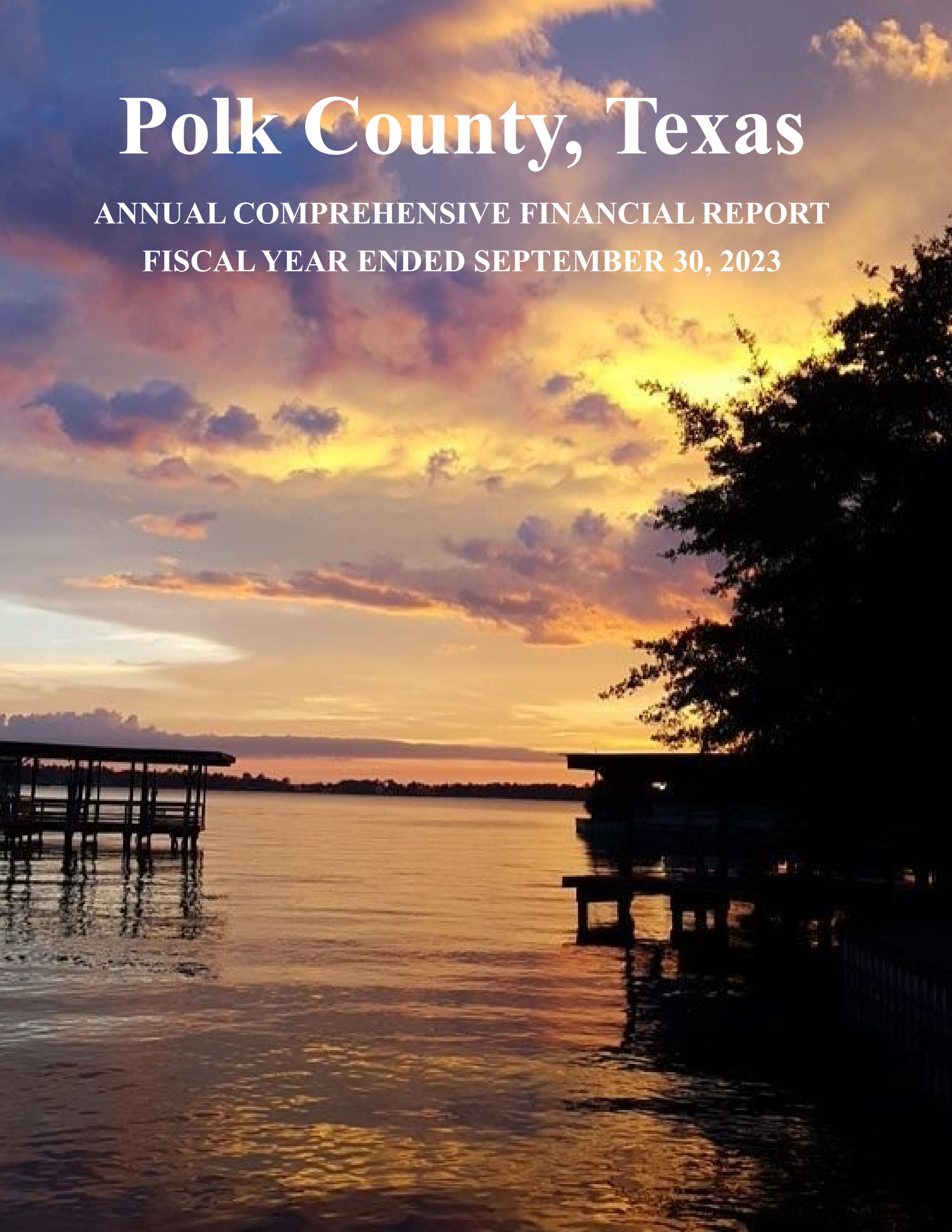


# Polk County, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2023



*ANNUAL COMPREHENSIVE  
FINANCIAL REPORT*

of

**POLK COUNTY, TEXAS**

For the Year Ended  
September 30, 2023

Prepared by:  
County Auditor's Office

Louis Ploth  
County Auditor

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# **POLK COUNTY, TEXAS**

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***INTRODUCTORY SECTION***

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**Louis Ploth**

Phone: (936)-327-6811

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**Polk County Auditor**

602 E Church St., Suite 108

Livingston, Texas 77351

**Polk County**

Livingston, Texas

April 25, 2024

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2023.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

Belt Harris Pechacek, LLLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on Polk County’s (the “County”) financial statements for the year ended September 30, 2023. The independent auditors’ report is the first item in the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

***Profile of Polk County***

Polk County was formed in 1846 as a political subdivision of the Republic of Texas. The County was named in honor of James K. Polk, then President of the United States. The County is located in the tall pine forests of deep east Texas, about 70 miles north of Houston. It occupies a total of 1,095 square miles and serves an estimated population of 54,186. The County is empowered to levy a property tax on real property located within its boundaries.

The County’s governing body is the Commissioners’ Court (the “Court”). The Texas Constitution specifies that the Court consist of a County Judge, who is elected at large and serves as presiding officer, and four County Commissioners elected by the voters of their individual precincts. The Court exercises the powers provided by law to conduct the varied business of the County. The Local Government Code prescribes the duties and grants authority to the Court and other County officers relating to financial management. In compliance with state statutes, the Court maintains budgetary control to ensure that provisions embodied within the annually appropriated budget are met for most County functions. According to the budget laws of the State of Texas (the “State”), expenditures may not exceed the amount appropriated for each fund.

The County provides a full range of services complemented by statute or charter. This includes law enforcement, legal and judicial services, licenses and permits, vital statistics, waste management facilities, construction and maintenance of roads and bridges, and other infrastructure. The County, as the financial reporting entity, includes all the funds of the primary government (i.e., the County as legally defined), as well as any component units. Component units are legally separate entities for which the primary government is financially accountable. The County has one component unit: IAH Public Facility Corporation, which is reported separately within the County’s financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements (see note I.A).



The Court is required to adopt a budget for the fiscal year no later than September 30 preceding the beginning of the fiscal year on October 1. This annual budget serves as the foundation for the County's financial planning and control. The budget is prepared by fund, function (e.g., justice & public safety), and department (e.g., sheriff). The County adopts an itemized budget. Any transfers within and between departments requires approval from the Court.

### ***Local Economy***

The County's local economy of farming changed drastically in the 1800's, when the railroads came into the area, to a timber economy. Today, the timber industry is still a vital part of the local economy and the County's largest employer. The County is the State's largest producer of timber, with over half the land in the County dedicated to timber production. The land of the County is over 75% forest and made up of predominantly pine trees.

The County's close proximity to the greater Houston area (fourth largest city in the U.S.) provides the County numerous benefits, the first of which is access to an international airport only 56 miles from the County Courthouse. The County's recreational opportunities also provide an excellent retreat for big city dwellers wanting to escape to a more relaxed lifestyle.

Although the County is easily accessible to the Texas Medical Center in Houston, first class medical services are available from CHI St. Luke's Health Memorial Livingston, which opened its \$25 million facility in the summer of 2000 and has completed a five-year, \$30 million expansion and improvement program. The complex, located on the Highway 59 Bypass, includes a 66-bed hospital, which provides more than 60,000 patient services with approximately half of those services being performed in a Level 4 Trauma-Designated Emergency Department. The facility provides emergency, surgery, intensive care/critical care, cardiopulmonary, radiology, and women's health departments supported by a community of skilled physicians and specialists.

Construction in 2017 expanded the Memorial Livingston Emergency Department to 23,500 square feet. With state-of-the-art technology and increased resources, our Emergency Department can now serve even more of our growing community. The new facility includes 26 treatment stations, including three trauma rooms, 16 exam rooms, and adjacent radiology, ultrasound, and CT rooms. There are also designated areas for disaster response and decontamination.

The Polk County unemployment rate decreased to 4.8% as of September 2023 with Texas at 3.9% and the U.S. at 3.8% per the information reported on the Texas Labor Market Information website. During the past ten years, the unemployment rate has varied from a low of 3.5% in the year 2019, to a peak high of 12.6% in the year 2020.

Median household incomes within the County are lower than the State as a whole. According to the U.S. Census Bureau (the most recent data in 2022 dollars), Polk County's median household income was \$57,315 with the median income in Texas at \$73,035, while the median income in the United States was at \$75,149. The County's population has increased from the 2020 census of 50,123 to an estimated 54,186. According to the latest information available (stated in 2022 dollars), the U.S. housing market has increased to a median price of \$281,900 for a single-family home, to \$151,100 in Polk County and to \$281,900 in Texas. With the exception of the recent COVID-19 pandemic, over the past ten plus years, the County has experienced a period of consistent economic growth and investment.

The County currently has "AA-/Stable" bond ratings by Standard & Poor's. The County continues to work with its financial advisors and bond counsel to manage debt service to offset any new debt issued with older

debt and limiting the impact to the budget. In 2023, the Court took advantage of surplus depository interest revenues to reimburse our general fund balance for capital purchases rather than issuing tax notes.

Efforts to retain existing business and attract new business and industry to the area serve to increase employment opportunities and strengthen the County's tax base. In the fiscal year 2023, the County saw a continued upsurge in new restaurants and businesses coming into the area, which includes Katie's Café & Bakery, Lakeside Oasis, Two Creeks Crossing Resort, and expansion of The Wet Deck on Lake Livingston. In addition, the City of Livingston has also seen a continued resurgence on Washington Avenue, which is its main downtown retail-shopping street.

The Polk County College/Commerce Center (the "Center"), located on the Highway 59 Bypass near the hospital, provides advanced curriculum study and technical training through Lamar State College and offers much needed public auditorium space. Lamar College is working to incorporate a Commercial Driver's License training program which could provide numerous employment opportunities for local individuals as well as expansion opportunities for local businesses. The Center provides a conference center capable of meeting local needs that were previously found only in communities located 50 to 60 miles away and has a very favorable impact on the local economy. Construction of the facility began in fiscal year 2012 and opened for its first event in August 2013. The County financed this project (not tax supported) with an Economic Development Grant of \$4,000,000 and an additional \$3,537,864 in Disaster Recovery and Community Development Block Grant funds. Locally, additional funds were raised in the amount of \$1,755,929 and \$750,000 in support and was pledged by the T.L.L. Temple Foundation.

In fiscal year 2023, the County continued to fund the full cost of employee health insurance premiums, unlike many counties and other employers responding to rising health insurance costs by requiring employee contributions toward their insurance premiums.

The adopted FY2023 budget included 4% of employee payroll for discretionary raises and the Commissioners' Court approved a 10% cost of living adjustment for retirees.

During fiscal year 2023, the County contributed \$670,190 (\$502,000 budgeted plus \$168,190 from surplus depository interest) of the funding recommended by the actuary for the Retiree Health Benefits Trust to ensure availability of health insurance benefits to eligible County retirees and the necessary funding to meet the contribution rate determined annually by the Texas County and District Retirement System to fully fund retiree pensions.

