

BOSQUE COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2022

**BOSQUE COUNTY, TEXAS
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SEPTEMBER 30, 2022**

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INTRODUCTORY SECTION

**BOSQUE COUNTY, TEXAS
PRINCIPAL COUNTY OFFICIALS
SEPTEMBER 30, 2022**

COMMISSIONERS COURT

COUNTY JUDGE
COUNTY COMMISSIONERS
 PRECINCT 1
 PRECINCT 2
 PRECINCT 3
 PRECINCT 4

CINDY VANLANDINGHAM

BILLY HALL
TERRY TOWNLEY
LARRY PHILIPP
RONNY LIARDON

JUDICIAL

220TH DISTRICT JUDGE
COUNTY COURT AT LAW
JUSTICE OF THE PEACE
 PRECINCT 1
 PRECINCT 2

SHAUN CARPENTER
LUKE GIESECKE

JEFF HIGHTOWER
JAMIE ZANDER

LAW ENFORCEMENT AND LEGAL

220th DISTRICT ATTORNEY
COUNTY ATTORNEY
SHERIFF
CONSTABLES
 PRECINCT 1
 PRECINCT 2

ADAM SIBLEY
NATALIE KOEHLER
ARTHUR HENDRICKS

SCOTT FERGUSON
JAY SPARKMAN

FINANCIAL ADMINISTRATION

COUNTY AUDITOR
COUNTY TREASURER
TAX ASSESSOR – COLLECTOR

*JESSE JOBES
PAMELA BROWNING
ARLENE SWINEY

COURT CLERKS

COUNTY CLERK
DISTRICT CLERK

TABATHA FERGUSON
JUANITA MILLER

*Denotes appointed official. All others are elected officials.

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable Members
of the Commissioners' Court
Bosque County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bosque County, Texas (the County), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2022, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 1 to the financial statements, in 2022, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and Texas County and District Retirement System pension schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of

financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining fund financial statements and nonmajor budgeting comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 nonmajor budgetary comparison information is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in cursive script that reads "Boucher, Morgan & Young". The signature is written in black ink and is positioned above the typed name and date.

Stephenville, Texas
April 28, 2024

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

BOSQUE COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2022

The management of Bosque County presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2022.

FINANCIAL HIGHLIGHTS

- The assets of Bosque County exceed its liabilities at the close of the most recent fiscal year by \$23.1 million. Of this amount, \$12.3 million in unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the County's fiscal policies.
- The County's total net position increased by \$3.3 million.
- As of the close of the current fiscal year, the Bosque County's governmental funds reported an ending fund balance of \$14.1 million of which \$4.1 million is restricted for special purposes.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements — The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. This includes the Statement of Net Position and the Statement of Activities. The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs (accrual basis), regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods such as uncollected taxes and earned but unused compensated absences.

Fund Financial Statements — A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities for objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be categorized as governmental funds. The focus of the fund financial statements is on major funds that meet minimum criteria (a percentage of assets, liabilities, revenue or expenditures of fund category and of the governmental funds combined), or those that the County wishes to report as major. Nonmajor funds are aggregated and shown in a single column. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

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

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

The County maintains various individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Road and Bridge, Debt Service, Grant and Capital Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages 18-23 of this report.

Fiduciary Funds — Fiduciary funds are used to account for resources held for the benefit of parties outside the government.

The Fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to Financial Statements — The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-49.

Required Supplementary Information Other than MD&A — Accounting standards generally accepted in the United States of America require, in addition to the basic financial statements and accompanying notes, the report present certain required supplementary information. Retirement plan funding progress is included in this section along with schedules of actual and budgetary comparisons of the County's General Fund and major Special Revenue Funds.

Combining Statements and Schedules — The combining statements in connection with nonmajor governmental funds are presented immediately following required supplementary information in the County's financials.

GOV**ERNMENT-WIDE FINANCIAL ANALYSIS:**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$23.1 million as of September 30, 2022.

The largest portion of the County's net position reflected its investments in capital assets (e.g., land, building, and equipment), less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, the assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

BOSQUE COUNTY'S NET POSITION

	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 24,046,103	\$ 15,489,124
Capital assets	<u>15,773,552</u>	<u>15,453,069</u>
Total Assets	<u>39,819,655</u>	<u>30,942,193</u>
Deferred outflows	<u>481,989</u>	<u>941,509</u>
Total assets and deferred outflows	<u>40,301,644</u>	<u>31,883,702</u>
Current liabilities	3,684,512	1,022,465
Noncurrent liabilities	<u>8,731,575</u>	<u>8,724,365</u>
Total Liabilities	<u>12,416,087</u>	<u>9,746,830</u>
Deferred inflows	<u>4,751,225</u>	<u>2,325,158</u>
Net Position:		
Net investment in capital assets	7,041,977	6,674,709
Restricted	4,089,803	3,892,897
Unrestricted	<u>12,002,552</u>	<u>9,244,108</u>
Total Net Position	<u>\$ 23,134,332</u>	<u>\$ 19,811,714</u>

BOSQUE COUNTY'S STATEMENT OF ACTIVITIES

During the current fiscal year, the County's net position increased by \$3,322,618.

	2022	2021
Revenues:		
Program Revenues		
Charges for Services	\$ 2,916,874	\$ 2,503,240
Operating Grants & Contributions	1,232,475	718,935
General Revenues		
Property Taxes	9,801,899	9,475,440
Other Taxes	945,035	822,228
Investment Earnings	88,447	118,058
Miscellaneous	216,566	143,770
Gain in sale of fixed assets	112,345.00	-
Total Revenues	15,313,641	13,781,671
Expenses:		
Governmental activities	11,991,023	11,179,864
Change in net position	3,322,618	2,601,807
Net position-beginning	19,811,714	17,209,907
Net position-ending	\$ 23,134,332	\$ 19,811,714

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS:

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financial 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.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, fund balance of the General Fund was \$9.8 million, while total fund balance for all governmental funds was \$14.1 million.

During the current fiscal year, the fund balance of the County's General Fund increased by \$1,825,175.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, and creditors with a general overview of the County's finances. If you have any questions about this report or need any additional information, contact the County Auditor, 104 W Morgan, Meridian, Texas 76665, or call (254) 435-2611.

BASIC FINANCIAL STATEMENTS

**BOSQUE COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
ASSETS	
Cash and cash equivalents	\$ 6,758,352
Investments-current	13,331,677
Taxes receivable (net of allowances for uncollectible)	518,535
Fines receivable	43,914
Intergovernmental receivables	38,052
Prepaid items	174,509
Due from other governments	24,976
Net pension asset	3,156,088
Capital assets (net of accumulated depreciation):	
Land	160,264
Buildings, net	13,433,004
Furniture and equipment, net	2,180,284
Total Assets	<u>39,819,655</u>
DEFERRED OUTFLOWS	
Related to TCDRS pension	481,989
Total Deferred Outflows	<u>481,989</u>
LIABILITIES	
Checks in excess of bank balance	2,991,269
Accounts payable	489,607
Accrued liabilities	203,636
Due to other governments	
Noncurrent liabilities:	
Long-term debt due within one year	577,452
Long-term debt due in more than one year	8,154,123
Total Liabilities	<u>12,416,087</u>
DEFERRED INFLOWS	
Related to TCDRS Pension	1,903,076
Unavailable revenue-grants	2,848,149
Total Deferred Inflows	<u>4,751,225</u>
NET POSITION:	
Net investment in capital assets	7,041,977
Restricted for:	
Restricted by legislation	3,746,226
Restricted for debt service	343,577
Unrestricted net position	12,002,552
Total Net Position	<u>\$ 23,134,332</u>

The accompanying notes are an integral part of these financial statements.

BOSQUE COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions
PRIMARY GOVERNMENT:			
Governmental Activities:			
Public finance	\$ 757,121	\$ 111,132	\$ -
General administration	3,084,364	128,352	-
Judicial	1,813,781	1,018,104	150,831
Public safety and law enforcement	3,515,019	824,420	874,229
Roads	2,567,668	824,393	116,469
Health and welfare	-	10,473	90,946
Other - debt interest and fees	253,070	-	-
Total Governmental Activities	<u>\$ 11,991,023</u>	<u>\$ 2,916,874</u>	<u>\$ 1,232,475</u>

General Revenues:
Property taxes
Sales and other taxes
Miscellaneous revenue
Investment earnings
Gain on sale of fixed assets
Total General Revenues
Change in Net Position
Net Position - Beginning
Net Position - Ending

The accompanying notes are an integral part of these financial statements.

		Net (Expense) Revenue and Changes in Net Position	
Capital Grants and Contributions		Primary	Governmental Activities
\$	-	\$	(645,989)
	-		(2,956,012)
	-		(644,846)
	-		(1,816,370)
	-		(1,626,806)
	-		101,419
	-		(253,070)
\$	-		(7,841,674)

9,801,899
945,035
216,566
88,447
112,345
<u>11,164,292</u>
3,322,618
<u>19,811,714</u>
<u>\$ 23,134,332</u>

The accompanying notes are an integral part of these financial statements.

