees. Immediately following the required supplementary information on pensions are the two budgetary schedules on the general fund and major special revenue fund. The combining statements in connection to nonmajor governmental funds and fiduciary funds are then presented.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

Figure A-1 summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure A-1 Major Features of the County's Government-wide
and Fund Financial Statements**

Type of Statements	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<u>Scope</u>	Entire county Government (except Fiduciary funds) and the county's component units	The activities of the county that are not proprietary or fiduciary	Activities of County similar to private business; self insurance	Instances in which the county is the trustee or agent for someone else's resources
<u>Required Financial position Statements</u>	Statement of Net position Statement of Activities	Balance Sheet Statement of revenues, expenditures & changes in fund balances Statement of cash flows	Statement of net position Statement of rev, exp, & changes in net position Statement of flows	Statement of fiduciary net position Statement of in fiduciary net position
<u>Accounting basis and measurement focus</u>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial	Accrual accounting and economic focus	Accrual accounting and economic resources focus

Government-wide Statements

The two government-wide statements report the County's net position and how they have changed. Net Position—the difference between the County's assets and liabilities—is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County's tax base

The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general government, public safety, highways and streets, sanitation, economic development, culture and recreation, and interest on long-term debt. Property taxes and grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Commissioner's Court establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

JIM WELLS COUNTY, TEXAS

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net position. As stated earlier, over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively. At the close of the fiscal year, the County net position was \$43,398,219; furthermore, the government's financial position has decreased by a net amount of (\$5,779,293) in the current fiscal year compared to the prior year. Net position is summarized below along with comparative data from the previous year. (See Table A-1).

Table A-1
County's Net Position

	Governmental Activities 2023	Governmental Activities 2022	Increase (Decrease) 2023-2022
Current Assets:			
Cash/Cash equivalents	\$ 26,346,192	\$ 29,174,690	\$ (2,828,498)
Taxes receivable	1,154,854	1,201,034	(46,180)
Sales taxes receivable	270,788	323,680	(52,892)
Total current assets:	27,771,834	30,699,404	(2,927,570)
Non-current assets:			
Capital Assets	75,612,806	73,287,839	2,324,967
Less Accumulated Depreciation	(51,731,268)	(50,198,790)	(1,532,478)
Net Pension Asset	-	4,757,860	(4,757,860)
Total non-current assets:	23,881,538	27,846,909	(3,965,371)
Total Assets:	\$ 51,653,372	\$ 58,546,313	\$ (6,892,941)
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow Related to Pension Plan	2,523,897	2,220,281	303,616
Deferred Outflow Related to OPEB	114,635	163,634	(48,999)
Total Deferred Outflows of Resources	2,638,532	2,383,915	254,617
Current Liabilities			
Accounts payable and other current liabilities	\$ 461,956	\$ 537,865	\$ (75,909)
Accrued Interest Payable	-	2,433	(2,433)
Total current liabilities	461,956	540,298	(78,342)
Long-term liabilities			
Due within one year	1,065,879	1,265,430	(199,551)
Due in more than one year	1,368,066	1,736,942	(368,876)
Net Pension Liability - due in more than one year	5,020,140	-	5,020,140
Net OPEB Liability - due in more than one year	628,742	787,342	(158,600)
Total Liabilities	8,544,783	4,330,012	4,214,771
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts Related to Pensions	2,166,518	7,387,855	(5,221,337)
Deferred Amounts Related to OPEB	182,385	34,849	147,536
Total Deferred Inflows of Resources	2,348,903	7,422,704	(5,073,801)
Net Pension:			
Net Investment in Capital Assets	21,764,554	20,397,829	1,366,725
Restricted For:			
Debt Service	102,794	96,715	6,079
Capital Projects	771,009	768,504	2,505
Unrestricted	20,759,862	27,914,464	(7,154,602)
Total Net Position	\$ 43,398,219	\$ 49,177,512	\$ (5,779,293)

JIM WELLS COUNTY, TEXAS

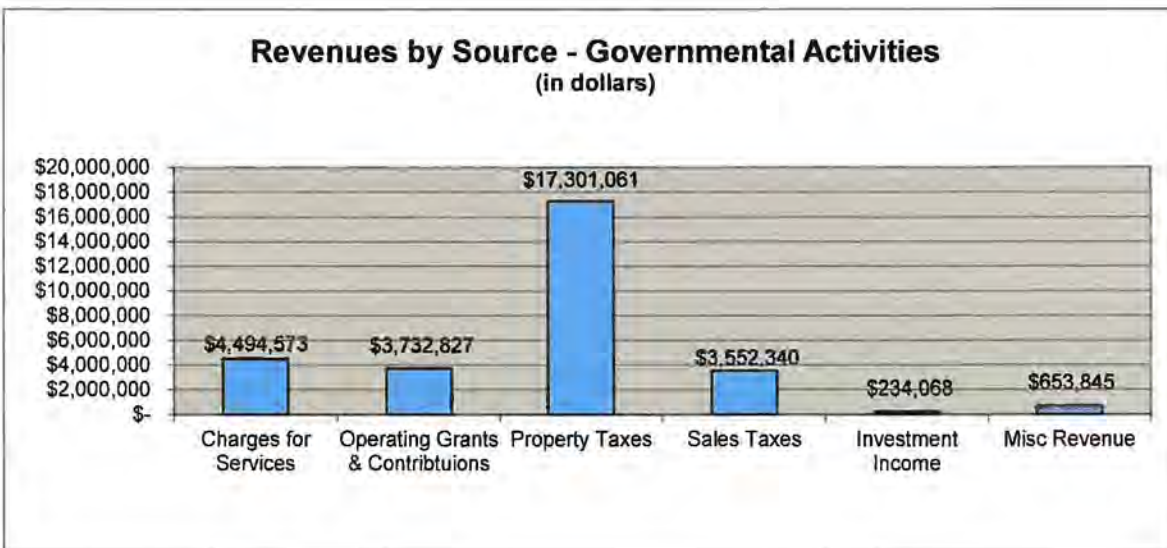
The \$102,794 and \$771,009 of the County's restricted net position represents funds available for the debt service and capital projects funds, respectively. These funds when spent are restricted for repayment of debt and capital asset acquisitions respectively. The \$20,759,862 unrestricted net position represents resources available to fund the programs of the County next year.

Revenues. The County's total revenues were \$29,968,714. A significant portion, 58 percent, of the County's revenue comes from property taxes. 12 percent comes from operating grants & contributions and 15 percent relates to charges for services. (See Figure A-1 and Table A-2)

Governmental Activities

- Property tax rates had a total direct rate of .745383, which did not change from the previous year. Net taxable value of property totaled \$2,349,264,464.
- Sales tax revenues increased from the prior year due, in part, to a increase in collections.
- Property tax revenues in 2023 increased from the prior year by \$73,828.

Figure A-1



JIM WELLS COUNTY, TEXAS

Table A-2
Jim Wells County's Changes in Net position – Governmental Activities

	Governmental Activities		Increase (Decrease)
	2023	2022	2023-2022
Revenues			
Program:			
Charges for services	\$ 4,494,573	\$ 5,033,608	\$ (539,035)
Operating Grants and Contributions	3,732,827	8,373,591	(4,640,764)
General			
Property Taxes	17,301,061	17,227,233	73,828
Sales Taxes	3,552,340	3,415,666	136,674
Investment Income	234,068	67,059	167,009
Miscellaneous Revenues	653,845	491,099	162,746
Total Revenues	<u>\$ 29,968,714</u>	<u>\$ 34,608,256</u>	<u>\$ (4,639,542)</u>
Cost of Services:			
General Government	13,537,217	8,227,307	5,309,910
Judicial	5,088,947	3,917,487	1,171,460
Public Safety	10,544,688	9,610,427	934,261
Public Transportation	5,170,043	4,241,964	928,079
Health and Welfare	763,821	1,733,223	(969,402)
Culture and Recreation	60,372	-	60,372
Conservation	204,368	229,350	(24,982)
Economic Development and Assistance	296,062	253,500	42,562
Interest on Long-term Debt	82,489	379,480	(296,991)
Total Cost of Services	<u>\$ 35,748,007</u>	<u>\$ 28,592,738</u>	<u>\$ 7,155,269</u>
Change in net position	(5,779,293)	6,015,518	(11,794,811)
Net position - beginning	49,177,512	43,154,912	6,022,600
Prior Period Adjustment	-	7,082	(7,082)
Net position - ending	<u>\$ 43,398,219</u>	<u>\$ 49,177,512</u>	<u>\$ (5,779,293)</u>

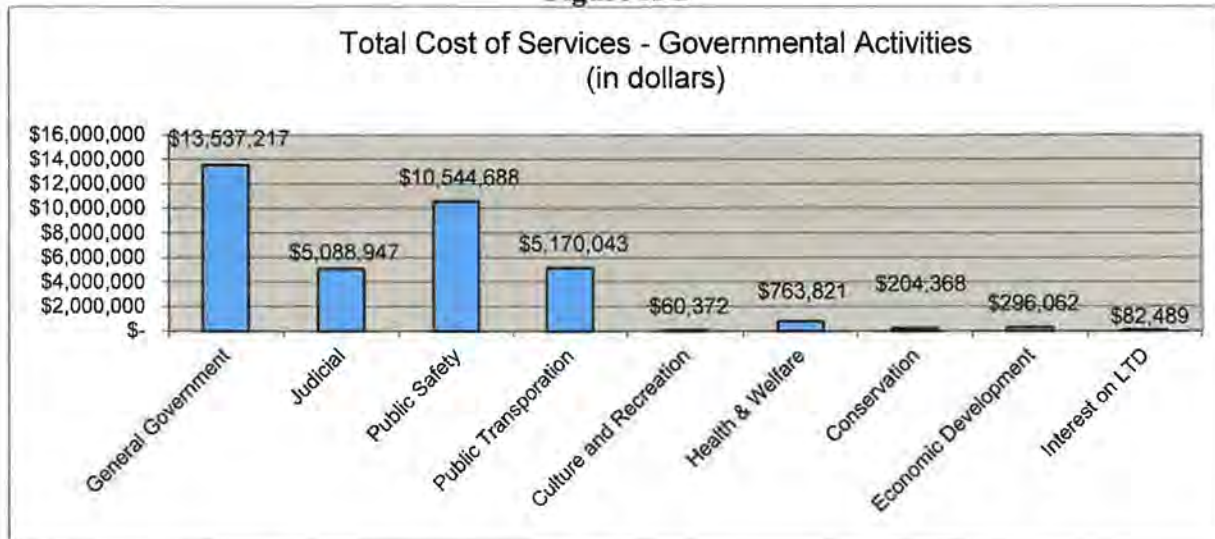
Table A-2 and Figure A-2 present the cost of each of the County's largest functions.

- The cost of all governmental activities this year was \$35,748,007. General Government was a significant part of the amount totaling \$13,537,217, which the majority was due to costs in the General Fund, and the ARPA Grant Fund.

JIM WELLS COUNTY, TEXAS

- However, the amount that our taxpayers paid for these activities through property taxes was approximately \$17,301,061.
- Some of the cost was paid by those who directly benefited from the programs such as human services, state juvenile and adult probationary fees, and fees of office.
- \$10,544,688 of these costs were for public safety, which increased by \$934,261 from the prior year due to expenditures related to public safety expenditures.

Figure A-2



FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting and budget controls has been the framework of the County's strong fiscal management and accountability.

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$26,155,024, a net decrease of (\$2,805,483) compared with the prior year. As shown on page 37 the unassigned fund balance resulted in an amount of \$12,271,580. The *unassigned fund balance*, used as a management and budgetary tool, is available for spending at the County's discretion. A major factor in causing the change to fund balance came from changes in general property taxes, general sales & use taxes revenues, fines & forfeitures, fees of office, and miscellaneous revenues.

The General fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund increased to \$12,271,580 from the previous year's balance of \$11,956,336 in the prior year. As a measure of the general fund's liquidity, we compare both unassigned fund balance and total fund balance to total fund expenditures. Revenues increased compared to the prior year, this increase was a result of an increase in general property taxes, sales & use taxes, license and permits, and fees of office.

The Debt Service Fund (county-wide), which was created during 2004, has a total fund balance of \$102,794. The reserves for the payment of debt service combined with the estimated first quarter collections on current year assessments will be sufficient to meet next year's scheduled debt.

The Capital Projects Funds reflect a fund balance of \$771,009. The County has plans in the near future to invest in construction projects, including improvements to buildings throughout the county.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

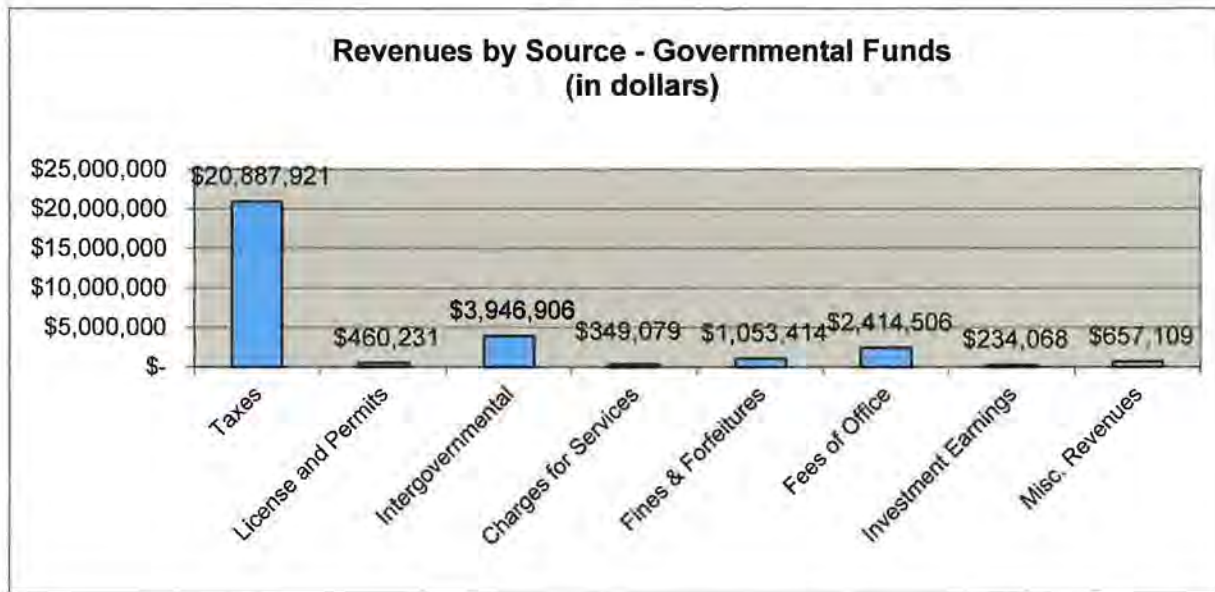
Revenues

Revenues from governmental fund types had a net increase of \$4,605,022 from the preceding year, totaling \$30,003,234. Taxes and Intergovernmental revenue were the most significant portions in governmental fund revenue sources, which totaled \$20,887,921 and \$3,946,906, respectively. The largest increase was in fees of office from the General Fund.

The County's primary source of revenue consists of taxes, which comprise 69% of the County's total revenues. In addition, intergovernmental revenues and fees of office comprise 13% and 8% of total revenues, respectively. The county departments that charge for services include park & recreational, fees of office from justice of the peace precincts, and constables, which are all an important part of the County's revenues. They are an integral part of the County's ability to provide the services to which citizens have become accustomed. (See Figure A-3 and Table A-3)

Fines & Forfeitures decreased by (\$431,640) from the prior year due to less fines & cash seizures. Furthermore, taxes increased by \$245,022 from the previous year, as a result of an increase in property tax collections.

Figure A-3



**Table A-3
Governmental Funds – Revenues by Source**

	2023	2022	Increase (Decrease)
Taxes	\$ 20,887,921	\$ 20,642,899	\$ 245,022
License and Permits	460,231	490,897	(30,666)
Intergovernmental	3,946,906	8,453,255	(4,506,349)
Charges for Services	349,079	373,024	(23,945)
Fines & Forfeitures	1,053,414	1,485,054	(431,640)
Fees of Office	2,414,506	2,604,969	(190,463)
Investment Earnings	234,068	67,059	167,009
Misc. Revenues	657,109	491,099	166,010
Total Revenues	\$ 30,003,234	\$ 34,608,256	\$ (4,605,022)

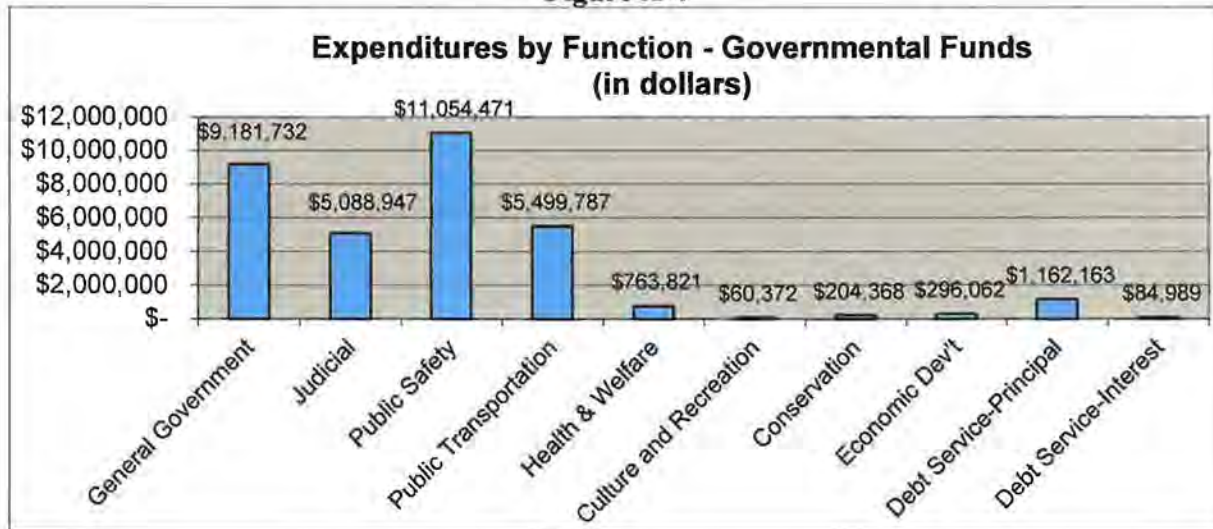
Expenditures

The increase in general government expenditures of \$2,555,249 is partly due to an increase in general government, public safety and judicial expenditures. The increase in general government of \$1,008,549 was due to increases in the General Fund and ARPA Grant Fund expenditures.