Total general fund balance remaining (the total of the nonspendable, restricted, committed, assigned, and unassigned components of general fund balance) in the general fund at fiscal year end 2023 was 86% of total general fund expenditures for fiscal year 2023. This amount was above the policy guidelines set by the Court for budgetary and planning purposes (i.e., three months of general fund expenditures, approximately 25%). The County tries to maintain a greater than 25% reserve in its general fund balance, which can be utilized to manage unforeseen events such as the tornado that hit Polk County in 2020.

In the fiscal year 2023, expenditures surpassed revenues by \$5,475,694. However, this figure includes a transfer from the General Fund to the Restoration Projects Fund totaling \$5,950,000, and unbudgeted expenditures for real estate acquisitions amounting to \$3,180,439. These acquisitions comprised a parking lot adjacent to our historic courthouse, which is presently undergoing complete historic restoration, a building with parking opposite that lot to accommodate our anticipated growth, and approximately 325 acres for future expansion of our landfill. Fiscal year 2023 revenues exceeded projections by \$2,707,085, primarily attributable to spikes in sales tax and depository interest revenue.

### ***Relevant Financial Policies***

The County adheres to a policy mandating the adoption of a balanced annual operating budget (i.e., estimated revenues equal to or in excess of appropriations). The County had budgeted for revenues to exceed expenditures based on the original adopted budget. In cases where expenditures exceed appropriations, the policy allows for the appropriation of fund balance to close the gap. Such was the case in fiscal year 2023, when the Commissioners' Court voted to balance the budget by utilizing a portion of the County's reserves (\$200,554) to cover a portion of the unfunded mandates passed onto us by the Texas state Legislature, such as juvenile probation, indigent health, and inmate mental health expenditures. Fortunately, we were able to return most of this to the general fund balance at the end of the fiscal year, as inmate mental health and indigent health expenditures were lower than projected.

Through the American Rescue Plan Act (ARPA), the County received (\$9,974,718) in two payments and has been working to obligate these funds before the December 31, 2024 deadline and ensure they are spent before the December 31, 2026 deadline. Most notably, these funds have been allocated for improvements in radio and internet communications and in water infrastructure in the unincorporated areas of Polk County. The radio and internet projects are well underway to being completed before the end of 2024. Once completed, residents and businesses throughout Polk County will have more reliable service including vastly improved communication amongst emergency service providers. In addition to receiving ARPA funds, Polk County anticipates receiving Hurricane Harvey Regional Mitigation Funding in the amount of \$17,098,000 and will spend a significant amount of these funds on additional water infrastructure projects and community resource centers. All of the approved water infrastructure projects have buy-in from the water supply companies in the form of a 25% match, ensuring their commitment to maintaining quality water service for residents.

Throughout the year, and into the next several years, we will see a significant payoff from the ARPA and Hurricane Harvey Regional Mitigation Funds committed in fiscal year 2022 and fiscal year 2023. The major improvements to communications and water infrastructure that the Court has committed to will have a tremendous impact on the lives of those residing and working in Polk County. The remaining ARPA funds allocated to Polk County were committed to equipment for our Volunteer Fire Departments and Ambulance Service Providers, audio and video equipment for County & District Courts, record preservation projects for the County and District Clerks, and various projects in each of the Commissioners' precincts.

### ***Awards and Acknowledgements***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2022. This was the 12<sup>th</sup> consecutive year that the government has achieved the prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

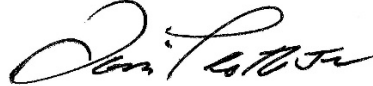
A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The County has received the GFOA's Distinguished Budget Presentation Award since the County's first submittal to the award program of the annual budget for the fiscal year beginning October 1, 1999. To qualify the fiscal year for the Distinguished Budget Presentation Award, the County's budget document

had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the leadership of the District Judges and the skill, effort, and dedication of the entire Auditor's office, combined with special assistance from Human Resources, the Treasurer's Office, and Information Technologies. We wish to thank all County departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the County Judge and Court for their unfailing support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Louis Ploth". The signature is fluid and cursive, with a large initial "L" and "P".

Louis Ploth, County Auditor

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Polk County  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

*Christopher P. Morill*

Executive Director/CEO

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**POLK COUNTY, TEXAS**  
**LIST OF ELECTED AND APPOINTED OFFICIALS**  
For the Year ended September 30, 2023

**DISTRICT JUDGES:**

John Wells	411th District Judge
Travis E. Kitchens, Jr.	258th District Judge

**COMMISSIONERS' COURT:**

Sydney Murphy	County Judge
Gyulene Robertson	Commissioner, Precinct #1
Mark Dubose	Commissioner, Precinct #2
Milton B. Purvis	Commissioner, Precinct #3
Jerry Cassity	Commissioner, Precinct #4

**JUDICIAL:**

Shelly Bush-Sitton	District Attorney
Bobbye Christopher	District Clerk

**COUNTY COURT AT LAW:**

Tom Brown	Judge, County Court at Law
Schelana Hock	County Clerk

**JUSTICE COURTS:**

Terri L. Mayer	Justice of Peace, Precinct #1
Sarah Raspberry	Justice of Peace, Precinct #2
Robert Johnson	Justice of Peace, Precinct #3
Jamie Richardson	Justice of Peace, Precinct #4

**LAW ENFORCEMENT:**

Byron Lyons	County Sheriff
Scott Hughes	Constable, Precinct #1
William "Bill" Cunningham	Constable, Precinct #2
Anthony "Ray" Myers	Constable, Precinct #3
Darwon Evans	Constable, Precinct #4

**FINANCIAL ADMINISTRATION:**

Steven L. Hullihen	Tax Assessor/Collector
Terri Williams	County Treasurer
Louis Ploth	County Auditor*

\*Designated appointed official. All others are elected.

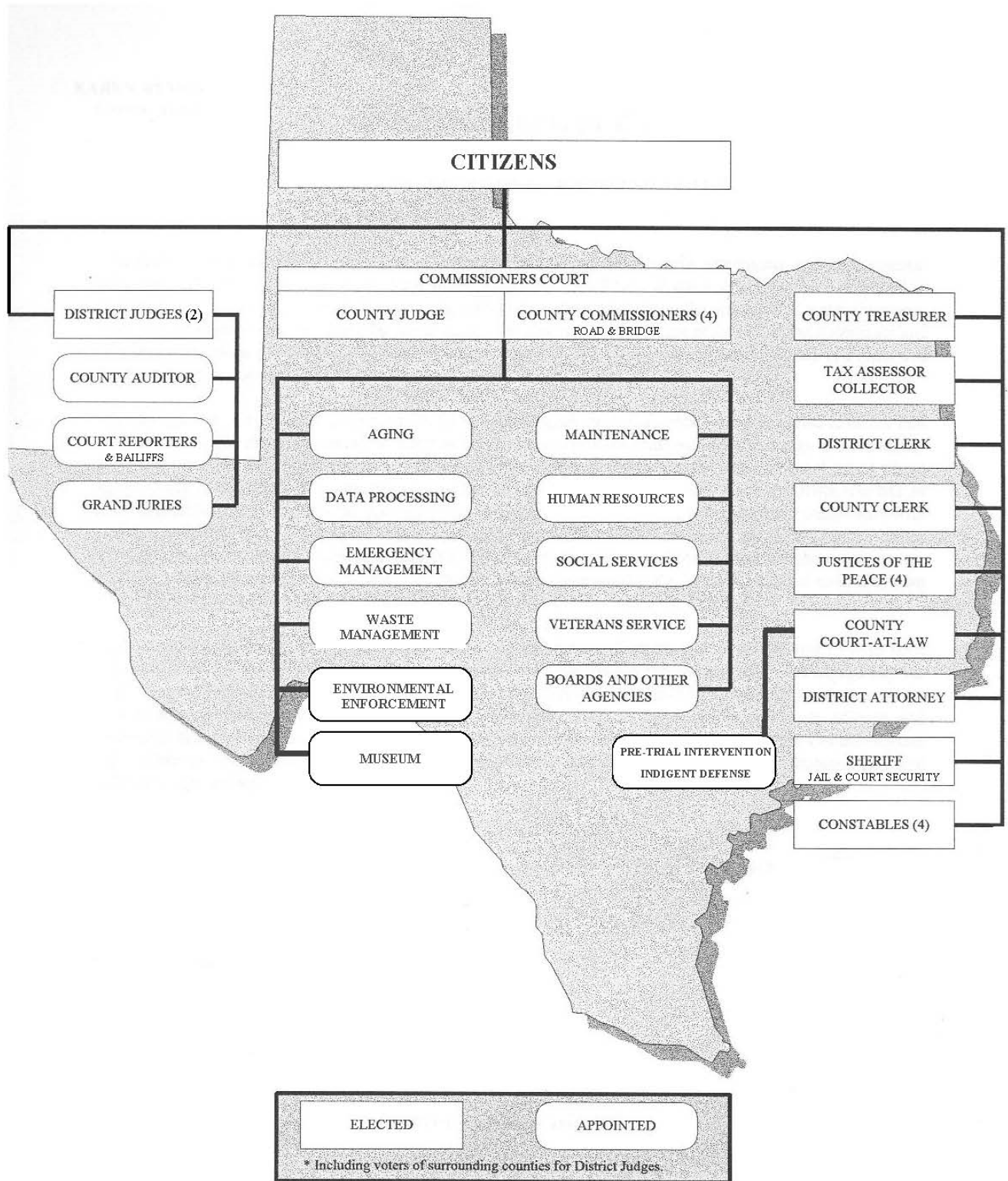


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# POLK COUNTY, TEXAS

## ORGANIZATIONAL CHART

September 30, 2023



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***FINANCIAL SECTION***

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## ***INDEPENDENT AUDITORS' REPORT***

To the Honorable County Judge and  
Members of the Commissioners' Court of  
Polk County, Texas:

### **Report on the Audit of the Financial Statements**

#### **Opinions**

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

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

#### **Basis for Opinions**

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

#### **Responsibility 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 and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedules of changes in net pension and other postemployment benefits liability and related ratios, and schedule of contributions, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