BOSQUE COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund	Road and Bridge	Capital Projects
ASSETS			
Cash and cash equivalents	\$ 717,921	\$ 1,191,834	\$ 146,413
Investments-current	12,294,900	1,036,777	-
Taxes receivable, net of allowance	455,932	41,414	1,408
Intergovernmental receivables	-	38,052	-
Due from other governments	24,976	-	-
Due from other fund	-	32,750	-
Prepaid items	120,424	38,147	-
Total Assets and Other Debits	<u>\$ 13,614,153</u>	<u>\$ 2,378,974</u>	<u>\$ 147,821</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
Liabilities:			
Checks in excess of bank balance	\$ 2,979,851	\$ -	\$ -
Accounts payable	359,769	41,718	-
Due to other funds	121,470	-	-
Wages and salaries payable	55,240	10,926	-
Total Liabilities	<u>3,516,330</u>	<u>52,644</u>	<u>-</u>
Deferred Inflows:			
Unavailable revenue- grants	-	-	-
Unavailable revenues-property taxes	261,829	41,416	1,408
Total deferred inflows of resources	<u>261,829</u>	<u>41,416</u>	<u>1,408</u>
Fund Balances:			
Nonspendable	120,424	38,147	-
Restricted	-	2,246,767	-
Assigned	-	-	146,413
Unassigned	9,715,570	-	-
Total Fund Balances	<u>9,835,994</u>	<u>2,284,914</u>	<u>146,413</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 13,614,153</u>	<u>\$ 2,378,974</u>	<u>\$ 147,821</u>

The accompanying notes are an integral part of these financial statements.

Debt Service Fund	Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 343,577	\$ 3,115,851	\$ 1,242,756	\$ 6,758,352
-	-	-	13,331,677
19,361	-	420	518,535
-	-	-	38,052
-	-	-	24,976
-	88,720	-	121,470
-	-	15,938	174,509
<u>\$ 362,938</u>	<u>\$ 3,204,571</u>	<u>\$ 1,259,114</u>	<u>\$ 20,967,571</u>
\$ -	\$ -	\$ 11,418	\$ 2,991,269
-	73,332	14,788	489,607
-	-	-	121,470
-	-	6,178	72,344
<u>-</u>	<u>73,332</u>	<u>32,384</u>	<u>3,674,690</u>
-	2,848,149	-	2,848,149
19,361	-	420	324,434
<u>19,361</u>	<u>2,848,149</u>	<u>420</u>	<u>3,172,583</u>
-	-	15,938	174,509
343,577	283,090	1,216,369	4,089,803
-	-	-	146,413
-	-	(5,997)	9,709,573
<u>343,577</u>	<u>283,090</u>	<u>1,226,310</u>	<u>14,120,298</u>
<u>\$ 362,938</u>	<u>\$ 3,204,571</u>	<u>\$ 1,259,114</u>	<u>\$ 20,967,571</u>

The accompanying notes are an integral part of these financial statements.

**BOSQUE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

Total Fund Balances - Governmental Funds \$ 14,120,298

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

Capital assets, net of related depreciation/amortization used in governmental activities are not financial resources and therefore are not reported in governmental funds balance sheet.

Governmental capital assets	28,031,686	
Accumulated depreciation	<u>(12,258,134)</u>	15,773,552

Long-term liabilities (including notes payable, accrued interest and financed purchases) are not due and payable in the current period and therefore are not reported in the fund financial statements. (8,862,867)

Revenues earned but not available within sixty days of the year end are not recognized as unearned revenue on the fund financial statements.

Office fees	43,914	
Property taxes	<u>324,434</u>	368,348

The statement of net position includes the County's proportionate share of the TCDRS net pension liability as well as certain pension related transactions accounted for as Deferred Inflows and Outflows of resources.

Net pension asset (liability)	3,156,088	
Deferred retirement contributions	278,306	
Deferred actual vs. assumption	(80,399)	
Deferred assumptions and changes	203,683	
Deferred investment experience	<u>(1,822,677)</u>	1,735,001

Net Position of Governmental Activities		<u>\$ 23,134,332</u>
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The accompanying notes are an integral part of these financial statements.

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Road and Bridge	Capital Projects
REVENUE			
Taxes:			
Property taxes	\$ 7,879,743	\$ 1,257,252	\$ 42,148
General sales and use taxes	945,035	-	-
Auto registrations	-	458,080	-
Intergovernmental revenue and grants	893,047	251,790	-
Fines and fees	402,798	511,500	4,682
Forfeitures	3,250	-	-
Investment earnings	87,743	-	-
Total Revenues	<u>10,211,616</u>	<u>2,478,622</u>	<u>46,830</u>
EXPENDITURES			
Current:			
General Government:			
Public finance	878,233	-	-
General administration	2,547,091	-	-
Judicial and legal	1,491,028	-	-
Public safety and law enforcement	3,419,644	-	-
Roads	-	2,224,316	-
Debt Service:			
Debt principal	-	65,726	-
Debt interest and fees	-	10,290	-
Capital Outlay:			
Capital outlay	109,939	563,027	250,298
Total Expenditures	<u>8,445,935</u>	<u>2,863,359</u>	<u>250,298</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,765,681</u>	<u>(384,737)</u>	<u>(203,468)</u>
OTHER FINANCING SOURCES (USES):			
Issuance of debt	-	482,644	-
Other revenue (expense)	164,574	48,002	-
Proceeds from sale of capital assets	189,920	-	-
Transfers in	835,000	84,000	125,000
Transfers out	(1,130,000)	(84,000)	-
Total Other Financing Sources (Uses)	<u>59,494</u>	<u>530,646</u>	<u>125,000</u>
Net Change in Fund Balances	1,825,175	145,909	(78,468)
Fund Balances - Beginning	<u>8,010,819</u>	<u>2,139,005</u>	<u>224,881</u>
Fund Balances - Ending	<u>\$ 9,835,994</u>	<u>\$ 2,284,914</u>	<u>\$ 146,413</u>

The accompanying notes are an integral part of these financial statements.

Debt Service	Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 579,346	\$ -	\$ 12,555	\$ 9,771,044
-	-	-	945,035
-	-	-	458,080
-	833,348	577,601	2,555,786
-	-	164,052	1,083,032
-	-	49,201	52,451
641	-	63	88,447
<u>579,987</u>	<u>833,348</u>	<u>803,472</u>	<u>14,953,875</u>
-	-	-	878,233
-	204,170	267,884	3,019,145
-	-	529,622	2,020,650
-	76,693	16,510	3,512,847
-	67,397	-	2,291,713
390,000	-	-	455,726
248,370	-	-	258,660
-	456,852	53,702	1,433,818
<u>638,370</u>	<u>805,112</u>	<u>867,718</u>	<u>13,870,792</u>
<u>(58,383)</u>	<u>28,236</u>	<u>(64,246)</u>	<u>1,083,083</u>
-	-	-	482,644
(400)	-	4,390	216,566
-	-	-	189,920
-	-	170,000	1,214,000
-	-	-	(1,214,000)
<u>(400)</u>	<u>-</u>	<u>174,390</u>	<u>889,130</u>
(58,783)	28,236	110,144	1,972,213
402,360	254,854	1,116,166	12,148,085
<u>\$ 343,577</u>	<u>\$ 283,090</u>	<u>\$ 1,226,310</u>	<u>\$ 14,120,298</u>

The accompanying notes are an integral part of these financial statements.

BOSQUE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Total Net Change in Fund Balances-Governmental Funds	\$	1,972,213
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of net capital activity recorded in the current period.</p>		
		1,215,995
<p>Depreciation expense on capital assets is reported in the statement of activities and does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.</p>		
		(817,937)
<p>Governmental funds recognize all amounts received on the sale of fixed assets as a gain. However, in the statement of activities, the gain or loss is offset by the remaining net book value of the asset.</p>		
		(77,575)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. None of these transactions, however, have any affect on net position.</p>		
Accrued interest	(14,118)	
Bond premium amortization	19,708	
Principal payments	455,726	
Issuance of debt	<u>(482,644)</u>	(21,328)
<p>Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.</p>		
Property taxes	<u>30,855</u>	30,855
<p>Net pension assets as well as the related deferred inflows and outflows of resources generated from those assets are not payable from current resources and therefore, are not reported in the governmental funds. These balances increased (decreased) by this amount.</p>		
		1,020,395
Change in Net Position of Governmental Activities	<u>\$</u>	<u>3,322,618</u>

The accompanying notes are an integral part of these financial statements.

**BOSQUE COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2022**

	Custodial Funds
ASSETS	
Cash, cash equivalents, and investments	\$ 1,812,327
Total Assets	1,812,327
LIABILITIES	
Due to other governmental agencies	1,812,327
Total Liabilities	-
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	-
Total net position	\$ -

The accompanying notes are an integral part of these financial statements.

BOSQUE COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Custodial Funds
 <u>ADDITIONS</u>	
Tax collections for other governments	\$ 39,290,425
Vehicle registration fees collected for state	3,586,631
Judicial/statutory ordered collections due to others	373,412
Collateral and all bonds	77,618
Custodial accounts	165,731
Seizures by law enforcement agencies	104,307
TJJD receipts	660,494
Total earnings	44,258,618
 <u>DEDUCTIONS</u>	
Taxes due to other governments	42,877,056
Vehicle registration due to state	-
Payments due under judicial order/statute	373,412
Release of collateral on all bonds	77,618
Custodial accounts	165,731
Release of seizures	104,307
TJJD disbursements	660,494
Total deductions	44,258,618
Net increase in fiduciary net position	-
Net position-beginning of year, as previously reported	1,119,503
Restatement adjustment (Note 6)	(1,119,503)
Net position-beginning, as restated	-
Net position - ending	\$ -

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bosque County was created in 1854 by the Texas Legislature under the provisions of Article 9, Section 1, of the Texas Constitution. The County operates under a commission form of government in which the Commissioners' Court composed of four County Commissioners, presided over by the County Judge, is the governing body. The Commissioners' Court is a court of limited jurisdiction empowered to do only those things which are specifically authorized by the State Constitution or by statute.