The County's primary expenditures were for public safety, general government, and judicial. Public Safety now accounts for over 33% of total expenditures. (See Figure A-4 and Table A-4)

JIM WELLS COUNTY, TEXAS

Figure A-4



**Table A-4
Governmental Funds – Expenditures by Function**

	2023	2022	Increase (Decrease)
General Government	\$ 9,181,732	\$ 8,172,983	\$ 1,008,749
Judicial	5,088,947	3,917,487	1,171,460
Public Safety	11,054,471	10,197,946	856,525
Public Transportation	5,499,787	4,958,204	541,583
Health and Welfare	763,821	1,733,223	(969,402)
Culture and Recreation	60,372	-	60,372
Conservation	204,368	281,925	(77,557)
Economic Development and Assistance	296,062	258,897	37,165
Debt Service:			
Principal	1,162,163	1,212,041	(49,878)
Interest and Fiscal Charges	84,989	108,757	(23,768)
Total Expenditures	<u>\$ 33,396,712</u>	<u>\$ 30,841,463</u>	<u>\$ 2,555,249</u>

Other financing sources from the County came from:

**Table A-5
Other Financing Resources**

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>
Transfers In	\$ 895,661	\$ 943,250	\$ (47,589)
Transfers Out	(895,661)	(943,250)	47,589
Right to Use Asset Lease Proceeds	-	174,930	(174,930)
Capital Leases	587,995	542,749	45,246
	<u>\$ 587,995</u>	<u>\$ 717,679</u>	<u>\$ (129,684)</u>

General Fund Budgetary Highlights

The final budget was adopted with total General Fund revenues of \$18,120,364 and expenditures of \$19,738,021, which both include transfers.

The following are significant variations between the final budget and actual amount.

- Actual revenues (before transfers) were higher than budgeted figures by \$1,186,327. Of this amount, general sales and use taxes had the largest favorable variance. The County's revenue booms and busts through the years closely follow oil prices and oil field activities.
- Actual expenditures (before transfers) were \$1,018,669 below final budget amounts. This biggest favorable variance resulted from over-budgeted expenditures in the fire protection department. County departments were encouraged to monitor expenditures to help support the overall County budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the County had invested \$75,612,806 in a broad range of capital assets, including land, infrastructure, buildings & improvements, and equipment. (See Table A-6.) The capital assets of the County are those assets (land, infrastructure, buildings & improvements, right to use assets, and machinery & equipment), which are used in the performance of the County's functions including infrastructure assets. At December 31, 2023 net capital assets of the governmental activities totaled \$23,881,539. Depreciation on capital assets is recognized in the Government-wide financial statements. Accumulated depreciation for infrastructure, buildings & improvements, and machinery & equipment totaled \$51,731,267. More detailed information about the county's capital assets is presented in the notes to the financial statements on page 52.

**Table A-6
County's Capital Assets**

	Governmental Activities		Increase (Decrease)
	2023	2022	2022-2021
Land	\$ 416,773	\$ 416,773	\$ -
Infrastructure	43,715,816	43,715,816	-
Buildings and Improvements	13,651,847	13,651,847	-
Machinery & Equipment	17,653,438	15,328,472	2,324,966
Right to Use Asset	174,931	174,931	-
Total at historical cost	<u>75,612,805</u>	<u>73,287,839</u>	<u>2,324,966</u>
 Total Accumulated Depreciation	 (51,731,267)	 (50,198,790)	 (1,532,477)
Net Capital Assets	<u>\$ 23,881,538</u>	<u>\$ 23,089,049</u>	<u>\$ 792,489</u>

The largest increase to capital assets was attributed to Machinery & Equipment Asset in the net amount of \$2,324,966 due to purchases of vehicles and equipment. Additional details on capital assets can be found in the notes to the financial statements on page 52.

Long Term Debt

At year-end the County had \$2,433,944 in capital leases obligations and other long-term liabilities outstanding as shown in Table A-7. The County's total debt decreased by a *net* of (\$568,428) from 2022. More detailed information about the County's debt is presented in the notes to the financial statements on page 54.

**Table A-7
Long Term Debt**

	Governmental Activities	
	2023	2022
General obligation bonds	\$ -	\$ 250,000
Capital leases	2,095,270	2,373,347
Compensated absences	316,960	311,152
Right to Use Assets Lease Liability	21,714	67,873
Total governmental activities	<u>\$ 2,433,944</u>	<u>\$ 3,002,372</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised value used for the 2024 budget preparation is up from the prior year.
- General operating fund spending in the 2024 budget is expected to have an increase as compared to 2024.

These indicators were taken into account when adopting the general fund budget for 2024. Property taxes will remain constant due to 2024 adopted tax rate remaining the same.

Expenditures are expected to experience an increase. These include increases in public safety, utilities, insurance, courthouse improvements, and personal benefits. Through the budget, the County Commissioners set the direction of the County, allocate its resources and establish its priorities. The priorities inherent to the 2024 budget were to make county government: (1) communicative and open to the public and departmental staff; (2) have attainable and realistic budgets to enhance accountability; and (3) establish procedures that are in compliance with statutory requirements to improve efficiency.

If these estimates are realized, they will help the County's budgetary general fund balance with efficient, effective, and controlled use of its' resources.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Department at 200 N. Almond, Alice, Texas 78332

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Basic Financial Statements

JIM WELLS COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities
ASSETS:	
Cash and Cash Equivalents	\$ 26,346,192
Taxes Receivables (net of allowances for uncollectibles):	1,154,854
Sales Taxes Receivable	270,788
Capital Assets (net of accumulated depreciation):	
Land	416,773
Buildings and System	6,050,310
Machinery and Equipment	7,305,582
Infrastructure	10,067,989
Right-to-Use Asset	40,885
Total Assets	<u>51,653,372</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflow Related to Pension Plan	2,523,897
Deferred Outflow Related to OPEB	114,635
Total Deferred Outflows of Resources	<u>2,638,532</u>
LIABILITIES:	
Accounts Payable and Other Current Liabilities	461,956
Noncurrent Liabilities-	
Due within one year	1,065,879
Due in more than one year	1,368,066
Net Pension Liability-due in more than one year	5,020,140
Net OPEB Liability-due in more than one year	628,742
Total Liabilities	<u>8,544,782</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Amounts Related to Pensions	2,166,518
Deferred Amounts Related to OPEB	182,385
Total Deferred Inflows of Resources	<u>2,348,903</u>
NET POSITION:	
Net Investment in Capital Assets	21,764,554
Restricted For:	
Debt Service	102,794
Capital Projects	771,009
Unrestricted	20,759,862
Total Net Position	<u>\$ 43,398,219</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
PRIMARY GOVERNMENT:				
Governmental Activities:				
General Government	\$ 13,537,217	\$ 1,307,451	\$ --	\$ (12,229,766)
Judicial	5,088,947	392,772	750,036	(3,946,139)
Public Safety	10,544,688	1,067,564	1,897,524	(7,579,600)
Public Transportation	5,170,043	1,726,786	582,773	(2,860,484)
Health and Welfare	763,821	--	502,494	(261,327)
Culture and Recreation	60,372	--	--	(60,372)
Conservation	204,368	--	--	(204,368)
Economic Development and Assistance	296,062	--	--	(296,062)
Interest on Long-term Debt	82,489	--	--	(82,489)
Total Governmental Activities	35,748,007	4,494,573	3,732,827	(27,520,607)
Total Primary Government	\$ 35,748,007	\$ 4,494,573	\$ 3,732,827	(27,520,607)
General Revenues:				
Property Taxes				17,301,061
Sales Taxes				3,552,340
Investment Income				234,068
Miscellaneous Revenues				653,845
Total General Revenues				21,741,314
Change in Net Position				(5,779,293)
Net Position - Beginning				49,177,512
Net Position - Ending				\$ 43,398,219

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General Fund	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Assets:				
Cash and Cash Equivalents	\$ 12,519,827	\$ 4,640,197	\$ 9,189,580	\$ 26,349,604
Taxes Receivables (net of allowances for uncollectibles):	11,943,443	--	3,728,554	15,671,997
Sales Taxes Receivable	213,709	--	57,079	270,788
Total Assets	<u>\$ 24,676,979</u>	<u>\$ 4,640,197</u>	<u>\$ 12,975,213</u>	<u>\$ 42,292,389</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 461,956	\$ --	\$ 3,412	\$ 465,368
Total Liabilities	<u>461,956</u>	<u>--</u>	<u>3,412</u>	<u>465,368</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue Property Taxes	11,943,443	--	3,728,554	15,671,997
Total Deferred Inflows of Resources	<u>11,943,443</u>	<u>--</u>	<u>3,728,554</u>	<u>15,671,997</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	--	4,640,197	8,372,856	13,013,053
Retirement of Long-Term Debt	--	--	102,794	102,794
Unassigned	--	--	(3,412)	(3,412)
Capital Project Funds	--	--	771,009	771,009
Unassigned Fund Balance	12,271,580	--	--	12,271,580
Total Fund Balance	<u>12,271,580</u>	<u>4,640,197</u>	<u>9,243,247</u>	<u>26,155,024</u>
Total Liabilities and Fund Balance	<u>\$ 24,676,979</u>	<u>\$ 4,640,197</u>	<u>\$ 12,975,213</u>	<u>\$ 42,292,389</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023**

Total fund balances - governmental funds balance sheet \$ 26,155,024

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

Capital assets used in governmental activities are not reported in the funds.	23,881,539
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,154,854
Payables for bond principal which are not due in the current period are not reported in the funds.	(316,960)
Payables for right-to-use leases which are not due in the current period are not reported in the funds.	(2,116,985)
Recognition of the County's proportionate share of the total pension liability is not reported in the funds.	(5,020,140)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(2,166,518)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	2,523,897
Recognition of the County's proportionate share of the total OPEB liability is not reported in the funds.	(628,742)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(182,385)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	114,635

Net position of governmental activities - Statement of Net Position \$ 43,398,219

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXASSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General Fund	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
Revenue:				
Taxes:				
General Property Taxes	\$ 13,650,736	\$ --	\$ 3,684,845	\$ 17,335,581
General Sales and Use Taxes	2,838,955	--	713,385	3,552,340
License and Permits	91,204	--	369,027	460,231
Intergovernmental	749,279	--	3,197,627	3,946,906
Charges for Services	50,052	--	299,027	349,079
Fines and Forfeitures	372,347	--	681,067	1,053,414
Fees of Office	1,079,582	--	1,334,924	2,414,506
Investment Earnings	179,389	18,803	35,876	234,068
Miscellaneous Revenues	295,147	--	361,962	657,109
Total revenues	<u>19,306,691</u>	<u>18,803</u>	<u>10,677,740</u>	<u>30,003,234</u>
Expenditures:				
Current:				
General Government	6,093,148	2,778,412	310,172	9,181,732
Judicial	4,420,940	--	668,007	5,088,947
Public Safety	7,306,095	--	3,748,376	11,054,471
Public Transportation	--	--	5,499,787	5,499,787
Health and Welfare	82,613	--	681,208	763,821
Culture and Recreation	60,372	--	--	60,372
Conservation	204,368	--	--	204,368
Economic Development and Assistance	296,062	--	--	296,062
Debt Service:				
Principal	232,915	--	929,248	1,162,163
Interest and Fiscal Charges	22,839	--	62,150	84,989
Total Expenditures	<u>18,719,352</u>	<u>2,778,412</u>	<u>11,898,948</u>	<u>33,396,712</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>587,339</u>	<u>(2,759,609)</u>	<u>(1,221,208)</u>	<u>(3,393,478)</u>
Other Financing Sources (Uses):				
Transfers In	129,000	--	766,661	895,661
Transfers Out	(401,095)	--	(494,566)	(895,661)
Capital Leases	--	--	587,995	587,995
Total Other Financing Sources (Uses)	<u>(272,095)</u>	<u>--</u>	<u>860,090</u>	<u>587,995</u>
Net Change in Fund Balances	<u>315,244</u>	<u>(2,759,609)</u>	<u>(361,118)</u>	<u>(2,805,483)</u>
Fund Balances - Beginning	<u>11,956,336</u>	<u>7,399,806</u>	<u>9,604,365</u>	<u>28,960,507</u>
Fund Balances - Ending	<u>\$ 12,271,580</u>	<u>\$ 4,640,197</u>	<u>\$ 9,243,247</u>	<u>\$ 26,155,024</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Net change in fund balances - total governmental funds \$ (2,805,483)

Amounts reported for governmental activities in the Statement of Activities
("SOA") are different because:

Capital outlays are not reported as expenses in the SOA.	2,722,332
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,935,672)
The gain or loss on the sale of capital assets is not reported in the funds.	(5,828)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(34,520)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	250,000
Repayment of right-to-use lease principal is an expenditure in the funds but is not an expense in the SOA.	912,230
(Increase) decrease in accrued interest from beginning of period to end of period.	2,433
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(5,808)
Proceeds of right-to-use leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(587,995)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	(4,290,982)

Change in net position of governmental activities - Statement of Activities \$ (5,779,293)

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2023

	Custodial Funds
ASSETS:	
Cash and Cash Equivalents	\$ 11,244,258
Total Assets	<u>11,244,258</u>
LIABILITIES:	
Due to Other Governments and Agencies	<u>-</u>
NET POSITION	<u>\$ 11,244,258</u>

The accompanying notes are an integral part of this statement.

JIM WELLS COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Custodial Funds
Additions:	
Contributions	\$ 77,334,183
Total Additions	<u>77,334,183</u>
Deductions:	
Administrative Expenses	74,884,932
Total Deductions	<u>74,884,932</u>
Change in Net Position	2,449,251
Net Position-Beginning of the Year	8,795,007
Net Position-End of the Year	<u>\$ 11,244,258</u>

The accompanying notes are an integral part of this statement.

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JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

A. Summary of Significant Accounting Policies

The combined financial statements of Jim Wells County, Texas (the "County") have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The County implemented the provisions of GASB Statement No. 96 for reporting subscription-based information technology arrangements (SBITAs) during this reporting period. A SBITA is defined as a contract that conveys control over another entity's IT software as specified in the contract for a period of time in an exchange or exchange-like transaction. To be accounted for as a SBITA, it must meet the definition of a "long-term" SBITA provided in the GASB 96. The right-to-use SBITA liability is reported in the government-wide statements. The SBITA liability is calculated as the present value of the reasonably certain expected payments made over the term

1. Reporting Entity

The County's basic financial statements include the accounts of all its operations. The County evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the County's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," include whether:

- the organization is legally separate (can sue and be sued in its name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County
- the exclusion of the organization would result in misleading or incomplete financial statements

The County also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the County to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14 requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the County, its component units or its constituents; and 2) The County or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the County.

Based on these criteria, the County has no component units. Additionally, the County is not a component unit of any other reporting entity as defined by the GASB Statement.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

General Fund. This 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.

The COVID ARPA fund is used to account for the COVID-19 ARPA revenues and expenditures

In addition, the County reports the following fund types:

Custodial funds: Custodial funds are used to report fiduciary activities that are not required to be reported in any other type of fiduciary funds. Custodial funds include different departments within the County's government, State fees, Appellate Judicial, Payroll Clearing and Accounts Payable.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support County programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

When the County incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the County's policy to use restricted resources first, then unrestricted resources.

3. Financial Statement Amounts

a. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

b. Inventories and Prepaid Items

Inventories on the balance sheet are stated at weighted average cost. Inventory items are recorded as expenditures when they are consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets or donated works of art and similar items should be reported at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used. Capital assets received in a service concession

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

d. Receivable and Payable Balances

The County believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

e. Pensions

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 Municipal Retirement System (TMRS) and additions to or deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. 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.

f. Other Post-Employment Benefits (OPEB)

The total OPEB liability of the Texas Counties and Districts Retirement System (TCDRS) 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 and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

g. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

h. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the Commissioner's Court. Committed amounts cannot be used for any other purpose unless the Court removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Court. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Assigned Fund Balance - represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Commissioner's Court or by an official or body to which the Court delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

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

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

New Pronouncement-GASB 96

The County implemented the provisions of GASB Statement No. 96 for reporting subscription-based information technology arrangements (SBITAs) during this reporting period. A SBITA is defined as a contract that conveys control over another entity's IT software as specified in the contract for a period of time in an exchange or exchange-like transaction. To be accounted for as a SBITA, it must meet the definition of a "long-term" SBITA provided in the GASB 96. The right-to-use SBITA liability is reported in the government-wide statements. The SBITA liability is calculated as the present value of the reasonably certain expected payments made over the term of the contract and the interest included in the SBITA payments is recorded as an expense. There were no SBITAs material to the financial statements that were recorded during the audit year.

B. Compliance and Accountability

1. Deficit Fund Balance or Fund Net Position of Individual Funds

The County had one deficit fund balances or fund net position at year end.

Colonia Grant Fund	\$	(3,412)
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2. Excess of expenditures over appropriations

For the year ended December 31, 2023, the County had no funds that had expenditures exceeding appropriations.

C. Deposits and Investments

The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledged securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Cash Deposits:

At December 31, 2023, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$37,590,450 and the bank balance was \$40,069,110. The County's cash deposits at December 31, 2023, and during the year ended December 31, 2023, were entirely covered by FDIC insurance or by pledged collateral held by the County's agent bank in the County's name.

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Depository: Prosperity Bank
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$50,681,103.
- c. The highest combined balances of cash, savings and time deposit accounts amounted to \$48,591,030 and occurred during the month of April, 2023.
- d. Total amount of FDIC coverage at the time of the largest combined balance was \$250,000.

Investments:

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

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purpose financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the County adhered to the requirements of the Act. Additionally, investment practices of the County were in accordance with local policies.

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

The County did have investments at December 31, 2023 in the following amounts:

Investment or Investment Type	Maturity	Fair Value
Texas Class	N/A	\$ 3,028,106
First Public	N/A	3,102,409

Analysis of Specific Deposit and Investment Risks:

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the County was not significantly exposed to credit risk.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the County's name.

At year end, the County was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the County was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the County was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the County was not exposed to foreign currency risk.

Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

D. Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Governmental activities:</i>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 416,773	\$ —	\$ —	\$ 416,773
Total capital assets not being depreciated	416,773	—	—	416,773
<i>Capital assets being depreciated:</i>				
Infrastructure	43,715,819	—	—	43,715,819
Buildings and improvements	13,651,845	—	—	13,651,845
Machinery & Equipment	15,328,472	2,728,160	(403,195)	17,653,437
Right-to-Use Assets	174,931	—	—	174,931
Total capital assets being depreciated	72,871,067	2,728,160	(403,195)	75,196,032
Less accumulated depreciation for:				
Infrastructure	(33,498,609)	(149,222)	—	(33,647,831)
Buildings and improvements	(7,314,398)	(287,137)	—	(7,601,535)
Machinery & Equipment	(9,295,469)	(1,455,580)	403,195	(10,347,854)
Right-to-Use Assets	(90,313)	(43,733)	—	(134,046)
Total accumulated depreciation	(50,198,789)	(1,935,672)	403,195	(51,731,266)
Total capital assets being depreciated, net	22,672,278	792,488	—	23,464,766
Governmental activities capital assets, net	\$ 23,089,051	\$ 792,488	\$ —	\$ 23,881,539

Depreciation was charged to functions as follows:

General Government	\$ 793,625
Public Protection:	
Courthouse & Buildings	367,778
Probation	38,714
Sheriff	406,491
Fire Protection	58,070
Public Ways and Facilities, Including	
Depreciation of General Infrastructure Assets	270,994
	\$ 1,935,672

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

E. Interfund Balances and Activity

1. Due To and From Other Funds

The County did not have any balances in due to and due from other funds at December 31, 2023.

2. Transfers To and From Other Funds

Transfers to and from other funds at December 31, 2023, consisted of the following:

Transfers out:	Transfers In:		
	General Fund	Nonmajor Governmental	Total
General fund	\$ --	\$ 401,095	\$ 401,095
Nonmajor governmental	--	494,566	494,566
Total transfers out	<u>--</u>	<u>895,661</u>	<u>895,661</u>

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

F. Fund Balances

Minimum fund balance policy. The governing council has adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund. The target level is set at two months of general fund annual revenues. This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. If fund balance falls below the minimum target level because it has been used, essentially as a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a three-year period.