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

### **Other Information**

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

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
April 25, 2024



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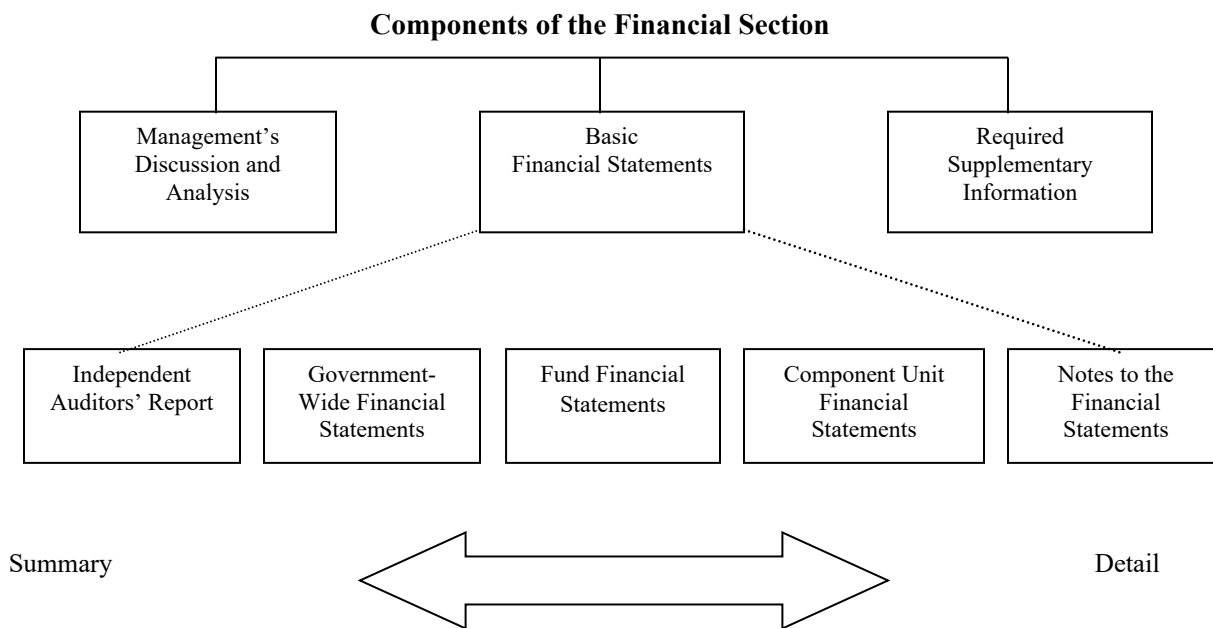
***MANAGEMENT'S DISCUSSION AND ANALYSIS***

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**POLK COUNTY, TEXAS**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**For the Year Ended September 30, 2023**

The purpose of the Management’s Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of Polk County, Texas (the “County”) for the year ended September 30, 2023. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the County’s activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the County’s financial statements, which follow this section.

**THE STRUCTURE OF OUR ANNUAL REPORT**



The County’s basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**GOVERNMENT-WIDE STATEMENTS**

The government-wide statements report information for the County as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the County as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the County’s financial statements, report information on the County’s activities that enable the reader to understand the financial condition of the County. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year’s revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the County’s assets, liabilities, and deferred outflows/inflows of resources, with the difference 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. Other nonfinancial factors, such as the County’s property tax base and the condition of the County’s infrastructure, need to be considered in order to assess the overall health of the County.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2023**

The Statement of Activities presents information showing how the County's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows using the accrual method rather than modified accrual that is used in the fund level statements.

In the Statement of Net Position and the Statement of Activities, the County has only one type of activity:

1. *Governmental Activities* – Most of the County's basic services are reported here such as general government, administration of justice, roads and bridges, health and human services, tax administration, and interest and fiscal agent fees on long-term debt. Property tax, sales tax, charges for services, and intergovernmental revenue finance most of these activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate public corporation for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found after the MD&A.

## **FUND FINANCIAL STATEMENTS**

Funds may be considered as operating companies of the parent corporation, which is the County. They are usually segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The two categories of County funds are governmental and fiduciary.

### **Governmental Funds**

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

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

The County maintains 41 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, road and bridge fund, American Rescue Plan Act (ARPA) fund, available school fund, and restoration projects fund, which are considered to be major funds for reporting purposes. The debt service fund did not meet the technical criteria to be presented as a major fund; however, the County has elected to present it as major due to its significance.

The County adopts an annual appropriated budget for its general, road and bridge, debt service, available school, and select special revenue funds. Budgetary comparison schedules have been provided for the general, road and bridge, debt service, available school, and select special revenue funds to demonstrate compliance with these budgets.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2023**

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accrual basis of accounting is used for fiduciary funds. The County maintains seven fiduciary funds. The County's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position.

**Notes to Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

**Other Information**

In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes budgetary comparison schedules for the general fund, road and bridge fund, and available school fund, as well as a schedule of changes in net pension liability and related ratios and schedule of contributions for the Texas County and District Retirement System and a schedule of changes in net other postemployment benefits (OPEB) for the Polk County Retiree Healthcare Plan. RSI can be found after the notes to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve, over time, as a useful indicator of the County's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$62,160,941 as of September 30, 2023. This compares to \$55,039,838 from the prior fiscal year. A significant portion of the County's net position \$45,427,252, reflects its investments in capital assets, (e.g., construction in progress, buildings, equipment, and infrastructure) less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2023

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Current and other assets	\$ 46,310,726	\$ 53,317,661
Capital assets	62,284,998	57,961,501
<b>Total Assets</b>	<b>108,595,724</b>	<b>111,279,162</b>
Deferred charge on refunding	672,850	846,398
Deferred outflows - pensions	2,999,136	3,027,036
Deferred outflows - OPEB	2,641,994	3,145,319
<b>Total Deferred Outflows of Resources</b>	<b>6,313,980</b>	<b>7,018,753</b>
Other liabilities	16,056,670	18,225,282
Long-term liabilities	32,323,210	32,398,038
<b>Total Liabilities</b>	<b>48,379,880</b>	<b>50,623,320</b>
Deferred inflows - leases receivable	549,788	386,781
Deferred inflows - pensions	387,178	10,006,289
Deferred inflows - OPEB	3,431,917	2,241,687
<b>Total Deferred Inflows of Resources</b>	<b>4,368,883</b>	<b>12,634,757</b>
<b>Net Position:</b>		
Net investment in capital assets	45,427,252	38,941,024
Restricted	17,800,633	12,251,734
Unrestricted	(1,066,944)	3,847,080
<b>Total Net Position</b>	<b>\$ 62,160,941</b>	<b>\$ 55,039,838</b>

A portion of the County's net position, \$17,800,633 or 28.6 percent, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$1,066,944. The County had an increase to net position of \$7,121,103 for the fiscal year, due to an overall net increase in revenues of \$7,590,179.

Current assets decreased by \$7,006,935 to \$46,310,726, and capital assets increased by \$4,323,497 to \$62,284,998. Total assets for the County decreased from the prior year from \$111,279,162 to \$108,595,724. This decrease can be attributed to the use of the ARPA funds that were held in cash in the prior year, as well as the change of the net pension asset to a liability for the fiscal year. Long-term liabilities decreased by \$74,828. There was a decrease in other liabilities primarily due to use of unearned revenue related to ARPA funds. Total deferred inflows of resources decreased primarily due to projected and actual investment earnings for pensions.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2023

**Statement of Activities**

The following table provides a summary of the County's changes in net position:

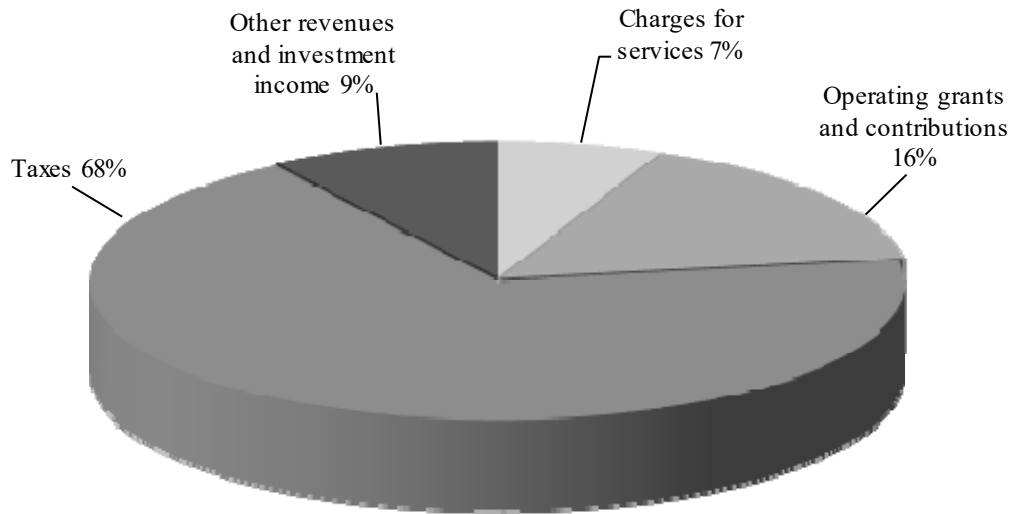
	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 3,003,133	\$ 3,291,846
Operating grants and contributions	7,462,177	3,184,486
General revenues:		
Taxes	31,422,617	29,010,768
Investment income	2,166,648	310,023
Other revenues	2,046,119	2,713,392
<b>Total Revenues</b>	<u>46,100,694</u>	<u>38,510,515</u>
<b>Expenses</b>		
General government	20,139,589	9,976,837
Administration of justice	11,875,231	13,026,844
Roads and bridges	4,220,380	7,087,458
Health and human services	1,185,825	1,016,272
Tax administration	994,009	1,348,198
Interest and fiscal agent fees on long-term debt	564,557	1,116,859
<b>Total Expenses</b>	<u>38,979,591</u>	<u>33,572,468</u>
<b>Change in Net Position</b>	7,121,103	4,938,047
Beginning net position	<u>55,039,838</u>	<u>50,101,791</u>
<b>Ending Net Position</b>	<u>\$ 62,160,941</u>	<u>\$ 55,039,838</u>



**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2023**

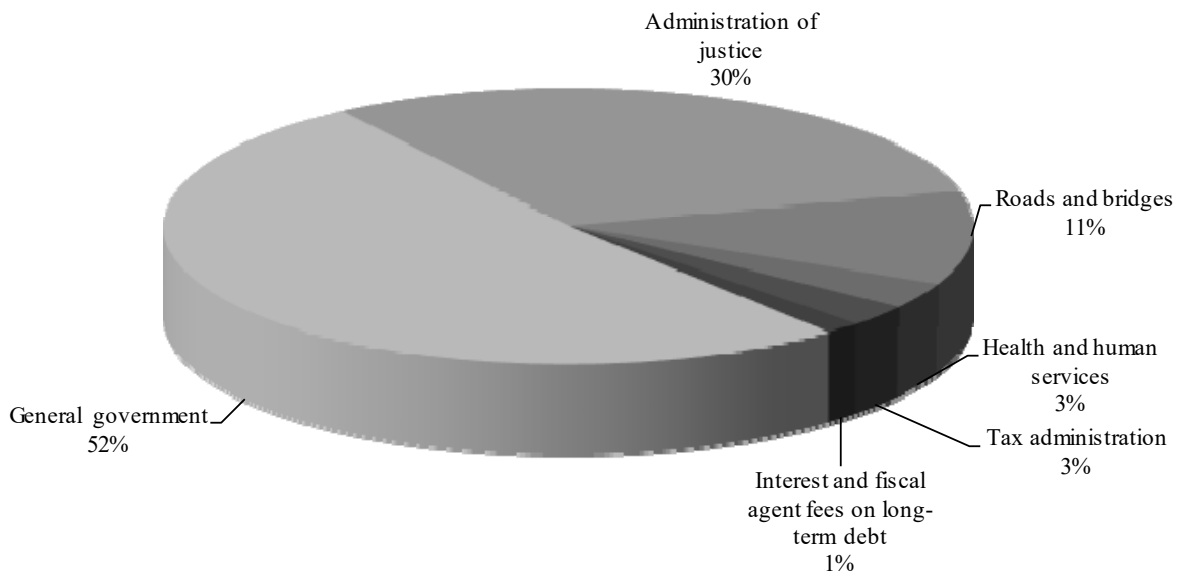
Graphic presentations of selected data from the summary tables follow to assist in the analysis of the County's activities:

**Governmental Revenues**



Total governmental activities revenues increased by \$7,590,179 from the prior year. The increase can be attributed to an increase in taxes and investment income as well as operating grants and contributions related to recognition of ARPA grant revenue as a result of spending on allowable costs.