The financial statements of Bosque County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for established governmental accounting and financial reporting principles. The more significant of these accounting policies are described below.

A. REPORTING ENTITY

The County is an independent political subdivision of the State of Texas governed by an elected four-member Commissioners' Court and County Judge and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the County's financial reporting entity. Based on these considerations, no other entities have been included in the County's reporting entity. Additionally, as the County is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

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

BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT -WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are to be reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County has no business-type activities or any component units.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

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

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

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

The Road and Bridge Fund is used to account for the operation, repair and maintenance of roads and bridges.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of general capital assets.

The Debt Service Fund is used to account for property taxes assessed for the sole purpose of servicing debt obligations.

The Grant Fund is used to account for the receipt and disbursement of restricted grant funds.

Additionally, the County reports the following fund types:

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

Fiduciary Funds These funds are used to report funds of the County's fees offices and other resources held in a purely custodial capacity (assets equal liabilities). Fiduciary funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenue. Likewise, general revenue includes all taxes.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS, DEFERRED OUTFLOWS AND NET POSITION OR EQUITY

Cash and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost.

BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables and Payables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. As of September 30, 2022 the following allowances for property tax receivables were estimated by management, General fund \$114,496, Capital Improvement fund \$616, Jury fund \$183, Debt Service fund \$8,466 and the Road and Bridge fund \$18,371. The County's property taxes are levied annually in October on the basis of the Appraisal District's assessed values as of January 1 of that calendar year. Appraisal values are established by the Appraisal District at market value and assessed at 100% of appraised value less exemptions. The County's property taxes are billed and collected by the Tax Assessor/Collector. Such taxes are applicable to the fiscal year in which they are levied and become delinquent with an enforceable lien on property on February 1 of the subsequent calendar year. For the current year, the County levied property taxes of \$0.4628 per \$100 of assessed valuation.

Prepaid Items

When payment is made to a supplier of goods or services prior to the receipt of the goods or realization of the service, then the amount expended in excess of value received is recorded as a prepaid item.

Capital Assets

Capital assets, which include land, buildings, furniture and equipment, construction in progress, and infrastructure (e.g. roads, bridges, sidewalks and similar items) are reported in the governmental activities for the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment are depreciated using the straight-line method over the following useful lives:

Assets	Years
Buildings	40
Furniture and Equipment	5-15
Infrastructure	20

Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to move unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Compensated Absences

County employees are not paid for unused vacation time, but they are paid for unused compensatory time. Compensatory time accrues at 5 days a year up to a maximum paid benefit for entitlement of 10 days. At September 30, 2022, the County's liability for unused compensatory time was \$978.

Long-term Obligations

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

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

Net position and Fund Balance

In government-wide financial statements net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt. Net investment in capital assets does not include the unspent proceeds of capital debt.

BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is considered unrestricted.

When both restricted and unrestricted sources are available for use, it is the County's policy to use restricted first, then unrestricted resources as they are needed. The government-wide statement of net position reports \$3,800,716 of restricted assets, primarily restricted for specified purposes as designated by grantors, contributors, by vote of citizens, or governmental entities over state or local program grants.

Fund Balance Classification- The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - Resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted – Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – Resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned - Resources neither restricted nor committed for which a government has a stated intended use as established by those charged with governance or an official to which to those charged with governance has delegated the authority to assign amounts for specific purposes.

Unassigned – Resources which cannot be properly classified in one of the other four categories. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. An example is a deferred loss on refunding reported in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. An example is unavailable revenue resulting from property taxes which is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Pensions

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

Implementation of New Standard – GASB Statement No. 87 Leases

In the current fiscal year, the County implemented GASB 87, *Leases*. Implementation is reflected in the financial statements and the notes to the financial statements. There was no effect on beginning net position due to the implementation of this standard.

The Statement was issued on June 2017 and provides better information to meet the needs of financial statement users by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The County recognizes a lease liability, reported with noncurrent liabilities, and a right-to-use asset reported with capital assets in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$15,000 or more.

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

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

- The County uses the interest rate charged by the lessor as the discount rate. When the interest charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the County is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET DATA

The budget amounts presented in the required supplementary information include the original and final authorized amounts as amended during the year. In accordance with state statutes, an annual budget is adopted for certain governmental funds of the County in accordance with generally accepted accounting principles. The procedures followed by Bosque County in establishing the budgetary data reflected in the financial statements are presented below.

Budget Preparation

The County Judge, as the responsible budget officer, causes budget guidelines to be issued. Upon receiving operating requests from County officials, the County Judge submits a proposed operating budget covering the General, Road and Bridge, Special Revenue, and Debt Service Funds to the Commissioners' Court. The budget includes the proposed expenditures and the means of financing them.

Public Hearings

After proper publication of notices in compliance with various state statutes, a budget hearing for the purpose of obtaining public and taxpayer comments is conducted by the Commissioners' Court. Related public hearings are held regarding the proposed tax rates required to finance the proposed budget.

Budget Adoption

Following the public hearings, the Commissioners' Court makes such changes as may be warranted in the budget and adopts the budget through the passage of an order at one of its regularly scheduled meetings.

Budget Amendments

The Commissioners' Court, at its discretion, can transfer expenditures from one appropriation to another. The total expenditures may not be increased without additional public hearings.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. DEPOSITS AND INVESTMENTS

Legal and Contractual Provisions Governing 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.

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 diversity, yield, and maturity and the quality and capability of investment management; include a list of 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 basic 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, obligations of the U.S. Treasury, certain U.S. agencies, the State of Texas, certificates of deposit, certain municipal securities, money market savings accounts, repurchasing agreements, bankers acceptance, mutual funds, local government investment pools, guaranteed investment contracts, and common trust funds.

**BOSQUE COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Investments held by the County as of September 30, 2022 consisted of the following:

	Governmental
	Activities
	<hr/>
Money Market	\$ 8,958,646
Investments - TexPool	114
Investments - Certificates of Deposit	1,036,777
Investments - Logic	<u>3,336,140</u>
Total Investments	<u>\$ 13,331,677</u>

Policies Governing Deposits and Investments

The County is a voluntary participant in the TexPool and LOGIC external investment pool.

The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC’s Rule2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool Shares. TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. In addition, TexPool is subject to review by the State Auditor’s Office and by the Internal Auditor of the Comptroller’s Office.

Local Government Investment Cooperative (LOGIC) (the “Pool”) was organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, and operates as a public funds investment pool under the Public Funds Investment Act. LOGIC is organized and existing as a business trust under the laws of the State of Texas with all Participant funds and all investment assets held and managed in trust by a Board of Trustees for the benefit of the Participants. The Board of Trustees is LOGIC’s governing body and is comprised of employees, officers or elected officials of Participant Government Entities or individuals who do not have a business relationship with the Pool and are qualified to advise it. A maximum of two advisory board members represent the Co-Administrators of the Pool.

BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The minimum rating required by (where applicable) the Public Funds Investment Act, the County's investment policy, or debt agreements, is AAA. The actual ratings for TexPool and Logic are AAAM.

Custodial Credit Risk

Custodial Credit Risk – Investment: This is the risk that, in the event of the failure of the depository financial institution, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus, positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less then FDIC insurance at all times.

At September 30, 2022, the bank balance for the County's cash and deposits was \$5,971,202. \$250,000 of the bank balance at two different financial institutions was covered by depository insurance under the FDIC, with the remaining balance exceeding the Federal Depository Insurance Corporation and collateral held by the County's agent in the County's name by \$587,773.

Concentration of Credit Risk

Concentration of Credit Risk: There is a risk that an issuer or other counterparty to an investment will not fulfill its obligations.

To minimize credit risk, TexPool's investment policy allows the portfolio's investment manager to only invest in obligations of the U.S. Government, its agencies; repurchase agreements; and no-load AAAM money market mutual funds registered with the SEC.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

To minimize credit risk Logics' investment policy allows The Portfolio may engage in portfolio trading in an attempt to maximize the total return on assets. The Portfolio will not invest in the aggregate more than 20% of its monthly average balance in SEC registered money market funds or invest its funds in any one SEC registered money market fund in an amount that exceeds 5% of its total assets.

As of September 30, 2022, TexPool and LOGIC's investment credit quality rating was AAAM (Standard & Poor's). The certificates of deposit are not rated.

Interest Rate Risk

In accordance with its investment policy, the County manages its exposure to declines in fair value by structuring maturities to meet obligations of the County first and then achieve the highest rate of return of interest. When the County has funds not required to meet current obligations, maturity restraints will be imposed upon the investment strategy for each group of funds. The maximum allowable stated maturity of any individual investment owned by the County shall not exceed eighteen months from the time of purchase. As of September 30, 2022, the County had investments in TexPool totaling \$114 which had a weighted average maturity of 42 days; They also had investments in Logic totaling \$3,336,140 which had a weighted average maturity of 68 days. As of September 30, 2022, the County was not invested in any securities which are highly sensitive to interest rate fluctuation.