The County has restricted, committed, assigned, and unassigned fund balance as follows.

Restricted Fund Balance:

Federal or State Funds Grant Restriction	\$ 13,013,053
Retirement of Long-Term Debt	102,794
Capital Project Funds	771,009
	<u>13,886,856</u>

Committed Fund Balance:

Construction	--
Other Committed Fund Balance	--
	<u>--</u>

Assigned Fund Balance:

Other Assigned Fund Balance	--
	<u>--</u>

Unassigned Fund Balance

12,268,168
<u>12,268,168</u>

Total Fund Balance	\$ <u>26,155,024</u>
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JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

G. Long-Term Obligations

1. Long-Term Obligation Activity

On May 1, 2008, the County issued \$2,735,000 in Certificate of Obligation Refunding Bonds, Series 2008 installments of \$145,000 to \$250,000 through September 1, 2023, with interest rate of 3.86%. Proceeds were used to renovate the jail and make improvements to county buildings.

The following is the certificates of obligation outstanding at December 31, 2023.

Description	Interest Rates (%)	Date of Issuance	Date of Maturity	Bonds Outstanding
Certificates of Obligation Refunding Bonds, Series 2008	3.86%	May 1, 2008	September 1 2023	—

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
General obligation bonds	\$ 250,000	\$ —	\$ 250,000	\$ —	\$ —
Financed purchases	2,373,347	587,994	866,071	2,095,270	975,879
Compensated absences *	311,152	85,425	79,616	316,960	90,000
Right to Use Assets	67,873	—	46,159	21,714	21,258
Total governmental activities	\$ 2,934,499	\$ 673,419	\$ 1,241,846	\$ 2,433,944	\$ 1,087,137

* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
Compensated absences	Governmental	General

H. Leases

Right-to-Use Assets

The County leases photocopy machines with an agreement having a 48 month term. Average payments of \$2,006 are made monthly which consist of principal and imputed interest ranging from 3.25% to 4.99%. No assets were pledged as collateral for these leases.

Year Ending December 31,	
2024	\$ 21,510
2025	460
Total Right-to-Use Lease Asset Payments	21,970
Amount Representing Interest	(255)
Total Principal Payments	<u>\$ 21,715</u>

Leases

1. On February 24, 2023, the County entered into a three year lease agreement, secured with 7 2023 Chevrolet Tahoes with Government Capital Corporation with a maturity date of February 24, 2026. Payments are due in annual installments of \$128,338.86, including interest of 5.90%.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

2. On July 26, 2019, the County entered into a five year lease agreement, secured with Voter Registration Equipment with Government Capital Corporation, with a maturity of January 8, 2024. Payments are due in annual installments of \$107,545.18 with interest of 3.99%.
3. On January 31, 2021, the County entered into a five year lease agreement, secured by roller spreader with Govt Capital Corporation, with a maturity date of January 31, 2026. Payments are due in annual installments of \$34,016.46 including interest of 2.861%.
4. On February 28, 2018, the County entered into a 5 year agreement, secured with a Peterbilt with Government Capital Corporation with a maturity date of February 28, 2023. Payments are due in monthly installments of \$1,959.25, including interest of 4.565%.
5. On October 4, 2016, the County entered into a 7 year lease agreement secured by Drum Vibratory Roller with Government Capital Corporation, with a maturity date of September 28, 2023. Payments are \$15,859.76 for 7 years annually, including interest of 3.244%.
6. On September 27, 2019, the County entered into a 5 year lease agreement secured by a Peterbilt Refuse Truck with Government Capital Corporation, with a maturity date of November 1, 2024. Payments of \$76,916 are due annually with an interest rate of 3.442%.
7. On March 8, 2021, the County entered into a 3 year lease agreement secured by 10 Police Vehicles with Government Capital Corporation, with a maturity date of February 22, 2024. Payments are due in annual installments of \$162,868.21, including interest of 3.091%.
8. On May 19, 2023, the County entered into a 5 year lease agreement secured by a Doosan Wheel Loader with Government Capital Corporation, with a maturity date of May 19, 2028. Payments are due in annual installments of \$30,028.45 including interest of 5.468%.
9. On November 2, 2016, the County entered into a seven year lease agreement secured by a 2017 Trash Truck and Refuse Equipment with Government Capital Corporation, with a maturity date of November 1, 2023. Payments are due in monthly installments of \$5,529.09 including interest of 3.179%.
10. On May 10, 2023, the County entered into a 3 year lease agreement with Government Capital Corporation for a 2022 AMMAN Padfoot Drum Roller with a maturity date of May 10, 2026. Payments are due in annual installments of \$43,299.26 including interest rate of 5.895%.
11. On October 15, 2020, the County entered into a 7 year lease agreement with Motorola Solutions, Inc. for law enforcement equipment with a maturity date of October 15, 2026. Payment are due in annual installments of \$115,554.95 including interest of 2.84%.
12. On February 28, 2020, the County entered into a 4 year lease agreement with Government Capital Corporation for a Doosan 3 wheel loader with a maturity date of February 29, 2024. Payments are due in annual installments of \$11,994.03 including interest of 4.371%.
13. On March 24, 2021, the County entered into a 5 year lease agreement with Government Capital Corporation for a John Deere Motorgrader with a maturity date of March 15, 2026. Payments are due in annual installments of \$44,257.37 including interest of 3.139%.
14. On April 2, 2021, the County entered into a 3 year lease agreement with Government Capital Corporation for a 2 trucks and related equipment with a maturity date of April 2, 2024. Payments are due in annual installments of \$48,236.84 including interest of 3.367%.
15. On April 12, 2021, the County entered into a 3 year lease agreement with Government Capital Corporation for a asphalt zipper with a maturity date of April 12, 2028. Payments are due in annual installments of \$44,923.26 including interest of 3.334%.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

16. On March 2, 2022, the County entered into a 3 year lease agreement with Government Capital Corporation for eight vehicles with a maturity date of February 15, 2025. Payments are due in annual installments of \$135,264.78 including interest of 3.441%.

17. On July 18, 2022, the County entered into a 3 year lease agreement with Government Capital Corporation for Kubota tractor with a maturity date of August 18, 2025. Payments are due in monthly installments of \$1,648.55 including interest of 4.2%.

18. On November 15, 2022, the County entered into a 3 year lease agreement with Government Capital Corporation for one vehicle with a maturity date of November 15, 2025. Payments are due in annual installments of \$6,969.85 including interest of 6.125%.

19. On April 1, 2022, the County entered into a 2 year lease agreement with Government Capital Corporation for a Motor Grader a maturity date of February 15, 2025. Payments are due in annual installments of \$46,529.63 including interest of 3.22%.

The assets acquired through leases are as follows:

Asset:	Governmental Activities
Machinery and Equipment	\$ 7,946,976
Less: accumulated depreciation	(2,842,842)
Total	<u>\$ 5,104,134</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2023 were as follows:

Year Ending December 31,	
2024	\$ 1,051,599
2025	564,249
2026	445,222
2027	74,952
2028	74,952
Total Minimum Lease Payments	<u>\$ 2,210,974</u>
Less: amount representing interest	(115,703)
Present Value of Minimum Lease Payments	<u>\$ 2,095,271</u>

I. Risk Management

The County is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors, and omissions, injuries to employees, and natural disasters. During fiscal year 2023, the County obtained general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool ("TML"). TML is a self-funded pool operating as a common risk management and insurance program. The County pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The County continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

J. Pension Plan

1. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS) is a qualified pension plan under Section 401(a) of Internal Revenue Code. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent-multiple-employer public employee retirement system consisting of 586 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

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 ages 60 and above with 10 or more years of service, with 20 years of services 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 employment with any organization with an accredited plan (not just the County), but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee's deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Contributions

The employer has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 10.8% for the calendar year 2018. The deposit rate payable by the employee members is the rate of 4%, 5%, 6%, or 7.00% of compensation as adopted by the governing body of the employer within the options available in the TCDRS.

Employees of Jim Wells County were required to contribute 6.0% of their annual gross earnings during the fiscal year. The contribution rates for the County were 9.43% and 8.59% in calendar years 2020 and 2021, respectively. Jim Wells County's contributions to TCDRS for the fiscal year ended December 31, 2021 were \$1,066,727 and were equal to the required contributions.

3. Discount Rate

The discount rate used to measure the total pension liability was 8.1%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January LLC. The numbers shown below are based on January 2019 information for a 7-10 year time horizon.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note that 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 assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
Int'l 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 Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships	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%
Total		100.00%	

(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 2.3% per Cliffwater's 2023 capital market assumptions.

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

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

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

4. Changes in Net Pension Liability

At December 31, 2023, Jim Wells County reported a net pension liability of \$ 5,020,139. The changes in net pension liability were as follows:

	Total Pension Liability (a)	Increase (Decrease)	
		Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2021	\$ 55,041,403	\$ 59,799,264	\$ (4,757,861)
Changes for the year			
Service cost	1,418,190	-	1,418,190
Interest on total pension liability	4,185,343	-	4,185,343
Effect on plan changes	5,199,173	-	5,199,173
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(95,216)	(95,216)	-
Benefit payments	(2,735,194)	(2,735,194)	-
Administrative expenses	-	(32,460)	32,460
Member contributions	-	726,814	(726,814)
Net investment income	-	(3,431,150)	3,431,150
Employer contributions	-	1,231,470	(1,231,470)
Other	-	(72,814)	72,814
Balance at 12/31/2022	\$ 60,410,853	\$ 55,390,714	\$ 5,020,139

The net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and for the year then ended.

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

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

5. Sensitivity of the net pension liability to changes in the discount rate

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

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
County's net pension liability	\$ 67,640,238	\$ 60,410,854	\$ 54,284,855
Fiduciary net position	55,390,714	55,390,714	55,390,714
Net pension liability / (asset)	\$ 12,249,524	\$ 5,020,140	\$ (1,105,859)

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

For the year ended December 31, 2023, the District recognized pension expense of \$5,792,074.

At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 2,125,422	\$ —
Changes in assumptions	41,096	--
Net difference between projected and actual earnings	—	984,870
Contributions subsequent to the measurement date	N/A	1,539,027

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:

Year ended Dec. 31:	
2024	\$ (1,589,924)
2025	\$ (695,364)
2026	\$ (484,245)
2027	\$ 1,587,885
Thereafter	—

K. Other Post-Employment Benefits

Group Term Life Insurance Provided Through the Texas County District Retirement System (TCDRS)

1. Plan Description

The County provides group term life insurance for all of its full-time employees and retirees through a statewide, agent multiple-employer, public-employee retirement system through TCDRS. The fund for this benefit is a separate trust administered by TCDRS. The fund receives monthly premiums and pays benefits when due. The obligations of the program are payable only from this fund, and are not an obligation of, or a claim against, the TCDRS Pension Trust Fund. The fund's assets are pooled with those of the Pension Trust Fund under provisions of the TCDRS Act and annually receive an allocation of income based on the fund value. The TCDRS issues a annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

Current employees of the plan are insured for an amount equivalent to the employee's current annual compensation. Employers may also choose to cover retirees. Retirees are insured for \$5,000. Life insurance proceeds are payable as a lump sum. The coverage provided to retirees is a post-employment benefit other than pension benefits.

2. Contributions

The County contributes to the program at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is equal to the cost of providing one-year term life insurance. The premium rate is expressed as a percentage of the covered payroll of members employed by the County. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

The program is voluntary and the County can cease participation at any time. Therefore, the funding policy of the program is to ensure that adequate resources are available to meet all insurance benefit payments for the upcoming year. It is not the intent of the funding policy to pre-fund retiree term life insurance during employees' entire careers.

	Contribution Rates	
	0	1
Employee	—	—
Employer	0.14%	0.14%
December 31, 2023		\$ 44,272

3. Actuarial Assumptions

The Group Term Life Fund (GTLF) is an optional cost-sharing multiple-employer defined benefit plan that is administered by the TCDRS. It provides death benefits to active and, if elected, retired employees of participating employers. The financing objective of the GTLF is to operate as a group term insured benefit, charging each employer its premium based on current actuarial assumptions and its own demographic membership (number of active and retired members covered by the GTLF). The funding of the GTLF is in accordance with Section 845.406 of the TCDRS statute. Contribution rates are established as a percentage of pay.

The GTLF provides death benefits to both active and retired members. Each participating employer can elect to cover just active members, or active and retired members. The required contribution rates for funding purposes are equal to a premium rate that is individually determined for each participating employer annually, and is based on the mortality and service experience of all employees and retirees covered by the fund and the demographics specific to the workforce of the participating employer. The rate is expressed as a percentage of the compensation of members employed by the participating employer. The required contributions are determined using a one-year term cost funding method.

Employers who participate in the TCDRS retirement plan may elect to participate in the GTLF. Employers may elect to cover members who are active employees only or both members who are active employees and retirees, and may elect to change or discontinue coverage annually.

The County must have elected the applicable Group Term Life coverage for the calendar year in which a member who is an active employee or retiree dies. If death occurs while the member is actively employed, the benefit is an amount equal to the employee's most recent regular annualized salary. The insurance benefit payable upon the death of a retiree is \$5,000.

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age
Amortization Method	Straight-line amortization of expected working life
Remaining Amortization Period	N/A
Asset Valuation Method	N/A
Inflation	N/A
Salary Increases	N/A
Investment Rate of Return	2.74% based on 20-year Bond GO Index published by bondbuyer.com as of December 26, 2019.
Retirement Age	N/A
Mortality	See Tables 1 thru 4 in the Milliman Valuation Report

Discount Rate:

The OPEB plan has been determined to be an unfunded OPEB plan. Therefore, the discount rate used to measure the total OPEB liability was the municipal bond rate of 3.72%.

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Changes in the Total OPEB Liability;
OPEB liability were as follows:

	Increase (Decrease) Total OPEB Liability
Balance at 12/31/2021	\$ 787,342
Changes for the year:	
Service cost	32,007
Interest on total OPEB liability	16,711
Change in benefit terms	-
Diff between expected/actual experience	11,794
Changes of assumptions	(202,801)
Benefit payments	(16,311)
Other	-
Net changes	(158,600)
Balance at 12/31/2022	\$ 628,742

The total OPEB liability was measured as of December 31, 2022 and was determined by an actuarial valuation as of that date and for the year then ended.

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

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

4. Discount Rate Sensitivity Analysis

The following table shows the Total OPEB Liability of the employer, calculated using the discount rate of 3.72% as well as what the Jim Wells County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.72) or 1 percentage point higher (4.72%) than the current rate. Note that the healthcare cost trend rate does not affect the Total OPEB Liability, so sensitivity to the healthcare cost trend rate is not shown.

	1% Decrease in Discount Rate 2.72	Discount Rate 3.72	1% Decrease in Discount rate 4.72
Total OPEB Liability	\$ 740,936	\$ 628,742	\$ 540,006

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

For the year ended December 31, 2023, the County recognized OPEB expense of \$45,200.

At December 31, 2023 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual economic experience (net of current year amortization)	\$ 13,384	\$ 10,587
Changes in actuarial assumptions (net of current year amortization)	169,001	68,822
Differences between projected and actual investment earnings (net of current year amortization)	-	-
Contributions subsequent to the measurement date	-	35,226
Total	\$ 182,385	\$ 114,635

\$35,226 reported as deferred outflows of resources related to OPEBs resulting from contributions subsequent to the measurement date, will be recognized in as a reduction of the net OPEB liability for the year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Fiscal Year ending December 31,	
2024	\$ 7,241
2025	(15,184)
2026	(31,362)
2027	(31,834)
2028	(31,837)

L. Health Care Coverage

During the year ended December 31, 2023, employees of the County were covered by a health insurance plan (the Plan). The County paid premiums of \$634 per pay period per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement. The premiums were paid to a licensed insurer.

The contract between the County and the licensed insurer is renewable January 2, 2023, and the terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for the Plan are available for the year ended December 31, 2023, and have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

M. Commitments and Contingencies

1. Contingencies

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

JIM WELLS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

2. Litigation

No reportable litigation was pending against the County at December 31, 2023.

N. Budgeted Funds

The following funds had adopted budgets for the fiscal year ended December 31, 2023: General Fund, Road and Bridge Funds, Small Dams Fund, Law Library Fund, Debt Service Fund, and ARPA Grant Fund.

O. Subsequent Events

The County has evaluated subsequent events through August 14, 2024, the date which the financial statements were available to be issued.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-1
Page 1 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
General Property Taxes	\$ 13,421,150	\$ 13,421,150	\$ 13,650,736	\$ 229,586
General Sales and Use Taxes	2,440,320	2,440,320	2,838,955	398,635
License and Permits	86,000	86,000	91,204	5,204
Intergovernmental	260,440	260,440	749,279	488,839
Charges for Services	25,700	25,700	50,052	24,352
Fines and Forfeitures	360,000	360,000	372,347	12,347
Fees of Office	1,183,550	1,183,550	1,079,582	(103,968)
Investment Earnings	25,000	25,000	179,389	154,389
Miscellaneous Revenues	318,204	318,204	295,147	(23,057)
Total revenues	18,120,364	18,120,364	19,306,691	1,186,327
EXPENDITURES:				
General Government				
County Judge				
Personal Services	279,484	279,484	278,583	901
Supplies	4,764	4,764	4,764	-
Other Services and Charges	10,186	11,686	11,330	356
Total County Judge	294,434	295,934	294,677	1,257
County Clerk				
Personal Services	--	415,958	402,846	13,112
Supplies	8,000	9,000	8,036	964
Other Services and Charges	65,440	65,440	52,605	12,835
Total County Clerk	73,440	490,398	463,487	26,911
Veterans Service				
Personal Services	76,040	76,040	66,116	9,924
Supplies	1,150	1,150	622	528
Other Services and Charges	41,050	41,050	38,695	2,355
Total Veterans Service	118,240	118,240	105,433	12,807
County Auditor				
Personal Services	650,287	650,287	646,222	4,065
Supplies	13,000	13,000	10,648	2,352
Other Services and Charges	64,600	64,600	50,137	14,463
Total County Auditor	727,887	727,887	707,007	20,880
County Treasurer				
Personal Services	191,682	191,682	191,674	8
Supplies	3,034	3,034	3,034	-
Other Services and Charges	2,506	3,506	3,175	331
Total County Treasurer	197,222	198,222	197,883	339
Tax Assessor-Collector				
Personal Services	533,443	533,443	506,705	26,738
Supplies	3,000	3,000	2,269	731
Other Services and Charges	577,650	677,500	654,175	23,325
Total Tax Assessor-Collector	1,114,093	1,213,943	1,163,149	50,794
County Courthouse and Annex				
Personal Services	375,500	375,500	345,944	29,556
Supplies	60,880	60,880	55,210	5,670
Other Services and Charges	1,135,320	1,135,320	1,130,717	4,603
Total County Courthouse and Annex	1,571,700	1,571,700	1,531,871	39,829
County Airport				
Other Services and Charges	50,000	50,000	8,027	41,973
Total County Airport	50,000	50,000	8,027	41,973