**Governmental Expenses**



Governmental activities expenses increased by \$5,407,123 from the prior year. The increase in expenses was mainly attributed to increases in general government. Expenses increased due to increased personnel costs, ARPA fund

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2023**

expenses, county clerk records preservation expenses, grant fund expenses, and an increase in disbursements within the permanent school fund.

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

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

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

The County's governmental funds reflect a combined fund balance of \$32,309,959. Of this, \$576,157 is restricted for endowments/trusts, \$2,155,976 is restricted for road and bridge, \$15,005,237 is restricted for special projects, \$63,263 is restricted for debt service, \$4,503 is restricted for capital projects, and \$48,392 is considered nonspendable for prepaids. The County has also assigned \$848,811 for post closure care costs for its landfill. The amount of unassigned fund balance is \$13,607,620.

There was a net increase in the combined fund balance of \$110,801 from the prior year. The largest increases in fund balances are in the road and bridge, American Rescue Plan Act, and the restoration projects funds, which were \$471,956, \$354,503, and \$4,985,564, respectively. These increases were primarily offset by a decrease in the general fund of \$5,475,694.

The fund balance of the general fund decreased by \$5,475,694, leaving an ending fund balance of \$13,656,012. This change can be attributed to increases in personnel and utility costs, as well as an increase in capital outlay. The County's fund balance policy for the general fund is to maintain a minimum balance of 25 percent of average annual expenditures. Unassigned fund balance for the general fund is in compliance with the policy.

There was a decrease of \$45,370 in the debt service fund providing an ending fund balance of \$912,074. Debt service expenditures totaled \$3,698,464 for the year, which is an increase from the prior year.

The road and bridge fund had an increase in fund balance of \$471,956, which brings the ending fund balance to \$2,155,976. The increase was primarily due to an increase in property tax collections, which was offset by an increase in capital outlay.

The County recognized \$3,072,848 of the American Rescue Plan Act grant funds during the current fiscal year. The unused funds of \$6,720,449 were recorded as unearned revenue to be used in future fiscal years.

The available school fund balance increased by \$53,338 bringing the total fund balance to \$345,134. This increase can be attributed to transfers in and investment income.

The restoration projects fund balance increased by \$4,985,564, which was primarily due to the \$5,950,000 transfer in that was recorded from the general fund. This was offset by the capital outlay expensed during the year for the project.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The County had planned for a use of general fund balance after amendments of \$9,549,978. Actual revenues exceeded budgeted revenues by a net \$1,941,044 primarily due to more than expected revenues from sales tax and intergovernmental revenue. The actual general fund expenditures were under the final budget by \$2,155,402 mainly

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2023**

due to less general government and administration of justice expenditures. During the 2023 fiscal year, the Commissioners' Court amended the budget for the following purposes:

- To re-appropriate monies to pay for commitments in the form of encumbrances established prior to September 30, 2023, but not paid by that date;
- To appropriate monies from other governmental units received in year September 30, 2023;
- To re-appropriate monies within or between departments; and
- To reflect department year end projections.

**CAPITAL ASSETS**

At the end of the year, the County's governmental activities had invested \$62,284,998 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$4,323,497.

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

- Purchase of 325 acres for the landfill
- Purchase of a building and parking lot
- Completion of the animal shelter in Leggett

More detailed information about the County's capital assets is presented in note III.D. to the financial statements.

**LONG-TERM DEBT**

At the end of the year, the County reported total bonds and tax notes of \$13,655,000.

More detailed information about the County's long-term liabilities is presented in note III.E to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The fiscal year 2024 budget for current property taxes is expected to generate \$26,839,181, which is an increase of \$1,698,578 over the prior budgeted fiscal year 2023 amount of \$25,140,603, primarily due to new construction. Sales tax revenue for fiscal year 2024 is budgeted at \$3,800,000 as compared to fiscal year 2023 budget of \$3,200,000, which is an increase of \$600,000. This increase is consistent with the economic growth we are seeing in Polk County.

Despite the current rise in revenue, the County is unable to predict the long-term repercussions of the Texas Legislature's ongoing efforts to limit the County's ability to raise tax rates, especially in the face of escalating inflation and other variables. The impact of these factors on the County's operating expenses remains uncertain. Additionally, the County faces increased demands for services and maintenance due to recent construction and aging infrastructure. While fiscal year 2024 and beyond are expected to see continued growth and stability, there is no guarantee that economic factors will not undermine the County's economic stability.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the County's finances. Questions concerning this report or requests for additional financial information should be directed to Louis Ploth, County Auditor, Polk County, 602 East Church Street, Suite 108, Livingston, Texas 77351.

***BASIC FINANCIAL STATEMENTS***

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# POLK COUNTY, TEXAS

## STATEMENT OF NET POSITION

September 30, 2023

	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental Activities</b>	
<b><u>Assets</u></b>		
Cash and cash equivalents	\$ 37,529,491	\$ 11,102,342
Receivables, net	8,732,843	2,190,566
Prepays	48,392	-
<b>Total Current Assets</b>	<b>46,310,726</b>	<b>13,292,908</b>
Noncurrent assets:		
Nondepreciable/nonamortizable capital assets	7,565,478	330,346
Net depreciable/amortizable capital assets	54,719,520	6,677,932
<b>Total Noncurrent Assets</b>	<b>62,284,998</b>	<b>7,008,278</b>
<b>Total Assets</b>	<b>108,595,724</b>	<b>20,301,186</b>
<b><u>Deferred Outflows of Resources</u></b>		
Deferred charge on refunding	672,850	-
Deferred outflows - pensions	2,999,136	-
Deferred outflows - OPEB	2,641,994	-
<b>Total Deferred Outflows of Resources</b>	<b>6,313,980</b>	<b>-</b>
<b><u>Liabilities</u></b>		
Current liabilities:		
Accounts payable and accrued liabilities	2,570,763	3,097,384
Unearned revenue	8,634,136	185,386
Accrued interest payable	80,152	65,033
Due to other units	48,588	-
Long-term liabilities due within one year	4,723,031	3,295,000
<b>Total Current Liabilities</b>	<b>16,056,670</b>	<b>6,642,803</b>
Noncurrent liabilities:		
Long-term liabilities due in more than one year	32,323,210	3,275,000
<b>Total Noncurrent Liabilities</b>	<b>32,323,210</b>	<b>3,275,000</b>
<b>Total Liabilities</b>	<b>48,379,880</b>	<b>9,917,803</b>
<b><u>Deferred Inflows of Resources</u></b>		
Deferred inflows - pensions	387,178	-
Deferred inflows - OPEB	3,431,917	-
Deferred inflows - leases	549,788	-
<b>Total Deferred Inflows of Resources</b>	<b>4,368,883</b>	<b>-</b>
<b><u>Net Position</u></b>		
Net investment in capital assets	45,427,252	438,278
Restricted for:		
Debt service	63,263	-
Endowments/trusts	576,157	-
Road and bridge	2,155,976	-
Special projects	15,005,237	9,945,105
Unrestricted	(1,066,944)	-
<b>Total Net Position</b>	<b>\$ 62,160,941</b>	<b>\$ 10,383,383</b>

See Notes to Financial Statements.

# POLK COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Primary Government:</b>			
<b>Governmental Activities:</b>			
General government	\$ 20,139,589	\$ 2,141,281	\$ 6,300,718
Administration of justice	11,875,231	385,227	556,090
Roads and bridges	4,220,380	83,122	161,415
Health and human services	1,185,825	393,503	443,954
Tax administration	994,009	-	-
Interest and fiscal agent fees on long-term debt	564,557	-	-
<b>Total Governmental Activities</b>	<b>38,979,591</b>	<b>3,003,133</b>	<b>7,462,177</b>
<b>Total Primary Government</b>	<b>\$ 38,979,591</b>	<b>\$ 3,003,133</b>	<b>\$ 7,462,177</b>
 <b>Component Unit:</b>			
<b>IAH Public Facility Corporation</b>			
Detention facility	\$ 20,667,171	\$ 22,650,004	\$ -
Interest and fiscal agent fees on long-term debt	268,133	-	-
<b>Total Component Unit</b>	<b>\$ 20,935,304</b>	<b>\$ 22,650,004</b>	<b>\$ -</b>

**General Revenues:**

- Property taxes
- Sales taxes
- Other taxes
- Investment income
- Other revenues
- Gain on early extinguishment of debt

**Total General Revenues**

**Change in Net Position**

Beginning net position

**Ending Net Position**

See Notes to Financial Statements.

**Net (Expense) Revenue and  
Changes in Net Position**

<b>Primary Government Activities</b>	<b>Component Unit</b>
\$ (11,697,590)	\$ -
(10,933,914)	-
(3,975,843)	-
(348,368)	-
(994,009)	-
(564,557)	-
<u>(28,514,281)</u>	<u>-</u>
<u>(28,514,281)</u>	<u>-</u>
-	1,982,833
-	<u>(268,133)</u>
<u>-</u>	<u>1,714,700</u>
25,943,755	-
3,923,390	-
1,555,472	-
2,166,648	360,148
2,046,119	-
-	83,011
<u>35,635,384</u>	<u>443,159</u>
7,121,103	2,157,859
<u>55,039,838</u>	<u>8,225,524</u>
<u>\$ 62,160,941</u>	<u>\$ 10,383,383</u>



# POLK COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

September 30, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Road and Bridge</u>	<u>American Rescue Plan Act</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 13,756,972	\$ 915,592	\$ 2,567,979	\$ 7,198,794
Receivables, net	5,391,708	358,935	572,823	-
Prepays	48,392	-	-	-
Due from other funds	474,817	-	-	-
<b>Total Assets</b>	<b>\$ 19,671,889</b>	<b>\$ 1,274,527</b>	<b>\$ 3,140,802</b>	<b>\$ 7,198,794</b>
 <b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>				
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 1,946,028	\$ 3,519	\$ 427,788	\$ 54,185
Unearned revenue	-	-	-	6,720,449
Due to other units	-	-	48,541	-
Due to other funds	2,190,000	-	-	-
<b>Total Liabilities</b>	<b>4,136,028</b>	<b>3,519</b>	<b>476,329</b>	<b>6,774,634</b>
 <b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - leases	549,788	-	-	-
Unavailable revenue - property taxes	1,330,061	358,934	508,497	-
<b>Total Deferred Inflows of Resources</b>	<b>1,879,849</b>	<b>358,934</b>	<b>508,497</b>	<b>-</b>
 <b><u>Fund Balances</u></b>				
Nonspendable:				
Prepays	48,392	-	-	-
Restricted:				
Debt service	-	63,263	-	-
Road and bridge	-	-	2,155,976	-
Special projects	-	-	-	424,160
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
Assigned:				
Post closure care costs	-	848,811	-	-
Unassigned	13,607,620	-	-	-
<b>Total Fund Balances</b>	<b>13,656,012</b>	<b>912,074</b>	<b>2,155,976</b>	<b>424,160</b>
 <b>Total Liabilities, Deferred Inflows of of Resources, and Fund Balances</b>	 <b>\$ 19,671,889</b>	 <b>\$ 1,274,527</b>	 <b>\$ 3,140,802</b>	 <b>\$ 7,198,794</b>

See Notes to Financial Statements.