B. INTERFUND RECEIVABLES AND PAYABLES

There were no interfund receivables and payables at September 30, 2022 except for agency funds of the County to the respective fund. The interfund receivables have not been eliminated from the statement of net position because agency funds assets and liabilities are not reported as assets owned by the government.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

C. CAPITAL ASSET ACTIVITY

Capital asset activity for the County for the year ended September 30, 2022 was as follows:

	September 30, 2021	Increase	Decrease	September 30, 2022
Government activities capital assets:				
Non-depreciable assets:				
Land	\$ 160,264	\$ -	\$ -	\$ 160,264
Construction in process	53,995	57,745	(111,740)	-
Total non-depreciable assets	<u>214,259</u>	<u>57,745</u>	<u>(111,740)</u>	<u>160,264</u>
Depreciable assets:				
Buildings	18,667,055	276,433	-	18,943,488
Furniture and equipment	8,006,901	993,557	(392,444)	8,608,014
Infrastructure	319,920	-	-	319,920
Total depreciable assets	<u>26,993,876</u>	<u>1,269,990</u>	<u>(392,444)</u>	<u>27,871,422</u>
Totals at historic cost	<u>27,208,135</u>	<u>1,327,735</u>	<u>(504,184)</u>	<u>28,031,686</u>
Less accumulated depreciation:				
Buildings	5,083,491	426,993	-	5,510,484
Furniture and equipment	6,351,655	390,944	(314,869)	6,427,730
Infrastructure	319,920	-	-	319,920
Total accumulated depreciation	<u>11,755,066</u>	<u>817,937</u>	<u>(314,869)</u>	<u>12,258,134</u>
Total capital assets, being depreciated, net	<u>15,238,810</u>	<u>452,053</u>	<u>(77,575)</u>	<u>15,613,288</u>
Governmental capital assets, net	<u>\$ 15,453,069</u>	<u>\$ 509,798</u>	<u>\$ (189,315)</u>	<u>\$ 15,773,552</u>

Current year depreciation expense was charged to governmental functions as follows:

Road & bridge	\$ 212,964
Law enforcement	408,356
General admin	196,617
	<u>\$ 817,937</u>

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. LONG-TERM DEBT

Bonds and Notes Payable

At September 30, 2022, the County's bonds and notes payable consisted of the following:

	Governmental Activities
2017 General Obligation Refunding Bonds, dated March 1, 2017, due in annual installments through March 1, 2037 bearing interest rate ranging from 2% to 4%.	\$ 8,034,135
Note payable to a financial institution in monthly installments of \$1,354.46 through December 16, 2022 including an interest rate of 4.70%, secured by property financed.	4,039
Note payable to financial institution in annual installments of \$30,887.08 through 2023 including interest at a rate of 3.442%, secured by property financed	58,719
Note payable to financial institution in annual installments of \$127,765.51 through 2025 including interest at a rate of 2.271%, secured by property financed	482,644
	\$ 8,579,537

Financed Purchases

The County has entered into the following finance purchase agreements as of September 30, 2022:

	Governmental Activities
Finance Purchase to CAT financial dated March 5, 2020, due in annual installments of \$28,875.83 through March 5, 2029, bearing interest rate of 3.849%	\$ 152,038
	\$ 152,038

BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. LONG-TERM DEBT

The following is a summary of all long-term debt transactions of the County for the year ended September 30, 2022:

Description	Beginning Balance 9/30/2021	Reclass Balance 9/30/2021	Increases	Decreases	Ending Balance 9/30/2022	Due within one year
Governmental activities:						
General obligation bonds	\$ 8,140,000	\$ -	\$ -	\$ (390,000)	\$ 7,750,000	\$ 405,000
Premium on bond	303,843	-	-	(19,708)	284,135	-
Notes payable	106,327	-	482,644	(43,569)	545,402	149,442
Capital lease	174,195	(174,195)	-	-	-	-
Finance purchase	-	174,195	-	(22,157)	152,038	23,010
Net pension liability (asset)	(216,016)	-	-	(2,940,072)	(3,156,088)	-
Governmental activities long-term liabilities	<u>\$ 8,508,349</u>	<u>\$ -</u>	<u>\$ 482,644</u>	<u>\$ (3,415,506)</u>	<u>\$ 5,575,487</u>	<u>\$ 577,452</u>

The annual requirements to amortize all bonds and notes payable outstanding as of September 30, 2022, are as follows:

General Obligation Bonds Due Fiscal Year Ending September 30	Governmental Activities		Total
	Principal	Interest	Requirements
2023	\$ 405,000	\$ 232,470	\$ 637,470
2024	420,000	215,970	635,970
2025	440,000	198,770	638,770
2026	455,000	180,870	635,870
2027	475,000	164,645	639,645
Thereafter	5,555,000	816,020	6,371,020
Total	<u>\$ 7,750,000</u>	<u>\$ 1,808,745</u>	<u>\$ 9,558,745</u>

Notes Payable - Equipment Due Fiscal Year Ending September 30	Governmental Activities		Total
	Principal	Interest	Requirements
2023	\$ 149,442	\$ 13,699	\$ 163,141
2024	149,295	9,352	158,647
2025	122,154	5,611	127,765
2026	124,511	2,837	127,348
Total	<u>\$ 545,402</u>	<u>\$ 31,499</u>	<u>\$ 576,901</u>

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. LONG-TERM DEBT

The annual requirements to amortize all financed purchases outstanding as of September 30, 2022, are as follows:

Finance Purchase Due Fiscal Year Ending September 30	Governmental Activities		Total
	Principal	Interest	Requirements
2023	\$ 23,010	\$ 5,866	\$ 28,876
2024	23,896	4,980	28,876
2025	24,816	4,060	28,876
2026	25,771	3,105	28,876
2027	26,763	2,113	28,876
Thereafter	27,782	1,094	28,876
Total	<u>\$ 152,038</u>	<u>\$ 21,218</u>	<u>\$ 173,256</u>

E. RISK MANAGRISK MANAGEMENT

Contingencies

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

Litigation

The County's Attorney has indicated that there are no claims or lawsuits filed or pending against the County.

F. RETIREMENT PLAN

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for administration of the statewide agent multiple-employer public employee retirement system consisting of 735 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

**BOSQUE COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

F. RETIREMENT PLAN

Benefits Provided

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can expect to be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. There are no automatic post-employment benefit changes, including automatic COLAs.

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees of beneficiaries currently receiving benefits	82
Inactive employees entitled to but not yet receiving benefits	167
Active employees	116
	365
	365

Contributions

The employer has elected the annually determined contribution rate (Variable Rate) plan provision 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. The employer contributed using the actuarially determined rate of 7% for the calendar year ending in 2022. The deposit rate payable by the employee members for calendar year 2022 is the rate of 5% as adopted by the governing body of the employer. The employee and employer deposit rates may be changed by the governing body of the employer within the options available in the TCDRS Act.

Net Pension Asset

The employer's Net Pension Asset NPA for the year ended September 30, 2022, was measured as of December 31, 2021, and the Total Pension Liability TPC used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

F. RETIREMENT PLAN

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	4.85% per year
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.25% (made up of 2.50% inflation and .5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee.

Mortality rates for depositing members were based on 90% of the RP-2014 Active Employee Mortality Table for males and females as appropriate, both projected with 110% of the MP-2014 Ultimate scale after 2014. Service retirees, beneficiaries and non-depositing members were based on the RP-2014 Healthy Annuitant Mortality Table, for males and females as appropriate, with adjustments, both projected with 130% of the MP-2014 Ultimate scale after 2014. Disabled retirees were based on 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

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 2021 information for a 10-year time horizon. Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a long-term time horizon; the most recent analysis was performed in 2021. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2017 – December 31, 2020 for more details. Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.0%, per Cliffwater's 2021 capital market assumptions. Target asset allocation adopted at the April 2021 TCDRS Board meeting can be seen below:

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. **DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	11.5%	3.80%
Global Equities	MSCI World (net) Index	2.5%	4.10%
Int'l Equities - Developed Markets	MSCI World Ex USA (net)	5.0%	3.80%
Int'l Equities - Emerging Markets	MSCI EM Standard (net) Index	6.0%	4.30%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.0%	-0.85%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.0%	1.77%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.0%	6.25%
Distressed Debt	Cambridge Associates Distressed Securities Index	4.0%	4.50%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.0%	3.10%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.0%	3.85%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.0%	5.10%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	25.0%	6.80%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.0%	1.55%
Cash Equivalents	90-Day U.S. Treasury	2.0%	-1.05%
Total		100%	

Discount Rate:

The discount rate used to measure the Total Pension Liability was 7.6%. Using the alternative method, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments based on the funding requirements under the County's funding policy and the legal requirements under the TCDRS Act.