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-1
Page 2 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Elections				
Personal Services	258,166	258,166	207,471	50,695
Supplies	22,097	22,097	18,234	3,863
Other Services and Charges	36,078	36,078	25,545	10,533
Total Elections	316,341	316,341	251,250	65,091
Non-Departmental				
Personal Services	80,433	90,455	88,445	2,010
Supplies	60,800	90,800	89,626	1,174
Other Services and Charges	1,036,230	1,236,230	1,192,293	43,937
Total Non-Departmental	1,177,463	1,417,485	1,370,364	47,121
Total General Government	5,640,820	6,400,150	6,093,148	307,002
Judicial				
County court				
Personal Services	539,671	539,671	531,157	8,514
Supplies	3,000	3,000	2,370	630
Other Services and Charges	281,325	295,250	293,454	1,796
Total County Court	823,996	837,921	826,981	10,940
District Court				
Personal Services	511,286	511,286	446,603	64,683
Supplies	5,000	5,000	2,988	2,012
Other Services and Charges	193,600	193,600	115,175	78,425
Total District Court	709,886	709,886	564,766	145,120
District Clerk				
Personal Services	561,564	561,564	558,919	2,645
Supplies	17,000	17,000	15,744	1,256
Other Services and Charges	34,100	34,100	22,296	11,804
Total District Clerk	612,664	612,664	596,959	15,705
Justice of the Peace				
Personal Services	827,663	827,663	801,756	25,907
Supplies	22,644	22,644	15,599	7,045
Other Services and Charges	84,310	84,310	51,741	32,569
Total Justice of the Peace	934,617	934,617	869,096	65,521
County Attorney				
Personal Services	640,859	640,859	610,686	30,173
Supplies	5,000	5,000	3,998	1,002
Other Services and Charges	10,750	10,750	8,045	2,705
Total County Attorney	656,609	656,609	622,729	33,880
District Attorney				
Personal Services	914,972	914,972	905,475	9,497
Supplies	6,000	6,000	3,381	2,619
Other Services and Charges	31,600	31,600	31,553	47
Total District Attorney	952,572	952,572	940,409	12,163
Total Judicial	4,690,344	4,704,269	4,420,940	283,329
Public Safety				
Ambulance				
Other Services and Charges	218,000	218,000	184,121	33,879
Total Ambulance	218,000	218,000	184,121	33,879
Fire Protection				
Other Services and Charges	150,000	150,000	142,160	7,840
Total Fire Protection	150,000	150,000	142,160	7,840

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-1
Page 3 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Constable				
Personal Services	438,066	438,066	428,359	9,707
Supplies	12,411	12,411	11,433	978
Other Services and Charges	28,604	28,604	15,480	13,124
Capital Outlay	20,088	20,088	20,088	--
Total Constable	499,169	499,169	475,360	23,809
Sheriff				
Personal Services	4,428,583	4,728,583	4,670,684	57,899
Supplies	554,100	554,100	540,497	13,603
Other Services and Charges	475,374	475,374	464,495	10,879
Total Sheriff	5,458,057	5,758,057	5,675,676	82,381
Juvenile Corrections Board				
Personal Services	78,203	78,203	69,057	9,146
Supplies	19,000	19,000	14,050	4,950
Other Services and Charges	369,200	619,200	576,212	42,988
Total Juvenile Corrections Board	466,403	716,403	659,319	57,084
Safety Department				
Personal Services	135,478	135,478	129,081	6,397
Supplies	4,700	4,700	4,240	460
Other Services and Charges	8,470	8,470	6,451	2,019
Total Safety Department	148,648	148,648	139,772	8,876
Vector Control				
Supplies	5,450	5,450	2,771	2,679
Total Vector Control	5,450	5,450	2,771	2,679
Adult Probation				
Other Services and Charges	19,302	19,302	19,302	--
Total Adult Probation	19,302	19,302	19,302	--
Total Public Safety	7,000,733	7,550,733	7,306,095	244,638
Health and Welfare				
Personal Services	77,561	77,561	63,229	14,332
Supplies	3,200	3,200	296	2,904
Other Services and Charges	2,100	21,000	19,088	1,912
Total Health and Welfare	82,861	101,761	82,613	19,148
Culture and Recreation				
Parks Department				
Other Services and Charges	83,800	83,800	60,372	23,428
Total Parks Department	83,800	83,800	60,372	23,428
Total Culture and Recreation	83,800	83,800	60,372	23,428
Conservation				
Agriculture Extension Service				
Personal Services	176,604	176,604	134,215	42,389
Supplies	2,000	14,250	13,756	494
Other Services and Charges	62,700	62,700	56,397	6,303
Total Agriculture Extension Service	241,304	253,554	204,368	49,186
Economic Development and Assistance				
Personal Services	98,460	116,460	114,807	1,653
Supplies	500	500	--	500
Other Services and Charges	253,528	253,528	181,255	72,273
Total Economic Development and Assistance	352,488	370,488	296,062	74,426

JIM WELLS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-1
Page 4 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal	243,266	243,266	232,915	10,351
Interest and Fiscal Charges	30,000	30,000	22,839	7,161
Total Debt Service	273,266	273,266	255,754	17,512
Total Expenditures	18,365,616	19,738,021	18,719,352	1,018,669
Excess (Deficiency) of Revenues Over (Under) Expenditures	(245,252)	(1,617,657)	587,339	2,204,996
OTHER FINANCING SOURCES (USES):				
Transfers In	--	--	129,000	129,000
Transfers Out	(1,320,238)	(1,320,238)	(401,095)	(919,143)
Total Other Financing Sources (Uses)	(1,320,238)	(1,320,238)	(272,095)	(1,048,143)
Net Change in Fund Balances	(1,565,490)	(2,937,895)	315,244	3,253,139
Fund Balances - Beginning	11,956,336	11,956,336	11,956,336	--
Fund Balances - Ending	\$ 10,390,846	\$ 9,018,441	\$ 12,271,580	\$ 3,253,139

JIM WELLS COUNTY, TEXAS
 ARPA GRANT FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Investment Earnings	\$ 18,803	\$ 18,803	\$ 18,803	\$ —
Total revenues	18,803	18,803	18,803	—
EXPENDITURES:				
General Government				
Non-Departmental				
Personal Services	25,000	25,000	25,000	—
Supplies	250,747	250,747	250,747	—
Other Services and Charges	941,977	614,031	614,031	—
Capital Outlay	1,560,688	1,888,634	1,888,634	—
Total Non-Departmental	2,778,412	2,778,412	2,778,412	—
Total General Government	2,778,412	2,778,412	2,778,412	—
Total Expenditures	2,778,412	2,778,412	2,778,412	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,759,609)	(2,759,609)	(2,759,609)	—
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	—	—	—	—
Net Change in Fund Balances	(2,759,609)	(2,759,609)	(2,759,609)	—
Fund Balances - Beginning	7,399,806	7,399,806	7,399,806	—
Fund Balances - Ending	\$ 4,640,197	\$ 4,640,197	\$ 4,640,197	\$ —

JIM WELLS COUNTY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Plan Year Ended December 31,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 1,418,190	\$ 1,513,212	\$ 1,318,210	\$ 1,254,477	\$ 1,208,189	\$ 1,291,227	\$ 1,495,734	\$ 1,290,592	\$ 1,292,660
Interest (on the total pension liability)	4,185,343	4,032,625	3,836,822	3,671,347	3,484,547	3,323,734	3,187,787	3,058,111	2,844,479
Changes of benefit terms	5,199,173	-	-	-	-	-	(431,184)	(168,268)	-
Difference between expected and actual experience	(2,602,846)	(519,862)	287,134	(444,833)	(57,969)	(598,806)	(975,283)	(751,373)	(42,050)
Change of assumptions	-	(123,290)	2,679,296	-	-	365,674	-	446,185	-
Benefit payments, including refunds of employee contributions	(2,830,410)	(2,767,194)	(2,482,687)	(2,520,229)	(2,235,086)	(2,388,802)	(2,348,036)	(1,724,687)	(1,471,906)
Net Change in Total Pension Liability	5,369,450	2,135,491	5,638,775	1,960,762	2,399,681	1,993,027	929,018	2,150,560	2,623,183
Total Pension Liability - Beginning	55,041,403	52,905,912	47,267,137	45,306,375	42,906,694	40,913,667	39,984,648	37,828,089	35,204,905
Total Pension Liability - Ending (a)	\$ 60,410,853	\$ 55,041,403	\$ 52,905,912	\$ 47,267,137	\$ 45,306,375	\$ 42,906,694	\$ 40,913,666	\$ 39,978,649	\$ 37,828,088
Plan Fiduciary Net Position									
Contributions - employer	\$ 1,231,471	\$ 1,066,727	\$ 1,108,598	\$ 982,395	\$ 920,434	\$ 848,058	\$ 1,122,930	\$ 1,110,494	\$ 1,142,342
Contributions - employee	726,814	649,125	668,121	614,637	579,496	561,628	622,697	617,908	591,887
Net investment income	(3,431,150)	10,868,413	4,754,298	6,633,054	(789,932)	5,462,859	2,635,191	(528,742)	2,287,706
Benefit payments, including refunds of employee contributions	(2,830,410)	(2,767,194)	(2,482,687)	(2,520,229)	(2,235,086)	(2,388,802)	(2,348,036)	(1,724,687)	(1,471,906)
Administrative expense	(32,460)	(32,352)	(36,608)	(33,081)	(32,438)	(27,905)	(28,652)	(25,862)	(26,972)
Other	(72,814)	(16,007)	(16,328)	(25,195)	(17,687)	(30,604)	(90,829)	(63,877)	(32,749)
Net Change in Plan Fiduciary Net Position	(4,408,549)	9,768,712	3,995,394	5,649,581	(1,575,213)	4,425,234	1,913,301	(614,766)	2,490,308
Plan Fiduciary Net Position - Beginning	59,799,264	50,030,553	46,035,158	40,385,576	41,960,790	37,535,556	35,622,256	36,237,022	33,746,713
Plan Fiduciary Net Position - Ending (b)	\$ 55,390,715	\$ 59,799,265	\$ 50,030,552	\$ 46,035,157	\$ 40,385,577	\$ 41,960,790	\$ 37,535,557	\$ 35,622,256	\$ 36,237,021
Net Pension Liability - Ending (a) - (b)	\$ 5,020,138	\$ (4,757,862)	\$ 2,875,360	\$ 1,231,980	\$ 4,920,798	\$ 945,904	\$ 3,378,109	\$ 4,356,393	\$ 1,591,067
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.69%	108.64%	94.57%	97.39%	89.14%	97.80%	91.74%	89.10%	95.79%
Covered Payroll	\$ 11,650,634	\$ 10,818,745	\$ 10,932,924	\$ 10,243,956	\$ 9,568,275	\$ 9,360,464	\$ 10,378,279	\$ 10,244,406	\$ 9,864,786
Net Pension Liability as a Percentage of Covered Payroll	43.09%	43.98%	26.30%	12.03%	51.43%	10.11%	32.55%	42.52%	16.13%

JIM WELLS COUNTY
SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Fiscal Year Ended December 31,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,539,027	\$ 1,231,471	\$ 1,066,727	\$ 1,108,598	\$ 984,249	\$ 720,454	\$ 848,058	\$ 1,122,930	\$ 1,110,494
Contributions in relation to actuarially determined contribution	(1,539,027)	(1,231,471)	(1,066,727)	(1,108,598)	(984,249)	(720,454)	(848,058)	(1,122,930)	(1,110,494)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 13,184,785	\$ 12,701,243	\$ 11,807,928	\$ 11,920,196	\$ 11,201,012	\$ 10,942,885	\$ 9,360,464	\$ 10,378,279	\$ 10,244,406
Contributions as a percentage of covered payroll	11.67%	9.70%	9.03%	9.30%	8.79%	6.58%	9.06%	10.82%	10.84%

JIM WELLS COUNTY
NOTES TO SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	0.0 years (based on contribution rate calculated in 12/31/2019 valuation)
Asset Valuation Method	5-yr smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.0%, net of investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

Other Information: There were no benefit changes during the year.

JIM WELLS COUNTY
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Plan Year Ended December 31,					
	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service cost	\$ 32,007	\$ 34,182	\$ 27,184	\$ 17,216	\$ 20,237	\$ 19,110
Interest (on the total OPEB liability)	16,711	16,454	18,037	21,024	18,777	19,571
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	11,794	(16,662)	1,899	(16,922)	1,134	(21,003)
Change of assumptions	(202,801)	19,026	78,986	129,047	(56,263)	22,589
Benefit payments, including refunds of employee contributions	(16,311)	(15,146)	(15,306)	(14,342)	(13,522)	(13,105)
Net Change in Total OPEB Liability	(158,600)	37,854	110,800	136,023	(29,637)	27,162
Total OPEB Liability - Beginning	787,342	749,488	638,688	502,665	532,302	505,140
Total OPEB Liability - Ending	\$ 628,742	\$ 787,342	\$ 749,488	\$ 638,688	\$ 502,665	\$ 532,302
 Covered Payroll	 \$ 11,650,634	 \$ 10,818,745	 \$ 10,932,924	 \$ 10,243,956	 \$ 9,858,275	 \$ 9,360,484
 Total OPEB Liability as a Percentage of Covered Payroll	 5.40%	 7.28%	 6.86%	 6.23%	 5.10%	 5.69%

JIM WELLS COUNTY
NOTES TO SCHEDULE OF OPEB CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Valuation Date: 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry age
Amortization Method	Straight-line amortization of expected working life
Remaining Amortization Period	NA
Asset Valuation Method	NA
Inflation	NA
Salary Increases	NA
Investment Rate of Return	2.74%, based on 20-year Bond GO Index published by bondbuyer.com as of December 26, 2019.
Retirement Age	NA
Mortality	See Tables 1 thru 4 in the Milliman Valuation Report

Other Information: There were no benefit changes during the year.

JIM WELLS COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023

BUDGETARY INFORMATION – The budget is prepared in accordance with financial policies approved by the County Budget Officer and the Commissioners Court following a public hearing. The Budget Officer is required by policy to present Commissioners Court with a balanced budget that contains a no-tax increase assumption as a starting point for budget discussions. The amounts budgeted in a fiscal year for expenditures in various funds may not exceed the balances in those funds as of the first day of the fiscal year plus any anticipated revenue for the fiscal year as estimated by the County Auditor.

The following are the funds which have legally adopted annual budgets prepared on a basis consistent with GAAP. General Fund, Debt Service Fund, and Special Revenue Funds which includes all four Road & Bridge Funds, the Small Dams Fund and the Law Library Fund. Project-length financial plans are adopted for the Capital Projects Funds.

The budget law of the State of Texas provides that "the amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in said funds plus the anticipated revenues for the current year for which the budget is made as estimated by the County Auditor. In addition, law provides that the Commissioners Court may, upon proper application, transfer an existing budget surplus during the year to a budget of like kind and fund but no such transfer shall increase the total budget.

Each year, all departments submit to the Budget Officer requests for appropriation. These requests are reviewed, compiled and presented to the Commissioners Court for approval. The Commissioners Court conducts departmental budget reviews, adjusts budget requests to final form and conducts a public hearing in the County Administration Building. Once copy of the proposed budget must be filed with the County Clerk and one with the County Auditor. Copies must be available to the public. The Commissioners Court must provide for the public hearing on the budget on some date within seven calendar days after the filing of the budget and prior to October 1st of the current fiscal year.

The County controls appropriations at the category level (i.e., salaries/allowances, operations and property) for each department/project within the General Fund and some of the Special Revenue Funds. Grants are budgeted in total and not at the category level. All Debt Service Funds' expenditures for principal and interest of long-term debt are considered to be in the operations category. Certain appropriation transfers may be made between categories or departments only with the approval of the Commissioners Court. Other transfers (e.g. court costs) may be authorized by the County Judge. Transfers that were made during fiscal year 2023 did not increase the County's overall budget. Unencumbered funds lapse at fiscal year end. The original budgets presented in the report are the approved budgets before amendments and transfers. The final budgets presented in this report reflect the budgets as amended for all appropriation transfers processed during the fiscal year. The legal level of budgetary control (the level on which expenditures may not exceed appropriations) is on an object class basis. More comprehensive accounting of activity on the budgetary basis is provided in a separate report, which available for public inspection in the office of the Jim Wells County Auditor, 200 N. Almond, Alice, Texas 78332.

Combining Statements and Budget Comparisons as Supplementary Information

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS				
Assets:				
Cash and Cash Equivalents	\$ 8,315,777	\$ 102,794	\$ 771,009	\$ 9,189,580
Taxes Receivables (net of allowances for uncollectibles):	3,728,554	--	--	3,728,554
Sales Taxes Receivable	57,079	--	--	57,079
Total Assets	<u>\$ 12,101,410</u>	<u>\$ 102,794</u>	<u>\$ 771,009</u>	<u>\$ 12,975,213</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 3,412	\$ --	\$ --	\$ 3,412
Total Liabilities	<u>3,412</u>	<u>--</u>	<u>--</u>	<u>3,412</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue Property Taxes	3,728,554	--	--	3,728,554
Total Deferred Inflows of Resources	<u>3,728,554</u>	<u>--</u>	<u>--</u>	<u>3,728,554</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	8,372,856	--	--	8,372,856
Retirement of Long-Term Debt	--	102,794	--	102,794
Unassigned	(3,412)	--	--	(3,412)
Capital Project Funds	--	--	771,009	771,009
Total Fund Balance	<u>8,369,444</u>	<u>102,794</u>	<u>771,009</u>	<u>9,243,247</u>
Total Liabilities and Fund Balance	<u>\$ 12,101,410</u>	<u>\$ 102,794</u>	<u>\$ 771,009</u>	<u>\$ 12,975,213</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:				
Taxes:				
General Property Taxes	\$ 3,423,980	\$ 260,865	\$ --	\$ 3,684,845
General Sales and Use Taxes	713,385	--	--	713,385
License and Permits	369,027	--	--	369,027
Intergovernmental	3,197,627	--	--	3,197,627
Charges for Services	299,027	--	--	299,027
Fines and Forfeitures	681,067	--	--	681,067
Fees of Office	1,334,924	--	--	1,334,924
Investment Earnings	30,919	2,452	2,505	35,876
Miscellaneous Revenues	361,962	--	--	361,962
Total revenues	<u>10,411,918</u>	<u>263,317</u>	<u>2,505</u>	<u>10,677,740</u>
Expenditures:				
Current:				
General Government	310,172	--	--	310,172
Judicial	668,007	--	--	668,007
Public Safety	3,748,376	--	--	3,748,376
Public Transportation	5,499,787	--	--	5,499,787
Health and Welfare	681,208	--	--	681,208
Debt Service:				
Principal	679,248	250,000	--	929,248
Interest and Fiscal Charges	54,912	7,238	--	62,150
Total Expenditures	<u>11,641,710</u>	<u>257,238</u>	<u>--</u>	<u>11,898,948</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(1,229,792)</u>	<u>6,079</u>	<u>2,505</u>	<u>(1,221,208)</u>
Other Financing Sources (Uses):				
Transfers In	766,661	--	--	766,661
Transfers Out	(494,566)	--	--	(494,566)
Capital Leases	587,995	--	--	587,995
Total Other Financing Sources (Uses)	<u>860,090</u>	<u>--</u>	<u>--</u>	<u>860,090</u>
Net Change in Fund Balances	<u>(369,702)</u>	<u>6,079</u>	<u>2,505</u>	<u>(361,118)</u>
Fund Balances - Beginning	8,739,146	96,715	768,504	9,604,365
Fund Balances - Ending	<u>\$ 8,369,444</u>	<u>\$ 102,794</u>	<u>\$ 771,009</u>	<u>\$ 9,243,247</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Lone Star Grant	HIDTA Grant Fund	Bond Safety Program	Border Star Grant Fund
ASSETS				
Assets:				
Cash and Cash Equivalents	\$ 36,942	\$ 57,641	\$ 31,492	\$ 26,210
Taxes Receivables (net of allowances for uncollectibles):	--	--	--	--
Sales Taxes Receivable	--	--	--	--
Total Assets	<u>\$ 36,942</u>	<u>\$ 57,641</u>	<u>\$ 31,492</u>	<u>\$ 26,210</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ --	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue Property Taxes	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	36,942	57,641	31,492	26,210
Unassigned	--	--	--	--
Total Fund Balance	<u>36,942</u>	<u>57,641</u>	<u>31,492</u>	<u>26,210</u>
Total Liabilities and Fund Balance	<u>\$ 36,942</u>	<u>\$ 57,641</u>	<u>\$ 31,492</u>	<u>\$ 26,210</u>