<u>Available School</u>	<u>Restoration Projects</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
\$ 338,360	\$ 8,570,760	\$ 4,181,034	\$ 37,529,491
1,790,757	-	618,620	8,732,843
-	-	-	48,392
-	2,190,000	-	2,664,817
<u>\$ 2,129,117</u>	<u>\$ 10,760,760</u>	<u>\$ 4,799,654</u>	<u>\$ 48,975,543</u>
\$ -	\$ 48,637	\$ 90,606	\$ 2,570,763
1,783,983	-	129,704	8,634,136
-	-	47	48,588
-	-	474,817	2,664,817
<u>1,783,983</u>	<u>48,637</u>	<u>695,174</u>	<u>13,918,304</u>
-	-	-	549,788
-	-	-	2,197,492
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,747,280</u>
-	-	-	48,392
-	-	-	63,263
-	-	-	2,155,976
345,134	10,712,123	3,523,820	15,005,237
-	-	4,503	4,503
-	-	576,157	576,157
-	-	-	848,811
-	-	-	13,607,620
<u>345,134</u>	<u>10,712,123</u>	<u>4,104,480</u>	<u>32,309,959</u>
<u>\$ 2,129,117</u>	<u>\$ 10,760,760</u>	<u>\$ 4,799,654</u>	<u>\$ 48,975,543</u>

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

Fund balances - total governmental funds	\$	32,309,959
Adjustments for the Statement of Net Position:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Nondepreciable/nonamortizable capital assets		7,565,478
Net depreciable/amortizable capital assets		54,719,520
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		
Deferred revenue		2,197,492
Deferred outflows and deferred inflows related to pension activity and other postemployment benefits (OPEB) are not current financial resources and, therefore, not reported in the governmental funds.		
Deferred outflows - pensions		2,999,136
Deferred inflows - pensions		(387,178)
Deferred outflows - OPEB		2,641,994
Deferred inflows - OPEB		(3,431,917)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued interest payable		(80,152)
Deferred charge on refunding		672,850
Long-term liabilities due within one year		(4,723,031)
Long-term liabilities due in more than one year		(32,323,210)
<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>62,160,941</u></b>

See Notes to Financial Statements.

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

	<u>General</u>	<u>Debt Service</u>	<u>Road and Bridge</u>	<u>American Rescue Plan Act</u>
<b><u>Revenues</u></b>				
Property taxes	\$ 16,150,199	\$ 3,615,425	\$ 6,119,033	\$ -
Sales taxes	3,923,390	-	-	-
Other taxes	492,482	-	988,926	-
Fines and forfeitures	507,604	-	83,122	-
Charges for services	1,336,619	-	-	-
Intergovernmental	1,846,917	-	135,960	3,072,848
Licenses and permits	291,060	-	-	-
Investment income	1,498,449	37,669	80,485	354,503
Other revenue	1,410,430	-	158,473	-
<b>Total Revenues</b>	<u>27,457,150</u>	<u>3,653,094</u>	<u>7,565,999</u>	<u>3,427,351</u>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
General government	7,972,121	-	-	3,072,848
Administration of justice	13,700,147	-	-	-
Roads and bridges	-	-	6,552,247	-
Health and human services	671,552	-	-	-
Tax administration	1,029,035	-	-	-
<b>Debt service:</b>				
Principal	259,020	3,035,000	1,173,549	-
Interest and fiscal charges	5,735	663,464	34,142	-
<b>Capital outlay</b>				
	4,758,491	-	1,831,096	-
<b>Total Expenditures</b>	<u>28,396,101</u>	<u>3,698,464</u>	<u>9,591,034</u>	<u>3,072,848</u>
<b>Excess (Deficiency) of</b>				
<b>Revenues Over (Under) Expenditures</b>	(938,951)	(45,370)	(2,025,035)	354,503
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	598,461	-	-	-
Transfers (out)	(6,262,056)	-	-	-
Leases	1,126,852	-	1,491,022	-
Sale of capital assets	-	-	1,005,969	-
<b>Total Other Financing Sources (Uses)</b>	<u>(4,536,743)</u>	<u>-</u>	<u>2,496,991</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(5,475,694)	(45,370)	471,956	354,503
Beginning fund balances	<u>19,131,706</u>	<u>957,444</u>	<u>1,684,020</u>	<u>69,657</u>
<b>Ending Fund Balances</b>	<u>\$ 13,656,012</u>	<u>\$ 912,074</u>	<u>\$ 2,155,976</u>	<u>\$ 424,160</u>

See Notes to Financial Statements.

<u>Available School</u>	<u>Restoration Projects</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 25,884,657
-	-	-	3,923,390
-	-	74,064	1,555,472
-	-	19,956	610,682
-	-	764,772	2,101,391
-	-	2,406,452	7,462,177
-	-	-	291,060
16,320	92,815	86,407	2,166,648
206,470	-	270,746	2,046,119
<u>222,790</u>	<u>92,815</u>	<u>3,622,397</u>	<u>46,041,596</u>
202,891	-	1,760,480	13,008,340
-	-	814,897	14,515,044
-	-	-	6,552,247
-	-	512,629	1,184,181
-	-	-	1,029,035
-	-	-	4,467,569
-	-	-	703,341
-	1,057,251	448,043	8,094,881
<u>202,891</u>	<u>1,057,251</u>	<u>3,536,049</u>	<u>49,554,638</u>
19,899	(964,436)	86,348	(3,513,042)
33,439	5,950,000	314,739	6,896,639
-	-	(634,583)	(6,896,639)
-	-	-	2,617,874
-	-	-	1,005,969
<u>33,439</u>	<u>5,950,000</u>	<u>(319,844)</u>	<u>3,623,843</u>
53,338	4,985,564	(233,496)	110,801
<u>291,796</u>	<u>5,726,559</u>	<u>4,337,976</u>	<u>32,199,158</u>
<u>\$ 345,134</u>	<u>\$ 10,712,123</u>	<u>\$ 4,104,480</u>	<u>\$ 32,309,959</u>

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

Net changes in fund balances – total governmental funds \$ 110,801

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Capital additions	8,191,909
Depreciation/amortization expense	(2,470,948)
Capital retirements, net	(1,397,464)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Deferred revenue	59,098
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Net pension and other postemployment benefits (OPEB) liability and deferred outflows and deferred inflows related to the County's pension and OPEB plans are not reported in the governmental funds.

Net pension liability	(9,629,474)
Deferred outflows - pensions	(27,900)
Deferred inflows - pensions	9,619,111
Net OPEB liability	2,449,548
Deferred outflows - OPEB	(503,325)
Deferred inflows - OPEB	(1,190,230)

Bonds and note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.

Principal payment	4,627,547
Leases	(2,617,874)
Changes to bond premiums	326,606
Amortization of deferred charges	(173,548)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This adjustment reflects the net change on the accrual basis of accounting for these expenses.

Accrued interest payable	(14,274)
Compensated absences	(55,665)
Landfill closure and post closure costs	(182,815)

<b>Change in Net Position of Governmental Activities</b>	<b>\$ <u>7,121,103</u></b>
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See Notes to Financial Statements.



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

	<b>Retiree Health Benefits Trust</b>	<b>Custodial</b>
<b><u>Assets</u></b>		
Cash and cash equivalents	\$ 3,881,720	\$ 7,169,287
Due from other units	-	40,091
<b>Total Assets</b>	<b>3,881,720</b>	<b>7,209,378</b>
<b><u>Liabilities</u></b>		
Accounts payable	19,538	59,436
<b>Total Liabilities</b>	<b>19,538</b>	<b>59,436</b>
<b><u>Net Position</u></b>		
Restricted for OPEB	3,862,182	-
Restricted net position for other governments	-	7,149,942
<b>Total Net Position</b>	<b>\$ 3,862,182</b>	<b>\$ 7,149,942</b>

See Notes to Financial Statements.

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

	<u>Retiree Health Benefits Trust</u>	<u>Custodial</u>
<b><u>Additions</u></b>		
Employer contributions	\$ 500,000	\$ -
Intergovernmental	-	2,438,077
Other revenue	30,235	112,165,480
Investment income	170,190	111,678
<b>Total Additions</b>	<u>700,425</u>	<u>114,715,235</u>
<b><u>Deductions</u></b>		
Benefits	324,817	-
Administrative expenses	4,135	-
Trust fund recipients	-	89,978
Criminal departments	-	2,330,016
Deed recipients	-	876,241
Taxing entities	-	110,684,377
<b>Total Deductions</b>	<u>328,952</u>	<u>113,980,612</u>
<b>Change in Net Position</b>	371,473	734,623
Beginning net position	3,490,709	6,415,319
<b>Ending Net Position</b>	<u>\$ 3,862,182</u>	<u>\$ 7,149,942</u>

See Notes to Financial Statements.

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**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Polk County, Texas (the “County”) is an independent government entity created in 1846 from Liberty County by an act of the Texas Legislature. The County is governed by Commissioners’ Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County’s financial statements include the accounts of all County operations. The County provides a vast array of services including administration of justice, health and human services, public improvements, and general and tax administration.

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

**Discretely Presented Component Unit**

**IAH Public Facility Corporation**

IAH Public Facility Corporation (the “Corporation”) has been included in the reporting entity as a discretely presented component unit. The Corporation was created under the Public Facility Corporation Act Chapter 303 of the Texas Local Government Code by the County in 2004 for the purpose of financing for, and on behalf of, the County-eligible jail and criminal detention facility projects and other public buildings and facilities for use by the County. The Board of Directors is appointed by, and serves at the discretion of, the Commissioners’ Court of the County. Commissioners’ Court approval is required for annual budgets and bonded debt issuance. Separate financial statements of the Corporation may be obtained from the County Auditor’s office, 602 East Church Street, Suite 108, Livingston, Texas 77351.