1. TCDRS has a funding policy where the unfunded actuarial accrued liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
2. Under the TCDRS Act, the County is legally required to make the contribution specified in the funding policy.
3. The County assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the County is still required to contribute at least the normal cost.
4. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and the net pension liability of the County is equal to the long-term assumed rate of return on investments.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at 12/31/2020	\$ 12,882,678	\$ 13,098,693	\$ (216,015)
Changes for the year:			
Service cost	449,522	-	449,522
Interest on total pension liability	986,763	-	986,763
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(436,547)	-	(436,547)
Effect of assumptions changes or inputs	(62,458)	-	(62,458)
Refund of contributions	(112,802)	(112,802)	-
Benefit payments	(597,153)	(597,153)	-
Administrative expenses	-	(8,800)	8,800
Member contributions	-	233,257	(233,257)
Net investment income	-	2,906,843	(2,906,843)
Employer contributions	-	735,124	(735,124)
Other	-	10,929	(10,929)
Balance at 12/31/2021	\$ 13,110,003	\$ 16,266,091	\$ (3,156,088)

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability (asset) of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.6%) or 1-percentage point higher (8.6%) than the current rate:

	1% Decrease in Discount Rate (6.60%)	Discount Rate (7.60%)	1% Increase in Discount Rate (8.60%)
Total pension liability	\$ 14,814,952	\$ 13,110,003	\$ 11,683,240
Fiduciary net position	16,266,091	16,266,091	16,266,091
Net pension liability (asset)	\$ (1,451,139)	\$ (3,156,088)	\$ (4,582,851)

Pension Plan Fiduciary Net Position:

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

Pension Income and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2022, the County recognized pension income of \$201,604.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

As of September 30, 2022, the County 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	\$ 80,399	\$ -
Changes of assumptions	-	203,683
Net difference between projected and actual earnings	1,822,677	-
Contributions subsequent to the measurement date	-	278,306
Total	\$ 1,903,076	\$ 481,989

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2023.

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

Valuation year ended December 31:	
2022	\$ (273,167)
2023	(610,938)
2024	(434,962)
2025	(380,326)

4. TAX ABATMENTS

As of September 30, 2022, Bosque County provides tax abatements through the Texas Property Redevelopment and Tax Abatement Act, V.A.T.S Tax Code Chapter 312:

The Texas Property Redevelopment and Tax Abatement Act Chapter 312 of the Tax Code authorizes local taxing units, other than school districts, at their discretion to offer temporary property tax exemptions for improvements to existing property. For Texas Counties, property may be exempted for up to 10 years with property tax exemptions at an amount up to 100%. Texas Law - Article VIII, Section 1-g (a) The Legislature by general law may authorize cities, towns, and other taxing units to grant exemptions or other relief from ad valorem taxes on property located in a reinvestment zone for the purpose of encouraging development or redevelopment and improvement of the property. Bosque County has three abatements as of September 30, 2022 as noted by Bosque County Central Appraisal District abatements values are as follows:

<u>Owner DBA</u>	<u>Abatement Value</u>
BW GAS & Convenience Real Estate LLC	2,765,168.00
Yellow Jacket Solar LLC	1,728,620.00

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

5. ADJUSTMENT TO BEGINNING NET POSITION

GASB Statement No. 84, Fiduciary Activities, was implemented in 2021. The Statement of Fiduciary Net Position was erroneously reported to have a balance in 2021 when it should have been reported as liability, this is being corrected in the 2022 report as an adjustment to beginning net position.

Fiduciary Net Position at September 30, 2021, as previously reported	\$ 1,119,503
Adjustment to Fiduciary Net position	<u>(1,119,503)</u>
Fiduciary Net Position at September 30, 2021, as restated	<u><u>\$ -</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget
			(See Note)	Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 7,413,072	\$ 7,413,072	\$ 7,879,743	\$ 466,671
General sales and use taxes	640,100	640,100	945,035	304,935
Intergovernmental revenue and grants	430,500	430,500	893,047	462,547
Fines and fees	251,000	251,000	402,798	151,798
Forfeitures	-	-	3,250	3,250
Investment earnings	76,000	76,000	87,743	11,743
Other revenue	147,000	147,000	164,574	17,574
Total Revenues	<u>8,957,672</u>	<u>8,957,672</u>	<u>10,376,190</u>	<u>1,418,518</u>
EXPENDITURES:				
Current:				
General Government:				
Public finance	1,001,510	994,136	878,233	115,903
General administration	3,140,820	3,116,389	2,547,091	569,298
Judicial	1,733,571	1,742,708	1,491,028	251,680
Law enforcement	3,644,756	3,687,137	3,419,644	267,493
Debt Service:				
Debt principal-finance purchase	-	-	-	-
Debt interest-finance purchase	-	-	-	-
Capital Outlay:				
Capital outlay	127,000	123,216	109,939	13,277
Total Expenditures	<u>9,647,657</u>	<u>9,663,586</u>	<u>8,445,935</u>	<u>1,217,651</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(689,985)</u>	<u>(705,914)</u>	<u>1,930,255</u>	<u>2,636,169</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	189,920	189,920
Transfers in	335,000	335,000	835,000	500,000
Transfers out	<u>(630,000)</u>	<u>(630,000)</u>	<u>(1,130,000)</u>	<u>(500,000)</u>
Total Other Financing Sources (Uses)	<u>(295,000)</u>	<u>(295,000)</u>	<u>(105,080)</u>	<u>189,920</u>
Change in Fund Balance	(984,985)	(1,000,914)	1,825,175	2,826,089
Fund Balance-Beginning	<u>8,010,819</u>	<u>8,010,819</u>	<u>8,010,819</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 7,025,834</u>	<u>\$ 7,009,905</u>	<u>\$ 9,835,994</u>	<u>\$ 2,826,089</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 1,187,838	\$ 1,187,838	\$ 1,257,252	\$ 69,414
Auto registrations	360,000	360,000	458,080	98,080
Intergovernmental revenue and grants	80,000	80,000	251,790	171,790
Fines and fees	295,000	295,000	511,500	216,500
Total Revenues	<u>1,922,838</u>	<u>1,922,838</u>	<u>2,478,622</u>	<u>555,784</u>
EXPENDITURES:				
Current:				
Roads	2,793,847	2,786,849	2,224,316	562,533
Debt Service:				
Debt principal-finance purchase	71,334	65,707	65,726	(19)
Debt interest-finance purchase	4,686	10,313	10,290	23
Capital Outlay:				
Capital outlay	140,500	614,145	563,027	51,118
Total Expenditures	<u>3,010,367</u>	<u>3,477,014</u>	<u>2,863,359</u>	<u>613,655</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(1,087,529)</u>	<u>(1,554,176)</u>	<u>(384,737)</u>	<u>1,169,439</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	-	-	48,002	48,002
Sale of surplus property	2,000	2,000	-	(2,000)
Proceeds from debt	-	-	482,644	482,644
Total Other Financing Sources (Use):	<u>(40,000)</u>	<u>(40,000)</u>	<u>530,646</u>	<u>570,646</u>
Change in Fund Balance	(1,127,529)	(1,594,176)	145,909	1,740,085
Fund Balance-Beginning	<u>2,139,005</u>	<u>2,139,005</u>	<u>2,139,005</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 1,011,476</u>	<u>\$ 544,829</u>	<u>\$ 2,284,914</u>	<u>\$ 1,740,085</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Intergovernmental revenue and grants	\$ 574,577	\$ 574,577	\$ 833,348	\$ 258,771
Total Revenues	<u>574,577</u>	<u>574,577</u>	<u>833,348</u>	<u>258,771</u>
EXPENDITURES:				
Current:				
General Government:	3,629,342	3,629,342	-	3,629,342
General administration	-	-	204,170	(204,170)
Public safety and law enforcement	-	-	76,693	(76,693)
Roads	-	-	67,397	(67,397)
Capital Outlay:	-	-	456,852	(456,852)
Total Expenditures	<u>3,629,342</u>	<u>3,629,342</u>	<u>805,112</u>	<u>2,824,230</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(3,054,765)</u>	<u>(3,054,765)</u>	<u>28,236</u>	<u>3,083,001</u>
OTHER FINANCING SOURCES (USES):				
Other Revenue	-	-	-	-
Transfers in	335,000	335,000	-	(335,000)
Transfers out	<u>(630,000)</u>	<u>(630,000)</u>	<u>-</u>	<u>630,000</u>
Total Other Financing Sources (Uses)	<u>(295,000)</u>	<u>(295,000)</u>	<u>-</u>	<u>295,000</u>
Change in Fund Balance	-	-	28,236	-
Fund Balance-Beginning	-	-	254,854	254,854
Fund Balance-Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 283,090</u>	<u>\$ 254,854</u>

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

Last 10 Measurement Years (will ultimately be displayed)

	2021	2020	2019	2018
Total Pension Liability				
Service cost	\$ 449,522	\$ 403,468	\$ 366,706	\$ 364,930
Interest on total pension liability	986,763	905,150	852,882	802,324
Effect of plan changes	-	-	-	-
Effect of assumption changes or inputs	(62,458)	704,734	-	-
Effect of economic/demographic (gains) or losses	(436,547)	413,624	3,892	28,435
Benefit payments/refunds of contributions	(709,955)	(619,005)	(611,048)	(536,975)
Net Change in Total Pension Liability	227,325	1,807,972	612,432	658,714
Total Pension Liability, beginning	12,882,678	11,074,706	10,462,274	9803560
Total Pension Liability, ending (a)	\$ 13,110,003	\$ 12,882,678	\$ 11,074,706	\$ 10,462,274
Fiduciary Net Position				
Employer contributions	\$ 735,124	\$ 244,607	\$ 214,782	\$ 200,015
Member contributions	233,257	242,666	214,782	227,798
Investment income net of investment expenses	2,906,843	1,239,721	1,720,780	(202,413)
Benefit payments/refunds of contributions	(709,955)	(619,005)	(611,048)	(536,975)
Administrative expenses	(8,800)	(9,585)	(9,147)	(8,415)
Other	10,929	(2,709)	(4,541)	(2,167)
Net Change in Fiduciary Net Position	3,167,398	1,095,696	1,525,608	(322,157)
Fiduciary Net Position, beginning	13,098,693	12,002,997	10,477,389	10,799,546
Fiduciary Net Position, ending (b)	16,266,091	13,098,693	12,002,997	\$ 10,477,389
Net Pension Liability (Asset), ending = (a) - (b)	\$ (3,156,088)	\$ (216,016)	\$ (928,291)	\$ (15,115)
Fiduciary net position as a % of total pension liability	124.07%	101.68%	108.38%	100.14%
Pensionable covered payroll	\$ 4,665,145	\$ 4,853,311	\$ 4,295,647	\$ 4,555,950
Net pension liability/(asset) as a % of covered payroll	-67.65%	-4.45%	-21.61%	-0.33%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