Road & Bridge No. 21 Fund	Road & Bridge No. 22 Fund	Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund
\$ 227,764	\$ 1,838,145	\$ 1,803,704	\$ 1,342,076	\$ 38,425
820,955	550,813	1,126,699	1,230,087	—
10,526	8,747	16,372	21,434	—
<u>\$ 1,059,245</u>	<u>\$ 2,397,705</u>	<u>\$ 2,946,775</u>	<u>\$ 2,593,597</u>	<u>\$ 38,425</u>
\$ —	\$ —	\$ —	\$ —	\$ —
820,955	550,814	1,126,699	1,230,086	—
<u>820,955</u>	<u>550,814</u>	<u>1,126,699</u>	<u>1,230,086</u>	<u>—</u>
238,290	1,846,891	1,820,076	1,363,511	38,425
<u>238,290</u>	<u>1,846,891</u>	<u>1,820,076</u>	<u>1,363,511</u>	<u>38,425</u>
<u>\$ 1,059,245</u>	<u>\$ 2,397,705</u>	<u>\$ 2,946,775</u>	<u>\$ 2,593,597</u>	<u>\$ 38,425</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	HAVA Grant Fund	CARES Act Grant	Victim Assistance Program	Sheriff Impound Fees
ASSETS				
Assets:				
Cash and Cash Equivalents	\$ 2,782	\$ 123,693	\$ 4,943	\$ 21,149
Taxes Receivables (net of allowances for uncollectibles):	--	--	--	--
Sales Taxes Receivable	--	--	--	--
Total Assets	<u>\$ 2,782</u>	<u>\$ 123,693</u>	<u>\$ 4,943</u>	<u>\$ 21,149</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ --	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue Property Taxes	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	2,782	123,693	4,943	21,149
Unassigned	--	--	--	--
Total Fund Balance	<u>2,782</u>	<u>123,693</u>	<u>4,943</u>	<u>21,149</u>
Total Liabilities and Fund Balance	<u>\$ 2,782</u>	<u>\$ 123,693</u>	<u>\$ 4,943</u>	<u>\$ 21,149</u>

<u>Small Dams No. 32 Fund</u>	<u>CSCD Pretrial Division Felony</u>	<u>CSCD Pretrial Division Substance Abuse</u>	<u>CSCD Specialized Caseload (SO)</u>	<u>DA State Grant Fund</u>
\$ 76,510	\$ 5,040	\$ 8,868	\$ 7,626	\$ 66,947
--	--	--	--	--
\$ 76,510	\$ 5,040	\$ 8,868	\$ 7,626	\$ 66,947
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
76,510	5,040	8,868	7,626	66,947
76,510	5,040	8,868	7,626	66,947
\$ 76,510	\$ 5,040	\$ 8,868	\$ 7,626	\$ 66,947

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Pre-Trial Bond Supervision	CSCD After Care Caseload	County Attorney Check Collection	Juvenile Probation Fund
ASSETS				
Assets:				
Cash and Cash Equivalents	\$ 366,164	\$ 4,626	\$ 12,069	\$ 186
Taxes Receivables (net of allowances for uncollectibles):	--	--	--	--
Sales Taxes Receivable	--	--	--	--
Total Assets	<u>\$ 366,164</u>	<u>\$ 4,626</u>	<u>\$ 12,069</u>	<u>\$ 186</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ --	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue Property Taxes	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	366,164	4,626	12,069	186
Unassigned	--	--	--	--
Total Fund Balance	<u>366,164</u>	<u>4,626</u>	<u>12,069</u>	<u>186</u>
Total Liabilities and Fund Balance	<u>\$ 366,164</u>	<u>\$ 4,626</u>	<u>\$ 12,069</u>	<u>\$ 186</u>

Adult Probation Fund	State Juvenile Probation Fund	Colonia Grant Fund	Home Program Fund	Law Library Fund
\$ 127,734	\$ 260,219	\$ --	\$ 12,360	\$ 81,260
--	--	--	--	--
<u>\$ 127,734</u>	<u>\$ 260,219</u>	<u>\$ --</u>	<u>\$ 12,360</u>	<u>\$ 81,260</u>
\$ --	\$ --	\$ 3,412	\$ --	\$ --
--	--	3,412	--	--
--	--	--	--	--
--	--	--	--	--
127,734	260,219	--	12,360	81,260
--	--	(3,412)	--	--
<u>127,734</u>	<u>260,219</u>	<u>(3,412)</u>	<u>12,360</u>	<u>81,260</u>
<u>\$ 127,734</u>	<u>\$ 260,219</u>	<u>\$ --</u>	<u>\$ 12,360</u>	<u>\$ 81,260</u>

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Disaster Relief Fund	Drug Abuse and Rehabilitation Fund	County Attorney Crime Prevention Fund	79th Judicial District Attorney Forfeiture Fund
ASSETS				
Assets:				
Cash and Cash Equivalents	\$ 690	\$ 30,266	\$ 63	\$ 379,713
Taxes Receivables (net of allowances for uncollectibles):	--	--	--	--
Sales Taxes Receivable	--	--	--	--
Total Assets	<u>\$ 690</u>	<u>\$ 30,266</u>	<u>\$ 63</u>	<u>\$ 379,713</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ --	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue Property Taxes	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances:				
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	690	30,266	63	379,713
Unassigned	--	--	--	--
Total Fund Balance	<u>690</u>	<u>30,266</u>	<u>63</u>	<u>379,713</u>
Total Liabilities and Fund Balance	<u>\$ 690</u>	<u>\$ 30,266</u>	<u>\$ 63</u>	<u>\$ 379,713</u>

Sheriff Drug Forfeiture Fund	Sheriff Forfeiture Fund	Community Corrections Fund	Constable Prct 5 Drug Forfeiture Fund	Pretrial Domestic Violence
\$ 510,673	\$ 108,103	\$ 16,333	\$ 42,622	\$ 5,579
\$ 510,673	\$ 108,103	\$ 16,333	\$ 42,622	\$ 5,579
\$	\$	\$	\$	\$
510,673	108,103	16,333	42,622	5,579
510,673	108,103	16,333	42,622	5,579
\$ 510,673	\$ 108,103	\$ 16,333	\$ 42,622	\$ 5,579

JIM WELLS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	Drug and Alcohol Court Fund	Bail Bond Board
ASSETS		
Assets:		
Cash and Cash Equivalents	\$ 14,256	\$ 14,198
Taxes Receivables (net of allowances for uncollectibles):	--	--
Sales Taxes Receivable	--	--
Total Assets	<u>\$ 14,256</u>	<u>\$ 14,198</u>
LIABILITIES AND FUND BALANCES:		
Liabilities:		
Accounts Payable	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES:		
Unavailable Revenue Property Taxes	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>
Fund Balances:		
Restricted Fund Balances:		
Federal or State Funds Grant Restriction	14,256	14,198
Unassigned	--	--
Total Fund Balance	<u>14,256</u>	<u>14,198</u>
Total Liabilities and Fund Balance	<u>\$ 14,256</u>	<u>\$ 14,198</u>

JP Technology Fund	County and District Court Technology Fund	Records Preservation Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ 17,479	\$ 4,641	\$ 586,586	\$ 8,315,777
--	--	--	3,728,554
\$ 17,479	\$ 4,641	\$ 586,586	57,079
			\$ 12,101,410
\$ --	\$ --	\$ --	\$ 3,412
--	--	--	3,412
--	--	--	3,728,554
--	--	--	3,728,554
17,479	4,641	586,586	8,372,856
--	--	--	(3,412)
17,479	4,641	586,586	8,369,444
\$ 17,479	\$ 4,641	\$ 586,586	\$ 12,101,410

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Lone Star Grant	HIDTA Grant Fund	Bond Safety Program	Border Star Grant Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	--	129,206	--	--
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	--	--
Fees of Office	--	--	--	--
Investment Earnings	410	324	189	82
Miscellaneous Revenues	44,170	--	--	2,934
Total revenues	<u>44,580</u>	<u>129,530</u>	<u>189</u>	<u>3,016</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	--	--
Public Safety	138,845	--	110,542	--
Public Transportation	--	--	--	--
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>138,845</u>	<u>--</u>	<u>110,542</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(94,265)</u>	<u>129,530</u>	<u>(110,353)</u>	<u>3,016</u>
Other Financing Sources (Uses):				
Transfers In	--	--	141,845	--
Transfers Out	--	(180,329)	--	--
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>(180,329)</u>	<u>141,845</u>	<u>--</u>
Net Change in Fund Balances	<u>(94,265)</u>	<u>(50,799)</u>	<u>31,492</u>	<u>3,016</u>
Fund Balances - Beginning	131,207	108,440	--	23,194
Fund Balances - Ending	<u>\$ 36,942</u>	<u>\$ 57,641</u>	<u>\$ 31,492</u>	<u>\$ 26,210</u>

Road & Bridge No. 21 Fund	Road & Bridge No. 22 Fund	Road & Bridge No. 23 Fund	Road & Bridge No. 24 Fund	Indigent Health Care Fund
\$ 669,506	\$ 542,052	\$ 1,074,924	\$ 1,137,498	\$ --
140,077	117,110	216,163	240,035	--
71,485	57,288	121,049	119,205	--
17,078	14,199	82,467	31,636	--
--	--	--	--	--
129	105	207	220	--
597,938	51,959	143,568	412,662	--
960	6,402	6,726	5,607	174
50,576	42,399	35,875	26,095	390
<u>1,547,749</u>	<u>831,514</u>	<u>1,680,979</u>	<u>1,972,958</u>	<u>564</u>
--	--	--	--	--
--	--	--	--	--
1,153,893	686,373	1,729,750	1,811,130	--
--	--	--	--	134,611
130,424	--	127,928	145,087	--
5,576	--	11,096	15,916	--
<u>1,289,893</u>	<u>686,373</u>	<u>1,868,774</u>	<u>1,972,133</u>	<u>134,611</u>
257,856	145,141	(187,795)	825	(134,047)
--	--	--	--	100,000
(135,404)	(4,958)	(10,835)	(10,988)	--
--	--	115,965	128,343	--
<u>(135,404)</u>	<u>(4,958)</u>	<u>105,130</u>	<u>117,355</u>	<u>100,000</u>
122,452	140,183	(82,665)	118,180	(34,047)
115,838	1,706,708	1,902,741	1,245,331	72,472
<u>\$ 238,290</u>	<u>\$ 1,846,891</u>	<u>\$ 1,820,076</u>	<u>\$ 1,363,511</u>	<u>\$ 38,425</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	HAVA Grant Fund	CARES Act Grant	Victim Assistance Program	Sheriff Impound Fees
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	--	--	855	--
Charges for Services	--	--	--	1,795
Fines and Forfeitures	--	--	--	--
Fees of Office	--	--	--	--
Investment Earnings	9	--	--	72
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>9</u>	<u>--</u>	<u>855</u>	<u>1,867</u>
Expenditures:				
Current:				
General Government	--	153,646	--	--
Judicial	--	--	--	--
Public Safety	--	--	3,708	2,448
Public Transportation	--	--	--	--
Health and Welfare	--	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>--</u>	<u>153,646</u>	<u>3,708</u>	<u>2,448</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9</u>	<u>(153,646)</u>	<u>(2,853)</u>	<u>(581)</u>
Other Financing Sources (Uses):				
Transfers In	--	--	--	--
Transfers Out	--	--	(859)	--
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>(859)</u>	<u>--</u>
Net Change in Fund Balances	9	(153,646)	(3,712)	(581)
Fund Balances - Beginning	2,773	277,339	8,655	21,730
Fund Balances - Ending	<u>\$ 2,782</u>	<u>\$ 123,693</u>	<u>\$ 4,943</u>	<u>\$ 21,149</u>

Small Dams No. 32 Fund	CSCD Pretrial Division Felony	CSCD Pretrial Division Substance Abuse	CSCD Specialized Caseload (SO)	DA State Grant Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
39,135	30,876	50,375	38,423	673,361
--	--	--	--	--
--	--	--	--	--
269	--	--	--	165
--	--	--	--	--
<u>39,404</u>	<u>30,876</u>	<u>50,375</u>	<u>38,423</u>	<u>673,526</u>
--	--	--	--	--
--	--	--	--	651,770
118,641	33,961	56,991	41,291	--
--	--	--	--	--
--	--	--	--	--
<u>118,641</u>	<u>33,961</u>	<u>56,991</u>	<u>41,291</u>	<u>651,770</u>
<u>(79,237)</u>	<u>(3,085)</u>	<u>(6,616)</u>	<u>(2,868)</u>	<u>21,756</u>
73,185	--	--	--	66,000
--	--	--	--	(79,193)
--	--	--	--	--
<u>73,185</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(13,193)</u>
(6,052)	(3,085)	(6,616)	(2,868)	8,563
82,562	8,125	15,484	10,494	58,384
<u>\$ 76,510</u>	<u>\$ 5,040</u>	<u>\$ 8,868</u>	<u>\$ 7,626</u>	<u>\$ 66,947</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Pre-Trial Bond Supervision	CSCD After Care Caseload	County Attorney Check Collection	Juvenile Probation Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	274,593	26,300	--	--
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	125	--
Fees of Office	--	--	--	--
Investment Earnings	1,029	--	40	--
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>275,622</u>	<u>26,300</u>	<u>165</u>	<u>--</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	1,197	--
Public Safety	134,573	--	--	--
Public Transportation	--	--	--	--
Health and Welfare	--	30,691	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>134,573</u>	<u>30,691</u>	<u>1,197</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>141,049</u>	<u>(4,391)</u>	<u>(1,032)</u>	<u>--</u>
Other Financing Sources (Uses):				
Transfers In	--	--	--	--
Transfers Out	--	--	--	--
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>141,049</u>	<u>(4,391)</u>	<u>(1,032)</u>	<u>--</u>
Fund Balances - Beginning	225,115	9,017	13,101	186
Fund Balances - Ending	<u>\$ 366,164</u>	<u>\$ 4,626</u>	<u>\$ 12,069</u>	<u>\$ 186</u>

Adult Probation Fund	State Juvenile Probation Fund	Colonia Grant Fund	Home Program Fund	Law Library Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
289,504	640,202	--	--	--
297,232	--	--	--	--
--	--	--	--	--
--	--	--	--	20,300
1,003	567	--	--	249
110,596	--	--	--	--
<u>698,335</u>	<u>640,769</u>	<u>--</u>	<u>--</u>	<u>20,549</u>
--	--	--	--	--
--	--	--	--	14,988
825,831	544,643	--	--	--
--	--	--	--	--
--	--	13,412	--	--
--	--	--	--	--
<u>825,831</u>	<u>544,643</u>	<u>13,412</u>	<u>--</u>	<u>14,988</u>
(127,496)	96,126	(13,412)	--	5,561
--	--	--	--	--
89,250	--	--	--	10,000
--	--	--	--	--
<u>89,250</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>10,000</u>
(38,246)	96,126	(13,412)	--	15,561
165,980	164,093	10,000	12,360	65,699
<u>\$ 127,734</u>	<u>\$ 260,219</u>	<u>\$ (3,412)</u>	<u>\$ 12,360</u>	<u>\$ 81,260</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Disaster Relief Fund	Drug Abuse and Rehabilitation Fund	County Attorney Crime Prevention Fund	79th Judicial District Attorney Forfeiture Fund
Revenue:				
Taxes:				
General Property Taxes	\$ --	\$ --	\$ --	\$ --
General Sales and Use Taxes	--	--	--	--
License and Permits	--	--	--	--
Intergovernmental	502,494	37,957	45,000	88,256
Charges for Services	--	--	--	--
Fines and Forfeitures	--	--	--	207,716
Fees of Office	--	--	--	--
Investment Earnings	--	120	24	1,511
Miscellaneous Revenues	--	--	--	--
Total revenues	<u>502,494</u>	<u>38,077</u>	<u>45,024</u>	<u>297,483</u>
Expenditures:				
Current:				
General Government	--	--	--	--
Judicial	--	--	--	--
Public Safety	--	37,629	58,113	536,867
Public Transportation	--	--	--	--
Health and Welfare	502,494	--	--	--
Debt Service:				
Principal	--	--	--	--
Interest and Fiscal Charges	--	--	--	--
Total Expenditures	<u>502,494</u>	<u>37,629</u>	<u>58,113</u>	<u>536,867</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>448</u>	<u>(13,089)</u>	<u>(239,384)</u>
Other Financing Sources (Uses):				
Transfers In	--	--	6,000	80,052
Transfers Out	--	--	--	(72,000)
Capital Leases	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>6,000</u>	<u>8,052</u>
Net Change in Fund Balances	<u>--</u>	<u>448</u>	<u>(7,089)</u>	<u>(231,332)</u>
Fund Balances - Beginning	690	29,818	7,152	611,045
Fund Balances - Ending	<u>\$ 690</u>	<u>\$ 30,266</u>	<u>\$ 63</u>	<u>\$ 379,713</u>

Sheriff Drug Forfeiture Fund	Sheriff Forfeiture Fund	Community Corrections Fund	Constable Prct 5 Drug Forfeiture Fund	Pretrial Domestic Violence
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	97,159	--	34,101
472,565	--	--	--	--
--	21,884	--	--	--
2,229	501	--	--	--
48,775	--	--	--	--
<u>523,569</u>	<u>22,385</u>	<u>97,159</u>	<u>--</u>	<u>34,101</u>
--	--	--	--	--
--	--	--	--	--
923,662	89,667	102,348	8,098	35,787
--	--	--	--	--
--	--	--	--	--
275,809	--	--	--	--
22,324	--	--	--	--
<u>1,221,795</u>	<u>89,667</u>	<u>102,348</u>	<u>8,098</u>	<u>35,787</u>
<u>(698,226)</u>	<u>(67,282)</u>	<u>(5,189)</u>	<u>(8,098)</u>	<u>(1,686)</u>
--	--	--	--	--
180,329	--	--	--	--
--	--	--	--	--
343,687	--	--	--	--
<u>524,016</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>(174,210)</u>	<u>(67,282)</u>	<u>(5,189)</u>	<u>(8,098)</u>	<u>(1,686)</u>
684,883	175,385	21,522	50,720	7,265
<u>\$ 510,673</u>	<u>\$ 108,103</u>	<u>\$ 16,333</u>	<u>\$ 42,622</u>	<u>\$ 5,579</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Drug and Alcohol Court Fund	Bail Bond Board
Revenue:		
Taxes:		
General Property Taxes	\$ --	\$ --
General Sales and Use Taxes	--	--
License and Permits	--	--
Intergovernmental	54,450	--
Charges for Services	--	--
Fines and Forfeitures	--	--
Fees of Office	--	--
Investment Earnings	--	45
Miscellaneous Revenues	--	--
Total revenues	<u>54,450</u>	<u>45</u>
Expenditures:		
Current:		
General Government	--	--
Judicial	--	--
Public Safety	52,532	--
Public Transportation	--	--
Health and Welfare	--	--
Debt Service:		
Principal	--	--
Interest and Fiscal Charges	--	--
Total Expenditures	<u>52,532</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,918</u>	<u>45</u>
Other Financing Sources (Uses):		
Transfers In	--	--
Transfers Out	--	--
Capital Leases	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>
Net Change in Fund Balances	1,918	45
Fund Balances - Beginning	12,338	14,153
Fund Balances - Ending	<u>\$ 14,256</u>	<u>\$ 14,198</u>