**B. Government-Wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, of which the County has none. Likewise, the *primary government* is reported separately from a legally separate *component unit* for which the primary government is financially accountable.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

**C. Basis of Presentation – Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

The County reports the following governmental funds:

The *general fund* is used to account for and report all financial resources not accounted for and report in another fund. The principal sources of revenues include local property taxes, sales taxes, other taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, administration of justice, health and human services, and tax administration. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The primary source of revenue for debt service is local property taxes. The debt service fund did not meet the technical criteria to be presented as a major fund, however, the County has elected to present it as major due to its significance.

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The following special revenue funds are considered major funds for reporting purposes:

*Road and bridge fund* – This fund is used to account for revenues of property taxes levied and vehicle registration fees. Uses of funds are restricted for the maintenance of roads, bridges, and the operations of related facilities. All precinct operations, as well as permanent road monies, are accounted for in this fund.

*American Rescue Plan Act fund* – This fund is used to account for revenue received by the County from the American Rescue Plan Act (ARPA) grant and account for any expenditures associated with these funds.

*Available school fund* – This fund is used to accumulate investment earnings from the permanent school fund including lease payments received on properties owned by the

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

County in Throckmorton and Baylor counties.

*Restoration projects fund* – This fund is used to account for revenue received for the courthouse restoration project.

The remaining special revenue funds are considered nonmajor funds for reporting purposes.

*Permanent funds* are governmental funds that are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government’s programs.

The County has the following permanent fund:

*Permanent school fund* – This fund was established from proceeds received from the sale of lands granted by the State of Texas (the “State”) for educational purposes. Earnings from this fund, other than oil royalties, accrue directly to the available school fund. Oil royalties are deposited to the permanent school fund, which increases the principal.

Additionally, the County reports the following fund type:

The *fiduciary funds* account for assets held by the government in a trustee capacity or as a custodian on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County’s own programs. The County has the following fiduciary funds:

The *retiree health benefits trust fund* accounts for the funds held in trust for the health care benefit payments for the qualified retired employees of the County.

The *custodial funds* are custodial in nature and do not present results of operations or have a measurement focus. Custodial funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in a custodial capacity.

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

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

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current*



**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

*financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

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

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

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Cash and Cash Equivalents**

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

**2. Investments**

Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest-earning contracts, such as certificates of deposit, are reported at cost.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

The County has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the County is authorized to invest in the following:

- Direct obligations of the U.S. Government or U.S. Government agencies
- Fully collateralized certificates of deposit
- Money market mutual funds that meet certain criteria
- Bankers' acceptances
- Statewide investment pools

**3. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**4. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Property, plant, and equipment of the County are depreciated using the straight-line method over the following estimated useful years.

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Infrastructure	10 to 45 years
Buildings	20 to 50 years
Improvements other than buildings	5 to 30 years
Equipment	3 to 25 years

The costs of a significant portion of capital assets have been estimated based on management's estimated historical cost.

**5. Deferred Outflows/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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the County's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the County has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from leases, property taxes, and grants. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

**6. Compensated Employee Absences**

It is the County's policy to not allow employees to accumulate earned but unused holiday, vacation, and compensatory time. Certain allowances are made for holiday time for law enforcement personnel and extensions can be granted by the employee's supervising elected official or Department head. No liability is reported for unpaid accumulated sick leave since it does not vest. Employees are allowed to maintain an accrual of up to 480 hours of sick leave although it is not compensated on termination. Vacation, compensatory time, and holiday pay that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

**7. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, if material. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of 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.

The property tax rate is allocated each year between the general, road and bridge, and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

**8. Leases**

**Lessee:**

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

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

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

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

**Lessor:**

The County is a lessor for a noncancellable lease of a building. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

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

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

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

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

**9. Subscription-Based Information Technology Arrangements**

The County has noncancellable subscription-based information technology arrangements (SBITAs) to finance the use of information technology software. The County would recognize a liability (the “subscription liability”) and an intangible, right-to-use subscription asset (the “subscription asset”) in the government-wide financial statements. The County’s SBITAs to report are immaterial to the financial statements as a whole and are not recognized as a subscription liability or a subscription asset.

**10. Net Position Flow Assumption**

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

**11. Fund Balance Flow Assumptions**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**12. Fund Balance Policies**

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

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

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

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

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

In accordance with Commissioners' Court policy, the County must maintain a minimum of 25 percent of expenditures in unassigned fund balance in the general fund.

**13. Estimates**

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

**14. Pensions**

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. 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.

**15. Other Postemployment Benefits**

For the purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB expense, information about the fiduciary net position of the Polk County Retiree Benefits Trust Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments, as applicable, are reported at fair value.

**G. Revenues and Expenditures/Expenses**

**1. Program Revenues**

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

**2. Property Taxes**

Property taxes are recorded as revenue when levied for the current year and are due, payable, and collected

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

in the current year. Uncollected amounts at year end are reported as deferred revenue. Delinquent property taxes collected within 60 days subsequent to year end were not considered material.

The property tax calendar dates are:

Levy date and due date – October 1  
Collection dates – October 1 through January 31  
Lien date – February 1

The County bills and collects its own taxes and those for certain government entities within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the tax assessor collector custodial fund. Tax collections deposited for the County are distributed on a periodic basis to the general, road and bridge, and debt service funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners' Court for the tax year for which the collections are made.

The appraisal of property within the County is the responsibility of the County-wide appraisal district, which is required under the property tax code to assess all property within the appraisal district on the basis of 100 percent of its appraised value, and is prohibited from applying any assessment ratios. The appraisal district must review the value of the property within the County every three years unless the County, at its own expense, requires more frequent reviews. The County may challenge the appraised values through various appeals and, if necessary, legal action. Under this legislation, the County sets tax rates on County property.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The original budget is adopted by the Commissioners' Court prior to the beginning of the fiscal year. The legal level of control is at the department level in the general fund and road and bridge fund. The debt service fund's legal level of control is at the fund level. The remaining special revenue funds with adopted budgets are: County and district court technology, courthouse security, law library, aging, County records management, County clerk records preservation, hotel/motel tax, justice court technology, available school, district attorney collection, district clerk records preservation, forfeiture, waste management, jail commissary, district attorney special, justice court building security, pre-trial intervention program, child abuse prevention, fire marshal, guardianship, court reporter service, grant, and salary grants. The legal level of control for these special revenue funds is at the fund level. Although budgets are adopted annually for these special revenue funds, they are not subject to performance measurement. Management may not amend the budget without the approval of the Commissioners' Court.

Appropriations lapse at the end of the year for all funds. Budgets are adopted on a generally accepted accounting principles basis for all budgeted funds. Supplemental budget appropriations were made for the year ended September 30, 2023.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2023

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

Investment Type	Value	Weighted Average Maturity (Years)
TexPool	\$ 22,830,870	0.07
Texas CLASS	6,827,207	0.06
<b>Total</b>	<b>\$ 29,658,077</b>	
Portfolio weighted average maturity		0.07

*Interest rate risk.* In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less.

*Credit risk.* State law and the County’s investment policy limit investments to obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent. Further, commercial paper must be rated not less than “A-1” or “P-1” or an equivalent rating by at least two nationally recognized credit rating agencies. As of September 30, 2023, the County’s investments in investment pools were rated “AAAm” and “AAA” by Standard & Poor’s.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County’s investment policy requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of September 30, 2023, bank balances did not exceed the market values of pledged securities and FDIC insurance.

**TexPool**

TexPool was established as a trust company with the Treasurer of the State as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. 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. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor’s rates TexPool “AAAm”. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor’s, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool’s authority may only impose restrictions on redemptions in the event of a general suspension of trading on major national markets, general banking moratorium, or a national state of emergency that affects TexPool’s liquidity.



**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

**Texas CLASS**

The Texas Cooperative Liquid Assets Securities System Trust (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the “Agreement”), among certain Texas governmental entities investing in Texas CLASS (the “Participants”), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. Texas CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, Texas CLASS is administered and supervised by a seven-member board of trustees (the “Board”), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, Texas CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of Texas CLASS. Separate financial statements for Texas CLASS may be obtained from Texas CLASS’ website at [www.texasclass.com](http://www.texasclass.com).

**B. Receivables**

The following comprise receivable balances at year end:

	<b>General</b>	<b>Debt Service</b>	<b>Road and Bridge</b>	<b>Available School</b>	<b>Nonmajor</b>	<b>Total</b>
Property taxes	\$ 1,330,060	\$ 358,935	\$ 508,497	\$ -	\$ -	\$ 2,197,492
Leases	552,222	-	-	1,790,757	-	2,342,979
Other	3,509,426	-	64,326	-	618,620	4,192,372
	<u>\$ 5,391,708</u>	<u>\$ 358,935</u>	<u>\$ 572,823</u>	<u>\$ 1,790,757</u>	<u>\$ 618,620</u>	<u>\$ 8,732,843</u>

**C. Leases Receivable**

The County has entered into several leases (the “Agreements”) as a lessor for the use of their property. The Agreements range from 24 months to 100 years after extension options in which it is reasonably certain that the County and the lessee will extend. A lease receivable and deferred inflow of resources from leases was recorded in the amount of \$2,394,625 in prior year. During the fiscal year, the County entered into two new leases for an addition of \$203,766 in leases receivable. As of September 30, 2023, the total value of the lease receivables is \$2,342,979. The lease revenue that was recorded with charges for services for fiscal year 2023 was \$290,598 which consists of the interest payments on the leases receivable of \$19,647 and the amortization of the deferred inflow of resources from leases of \$270,950.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2023

**D. Capital Assets**

A summary of changes in capital assets for the year ended September 30, 2023 is as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>(Decreases)</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 1,513,468	\$ 1,993,358	\$ -	\$ 3,506,826
Construction in progress	7,876,804	1,846,909	(5,665,061)	4,058,652
<b>Total capital assets not being depreciated/amortized</b>	<b>9,390,272</b>	<b>3,840,267</b>	<b>(5,665,061)</b>	<b>7,565,478</b>
Other capital assets:				
Infrastructure	91,580,030	5,261,594	-	96,841,624
Buildings	44,302,375	1,679,923	-	45,982,298
Improvements	6,323,872	43,859	-	6,367,731
Equipment	18,565,039	411,818	(1,880,604)	17,096,253
Right-to-use assets (equipment)	342,090	2,619,509	-	2,961,599
<b>Total other capital assets</b>	<b>161,113,406</b>	<b>10,016,703</b>	<b>(1,880,604)</b>	<b>169,249,505</b>
Less accumulated depreciation/amortized for:				
Infrastructure	(87,182,221)	(299,440)	-	(87,481,661)
Buildings	(9,845,624)	(810,776)	-	(10,656,400)
Improvements	(3,080,770)	(231,019)	-	(3,311,789)
Equipment	(12,360,168)	(838,542)	483,140	(12,715,570)
Right-to-use assets (equipment)	(73,394)	(291,171)	-	(364,565)
<b>Total accumulated depreciation/amortized</b>	<b>(112,542,177)</b>	<b>(2,470,948)</b>	<b>483,140</b>	<b>(114,529,985)</b>
Other capital assets, net	48,571,229	7,545,755	(1,397,464)	54,719,520
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 57,961,501</b>	<b>\$ 11,386,022</b>	<b>\$ (7,062,525)</b>	<b>62,284,998</b>
			Less associated debt	(17,535,099)
			Plus deferred charge on refunding	672,850
			<b>Net Investment in Capital Assets</b>	<b>\$ 45,427,252</b>