2017	2016	2015	2014
\$ 391,143	\$ 390,835	\$ 353,975	\$ 318,363
761,277	707,468	677,368	638,921
-	-	(59,580)	-
47,267	-	87,134	-
(117,347)	(118,022)	(240,907)	(105,477)
<u>(561,313)</u>	<u>(471,450)</u>	<u>(431,217)</u>	<u>(385,900)</u>
521,027	508,831	386,773	465,907
<u>9,282,533</u>	<u>8,773,072</u>	<u>8,386,929</u>	<u>7,921,023</u>
<u>\$ 9,803,560</u>	<u>\$ 9,282,533</u>	<u>\$ 8,773,702</u>	<u>\$ 8,386,930</u>
\$ 181,923	\$ 181,349	\$ 188,913	\$ 175,546
208,148	200,164	200,972	182,862
1,396,195	664,253	(714)	595,482
(561,313)	(471,450)	(431,217)	(385,900)
(7,182)	(7,278)	(6,535)	(6,824)
<u>(2,363)</u>	<u>(28,857)</u>	<u>(16,090)</u>	<u>(47,154)</u>
1,215,408	538,181	(64,671)	514,012
<u>9,584,138</u>	<u>9,045,957</u>	<u>9,110,628</u>	<u>8,596,618</u>
<u>\$ 10,799,546</u>	<u>\$ 9,584,138</u>	<u>\$ 9,045,957</u>	<u>\$ 9,110,630</u>
<u>\$ (995,986)</u>	<u>\$ (301,605)</u>	<u>\$ (272,255)</u>	<u>\$ (723,700)</u>
110.16%	103.25%	103.10%	108.63%
\$ 4,162,961	\$ 4,003,284	\$ 4,019,432	\$ 3,629,498
-23.92%	-7.53%	-6.77%	-19.94%

BOSQUE COUNTY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last 10 Fiscal Years

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2012	70,841	85,146	(14,305)	3,405,794	2.5%
2013	113,043	146,796	(33,753)	3,364,368	4.4%
2014	174,216	175,546	(1,330)	3,629,498	4.8%
2015	188,913	188,913	-	4,019,432	4.7%
2016	181,349	181,349	-	4,003,284	4.5%
2017	181,923	181,923	-	4,162,961	4.4%
2018	200,015	200,015	-	4,555,950	4.4%
2019	173,544	214,782	(41,238)	4,295,647	5.0%
2020	204,810	244,607	(39,798)	4,853,311	5.0%
2021	191,737	735,124	(543,386)	4,665,145	15.8%
2022	291,039	369,069	(78,030)	5,272,448	7.0%

BOSQUE COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022

GENERAL BUDGET POLICIES

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

- The County Judge, as budget officer, with the assistance of the County Auditor, prepares a budget to cover all proposed expenditures and the means for financing them for the fiscal year beginning October 1, and submits the proposed budget to the Commissioners' Court. The budget is prepared on the modified accrual basis, which is consistent with the fund financial statements.
- The Commissioners' Court holds budget hearings for the public to make comments.
- The Commissioners' Court, prior to October 1, formally adopts the budget in an open court meeting.
- The adopted budget becomes the authorization for all legal expenditures for the County for the fiscal year. Appropriations lapse at the end of the fiscal year.

The formally adopted budget may be legally amended by commissioners in accordance with Article 689A-11 or 689A-20 of Vernon's Annotated Civil Statutes.

The County maintains its legal level of budgetary control at the department level. Amendments to the 2020 budget were approved by the Commissioners' Court as provided by law throughout the year. All departmental expenditures remained within the appropriations budgets for the year.

ENCUMBRANCES

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at September 30, and encumbrances outstanding at the time are to be either canceled or appropriately provided for in the subsequent year's budget. There were no end-of year outstanding encumbrances that were provided for in the subsequent year's budget.

RETIREMENT SCHEDULES

Valuation Date

Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.

**BOSQUE COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022**

RETIREMENT SCHEDULES (Continued)

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 12/31/2021 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the schedule. 2021: No changes in plan provisions were reflected in the schedule.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenue that is legally restricted to expenditures for particular purposes.

BOSQUE COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Probation	Record Preservation	Jury	Law Library	County Attorney's Hot Check
ASSETS					
Cash and cash equivalents	\$ 2,435	\$ 379,172	\$ 72,831	\$ 104,954	\$ 11,609
Investments-current	-	-	-	-	-
Taxes receivable, net of allowance	-	-	420	-	-
Intergovernmental receivables	-	-	-	-	-
Prepaid items	-	14,064	-	-	-
Total Assets	\$ 2,435	\$ 393,236	\$ 73,251	\$ 104,954	\$ 11,609
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Checks in excess of bank balance	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	1,067	1	-
Due to other funds	-	-	-	-	-
Wages and salaries payable	-	-	-	-	-
Total Liabilities	-	-	1,067	1	-
Deferred Inflows:					
Deferred revenue	-	-	420	-	-
Fund Balances:					
Nonspendable	-	14,064	-	-	-
Restricted	2,435	379,172	71,764	104,953	11,609
Unassigned	-	-	-	-	-
Total Fund Balances	2,435	393,236	71,764	104,953	11,609
Total Liabilities, Deferred Inflows and Fund Balances	\$ 2,435	\$ 393,236	\$ 73,251	\$ 104,954	\$ 11,609

District Attorney	Districts Attorney's Hot Check	D.A. Drug Forfeiture	Court Reporter	Grants	Security
\$ 231,194	\$ 3,380	\$ 56,986	\$ 20,249	\$ 22,537	\$ 49,462
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,750	-	-	-	-	-
<u>\$ 232,944</u>	<u>\$ 3,380</u>	<u>\$ 56,986</u>	<u>\$ 20,249</u>	<u>\$ 22,537</u>	<u>\$ 49,462</u>
\$ -	\$ -	\$ -	\$ -	-	\$ -
7,417	94	-	-	-	6
-	-	-	-	-	-
5,240	-	-	-	-	435
<u>12,657</u>	<u>94</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>441</u>
-	-	-	-	-	-
1,750	-	-	-	-	-
218,537	3,286	56,986	20,249	22,537	49,021
-	-	-	-	-	-
<u>220,287</u>	<u>3,286</u>	<u>56,986</u>	<u>20,249</u>	<u>22,537</u>	<u>49,021</u>
<u>\$ 232,944</u>	<u>\$ 3,380</u>	<u>\$ 56,986</u>	<u>\$ 20,249</u>	<u>\$ 22,537</u>	<u>\$ 49,462</u>

BOSQUE COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Forfeiture	Constable 1 Education	Constable 2 Education	Law Enforcement Education	Constable 1 Special Forfeiture
ASSETS					
Cash and cash equivalents	\$ 5,185	\$ 6,529	\$ 4,939	\$ 5,421	\$ 8,115
Investments-current	-	-	-	-	-
Taxes receivable, net of allowance	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-
Prepaid items	-	124	-	-	-
Total Assets	\$ 5,185	\$ 6,653	\$ 4,939	\$ 5,421	\$ 8,115
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Checks in excess of bank balance	\$ -	\$ -	\$ -	\$ 11,418	\$ -
Accounts payable	1	-	-	-	-
Due to other funds	-	-	-	-	-
Wages and salaries payable	-	-	-	-	-
Total Liabilities	1	-	-	11,418	-
Deferred Inflows:					
Deferred revenue	-	-	-	-	-
Fund Balances:					
Restricted	5,184	6,529	4,939	-	8,115
Unassigned	-	-	-	(5,997)	-
Total Fund Balances	5,184	6,653	4,939	(5,997)	8,115
Total Liabilities, Deferred Inflows and Fund Balances	\$ 5,185	\$ 6,653	\$ 4,939	\$ 5,421	\$ 8,115