JP Technology Fund	County and District Court Technology Fund	Records Preservation Fund	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ --	\$ --	\$ --	\$ 3,423,980
--	--	--	713,385
--	--	--	369,027
--	--	--	3,197,627
--	--	--	299,027
--	--	--	681,067
2,478	--	84,135	1,334,924
51	15	2,146	30,919
--	152	--	361,962
<u>2,529</u>	<u>167</u>	<u>86,281</u>	<u>10,411,918</u>
--	--	156,526	310,172
--	52	--	668,007
10,840	--	--	3,748,376
--	--	--	5,499,787
--	--	--	681,208
--	--	--	679,248
--	--	--	54,912
<u>10,840</u>	<u>52</u>	<u>156,526</u>	<u>11,641,710</u>
<u>(8,311)</u>	<u>115</u>	<u>(70,245)</u>	<u>(1,229,792)</u>
20,000	--	--	766,661
--	--	--	(494,566)
--	--	--	587,995
<u>20,000</u>	<u>--</u>	<u>--</u>	<u>860,090</u>
11,689	115	(70,245)	(369,702)
5,790	4,526	656,831	8,739,146
<u>\$ 17,479</u>	<u>\$ 4,641</u>	<u>\$ 586,586</u>	<u>\$ 8,369,444</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 21 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT C-5

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
General Property Taxes	\$ 673,042	\$ 673,042	\$ 669,506	\$ (3,536)
General Sales and Use Taxes	120,186	120,186	140,077	19,891
License and Permits	90,500	90,500	71,485	(19,015)
Intergovernmental	23,500	23,500	17,078	(6,422)
Fines and Forfeitures	350	350	129	(221)
Fees of Office	474,500	474,500	597,938	123,438
Investment Earnings	800	800	960	160
Miscellaneous Revenues	49,654	49,654	50,576	922
Total revenues	<u>1,432,532</u>	<u>1,432,532</u>	<u>1,547,749</u>	<u>115,217</u>
EXPENDITURES:				
Public Transportation				
Personal Services	723,650	723,650	665,116	58,534
Supplies	149,910	149,910	149,590	320
Other Services and Charges	429,293	429,293	339,187	90,106
Total Public Transportation	<u>1,302,854</u>	<u>1,302,854</u>	<u>1,153,893</u>	<u>148,961</u>
Debt Service:				
Principal	--	130,424	130,424	--
Interest and Fiscal Charges	--	5,576	5,576	--
Total Debt Service	<u>--</u>	<u>136,000</u>	<u>136,000</u>	<u>--</u>
Total Expenditures	<u>1,302,854</u>	<u>1,438,854</u>	<u>1,289,893</u>	<u>148,961</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>129,678</u>	<u>(6,322)</u>	<u>257,856</u>	<u>264,178</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	(6,404)	(6,404)	(135,404)	129,000
Total Other Financing Sources (Uses)	<u>(6,404)</u>	<u>(6,404)</u>	<u>(135,404)</u>	<u>129,000</u>
Net Change in Fund Balances	<u>123,274</u>	<u>(12,726)</u>	<u>122,452</u>	<u>135,178</u>
Fund Balances - Beginning	115,838	115,838	115,838	--
Fund Balances - Ending	<u>\$ 239,112</u>	<u>\$ 103,112</u>	<u>\$ 238,290</u>	<u>\$ 135,178</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 22 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT C-6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
General Property Taxes	\$ 576,386	\$ 576,386	\$ 542,052	\$ (34,334)
General Sales and Use Taxes	99,931	99,931	117,110	17,179
License and Permits	90,500	90,500	57,288	(33,212)
Intergovernmental	--	--	14,199	14,199
Fines and Forfeitures	300	300	105	(195)
Fees of Office	66,500	66,500	51,959	(14,541)
Investment Earnings	3,500	3,500	6,402	2,902
Miscellaneous Revenues	42,548	42,548	42,399	(149)
Total revenues	879,665	879,665	831,514	(48,151)
EXPENDITURES:				
Public Transportation				
Personal Services	579,886	579,886	483,306	96,580
Supplies	112,341	112,341	112,253	88
Other Services and Charges	80,968	80,968	53,578	27,390
Capital Outlay	225,839	225,839	37,236	188,603
Total Public Transportation	999,034	999,034	686,373	312,661
Total Expenditures	999,034	999,034	686,373	312,661
Excess (Deficiency) of Revenues Over (Under) Expenditures	(119,369)	(119,369)	145,141	264,510
OTHER FINANCING SOURCES (USES):				
Transfers Out	(4,958)	(4,958)	(4,958)	--
Total Other Financing Sources (Uses)	(4,958)	(4,958)	(4,958)	--
Net Change in Fund Balances	(124,327)	(124,327)	140,183	264,510
Fund Balances - Beginning	1,706,708	1,706,708	1,706,708	--
Fund Balances - Ending	\$ 1,582,381	\$ 1,582,381	\$ 1,846,891	\$ 264,510

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 23 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT C-7

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
General Property Taxes	\$ 991,113	\$ 991,113	\$ 1,074,924	\$ 83,811
General Sales and Use Taxes	186,928	186,928	216,163	29,235
License and Permits	200,500	200,500	121,049	(79,451)
Intergovernmental	--	--	82,467	82,467
Fines and Forfeitures	600	600	207	(393)
Fees of Office	162,500	162,500	143,568	(18,932)
Investment Earnings	4,500	4,500	6,726	2,226
Miscellaneous Revenues	35,702	35,702	35,875	173
Total revenues	<u>1,581,843</u>	<u>1,581,843</u>	<u>1,680,979</u>	<u>99,136</u>
EXPENDITURES:				
Public Transportation				
Personal Services	916,855	916,855	689,254	227,601
Supplies	485,502	485,502	450,288	35,214
Other Services and Charges	232,300	495,305	426,043	69,262
Capital Outlay	566,193	164,165	164,165	--
Total Public Transportation	<u>2,200,850</u>	<u>2,061,826</u>	<u>1,729,750</u>	<u>332,076</u>
Debt Service:				
Principal	--	127,928	127,928	--
Interest and Fiscal Charges	--	11,096	11,096	--
Total Debt Service	<u>--</u>	<u>139,024</u>	<u>139,024</u>	<u>--</u>
Total Expenditures	<u>2,200,850</u>	<u>2,200,850</u>	<u>1,868,774</u>	<u>332,076</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(619,007)</u>	<u>(619,007)</u>	<u>(187,795)</u>	<u>431,212</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	(10,835)	(10,835)	(10,835)	--
Capital Leases	115,965	115,965	115,965	--
Total Other Financing Sources (Uses)	<u>105,130</u>	<u>105,130</u>	<u>105,130</u>	<u>--</u>
Net Change in Fund Balances	<u>(513,877)</u>	<u>(513,877)</u>	<u>(82,665)</u>	<u>431,212</u>
Fund Balances - Beginning	1,902,740	1,902,740	1,902,741	1
Fund Balances - Ending	<u>\$ 1,388,863</u>	<u>\$ 1,388,863</u>	<u>\$ 1,820,076</u>	<u>\$ 431,213</u>

JIM WELLS COUNTY, TEXAS
ROAD & BRIDGE NO. 24 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT C-8

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
General Property Taxes	\$ 1,068,185	\$ 1,068,185	\$ 1,137,498	\$ 69,313
General Sales and Use Taxes	203,096	203,096	240,035	36,939
License and Permits	200,500	200,500	119,205	(81,295)
Intergovernmental	--	--	31,636	31,636
Fines and Forfeitures	600	600	220	(380)
Fees of Office	326,500	326,500	412,662	86,162
Investment Earnings	3,400	3,400	5,607	2,207
Miscellaneous Revenues	7,681	7,681	26,095	18,414
Total revenues	<u>1,809,962</u>	<u>1,809,962</u>	<u>1,972,958</u>	<u>162,996</u>
EXPENDITURES:				
Public Transportation				
Personal Services	933,314	993,314	911,103	82,211
Supplies	226,050	238,050	238,006	44
Other Services and Charges	497,200	570,348	533,678	36,670
Capital Outlay	373,308	139,157	128,343	10,814
Total Public Transportation	<u>2,029,872</u>	<u>1,940,869</u>	<u>1,811,130</u>	<u>129,739</u>
Debt Service:				
Principal	--	145,087	145,087	--
Interest and Fiscal Charges	--	15,916	15,916	--
Total Debt Service	<u>--</u>	<u>161,003</u>	<u>161,003</u>	<u>--</u>
Total Expenditures	<u>2,029,872</u>	<u>2,101,872</u>	<u>1,972,133</u>	<u>129,739</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(219,910)</u>	<u>(291,910)</u>	<u>825</u>	<u>292,735</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	(10,988)	(10,988)	(10,988)	--
Capital Leases	128,343	128,343	128,343	--
Total Other Financing Sources (Uses)	<u>117,355</u>	<u>117,355</u>	<u>117,355</u>	<u>--</u>
Net Change in Fund Balances	<u>(102,555)</u>	<u>(174,555)</u>	<u>118,180</u>	<u>292,735</u>
Fund Balances - Beginning	<u>1,245,331</u>	<u>1,245,331</u>	<u>1,245,331</u>	<u>--</u>
Fund Balances - Ending	<u>\$ 1,142,776</u>	<u>\$ 1,070,776</u>	<u>\$ 1,363,511</u>	<u>\$ 292,735</u>

JIM WELLS COUNTY, TEXAS
SMALL DAMS NO. 32 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT C-9

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Intergovernmental	\$ —	\$ —	\$ 39,135	\$ 39,135
Investment Earnings	200	200	269	69
Total revenues	200	200	39,404	39,204
EXPENDITURES:				
Public Transportation				
Personal Services	21,381	34,381	33,859	522
Other Services and Charges	66,135	86,135	84,782	1,353
Total Public Transportation	87,516	120,516	118,641	1,875
Total Expenditures	87,516	120,516	118,641	1,875
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,316)	(120,316)	(79,237)	41,079
OTHER FINANCING SOURCES (USES):				
Transfers In	73,185	73,185	73,185	--
Total Other Financing Sources (Uses)	73,185	73,185	73,185	--
Net Change in Fund Balances	(14,131)	(47,131)	(6,052)	41,079
Fund Balances - Beginning	82,563	82,562	82,562	--
Fund Balances - Ending	\$ 68,432	\$ 35,431	\$ 76,510	\$ 41,079

JIM WELLS COUNTY, TEXAS
LAW LIBRARY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT C-10

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Fees of Office	\$ --	\$ --	\$ 20,300	\$ 20,300
Investment Earnings	--	--	249	249
Total revenues	<u>--</u>	<u>--</u>	<u>20,549</u>	<u>20,549</u>
EXPENDITURES:				
Judicial				
County court				
Other Services and Charges	31,000	31,000	14,988	16,012
Total County Court	<u>31,000</u>	<u>31,000</u>	<u>14,988</u>	<u>16,012</u>
Total Judicial	<u>31,000</u>	<u>31,000</u>	<u>14,988</u>	<u>16,012</u>
Total Expenditures	<u>31,000</u>	<u>31,000</u>	<u>14,988</u>	<u>16,012</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(31,000)</u>	<u>(31,000)</u>	<u>5,561</u>	<u>36,561</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	--	--	10,000	10,000
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>10,000</u>	<u>(10,000)</u>
Net Change in Fund Balances	<u>(31,000)</u>	<u>(31,000)</u>	<u>15,561</u>	<u>46,561</u>
Fund Balances - Beginning	65,699	65,699	65,699	--
Fund Balances - Ending	<u>\$ 34,699</u>	<u>\$ 34,699</u>	<u>\$ 81,260</u>	<u>\$ 46,561</u>

JIM WELLS COUNTY, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT C-11

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE:				
Taxes:				
General Property Taxes	\$ 260,865	\$ 260,865	\$ 260,865	\$ --
Investment Earnings	2,000	2,000	2,452	452
Total revenues	<u>262,864</u>	<u>262,864</u>	<u>263,317</u>	<u>453</u>
EXPENDITURES:				
Debt Service:				
Principal	250,000	250,000	250,000	--
Interest and Fiscal Charges	7,238	7,238	7,238	--
Total Debt Service	<u>257,238</u>	<u>257,238</u>	<u>257,238</u>	<u>--</u>
Total Expenditures	<u>257,238</u>	<u>257,238</u>	<u>257,238</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,626</u>	<u>5,626</u>	<u>6,079</u>	<u>453</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	<u>5,626</u>	<u>5,626</u>	<u>6,079</u>	<u>453</u>
Fund Balances - Beginning	96,715	96,715	96,715	--
Fund Balances - Ending	<u>\$ 102,341</u>	<u>\$ 102,341</u>	<u>\$ 102,794</u>	<u>\$ 453</u>

JIM WELLS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2023

	Relief Route Capital Fund	Jail Expansion Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
ASSETS			
Assets:			
Cash and Cash Equivalents	\$ 771,007	\$ 2	\$ 771,009
Total Assets	<u>\$ 771,007</u>	<u>\$ 2</u>	<u>\$ 771,009</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Fund Balances:			
Restricted Fund Balances:			
Capital Project Funds	\$ 771,007	\$ 2	\$ 771,009
Total Fund Balance	<u>771,007</u>	<u>2</u>	<u>771,009</u>
Total Liabilities and Fund Balance	<u>\$ 771,007</u>	<u>\$ 2</u>	<u>\$ 771,009</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Relief Route Capital Fund	Jail Expansion Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenue:			
Investment Earnings	\$ 2,505	\$ —	\$ 2,505
Total revenues	<u>2,505</u>	<u>—</u>	<u>2,505</u>
Expenditures:			
Total Expenditures	<u>—</u>	<u>—</u>	<u>—</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,505</u>	<u>—</u>	<u>2,505</u>
Other Financing Sources (Uses):			
Total Other Financing Sources (Uses)	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances	2,505	—	2,505
Fund Balances - Beginning	768,502	2	768,504
Fund Balances - Ending	<u>\$ 771,007</u>	<u>\$ 2</u>	<u>\$ 771,009</u>

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JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	Appellate Judicial Fund	79th Judicial District Attorney Escrow Fund	79th Judicial D.A. Fee Fund	Sheriff Department Fee Fund
ASSETS:				
Cash and Cash Equivalents	\$ 2,637	\$ 1,961,877	\$ 5,507	\$ 82,693
Total Assets	<u>2,637</u>	<u>1,961,877</u>	<u>5,507</u>	<u>82,693</u>
LIABILITIES:				
Due to Other Governments and Agencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION	<u>\$ 2,637</u>	<u>\$ 1,961,877</u>	<u>\$ 5,507</u>	<u>\$ 82,693</u>

State Fees Fund	Vouchers Payable Fund	Tax Collector Fund	District Clerk Fund	County Clerk Fund
\$ 254,184	\$ 45,805	\$ 363,455	\$ 2,939,759	\$ 1,228,767
254,184	45,805	363,455	2,939,759	1,228,767
\$ 254,184	\$ 45,805	\$ 363,455	\$ 2,939,759	\$ 1,228,767

JIM WELLS COUNTY, TEXAS**COMBINING STATEMENT OF FIDUCIARY NET POSITION****CUSTODIAL FUNDS****DECEMBER 31, 2023**

	Payroll Administrative Fund	Ad Valorem Tax Escrow Fund
ASSETS:		
Cash and Cash Equivalents	\$ 558,227	\$ 3,798,135
Total Assets	<u>558,227</u>	<u>3,798,135</u>
LIABILITIES:		
Due to Other Governments and Agencies	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
NET POSITION	<u>\$ 558,227</u>	<u>\$ 3,798,135</u>

County Attorney Trust Fund	Sheriff Cash Bond Fund	Total Agency Funds (See Exhibit A-7)
\$ --	\$ 3,211	\$ 11,244,257
--	3,211	11,244,257
--	--	--
--	--	--
\$ --	\$ 3,211	\$ 11,244,257

JIM WELLS COUNTY, TEXAS**EXHIBIT C-15**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS-CUSTODIAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Appellate Judicial Fund	79th Judicial D.A. Escrow Fund	79th Judicial D.A. Fee Fund	Sheriff Department Fee Fund
ADDITIONS				
Contributions	\$ 3,019	\$ 482,701	\$ 2,789	\$ 214,658
Total Contributions	<u>3,019</u>	<u>482,701</u>	<u>2,789</u>	<u>214,658</u>
DEDUCTIONS				
Administrative Expenses	2,980	730,978	2,770	208,494
Total Deductions	<u>2,980</u>	<u>730,978</u>	<u>2,770</u>	<u>208,494</u>
Change in Net Position	39	(248,277)	19	6,164
Net Position-Beginning of the Year	2,598	2,210,154	5,488	76,529
Net Position-End of the Year	<u>\$ 2,637</u>	<u>\$ 1,961,877</u>	<u>\$ 5,507</u>	<u>\$ 82,693</u>

	State Fees Fund	Vouchers Payable Fund	Tax Collector Fund	District Clerk Fund	County Clerk Fund
ADDITIONS					
Contributions	\$ 412,143	\$ 7,435,297	\$ 14,651,764	\$ 5,280,214	\$ 468,056
Total Contributions	<u>412,143</u>	<u>7,435,297</u>	<u>14,651,764</u>	<u>5,280,214</u>	<u>468,056</u>
DEDUCTIONS					
Administrative Expenses	338,649	7,434,505	14,808,084	2,514,803	688,999
Total Deductions	<u>338,649</u>	<u>7,434,505</u>	<u>14,808,084</u>	<u>2,514,803</u>	<u>688,999</u>
Change in Net Position	73,494	792	(156,320)	2,765,411	(220,943)
Net Position-Beginning of the Year	180,690	45,013	519,775	174,348	1,449,710
Net Position-End of the Year	<u>\$ 254,184</u>	<u>\$ 45,805</u>	<u>\$ 363,455</u>	<u>\$ 2,939,759</u>	<u>\$ 1,228,767</u>

JIM WELLS COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS-CUSTODIAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Payroll Administrative Fund	Ad Valorem Tax Escrow Fund	County Attorney Trust Fund	Sheriff Cash Bond Fund	Total Custodial Funds
ADDITIONS					
Contributions	\$ 27,225,068	\$ 21,147,305	\$ 11,159	\$ 10	\$ 77,334,183
Total Contributions	<u>27,225,068</u>	<u>21,147,305</u>	<u>11,159</u>	<u>10</u>	<u>77,334,183</u>
DEDUCTIONS					
Administrative Expenses	27,179,197	20,962,587	12,887	--	74,884,933
Total Deductions	<u>27,179,197</u>	<u>20,962,587</u>	<u>12,887</u>	<u>--</u>	<u>74,884,933</u>
Change in Net Position	45,871	184,718	(1,728)	10	2,449,250
Net Position-Beginning of the Year	512,356	3,613,417	1,728	3,201	8,795,007
Net Position-End of the Year	<u>\$ 558,227</u>	<u>\$ 3,798,135</u>	<u>\$ --</u>	<u>\$ 3,211</u>	<u>\$ 11,244,257</u>