Depreciation was charged to governmental functions as follows:

General government	\$ 784,646
Administration of justice	844,138
Roads and bridges	821,392
Health and human services	20,772
<b>Total Governmental Activities Depreciation/amortized Expense</b>	<b>\$ 2,470,948</b>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

The following is a summary of changes in capital assets for the Corporation for the year:

<b>Component Unit:</b>	<b>Beginning Balance</b>	<b>Increases/ Adjustments</b>	<b>(Decreases)</b>	<b>Ending Balance</b>
Capital assets not being depreciated:				
Land	\$ 330,346	\$ -	\$ -	\$ 330,346
<b>Total capital assets not being depreciated</b>	<u>330,346</u>	<u>-</u>	<u>-</u>	<u>330,346</u>
Other capital assets:				
Buildings	35,996,721	-	-	35,996,721
Furniture and fixtures	320,512	-	-	320,512
Equipment	699,468	-	-	699,468
Other	251,468	-	-	251,468
Total other capital assets	<u>37,268,169</u>	<u>-</u>	<u>-</u>	<u>37,268,169</u>
Less accumulated depreciation for:				
Buildings	(27,743,410)	(1,575,379)	-	(29,318,789)
Furniture and fixtures	(231,972)	(88,540)	-	(320,512)
Equipment	(567,726)	(131,742)	-	(699,468)
Other	(186,652)	(64,816)	-	(251,468)
Total accumulated depreciation	<u>(28,729,760)</u>	<u>(1,860,477)</u>	<u>-</u>	<u>(30,590,237)</u>
Other capital assets, net	<u>8,538,409</u>	<u>(1,860,477)</u>	<u>-</u>	<u>6,677,932</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 8,868,755</u>	<u>\$ (1,860,477)</u>	<u>\$ -</u>	<u>7,008,278</u>
			Less associated debt	<u>(6,570,000)</u>
			<b>Net Investment in Capital Assets</b>	<u>\$ 438,278</u>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2023

**E. Long-Term Liabilities**

The following is a summary of changes in the County's total governmental long-term liabilities for the year ended September 30, 2023. In general, the County uses the general, road and bridge, and debt service funds to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds, notes payable, and leases:					
General obligation	\$ 8,630,000	\$ -	\$ (2,100,000)	\$ 6,530,000	\$ 1,335,000
Tax notes	5,455,000	-	(330,000)	5,125,000	750,000
Notes payable	1,332,854	-	(1,332,854)	-	-
Direct borrowings/placements:					
Tax notes	2,605,000	-	(605,000)	2,000,000	615,000
Deferred amounts:					
Premium	1,578,124	-	(326,606)	1,251,518	-
Leases payable	270,400	2,617,874	(259,693)	2,628,581	1,720,717
	<u>19,871,378</u>	<u>2,617,874</u>	<u>(4,954,153)</u>	<u>17,535,099</u>	<u>* 4,420,717</u>
Other:					
Compensated absences	280,239	1,007,821	(952,156)	335,904	302,314
Net pension liability	-	4,486,002	-	4,486,002	-
Net OPEB liability	10,029,139	-	(2,449,548)	7,579,591	-
Landfill closure and post closure care costs	6,926,830	182,815	-	7,109,645	-
	<u>17,236,208</u>	<u>5,676,638</u>	<u>(3,401,704)</u>	<u>19,511,142</u>	<u>302,314</u>
<b>Total Governmental Activities</b>	<u>\$ 37,107,586</u>	<u>\$ 8,294,512</u>	<u>\$ (8,355,857)</u>	<u>\$ 37,046,241</u>	<u>\$ 4,723,031</u>
				<u>\$ 32,323,210</u>	
				<u>\$ 17,535,099</u>	

See note IV.C. for additional information regarding landfill closure and post closure care costs. The County is not obligated in any manner for special assessment debt.

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The governmental activities compensated absences and net pension and OPEB liability are generally liquidated by the general fund. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2023

Long term debt as of September 30, 2023 was comprised of the following debt issues:

	<u>Interest Rate Percentage</u>	<u>Original Amount</u>	<u>Balance</u>
<b>General Obligation</b>			
Contractual Obligation, Series 2016	1.935	\$ 1,680,000	\$ 1,415,000
Contractual Obligation, Series 2020	4.300-4.125	\$ 7,315,000	5,115,000
			<u>6,530,000</u>
<b>Tax Notes</b>			
Series 2022	5.00	\$ 5,430,000	5,125,000
			<u>5,125,000</u>
From direct borrowings/placements:			
Series 2018	2.87	\$ 640,000	330,000
Series 2019	2.17	\$ 1,275,000	780,000
Series 2020	2.30	\$ 790,000	530,000
Series 2021	1.21	\$ 500,000	360,000
			<u>2,000,000</u>
			<u>7,125,000</u>
<b>Total</b>			<u><u>\$ 13,655,000</u></u>

A summary of the County's debt service requirements, including interest, is as follows:

<b>Fiscal Year Ending Sept. 30</b>	<b>Governmental Activities</b>			
	<b>General Obligation</b>		<b>Tax Notes</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2024	\$ 1,335,000	\$ 281,727	\$ 750,000	\$ 237,500
2025	1,395,000	219,325	790,000	199,000
2026	1,470,000	154,277	830,000	158,500
2027	1,545,000	85,585	875,000	115,875
2028	180,000	13,448	915,000	71,125
2029-2031	605,000	18,044	965,000	24,125
<b>Totals</b>	<u>\$ 6,530,000</u>	<u>\$ 772,406</u>	<u>\$ 5,125,000</u>	<u>\$ 806,125</u>

The annual requirements to amortize debt issues outstanding for the direct borrowings/placements at year end are as follows:

<b>Fiscal Year Ending Sept. 30</b>	<b>Direct Borrowings Placement</b>	
	<b>Tax Notes</b>	
	<b>Principal</b>	<b>Interest</b>
2024	\$ 615,000	\$ 31,476
2025	630,000	18,785
2026	470,000	8,084
2027	210,000	2,374
2028	75,000	454
<b>Totals</b>	<u>\$ 2,000,000</u>	<u>\$ 61,173</u>

**Leases Payable**

From October 2022 to the end of the fiscal year, the County entered into various lease agreements for property and copiers as well as vehicles. These leases span in length from 24 months to 60 months in

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

term. An initial lease liability of \$270,400 was recorded as of the beginning of the year. During the current fiscal year, the County entered into \$2,617,874 of lease agreements. As of September 30, 2023, the value of the lease liability was \$2,628,581. The property and equipment have a five year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$2,961,599 and had accumulation amortization of \$364,565. The future principal and interest payments related to these leases as of September 30, 2023 are as follows:

Fiscal Year	Leases Payable	
Ending	Principal	Interest
Sept. 30	Principal	Interest
2024	\$ 1,720,717	\$ 93,936
2025	377,861	7,576
2026	421,162	3,545
2027	103,103	220
2028	5,738	3
<b>Totals</b>	<b>\$ 2,628,581</b>	<b>\$ 105,280</b>

**Federal Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the County could result. Although the County does not anticipate that it will have any arbitrage liability, it periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

**F. Interfund Transactions**

Transfers between the governmental funds during the year were as follows:

Transfer Out	Transfer In	Amounts
General Fund	Restoration Project	\$ 5,950,000
General Fund	Nonmajor Governmental Funds	312,056
Nonmajor Governmental Funds	General Fund	598,461
Nonmajor Governmental Funds	Available School Fund	33,439
Nonmajor Governmental Funds	Nonmajor Governmental Funds	2,683
	<b>Total</b>	<b>\$ 6,896,639</b>

These transfers are for a wide variety of reasons. The transfers from the general fund to the restoration projects and nonmajor governmental funds were made to cover additional expenses. The transfers from the nonmajor governmental and road and bridge funds were made to cover budgeted transfers for the payment of expenditures and salary subsidies that were for special project purposes.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

The composition of interfund balances as of September 30, 2023 is as follows:

Due to	Due from	Amounts
General fund	Nonmajor governmental funds	\$ 474,817
Restoration projects fund	General fund	2,190,000
	<b>Total</b>	<b>\$ 2,664,817</b>

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.

**IV. OTHER INFORMATION**

**A. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. In addition, the County participates along with other entities in the Texas Association of Counties’ (TAC) Workers’ Compensation Self-Insurance Fund (the “Pool”). TAC created this Pool in 1974 to insure the County for workers’ compensation related claims. The County also provides its employees benefits, including medical and life insurance, which the County obtains through the TAC’s Insurance Trust Fund. This Pool purchases commercial insurance at group rates for participants in the Pool. The County has no additional risk or responsibility to either of the Pools in which it participates, outside of payment of insurance premiums. The County has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past three years.

**B. Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County’s counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

The County reports liabilities when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency, and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

**C. Landfill Closure and Post Closure Care Costs**

On December 1, 2001, the County entered into an agreement (the “Agreement”) with a private contractor (the “Contractor”) to operate the County’s landfill and solid waste collection activities. The Agreement also provides for the Contractor to pay for a portion of the closure and post closure care costs for capacity utilized under their management. The Contractor is required to annually obtain a performance bond to provide financial assurance to the County for such costs. Upon the termination of the Agreement, the Contractor is relieved of any financial obligation for closure and post closure care costs. Accordingly, the

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

County is liable or contingently liable for the entire amount of the closure and post closure care costs.

Current state regulations and the U.S. Environmental Protection Agency require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County is required to recognize a portion of the landfill closure and post closure care liability each year. Recognition of the liability is based on the landfill capacity used to date. The operations of the landfill are recorded in the waste management fund, one of the special revenue funds used by the County.

The County revised its estimated closure and post closure care costs in an application for a permit amendment submitted to the Texas Commission on Environmental Quality in 2004 to modify the existing permit for expansion of total permit capacity. The County's estimate of total costs of closure and post closure care for 30 years, under permits and regulations currently in effect, is \$14,020,205.

The \$7,109,645 reported as landfill closure and post closure care liability at September 30, 2023 is based on the use of 49.29 percent of the estimated capacity of the landfill. The estimated net increase in capacity after the permit modification during the year was 1.89 percent related to new estimates of airspace capacity using digital terrain modeling techniques. The accrued liability increased by \$182,815. The County will recognize the remaining estimated cost of closure and post closure care of \$6,910,559 as the remaining estimated capacity is filled. Based on the current rate of materials deposited, the life of the landfill is 15.8 years.