D.A. Art 18 Special Forfeiture	JP 1 & 2 & District Clerk Tech Fees	Pre-Trial Fees	Voting Machine	Sherriff's Office Drug Forfeiture	Total Nonmajor Governmental Funds
\$ 34,059	\$ 61,775	\$ 43,346	\$ 95,613	\$ 22,965	\$ 1,242,756
-	-	-	-	-	-
-	-	-	-	-	420
-	-	-	-	-	-
-	-	-	-	-	15,938
<u>\$ 34,059</u>	<u>\$ 61,775</u>	<u>\$ 43,346</u>	<u>\$ 95,613</u>	<u>\$ 22,965</u>	<u>\$ 1,259,114</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,418
-	810	-	5,392	-	14,788
-	-	-	-	-	-
-	-	-	503	-	6,178
-	810	-	5,895	-	32,384
-	-	-	-	-	420
-	-	-	-	-	15,938
34,059	60,965	43,346	89,718	22,965	1,216,369
-	-	-	-	-	(5,997)
<u>34,059</u>	<u>60,965</u>	<u>43,346</u>	<u>89,718</u>	<u>22,965</u>	<u>1,226,310</u>
<u>\$ 34,059</u>	<u>\$ 61,775</u>	<u>\$ 43,346</u>	<u>\$ 95,613</u>	<u>\$ 22,965</u>	<u>\$ 1,259,114</u>

BOSQUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Probation	Record Preservation	Jury	Law Library	County Attorney's Hot Check
REVENUES:					
Taxes:					
Property taxes	\$ -	\$ -	\$ 12,555	\$ -	\$ -
Intergovernmental revenue and grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and fees	2,435	119,223	3,383	10,574	595
Forfeitures	-	-	-	-	-
Investment earnings	-	-	-	-	6
Other revenue	-	-	-	-	-
Total Revenues	<u>2,435</u>	<u>119,223</u>	<u>15,938</u>	<u>10,574</u>	<u>601</u>
EXPENDITURES:					
Current:					
General Government:					
Public finance	-	-	-	-	-
General administration	-	118,659	-	-	-
Judicial	-	-	12,340	5,724	806
Public safety	-	-	-	-	-
Capital Outlay:					
Capital outlay	-	48,920	-	-	-
Total Expenditures	<u>-</u>	<u>167,579</u>	<u>12,340</u>	<u>5,724</u>	<u>806</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,435</u>	<u>(48,356)</u>	<u>3,598</u>	<u>4,850</u>	<u>(205)</u>
OTHER FINANCING SOURCES (USES):					
Other revenue	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,435	(48,356)	3,598	4,850	(205)
Fund Balance-Beginning	-	441,592	68,166	100,103	11,814
Fund Balance-Ending	<u>\$ 2,435</u>	<u>\$ 393,236</u>	<u>\$ 71,764</u>	<u>\$ 104,953</u>	<u>\$ 11,609</u>

District Attorney	Districts Attorney's Hot Check	D.A. Drug Forfeiture	Court Reporter	Grants	Security
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
563,585	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,583	-	13,520
-	-	23,363	-	-	-
-	1	16	-	-	-
2,087	-	-	-	-	-
<u>565,672</u>	<u>1</u>	<u>23,379</u>	<u>7,583</u>	<u>-</u>	<u>13,520</u>
-	-	-	-	-	-
-	-	-	-	-	-
503,454	-	-	-	-	-
-	-	-	-	820	-
-	-	-	-	-	-
<u>503,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>820</u>	<u>-</u>
62,218	1	23,379	7,583	(820)	13,520
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
62,218	1	23,379	7,583	(820)	13,520
158,069	3,285	33,607	12,666	23,357	35,501
<u>\$ 220,287</u>	<u>\$ 3,286</u>	<u>\$ 56,986</u>	<u>\$ 20,249</u>	<u>\$ 22,537</u>	<u>\$ 49,021</u>

BOSQUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Forfeiture	Constable 1 Education	Constable 2 Education	Law Enforcement Education	Constable 1 Special Forfeiture
REVENUES:					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue and grants	-	555	555	2,395	-
Fines and fees	-	-	-	-	-
Forfeitures	-	-	-	-	-
Investment earnings	-	-	-	-	3
Other revenue	-	-	-	-	-
Total Revenues	<u>-</u>	<u>555</u>	<u>555</u>	<u>2,395</u>	<u>3</u>
EXPENDITURES:					
Current:					
General Government:					
Public finance	-	-	-	-	-
General administration	-	-	559	-	-
Judicial	-	-	-	-	-
Public safety	-	269	-	4,620	-
Capital Outlay:					
Capital outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>269</u>	<u>559</u>	<u>4,620</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	<u>-</u>	<u>286</u>	<u>(4)</u>	<u>(2,225)</u>	<u>3</u>
OTHER FINANCING SOURCES (USES):					
Other revenue	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	286	(4)	(2,225)	3
Fund Balance-Beginning	<u>5,184</u>	<u>6,367</u>	<u>4,943</u>	<u>(3,772)</u>	<u>8,112</u>
Fund Balance-Ending	<u>\$ 5,184</u>	<u>\$ 6,653</u>	<u>\$ 4,939</u>	<u>\$ (5,997)</u>	<u>\$ 8,115</u>

D.A. Art 18 Special Forfeiture	JP 1 & 2 & District Clerk Tech Fees	Pre-Trial Fees	Voting Machine Fees	Sherriff's Office Drug Forfeiture	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,555
-	-	-	10,511	-	577,601
-	1,039	5,700	-	-	164,052
394	-	-	-	25,444	49,201
-	-	37	-	-	63
-	-	-	2,303	-	4,390
<u>394</u>	<u>1,039</u>	<u>5,737</u>	<u>12,814</u>	<u>25,444</u>	<u>807,862</u>
-	-	-	-	-	-
-	-	-	148,666	-	267,884
6,487	811	-	-	-	529,622
-	-	-	-	10,801	16,510
-	-	-	-	-	-
-	4,782	-	-	-	53,702
<u>6,487</u>	<u>5,593</u>	<u>-</u>	<u>148,666</u>	<u>10,801</u>	<u>867,718</u>
<u>(6,093)</u>	<u>(4,554)</u>	<u>5,737</u>	<u>(135,852)</u>	<u>14,643</u>	<u>(59,856)</u>
-	-	-	-	-	-
-	-	-	170,000	-	170,000
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>170,000</u>	<u>-</u>	<u>170,000</u>
(6,093)	(4,554)	5,737	34,148	14,643	110,144
40,152	65,519	37,609	55,570	8,322	1,116,166
<u>\$ 34,059</u>	<u>\$ 60,965</u>	<u>\$ 43,346</u>	<u>\$ 89,718</u>	<u>\$ 22,965</u>	<u>\$ 1,226,310</u>

ROAD AND BRIDGE FUND

**BOSQUE COUNTY, TEXAS
COMBINING BALANCE SHEET
ROAD AND BRIDGE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Road and Bridge Maintenance	Total Road and Bridge Funds
ASSETS						
Cash and cash equivalents	\$ 166,072	\$ 251,020	\$ 76,112	\$ 546,543	\$ 152,087	\$ 1,191,834
Investments-current	-	-	-	-	1,036,777	1,036,777
Taxes receivable, net of allowance	10,429	10,128	10,429	10,128	300	41,414
Intergovernmental receivables	-	-	-	-	38,052	38,052
Due from other funds	6,005	1,615	24,819	311	-	32,750
Prepaid items	6,239	7,657	5,747	5,704	12,800	38,147
Total Assets	\$ 188,745	\$ 270,420	\$ 117,107	\$ 562,686	\$ 1,240,016	\$ 2,378,974
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 19,086	\$ 1,747	\$ 7,054	\$ 13,831	\$ -	\$ 41,718
Wages and salaries payable	2,615	2,655	3,217	2,439	-	10,926
Total Liabilities	21,701	4,402	10,271	16,270	-	52,644
Deferred inflows:						
Deferred revenue	10,430	10,128	10,429	10,129	300	41,416
Fund Balances:						
Nonspendable	6,239	7,657	5,747	5,704	12,800	38,147
Restricted	150,375	248,233	90,660	530,583	1,226,916	2,246,767
Unassigned	-	-	-	-	-	-
Total Fund Balances	156,614	255,890	96,407	536,287	1,239,716	2,284,914
Total Liabilities, Deferred Inflows and Fund Balances	\$ 188,745	\$ 270,420	\$ 117,107	\$ 562,686	\$ 1,240,016	\$ 2,378,974

BOSQUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ROAD AND BRIDGE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Road and Bridge Maintenance	Total Road and Bridge Funds
REVENUES:						
Taxes:						
Property taxes	\$ 312,071	\$ 312,071	\$ 312,071	\$ 312,071	\$ 8,968	\$ 1,257,252
Auto registrations	114,520	114,520	114,520	114,520	-	458,080
Intergovernmental revenue and grants	7,437	123,907	7,438	7,434	105,574	251,790
Fines and fees	57,748	57,748	57,748	57,748	280,508	511,500
Total Revenues	491,776	608,246	491,777	491,773	395,050	2,478,622
EXPENDITURES:						
Current:						
Roads	458,793	454,847	487,324	398,308	425,044	2,224,316
Debt Service:						
Debt principal - finance purchase	15,657	22,157	27,912	-	-	65,726
Debt interest - finance purchase	596	6,719	2,975	-	-	10,290
Capital Outlay:						
Capital outlay	-	59,250	20,400	-	483,377	563,027
Total Expenditures	475,046	542,973	538,611	398,308	908,421	2,863,359
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	16,730	65,273	(46,834)	93,465	(513,371)	(384,737)
OTHER FINANCING SOURCES (USES):						
Investment income- interest						
Other revenue	7,916	6,473	22,063	9,050	2,500	48,002
Proceeds from debt	-	-	-	-	482,644	482,644
Transfers in	21,000	21,000	21,000	21,000	-	84,000
Transfers out	-	-	-	-	(84,000)	(84,000)
Total Other Financing Sources (Uses)	28,916	27,473	43,063	30,050	401,144	530,646
Net Change in Fund Balance	45,646	92,746	(3,771)	123,515	(112,227)	145,909
Fund Balance-Beginning	110,968	163,144	100,178	412,772	1,351,943	2,139,005
Fund Balance-Ending	\$ 156,614	\$ 255,890	\$ 96,407	\$ 536,287	\$ 1,239,716	\$ 2,284,914