STATISTICAL SECTION

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

Contents	Page
Financial Trends	118
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	123
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	
Debt Capacity	130
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	134
These schedules offer demographic and economic indicators to help the reader understand how the County's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	138
These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	

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

TABLE E-1

JIM WELLS COUNTY, TEXAS
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year						
	2014	2015	2016	2017	2018	2019	2020
Governmental Activities							
Net Investment in Capital Assets	\$ 21,740,309	\$ 21,480,901	\$ 21,296,519	\$ 21,037,621	\$ 20,832,777	\$ 20,801,027	\$ 20,782,340
Restricted	1,582,644	1,282,470	1,274,637	1,065,748	977,814	988,296	849,485
Unrestricted	11,111,657	11,090,825	9,103,318	11,328,575	14,239,298	15,075,103	15,346,556
Total Governmental Activities Net Position	\$ 34,434,610	\$ 33,854,196	\$ 31,674,474	\$ 33,431,944	\$ 36,049,889	\$ 36,864,426	\$ 36,978,381
	2021	2022	2023				
Governmental Activities							
Net Investment in Capital Assets	\$ 22,686,740	\$ 20,397,829	\$ 21,764,554				
Restricted	860,032	865,219	873,803				
Unrestricted	19,608,140	27,914,464	20,759,862				
Total Governmental Activities Net Position	\$ 43,154,912	\$ 49,177,512	\$ 43,398,219				

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

TABLE E-2

JIM WELLS COUNTY, TEXAS
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
General Government	\$ 5,416,768	\$ 4,926,871	\$ 6,126,377	\$ 5,585,530	\$ 5,985,704	\$ 6,360,674	\$ 7,217,138	\$ 7,422,076	\$ 8,227,307	\$ 13,537,217
Judicial	4,104,234	4,690,475	3,966,181	4,566,636	4,034,322	4,324,846	4,393,298	4,349,317	3,917,487	5,088,947
Public Safety	8,331,437	8,878,885	8,520,388	8,405,430	8,371,679	8,713,377	8,727,386	8,641,759	9,610,427	10,544,688
Public Transportation	4,213,314	3,504,784	4,016,728	3,614,657	3,917,189	4,573,934	4,370,019	4,460,623	4,241,964	5,170,043
Health & Welfare	468,478	1,321,339	1,247,898	1,141,001	593,500	613,246	355,114	1,129,556	1,733,223	763,821
Culture & Recreation	17,597	63,771	59,650	59,860	64,132	52,300	--	24,830	--	60,372
Conservation	320,921	338,859	234,661	229,285	210,170	223,949	231,979	224,394	229,350	204,368
Economic Development & Assistance	334,818	166,160	25,000	302,505	135,133	120,482	146,176	172,652	253,500	296,062
Interest on Long-Term Debt	87,020	77,067	72,403	76,221	73,452	76,352	234,226	166,047	379,480	82,489
Total Governmental Activities Expenses	23,314,587	23,968,011	24,269,086	23,981,125	23,385,281	25,059,180	25,675,334	26,591,254	28,592,738	35,748,007
Total Primary Government Expenses	\$ 23,314,587	\$ 23,968,011	\$ 24,269,086	\$ 23,981,125	\$ 23,385,281	\$ 25,059,180	\$ 25,675,334	\$ 26,591,254	\$ 28,592,738	\$ 35,748,007
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,410,019	\$ 1,307,737	\$ 1,384,274	\$ 1,451,596	\$ 954,670	\$ 1,200,139	\$ 1,092,066	\$ 1,157,149	\$ 1,500,435	\$ 1,307,451
Judicial	478,396	451,649	511,863	477,456	634,503	475,499	362,253	372,818	361,581	392,772
Public Safety	1,326,040	1,847,910	673,538	1,626,331	2,127,711	1,052,985	1,316,319	1,318,769	1,464,631	1,087,564
Other Activities	1,063,296	973,203	909,536	1,063,439	1,195,793	1,231,848	1,351,995	1,438,034	1,706,961	1,726,786
Operating Grants and Contributions	2,084,450	2,664,310	3,007,131	3,644,741	2,550,173	2,972,088	2,755,297	6,285,922	8,373,591	3,732,827
Total Governmental Activities Program Revenues	6,362,201	7,244,809	6,486,342	8,263,563	7,462,850	6,932,559	6,877,950	12,572,692	13,407,199	8,227,400
Total Primary Government Program Revenues	\$ 6,362,201	\$ 7,244,809	\$ 6,486,342	\$ 8,263,563	\$ 7,462,850	\$ 6,932,559	\$ 6,877,950	\$ 12,572,692	\$ 13,407,199	\$ 8,227,400
Net (Expense)/Revenue										
Governmental Activities	\$ (16,952,386)	\$ (16,723,202)	\$ (17,782,744)	\$ (15,717,562)	\$ (15,922,431)	\$ (18,126,601)	\$ (18,797,384)	\$ (18,126,601)	\$ (15,185,539)	\$ (27,520,607)
Total Primary Government Net Expense	\$ (16,952,386)	\$ (16,723,202)	\$ (17,782,744)	\$ (15,717,562)	\$ (15,922,431)	\$ (18,126,601)	\$ (18,797,384)	\$ (18,126,601)	\$ (15,185,539)	\$ (27,520,607)

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

TABLE E-3

JIM WELLS COUNTY, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental Activities	\$ (16,952,386)\$	(16,723,202)\$	(17,782,744)\$	(15,717,562)\$	(15,922,431)\$	(18,126,601)\$	(18,797,384)\$	(14,018,562)\$	(15,185,539)\$	(27,520,607)
Business-type Activities	--	--	--	--	--	--	--	--	--	--
Total Primary Government										
Expenses	\$ (16,952,386)\$	(16,723,202)\$	(17,782,744)\$	(15,717,562)\$	(15,922,431)\$	(18,126,601)\$	(18,797,384)\$	(14,018,562)\$	(15,185,539)\$	(27,520,607)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property Taxes	\$ 11,721,257 \$	13,112,296 \$	11,639,683 \$	14,780,021 \$	15,388,135 \$	15,226,441 \$	15,742,510 \$	16,675,752 \$	17,227,233 \$	17,301,061
Sales Taxes	6,457,562	3,553,802	2,189,082	2,383,694	3,085,301	3,087,065	2,612,434	2,983,205	3,415,666	3,552,340
Fines and Forfeitures	--	--	--	--	--	--	--	--	--	--
Investment Earnings	59,443	64,710	64,210	71,177	83,737	192,222	293,567	174,744	67,059	234,068
Miscellaneous	431,011	501,454	1,694,948	212,328	571,300	435,410	262,828	361,392	491,099	653,845
Gain on Disposal of Capital Assets	--	--	15,100	--	--	--	--	--	--	--
Total Governmental Activities	\$ 18,669,273 \$	17,232,262 \$	15,603,023 \$	17,447,220 \$	19,128,473 \$	18,941,138 \$	18,911,339 \$	20,195,093 \$	21,201,057 \$	21,741,314
Business-type Activities:										
Investment Earnings	--	--	--	--	--	--	--	--	--	--
Transfers	--	--	--	--	--	--	--	--	--	--
Total Business-type Activities	--	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 18,669,273 \$	17,232,262 \$	15,603,023 \$	17,447,220 \$	19,128,473 \$	18,941,138 \$	18,911,339 \$	20,195,093 \$	21,201,057 \$	21,741,314
Change in Net Assets										
Governmental Activities	\$ 1,716,887 \$	509,060 \$	(2,179,721)\$	1,729,658 \$	3,206,042 \$	814,537 \$	113,955 \$	6,176,531 \$	6,015,518 \$	(5,779,293)
Business-type Activities	--	--	--	--	--	--	--	--	--	--
Total Primary Government	\$ 1,716,887 \$	509,060 \$	(2,179,721)\$	1,729,658 \$	3,206,042 \$	814,537 \$	113,955 \$	6,176,531 \$	6,015,518 \$	(5,779,293)

Note: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

TABLE E-4

JIM WELLS COUNTY, TEXAS**FUND BALANCES OF GOVERNMENTAL FUNDS****LAST TEN FISCAL YEARS****(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Committed	--	--	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	6,291,502	5,053,649	4,389,125	5,681,573	7,302,040	9,428,542	10,348,406	11,715,151	11,956,336	12,271,580
Total General Fund	\$ 6,291,502	\$ 5,053,649	\$ 4,389,125	\$ 5,681,573	\$ 7,302,040	\$ 9,428,542	\$ 10,348,406	\$ 11,715,151	\$ 11,956,336	\$ 12,271,580
All Other Governmental Funds										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Committed:										
Construction	1,196,391	1,201,213	1,195,801	988,972	894,729	902,632	762,037	766,968	768,504	771,009
Restricted:										
Federal or State Grant Restriction	4,011,905	5,235,603	4,901,715	5,994,109	7,669,447	6,992,839	6,768,901	12,036,085	16,138,950	13,013,053
Retirement of Long-Term Debt	79,654	81,257	78,836	76,776	83,085	85,664	87,448	93,067	96,715	102,794
Assigned	--	--	--	--	--	--	--	--	--	--
Unassigned	--	--	--	(32,575)	--	--	--	--	--	(3,412)
Total All Other Governmental Funds	\$ 5,287,950	\$ 6,518,073	\$ 6,176,352	\$ 7,027,282	\$ 8,647,261	\$ 7,981,135	\$ 7,618,386	\$ 12,896,120	\$ 17,004,169	\$ 13,883,444

TABLE E-5

JIM WELLS COUNTY, TEXAS**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS****LAST TEN FISCAL YEARS****(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	\$ 17,188,766	\$ 16,063,548	\$ 14,712,092	17,036,649	\$ 18,352,101	\$ 18,313,506	\$ 18,354,944	\$ 19,322,131	\$ 20,642,899	\$ 20,887,921
Licenses and Permits	481,658	349,689	298,808	306,427	453,941	447,346	549,999	488,451	490,897	460,231
Intergovernmental	2,315,409	2,938,603	3,363,702	4,017,520	2,900,598	3,076,005	2,755,297	8,448,401	8,453,255	3,946,906
Charges for Services	472,690	453,786	422,397	1,562,786	342,542	386,305	501,931	1,248,829	373,024	349,079
Fines & Forfeitures	1,259,807	1,746,555	657,655	1,623,619	2,186,246	1,163,569	1,257,911	1,387,026	1,485,054	1,053,414
Fees of Office	1,832,637	1,756,176	1,743,778	753,211	1,559,523	1,859,334	1,784,990	999,985	2,604,969	2,414,506
Investment Earnings	59,443	64,710	64,210	71,177	83,737	192,222	293,567	174,744	67,059	234,068
Misc Revenues	431,010	501,454	1,694,950	212,328	591,300	435,410	290,650	361,392	491,099	657,109
Total Revenues	24,041,420	23,874,521	22,957,592	25,583,717	26,469,988	25,873,697	25,789,289	32,430,959	34,608,256	30,003,234
Expenditures										
General Government	4,310,377	3,914,692	4,982,742	3,799,862	4,553,090	4,932,434	5,462,107	5,556,153	8,172,983	9,181,732
Judicial	4,136,477	4,728,052	3,966,181	4,566,636	4,034,322	4,324,846	4,393,298	4,349,317	3,917,487	5,088,947
Public Safety	8,754,738	9,372,761	9,118,991	8,968,342	8,725,879	9,403,777	9,655,825	9,233,038	10,197,946	11,054,471
Public Transportation	4,884,561	3,822,173	5,090,150	3,882,070	4,565,691	5,471,733	4,976,534	5,465,402	4,958,204	5,499,787
Health & Welfare	488,478	1,321,339	1,247,698	1,141,001	593,500	613,246	355,114	1,140,712	1,733,223	763,821
Culture and Recreation	17,597	63,771	59,650	59,860	64,132	52,300	--	24,830	--	60,372
Conservation	320,921	338,859	276,159	229,285	210,170	223,949	231,979	224,394	281,925	204,368
Economic Development & Assistance	334,818	166,160	25,000	302,505	135,133	120,482	173,492	192,252	258,897	296,062
Capital Outlay	--	--	--	--	--	--	--	--	--	--
Debt Service										
Principal	89,553	79,404	74,836	79,775	76,111	79,109	875,464	778,369	1,212,041	1,162,163
Interest	339,608	265,059	294,489	403,021	521,738	437,791	104,627	91,829	108,757	84,989
Fiscal Agents Fees	--	--	31	--	--	--	--	--	--	--
Total Expenditures	23,677,128	24,072,270	25,135,927	23,432,357	23,479,766	25,659,667	26,228,440	27,056,296	30,841,463	33,396,712
Excess of Revenues Over (Under) Expenditures	364,292	(197,749)	(2,178,335)	2,151,360	2,990,222	214,030	(439,151)	5,374,663	3,766,793	(3,393,478)
Other Financing Sources (Uses)										
Bonds Issued	--	--	--	--	--					
Loan Proceeds	--	--	--	--	--					
Capital Leases	93,863	190,020	833,304	287,889	371,557	1,246,341	899,776	1,231,064	542,749	895,661
Transfers In	294,264	284,995	1,001,742	638,296	575,242	246,065	535,120	699,334	943,250	(895,661)
Transfers Out	(294,264)	(284,995)	(1,001,742)	(638,296)	(575,242)	(246,065)	(535,120)	(699,334)	(943,250)	587,995
Right to Use Asset Lease Proceeds	--	--	--	--	--	--	--	--	174,930	--
Sale of Capital Assets	--	--	15,100	--	--	--	--	--	--	--
Total Other Financing Sources (Uses)	93,863	190,020	833,304	287,889	371,557	1,246,341	899,776	1,231,064	542,749	587,995
Net Change in Fund Balances	\$ 458,155	\$ (7,729)	\$ (1,345,031)	\$ 2,439,249	\$ 3,361,779	\$ 1,460,371	\$ 460,625	\$ 6,605,727	\$ 4,309,542	\$ (2,805,483)
Debt Service As A Percentage Of Noncapital Expenditures	1.8%	1.4%	1.5%	2.1%	2.6%	2.0%	3.8%	3.2%	4.5%	4.0%

JIM WELLS COUNTY, TEXAS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales & Use Tax	Total
2014	11,731,204	5,457,562	17,188,766
2015	12,509,746	3,553,802	16,063,548
2016	12,523,010	2,189,082	14,712,092
2017	14,652,955	2,383,694	17,036,649
2018	15,266,800	3,085,301	18,352,101
2019	15,226,441	3,087,065	18,313,506
2020	15,742,510	2,612,434	18,354,944
2021	16,338,926	2,983,205	19,322,131
2022	17,227,233	3,415,666	20,642,899
2023	17,335,581	3,552,340	20,887,921
Percent Change 2022-2023	0.6%	4.0%	1.2%

Source: County Auditor's Office

TABLE E-7

JIM WELLS COUNTY, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2014	1,674,183,451	1,202,608,638	47,830,750	519,504,513	2,405,118,326	0.454430	2,924,622,839	82.237%
2015	1,720,845,582	1,063,331,470	30,230,970	514,966,677	2,299,441,345	0.550857	2,814,408,022	81.702%
2016	1,745,972,624	139,450,407	537,978,000	524,569,656	1,898,831,375	0.656741	2,423,401,031	78.354%
2017	1,763,352,916	122,439,531	467,541,470	515,587,624	1,837,746,293	0.815713	2,353,333,917	78.091%
2018	1,829,092,284	116,970,173	458,118,770	512,267,437	1,891,913,790	0.802202	2,404,181,227	78.693%
2019	1,951,271,056	120,871,721	472,339,570	547,777,979	1,996,704,368	0.787758	2,544,482,347	78.472%
2020	2,006,918,300	123,390,518	484,956,720	568,056,922	2,047,208,616	0.787581	2,615,265,538	78.279%
2021	2,227,822,360	121,891,385	502,622,630	724,499,176	2,127,837,199	0.787581	2,852,336,375	74.600%
2022	2,271,691,730	127,091,307	484,555,540	715,173,914	2,168,164,663	0.787581	2,883,338,577	75.196%
2023	2,408,921,988	192,129,592	539,273,900	746,061,016	2,394,264,464	0.745383	3,140,325,480	76.243%

Source: Jim Wells County Appraisal District

TABLE E-8

JIM WELLS COUNTY, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	County Direct Rates			Overlapping Rates										
	Basic Rate	General Obligation Debt Service	Total Direct Rate	City of Alice	Alice ISD	Alice Water Authority	City of Premont	Premont ISD	City of Orange Grove	Orange Grove ISD	BB-PB ISD	La Gloria ISD	Fresh Water District #1	Emergency Service District #1
2014	0.509366	0.010483	0.519849	0.247122	1.233700	0.130795	0.478960	1.304900	0.669964	1.240000	1.265000	1.040000	0.080662	0.087059
2015	0.539763	0.011094	0.550857	0.271826	1.284630	1.400440	0.490000	1.325300	0.712780	1.240000	1.253000	1.040000	0.132857	0.087059
2016	0.643521	0.013220	0.656741	0.530000	1.330260	0.155009	0.490000	1.326600	0.743301	1.240000	1.297400	1.040000	0.132857	0.077094
2017	0.704782	0.110931	0.815713	0.530000	1.330000	0.155009	0.500000	1.655500	0.683301	1.284000	1.470000	1.040000	0.132857	0.080410
2018	0.693249	0.108953	0.802202	0.522537	1.330000	0.152576	0.500000	1.652500	0.645893	1.279000	1.470000	1.040000	0.132857	0.080410
2019	0.640646	0.106935	0.747581	0.531216	1.251300	0.152576	0.500000	1.521420	0.633884	1.218000	1.437500	0.970000	0.132857	0.074189
2020	0.680646	0.106935	0.787581	0.528952	1.257100	0.151994	0.500000	1.464800	0.638910	1.253130	1.371863	0.956400	0.132857	0.067400
2021	0.680646	0.106935	0.787581	0.513734	1.244100	0.145193	0.492154	1.433600	0.661647	1.213485	1.368900	0.963400	0.132857	0.066440
2022	0.680646	0.106935	0.787581	0.544480	1.242600	0.144652	0.500000	1.433600	0.597468	1.203490	1.348900	0.944100	0.066226	0.0652780
2023	0.638448	0.106935	0.745383	0.492121	1.228090	0.131743	0.518847	1.248100	0.568454	1.043100	1.347400	0.738000	0.132857	0.061470