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 1
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 294,835	\$ 294,835	\$ 312,071	\$ 17,236
Auto registrations	90,000	90,000	114,520	24,520
Intergovernmental revenue and grants	7,500	7,500	7,437	(63)
Fines and fees	50,000	50,000	57,748	7,748
Total Revenues	<u>442,335</u>	<u>442,335</u>	<u>491,776</u>	<u>49,441</u>
EXPENDITURES:				
Current:				
Roads	556,159	556,159	458,793	97,366
Debt Service:				
Debt principal-finance purchase	15,663	15,659	15,657	2
Debt interest-finance purchase	592	596	596	-
Capital Outlay:				
Capital outlay	25,000	4,300	-	4,300
Total Expenditures	<u>597,414</u>	<u>576,714</u>	<u>475,046</u>	<u>101,668</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(155,079)</u>	<u>(134,379)</u>	<u>16,730</u>	<u>151,109</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	-	-	7,916	7,916
Sale of real and personal property	-	-	-	-
Proceeds from debt	-	-	-	-
Proceeds from capital leases	-	-	-	-
Transfers in	21,000	21,000	21,000	-
Transfers out (use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>21,000</u>	<u>21,000</u>	<u>28,916</u>	<u>7,916</u>
Change in Fund Balance	(134,079)	(113,379)	45,646	159,025
Fund Balance-Beginning	<u>110,968</u>	<u>110,968</u>	<u>110,968</u>	<u>-</u>
Fund Balance-Ending	<u>\$ (23,111)</u>	<u>\$ (2,411)</u>	<u>\$ 156,614</u>	<u>\$ 159,025</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 2
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 294,844	\$ 294,844	\$ 312,071	\$ 17,227
Auto registrations	90,000	90,000	114,520	24,520
Intergovernmental revenue and grants	7,500	7,500	123,907	116,407
Fines and fees	50,000	50,000	57,748	7,748
Total Revenues	<u>442,344</u>	<u>442,344</u>	<u>608,246</u>	<u>165,902</u>
EXPENDITURES:				
Current:				
Roads	549,459	549,460	454,847	94,613
Debt Service:				
Debt principal-finance purchase	27,765	22,158	22,157	1
Debt interest-finance purchase	1,112	6,719	6,719	-
Capital Outlay:				
Capital outlay	60,000	60,000	59,250	750
Total Expenditures	<u>638,336</u>	<u>638,337</u>	<u>542,973</u>	<u>95,364</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(195,992)</u>	<u>(195,993)</u>	<u>65,273</u>	<u>261,266</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	-	-	6,473	6,473
Sale of real and personal property	-	-	-	-
Proceeds from debt	-	-	-	-
Proceeds from capital leases	-	-	-	-
Transfers in	(21,000)	(21,000)	21,000	42,000
Transfers out (use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(21,000)</u>	<u>(21,000)</u>	<u>27,473</u>	<u>48,473</u>
Change in Fund Balance	(216,992)	(216,993)	92,746	309,739
Fund Balance-Beginning	<u>163,144</u>	<u>163,144</u>	<u>163,144</u>	<u>-</u>
Fund Balance-Ending	<u>\$ (53,848)</u>	<u>\$ (53,849)</u>	<u>\$ 255,890</u>	<u>\$ 309,739</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 3
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 294,844	\$ 294,844	\$ 312,071	\$ 17,227
Auto registrations	90,000	90,000	114,520	24,520
Intergovernmental revenue and grants	7,500	7,500	7,438	(62)
Fines and fees	50,000	50,000	57,748	7,748
Total Revenues	<u>442,344</u>	<u>442,344</u>	<u>491,777</u>	<u>49,433</u>
EXPENDITURES:				
Current:				
Roads	535,370	528,370	487,324	41,046
Debt Service:				
Debt principal-finance purchase	27,906	27,890	27,912	(22)
Debt interest-finance purchase	2,982	2,998	2,975	23
Capital Outlay:				
Capital outlay	10,000	21,700	20,400	1,300
Total Expenditures	<u>576,258</u>	<u>580,958</u>	<u>538,611</u>	<u>42,347</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(133,914)</u>	<u>(138,614)</u>	<u>(46,834)</u>	<u>91,780</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	-	-	22,063	(22,063)
Sale of real and personal property	-	-	-	-
Proceeds from debt	-	-	-	-
Proceeds from capital leases	-	-	-	-
Transfers in	21,000	21,000	21,000	-
Transfers out (use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>21,000</u>	<u>21,000</u>	<u>43,063</u>	<u>(22,063)</u>
Change in Fund Balance	(112,914)	(117,614)	(3,771)	69,717
Fund Balance-Beginning	<u>100,178</u>	<u>100,178</u>	<u>100,178</u>	<u>-</u>
Fund Balance-Ending	<u>\$ (12,736)</u>	<u>\$ (17,436)</u>	<u>\$ 96,407</u>	<u>\$ 69,717</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 4
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 294,844	\$ 294,844	\$ 312,071	\$ 17,227
Auto registrations	90,000	90,000	114,520	24,520
Intergovernmental revenue and grants	7,500	7,500	7,434	(66)
Fines and fees	50,000	50,000	57,748	7,748
Total Revenues	<u>442,344</u>	<u>442,344</u>	<u>491,773</u>	<u>49,429</u>
EXPENDITURES:				
Current:				
Roads	652,859	652,860	398,308	254,552
Debt Service:				
Debt principal-finance purchase	-	-	-	-
Debt interest-finance purchase	-	-	-	-
Capital Outlay:				
Capital outlay	42,000	42,000	-	42,000
Total Expenditures	<u>694,859</u>	<u>694,860</u>	<u>398,308</u>	<u>296,552</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(252,515)</u>	<u>(252,516)</u>	<u>93,465</u>	<u>345,981</u>
OTHER FINANCING SOURCES (USES):				
Sale of real and personal property	-	-	-	-
Other revenues	-	-	9,050	9,050
Transfers in	21,000	21,000	21,000	-
Transfers out (use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>21,000</u>	<u>21,000</u>	<u>30,050</u>	<u>9,050</u>
Change in Fund Balance	(231,515)	(231,516)	123,515	355,031
Fund Balance-Beginning	<u>412,772</u>	<u>412,772</u>	<u>412,772</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 181,257</u>	<u>\$ 181,256</u>	<u>\$ 536,287</u>	<u>\$ 355,031</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE MAINTENANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget
			(See Note)	Positive
				(Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 8,471	\$ 8,471	\$ 8,968	\$ 497
Auto registrations	-	-	-	-
Intergovernmental revenue and grants	50,000	50,000	105,574	55,574
Fines and fees	95,000	95,000	280,508	185,508
Total Revenues	<u>153,471</u>	<u>153,471</u>	<u>395,050</u>	<u>241,579</u>
EXPENDITURES:				
Current:				
Roads	500,000	500,000	425,044	74,956
Capital Outlay:				
Capital outlay	3,500	486,145	483,377	(2,768)
Total Expenditures	<u>503,500</u>	<u>986,145</u>	<u>908,421</u>	<u>72,188</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(350,029)</u>	<u>(832,674)</u>	<u>(513,371)</u>	<u>313,767</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	2,000	2,000	2,500	500
Proceeds from debt	-	482,645	482,644	(1)
Transfers in	-	-	-	-
Transfers out (use)	(84,000)	(84,000)	(84,000)	-
Total Other Financing Sources (Uses)	<u>(82,000)</u>	<u>400,645</u>	<u>401,144</u>	<u>499</u>
Change in Fund Balance	(432,029)	(432,029)	(112,227)	314,266
Fund Balance-Beginning	<u>1,351,943</u>	<u>1,351,943</u>	<u>1,351,943</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 919,914</u>	<u>\$ 919,914</u>	<u>\$ 1,239,716</u>	<u>\$ 314,266</u>

CAPITAL PROJECT FUNDS

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 39,597	\$ 39,597	\$ 42,148	\$ 2,551
Fines and fees	-	-	4,682	4,682
Total Revenues	<u>39,597</u>	<u>39,597</u>	<u>46,830</u>	<u>2,551</u>
EXPENDITURES:				
Capital Outlay:				
Capital outlay	<u>340,000</u>	<u>340,000</u>	<u>250,298</u>	<u>89,702</u>
Total Expenditures	<u>340,000</u>	<u>340,000</u>	<u>250,298</u>	<u>89,702</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	125,000	125,000
Transfers out (use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>125,000</u>
Change in Fund Balance	(300,403)	(300,403)	(78,468)	217,253
Fund Balance-Beginning	<u>224,881</u>	<u>224,881</u>	<u>224,881</u>	<u>-</u>
Fund Balance-Ending	<u>\$ (75,522)</u>	<u>\$ (75,522)</u>	<u>\$ 146,413</u>	<u>\$ 217,253</u>