Source: Jim Wells County Appraisal District

TABLE E-9

JIM WELLS COUNTY, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
AEP Texas Central Co	\$ 62,312,760	1	3.88%	\$ 31,150,791	6	3.16%
Houston Pipeline Company, LP	41,318,570	2	2.57%	--	--	--
Gulf Coast Express	39,826,030	3	2.48%	--	--	--
Whistler Pipeline LLC	39,086,650	4	2.43%	--	--	--
Envigo Global Services, Inc	27,824,177	5	1.73%	--	--	--
Net Mexico Pipeline LP	22,125,720	6	1.38%	--	--	--
Epic Crude Pipeline LP	17,970,300	7	1.12%	--	--	--
Kansas City Southern	10,888,290	8	0.68%	--	--	--
Enterprise Texas Pipeline, LLC	10,697,150	9	0.67%	--	--	--
Enterprise FM Trust	10,167,570	10	0.63%	--	--	--
Total	\$ 282,217,217		17.56%	\$ 31,150,791		3.16%

Source: Jim Wells County Appraisal District

TABLE E-10

JIM WELLS COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	12,506,699	7,992,309	63.90%	4,258,222	12,250,531	97.95%
2015	12,673,866	8,328,288	65.71%	3,795,990	12,124,278	95.66%
2016	12,896,204	8,034,632	62.30%	2,062,914	10,097,546	78.30%
2017	15,005,049	7,204,575	48.01%	2,420,928	9,625,503	64.15%
2018	15,193,002	5,877,710	38.69%	3,562,513	9,440,223	62.14%
2019	15,908,577	4,433,551	27.87%	1,692,096	6,125,647	38.51%
2020	15,742,510	5,969,615	37.92%	3,306,226	9,275,841	58.92%
2021	14,562,901	5,439,939	37.35%	2,827,500	8,267,439	56.77%
2022	12,319,180	5,877,939	47.71%	1,531,558	7,409,497	60.15%
2023	17,933,892	6,251,225	34.86%	6,610,126	12,861,351	71.72%

Sources: Jim Wells County Appraisal District

TABLE E-11

JIM WELLS COUNTY, TEXAS
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Buidling Material & Hardware	\$ 67,749,008	\$ 77,389,392	\$ 79,832,658	\$ 76,710,785	\$ 82,756,422	\$ 72,623,462	\$ 70,524,563	\$ 74,526,325	\$ 65,485,963	\$ 106,281,144
General Merchandise	223,233,718	331,292,064	293,814,626	203,525,345	198,542,266	199,458,576	198,456,963	189,562,356	190,528,636	237,580,732
Food Stores	38,493,492	33,209,800	22,610,857	43,315,498	45,678,924	45,264,328	45,258,147	45,896,523	36,859,241	13,938,627
Auto Dealers & Gas	179,702,255	83,263,788	80,264,576	51,591,144	50,592,478	53,624,422	52,789,456	53,896,745	48,589,632	70,125,472
Apparel & Accessory	249,004,104	241,463,096	193,216,485	73,224,468	82,423,854	95,888,566	96,335,241	100,852,741	95,874,523	8,331,684
Home Furnishing & Appliances	9,017,488	10,834,480	8,583,410	29,872,970	19,277,894	23,562,825	18,457,741	21,632,412	15,428,963	3,753,873
Eating & Drinking Places	61,566,182	58,810,040	60,342,958	56,479,256	57,788,462	59,488,793	60,753,951	62,785,325	58,748,963	41,815,881
Misc Retail Stores	17,485,100	12,087,528	15,872,927	21,363,419	20,224,658	28,382,056	36,524,789	38,749,654	27,412,589	96,746,553
Total	\$ 846,251,347	\$ 848,350,188	\$ 754,538,497	\$ 556,082,885	\$ 557,284,958	\$ 578,293,028	\$ 579,100,851	\$ 587,902,081	\$ 538,928,510	\$ 578,573,966
Direct Sales Tax Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Source: Texas State Comptroller of Public Accounts.

Note: Retail sales information is not available on a fiscal-year basis.

JIM WELLS COUNTY, TEXAS
 DIRECT AND OVERLAPPING SALES TAX RATES
 LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>County Direct Rate</u>	<u>City of Alice</u>
2014	1.50%	0.50%
2015	1.50%	0.50%
2016	1.50%	0.50%
2017	1.50%	0.50%
2018	1.50%	0.50%
2019	1.50%	0.50%
2020	1.50%	0.50%
2021	1.50%	0.50%
2022	1.50%	0.50%
2023	1.50%	0.50%

Sources: County Auditor's Office

TABLE E-13

JIM WELLS COUNTY, TEXAS
 RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Capital Leases	Right-to-Use Leases	Percentage of Actual Taxable Value of Property	Per Capita	Total Primary Government	Percentage of Personal Income	Per Capita
2014	1,920,000	208,454	--	0.13%	42	2,128,454	1.91%	47
2015	1,740,000	313,414	—	0.13%	38	2,053,414	1.98%	45
2016	1,550,000	987,329	—	0.16%	34	2,537,329	1.60%	56
2017	1,355,000	821,791	—	0.12%	34	2,176,791	1.84%	54
2018	1,150,000	876,610	—	0.11%	28	2,026,610	2.03%	49
2019	940,000	1,895,160	—	0.14%	23	2,835,160	1.45%	70
2020	720,000	2,075,293	—	0.14%	18	2,795,293	1.48%	69
2021	490,000	2,757,988	—	0.15%	13	3,247,988	1.28%	84
2022	250,000	2,373,347	67,873	0.12%	6	2,691,220	1.54%	69
2023	—	2,096,271	21,715	0.09%	55	2,117,986	2.20%	55

TABLE E-14

JIM WELLS COUNTY, TEXASRATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
	General Obligation Bonds	Total		
2014	1,920,000	1,920,000	0.14%	41
2015	1,740,000	1,740,000	0.12%	37
2016	1,471,164	1,471,164	0.10%	31
2017	1,355,000	1,355,000	0.07%	32
2018	1,150,000	1,150,000	0.06%	26
2019	940,000	940,000	0.05%	21
2020	720,000	720,000	0.04%	16
2021	490,000	490,000	0.02%	10
2022	250,000	250,000	0.01%	4
2023	--	--	--	--

TABLE E-15

JIM WELLS COUNTY, TEXAS
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt Repaid With Property Taxes			
City of Alice	\$ 12,837,686	100.000%	\$ 12,837,686
Alice Independent School District	40,327,905	81.180%	32,738,193
Jim Wells County Fresh Water Supply District #1	538,963	100.000%	538,963
Orange Grove Independent School District	9,402,126	100.000%	9,402,126
Alice Water Authority	1,503,543	48.980%	736,435
Premont Independent School District	12,569,000	100.000%	12,569,000
Total Overlapping Debt			68,822,404
County Direct Debt			2,116,986
Total Direct and Overlapping Debt			\$ 70,939,390

Sources: Debt outstanding data provided by each governmental unit.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

JIM WELLS COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

TABLE E-16

	2014	2015	2016	2017	2018	2019	2021	2022	2022	2023
Debt Limit	\$ 438,693,426	\$ 422,161,203	\$ 363,510,155	\$ 353,000,088	\$ 360,627,184	\$ 380,952,352	\$ 391,799,831	\$ 427,600,456	\$ 432,500,787	\$ 359,139,670
Total Net Debt Applicable to Limit	--	--	--	--	--	--	--	--	--	--
Legal Debt Margin	438,693,426	422,161,203	363,510,155	353,000,088	360,627,184	380,952,352	391,799,831	427,600,456	432,500,787	359,139,670
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%

Legal Debt Margin Calculation for the Current Fiscal Year

Assessed Value	\$ 2,394,264,464
Debt Limit (15% of Assessed Value)	359,139,670
Debt Applicable to Limit:	
General Obligation Bonds	--
Less: Amount Set Aside for Repayment of General Obligation Debt	--
Total Net Debt Applicable to Limit	--
Legal Debt Margin	\$ 359,139,670

TABLE E-17

JIM WELLS COUNTY, TEXAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population	41,353	41,382	41,149	40,871	41,318	40,482	40,482	38,891	38,891	39,060
Total Personal Income	\$ 40,585	\$ 42,463	\$ 42,359	\$ 40,056	\$ 41,103	\$ 42,005	\$ 41,505	\$ 41,505	\$ 41,505	\$ 46,626
Per Capita Personal Income	\$ 20,452	\$ 20,977	\$ 21,796	\$ 20,524	\$ 37,906	\$ 21,274	\$ 21,510	\$ 21,510	\$ 21,510	\$ 22,589
Median Age	34.0	34.2	34.2	34.4	34.5	36.5	38.5	40.2	40.2	35.6
Education Level in Years of Schooling	12	12	12	12	12	12	12	12	12	12
School Enrollment	5,526	5,526	5,545	5,562	5,534	5,436	5,246	5,222	5,222	5,216
Unemployment	4.2%	7.9%	9.7%	7.5%	5.4%	4.0%	13.1%	8.20%	8.20%	4.50%

Sources: Population, median age, and education level information provided by the United States Census Bureau.
 Personal income and unemployment data provided by the Jim Wells County.
 School enrollment data provided by the Alice Independent School District.

TABLE E-18

JIM WELLS COUNTY, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Alice ISD	740	1	3.85%	872	1	4.64%
City of Alice	298	2	1.55%	—	—	—
Community Action Corporation	250	3	1.30%	—	—	—
Christus Spohn Hospital Alice	229	4	1.19%	199	10	1.06%
Jim Wells County	226	5	1.18%	236	9	1.26%
Fesco, Inc.	148	6	0.77%	513	4	2.73%
Meridian Care	142	7	0.74%	418	6	2.23%
Walmart	139	8	0.72%	245	7	1.30%
Dixie Iron Works, LTD	113	9	0.59%	243	8	1.29%
HEB	113	10	0.59%	379	5	2.02%
Total	2,398		12.47%	3,105		16.53%

Source: County Auditor's Office

TABLE E-19

JIM WELLS COUNTY, TEXAS

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

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Administration	21	22	24	23	24	24	24	24	24	24
Finance	20	23	20	20	21	21	21	21	21	21
Judicial	37	36	37	37	34	34	34	34	34	36
Legal	24	23	27	26	25	25	25	25	25	25
Other										
Public Safety	130	129	119	113	112	112	112	112	112	115
Public Transportation	91	91	96	92	82	82	82	82	82	82
Public Facilities	2	4	4	5	5	5	5	5	5	5
Health & Welfare										
Conservation & Agriculture	5	4	4	4	3	3	3	3	3	3
Civilians	2	2	2	2	2	2	2	2	2	2
Total	332	334	333	322	308	308	308	308	308	313

Source: County Auditor Office

TABLE E-20

JIM WELLS COUNTY, TEXAS
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government										
Building Permits Issued	242	35	29	24	20	20	20	20	20	25
Public Safety										
Serious Crimes	2,342	2,422	2,526	2,358	2,242	2,568	2,654	2,654	2,985	2,677
Parking/Traffic Violations	5,687	5,823	6,019	5,823	6,227	6,547	6,235	6,358	6,752	6,945
Judicial										
Number of Cases Heard	2,131	2,122	2,122	2,369	2,462	2,584	2,135	2,052	1,847	1,965
Culture & Recreation										
Number of Events	15	17	17	17	17	17	17	17	4	6
Annual Number of Patrons Assisted	156,233	157,288	158,244	159,632	161,239	162,368	161,789	160,782	150,241	152,632
Public Transportation										
Street Miles	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617

Source: County Auditor's Office

TABLE E-21

JIM WELLS COUNTY, TEXASCAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Number of Buildings	28	28	28	28	28	28	28	28	28	28
Public Safety										
Number of Buildings	9	9	9	9	9	10	10	10	10	10
Number of Vehicles	55	65	68	74	82	86	86	91	91	103
Number of Jails	1	1	1	1	1	1	1	1	1	1
Judicial										
Number of Buildings	2	2	2	2	2	2	2	2	2	2
Number of Courts	8	8	8	8	8	8	8	8	8	8
Public Transportation										
Number of Buildings	4	4	4	4	4	4	4	4	4	4
Streets (lane miles)	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617	1,617
Number of Bridges	12	12	12	12	12	12	12	12	12	12
Health and Welfare										
Number of Buildings	5	5	5	5	5	5	5	5	5	5
Economic Development and Assistance										
Number of Buildings	2	2	2	2	2	2	2	2	2	2

Sources: Various city departments

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

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Raul Hernandez & Company, P.C.
Certified Public Accountants
5402 Holly Rd., Suite 102
Corpus Christi, Texas 78411
Office (361)980-0428 Fax (361)980-1002

Independent Auditors' 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

County Commissioners
Jim Wells County, Texas
200 N. Almond
Alice, Texas 78332

Members of the County Commissioners:

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 Jim Wells County, Texas, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Jim Wells County, Texas' basic financial statements, and have issued our report thereon dated August 14, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jim Wells County, Texas' internal control over financial reporting (internal control) as a basis for designing 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 Jim Wells County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Jim Wells County, Texas' internal control.

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

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

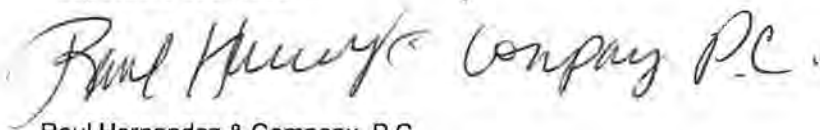
Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

A handwritten signature in black ink that reads "Raul Hernandez & Company P.C." with a stylized flourish at the end.

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
August 14, 2024

Raul Hernandez & Company, P.C.
Certified Public Accountants
5402 Holly Rd., Suite 102
Corpus Christi, Texas 78411
Office (361)980-0428 Fax (361)980-1002

Independent Auditors' Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance in Accordance with the Uniform Guidance

County Commissioners
Jim Wells County, Texas
200 N. Almond
Alice, Texas 78332

Members of the County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Jim Wells County, Texas' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Jim Wells County, Texas' major federal programs for the year ended December 31, 2023. Jim Wells County, Texas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jim Wells County, Texas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Jim Wells County, Texas 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 program. Our audit does not provide a legal determination of Jim Wells County, Texas' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Jim Wells County, Texas' federal 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 Jim Wells County, Texas' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance 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 Jim Wells County, Texas' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Jim Wells County, Texas'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 Jim Wells County, Texas' 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, but not for the purpose of expressing an opinion on the effectiveness of Jim Wells County, Texas's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

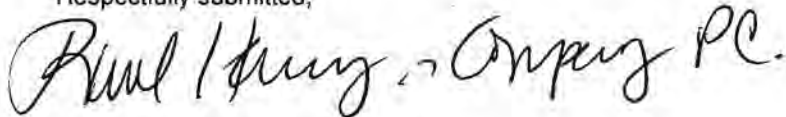
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "Raul Hernandez & Company P.C." in a cursive, flowing script.

Raul Hernandez & Company, P.C.

Corpus Christi, Texas

August 14, 2024

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE STATE OF TEXAS GRANT
MANAGEMENT STANDARDS**

To the Honorable Judge and Commissioners
of Jim Wells County, Texas
Alice, Texas 78333

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Jim Wells County, Texas's compliance with the types of compliance requirements identified as subject to audit in the State of Texas *Grants Management Standards* that could have a direct and material effect on each of Jim Wells County, Texas's major state programs for the year ended December 31, 2023. Jim Wells County, Texas's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jim Wells County, Texas 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 state programs for the year ended December 31, 2023.

Basis for Opinion on Each Major 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; and the audit requirements of the State of Texas *Grant Management Standards* ("TxGMS"). Our responsibilities under those standards and the 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 Jim Wells County, Texas 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 state program. Our audit does not provide a legal determination of Jim Wells County, Texas's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Jim Wells County, Texas's 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 Jim Wells County, Texas'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*, and the 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 Jim Wells County, Texas's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the 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 Jim Wells County, Texas'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 Jim Wells County, Texas'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, but not for the purpose of expressing an opinion on the effectiveness of Jim Wells County, Texas's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 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 TxGMS. Accordingly, this report is not suitable for any other purpose.

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
August 14, 2024

JIM WELLS COUNTY, TEXAS**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023****A. Summary of Auditor's Results****1. Financial Statements**Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? Yes X NoOne or more significant deficiencies identified that
are not considered to be material weaknesses? Yes X None ReportedNoncompliance material to financial
statements noted? Yes X No**2. Federal Awards**

Internal control over major programs:

One or more material weaknesses identified? Yes X NoOne or more significant deficiencies identified that
are not considered to be material weaknesses? Yes X None ReportedType of auditor's report issued on compliance for
major programs: UnmodifiedVersion of compliance supplement used in audit: August 2023Any audit findings disclosed that are required to be reported
in accordance with Title 2 U.S. Code of Federal Regulations
(CFR) Part 200, para. 200.516(a)? Yes X No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between
type A and type B programs: \$750,000Auditee qualified as low-risk auditee? X Yes No**B. Financial Statement Findings**

NONE

C. Federal Award Findings and Questioned Costs

NONE

**JIM WELLS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified? No

Noncompliance material to financial statements noted? None

2. State Awards: -

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified? No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State of Texas *Grant Management Standards*? No

Identification of major programs:

<u>State</u>	<u>CFDA Number(s)</u>	<u>Name of State Program or Cluster</u>
N/A		Border Prosecution Unit Grant

Dollar threshold used to distinguish between type A and type B state programs: \$750,000

Auditee qualified as low-risk auditee for state single audit? Yes

**B. Financial Statement Findings
NONE**

**C. Federal Award Findings and Questioned Costs
NONE**

JIM WELLS COUNTY, TEXAS**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
N/A		

JIM WELLS COUNTY, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2023

N/A

JIM WELLS COUNTY, TEXAS
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**
EXHIBIT D-1

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal ALN Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
OTHER PROGRAMS:				
<u>U. S. Department of the Treasury</u>				
Direct Program:				
State and Local COVID Recovery Funds	21.027	-	\$ -	\$ 2,778,412
Total U. S. Department of the Treasury			-	2,778,412
<u>U. S. Department of Justice</u>				
Passed Through Texas Office of the Governor:				
Edward Byrne Memorial Justice Assistance Grant	16.738			20,706
Total U. S. Department of Justice			-	20,706
<u>U. S. Department of Housing & Urban Development</u>				
Passed Through Texas Department of Agriculture:				
CDBG Grants, GLO Grants	14.228		-	193,579
Total U. S. Department of Housing & Urban Development			-	193,579
<u>Department of Homeland Security</u>				
Direct Program:				
High Intensity Drug Trafficking Areas Program	95.001	G2HIN0030A		137,851
Passed Through Texas Office of the Governor:				
Operation Stonegarden	97.067		-	171,160
Total Department of Homeland Security			-	309,011
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 3,301,708

State Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal ALN Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	State Expenditures
TEXAS OFFICE OF THE GOVERNOR				
Passed through Office of the Governor-Homeland Security Grant Division				
Region 3-Border Prosecution Unit 2023	N/A	2749408	\$ --	\$ 673,127
Local Border Security Program-2023	N/A	2996508	--	115,853
Total Passed through Office of the Governor-Homeland Security Grant Division			--	788,980
Passed through Office of the Governor-Criminal Justice Division				
Bullet-Resistant Shield Grant Program-2023	N/A	4647601	--	45,985
Constable's Ballistic Shield-2023	N/A	4627901	--	64,185
Rifle Resistance Body Armor-2023	N/A	4518001	--	20,385
Total Passed through Office of the Governor-Criminal Justice Division			--	130,554
TOTAL TEXAS OFFICE OF THE GOVERNOR				919,535
TOTAL EXPENDITURES OF STATE AWARDS				\$ 919,535

The accompanying notes are an integral part of this schedule.

JIM WELLS COUNTY, TEXAS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2023

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Jim Wells County, Texas. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Jim Wells County, Texas has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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