The estimated costs are based on what it would cost to perform all closure and post closure care in 2023 and do not include provisions for inflation. Based on current projections, the present landfill site will be closed in the year 2039. Monitoring would begin on this date and would continue for the next 30 years.

The County expects that future inflation costs will be paid from interest earnings on accumulated landfill earnings. However, if interest earnings are inadequate or additional post closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

The County is not currently required to make contributions to a trust fund to finance closure and post closure care costs. The County has reserved \$848,811 in its debt service fund for post closure costs. The County intends to fund the deficiency in amounts currently available and the total estimated costs with contractor franchise fees.

**D. Pension Plan**

**Texas County and District Retirement System**

Plan Description

TCDRS is a statewide, agent multiple-employer, public-employee retirement system. The system serves nearly 850 participating counties and districts throughout Texas. Each employer maintains its own customized plan of benefits. Plan provisions are adopted by the governing body of each employer, within the options available in the TCDRS Act. Employers have the flexibility and local control to adjust benefits annually and pay for those benefits based on their needs and budgets. Each employer has a defined benefit plan that functions similarly to a cash balance plan.



**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

The assets of the plans are pooled for investment purposes, but each employer’s plan assets may be used only for the payment of benefits to the members of that employer’s plan. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered qualified under Section 401(a) of the Internal Revenue Code. All employees (except temporary staff) of a participating employer must be enrolled in the plan.

Benefits Provided

TCDRS provides retirement, disability, and death benefits. The benefit provisions are adopted by the Commissioners’ Court within the options available in Texas state statutes governing TCDRS. Members can retire at age 60 and above with eight or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any County-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits	368
Inactive employees entitled to, but not yet receiving, benefits	247
Active employees	310
<b>Total</b>	<b>925</b>

Contributions

A combination of three elements funds each employer’s plan: employee deposits, employer contributions, and investment income.

- The deposit rate for employees is four percent, five percent, six percent, or seven percent of compensation, as adopted by the employer’s governing body.
- Participating employers are required, by law, to contribute at actuarially determined rates, which are determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method.
- Investment income funds a large part of the benefits employees earn.

Employers have the option of paying more than the required contribution rate each year. Extra contributions can help employers “prefund” benefit increases, such as a cost-of-living adjustment to retirees, and they can be used to help offset or mitigate future increases in the required rate due to negative plan experience. There are two approaches for making extra contributions:

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

- (a) paying an elected contribution rate higher than the required rate and/or
- (b) making an extra lump-sum contribution to the employer account.

Employees for the County were required to contribute seven percent of their annual gross earnings during the fiscal year. The contribution rates for the County were 15.46 percent and 14.22 percent in calendar years 2022 and 2023, respectively. The County’s contributions to TCDRS for the fiscal year ended September 30, 2023 were \$2,030,643 and were less than the actuarially determined contribution by \$15,194.

Net Pension Liability/Asset

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

Actuarial Assumptions

The actuarial assumptions that determined the TPL as of December 31, 2022 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68).

Key assumptions used in the December 31, 2022 actuarial valuation are as follows:

Valuation Timing	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in the which the contributions are reported.
Actuarial Cost Method	Entry age (level percent of pay)
Amortization Method	Recognition of economic/demographic gains or losses Straight-Line amortization over Expected Working Life. Recognition of assumptions changes or inputs Straight-Line amortization over Expected Working Life
Smoothing Period	5 years
Recognition Method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary Increases	Same as funding valuation
Investment Rate of Return	7.60% (Gross of administrative expenses)
Cost-of-Living Adjustments	Cost-of-living adjustments for the County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

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

<u>Asset Class</u>	<u>Benchmark</u>	<u>Target Allocation</u>	<u>Geometric Real Rate of Return (Expected minus Inflation)</u>
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	3.80%
Global Equities	MSCI World (net) Index	2.50%	4.10%
International Equities - Developed	MSCI World Ex USA (net) Index	5.00%	3.80%
International Equities - Emerging	MSCI Emerging Markets (net) Index	6.00%	4.30%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.85%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	1.77%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.25%
Distressed Debt	Cambridge Associates Distressed Securities Index	4.00%	4.50%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.10%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	3.85%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.00%	5.10%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	25.00%	6.80%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	1.55%
Cash Equivalents	90-day U.S. Treasury	2.00%	-1.05%

Discount Rate

The discount rate used to measure the TPL was 7.6 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, TCDRS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2023

Changes in the NPL/(A)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(A)	(B)	(A) - (B)
Changes for the year:			
Service cost	\$ 1,927,168	\$ -	\$ 1,927,168
Interest	6,099,257	-	6,099,257
Difference between expected and actual experience	(580,767)	-	(580,767)
Contributions - employer	-	1,980,650	(1,980,650)
Contributions - employee	-	896,796	(896,796)
Net investment income	-	(4,901,090)	4,901,090
Benefit payments, including refunds of employee contributions	(4,203,601)	(4,203,601)	-
Administrative expense	-	(46,380)	46,380
Other changes	-	(113,792)	113,792
Net changes	3,242,057	(6,387,417)	9,629,474
Balance at December 31, 2021	80,389,532	85,533,003	(5,143,472)
<b>Balance at December 31, 2022</b>	<b>\$ 83,631,589</b>	<b>\$ 79,145,586</b>	<b>\$ 4,486,002</b>

Sensitivity of the NPL/(A) to Changes in the Discount Rate

The following presents the NPL/(A) of the County, calculated using the discount rate of 7.6 percent, as well as what the County's NPL/(A) would be if it were calculated using a discount rate that is one percentage point lower (6.6%) or one percentage point higher (8.6%) than the current rate:

	1% Decrease in Discount Rate (6.6%)	Discount Rate (7.6%)	1% Increase in Discount Rate (8.6%)
County's Net Pension Liability/(Asset)	\$ 15,816,904	\$ 4,486,002	\$ (4,932,824)

Pension Plan Fiduciary Net Position

Detailed information about the TCDRS's fiduciary net position is available in a separately-issued TCDRS financial report. That report may be obtained on the Internet at [www.tcdrs.com](http://www.tcdrs.com).

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

For the fiscal year ended September 30, 2023, the County recognized pension expense of \$2,069,914.

At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 45,804	\$ 387,178
Changes in actuarial assumptions	922	-
Difference between projected and actual investment earnings	1,419,277	-
Contributions subsequent to the measurement date	1,533,133	-
<b>Total</b>	<b>\$ 2,999,136</b>	<b>\$ 387,178</b>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

\$1,533,133 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year Ended</b>	<b>Pension</b>
<b>September 30:</b>	<b>Expense</b>
2024	\$ (1,170,426)
2025	(257,675)
2026	237,694
2027	2,269,232
<b>Total</b>	<b>\$ 1,078,825</b>

**E. Other Postemployment Benefits**

**Healthcare Plan**

Plan Description

In order to recognize and reward long-term employees, as well as to provide an incentive for remaining in the County’s employment, the County administers a single-employer defined benefit OPEB plan, known as Polk County Retiree Benefits Trust Plan (the “Plan”). The Commissioners’ Court has been appointed as the trustees for the Plan. The trustees have the power to amend or modify this Plan in order to comply with applicable legal requirements or to carry out the purposes of this Plan.

A separate financial report is not issued for the Plan. The financials are presented within the annual comprehensive financial report of Polk County, Texas.

Each full-time employee who separates from the service of the County and who, at the time of their separation, is eligible for retirement under the TCDRS guidelines, and either (1) has total creditable service with TCDRS and continuous service as a full-time employee of the County for 20 years or more or (2) has total creditable service with TCDRS and continuous service as an elected official of the County for 16 years or more; and whose full salary has been paid entirely from the County funds or grant funds received from Federal, State, or other local governments by the County continuously for 20 years or more or for 16 years or more as an elected official; and is covered by the County group health plan at the time of their retirement will have the same dollar amount contributed towards their group medical premiums by the County that the County contributes towards such premiums for its full-time employees. For employees and elected officials retiring on or after October 1, 2019 who are eligible for the Plan, a maximum of \$800 per month toward the premium for eligible retirees participating in the County’s group health plan (pre-65) will be paid by the County and the retiree will be responsible for any portion of the total premium amount exceeding the County’s maximum contribution.

Upon reaching Medicare eligibility (retiree must have Medicare A and B, and may have to be 65 or older), employees who meet the above requirements will be eligible to participate in the Plan offered by the County. For employees and elected officials retiring on or after October 1, 2018 who are eligible for the Plan, a maximum of \$400 per month toward the premium for eligible retirees electing to participate in the Plan will be paid by the County, and the retiree will be responsible for any portion of the total premium amount exceeding the County’s maximum contribution.

Coverage for spouses and dependents who are participants in the County’s group health plan on the date of the employee’s retirement may also be continued. Premiums for spouses and dependents shall be paid

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

by the retiree. Coverage for spouses or dependents ceases at midnight on the last day of any month in which the premium is not received in the Treasurer's office when due.

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

Inactive employees or beneficiaries currently receiving benefits	42
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	263
<b>Total</b>	<b>305</b>

Net OPEB Liability

The County's net OPEB liability of \$7,579,591 was determined by an actuarial valuation as of December 31, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	0.40% to 5.25%, not including wage inflation of 3.00%.
Discount rate	2.50% as of December 31, 2022
Actuarial cost method	Individual entry-age Normal
Demographic assumptions	Based on experience study covering the four-year period ending December 31, 2020 as conducted for the Texas County and District Retirement System (TCDRS). For the OPEB valuation, the standard TCDRS retirement rates were adjusted to reflect the impact of the County's retiree medical plan design.
Mortality	For healthy retirees, the Pub-2010 General Retirees Tables for males and females are used with male rates multiplied by 135% and female rates multiplied by 120%. Those rates are projected on a fully generational basis based on 100% of the ultimate rates of mortality improvement scale MP-2021.
Healthcare costs trend rate	Pre-65: Initial rate of 7.00% declining to an ultimate rate of 4.25% after 15 years. Post-65: Initial rate of 6.30% declining to an ultimate rate of 4.25% after 10 years.
Participation rates	95% of retirees that are eligible for subsidized coverage; 0% of retirees that are not eligible for subsidized coverage

Funding Policy

The County has elected to finance the Plan on a pay-as-you-go basis, paying an amount each year equal to the claims paid.

Investments

The Plan is authorized to invest in the same options available to the County as authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code. Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. No investments were held by the Plan as of its most recent fiscal year end.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Changes for the year:			
Service cost	\$ 448,587	\$ -	\$ 448,587
Interest	242,010	-	242,010
Difference between expected and actual experience	(1,015,554)	-	(1,015,554)
Changes in assumption	(891,334)	-	(891,334)
Employer contributions	-	1,199,415	(1,199,415)
Net investment income	-	39,356	(39,356)
Benefit payments	(368,444)	(368,444)	-
Administrative expense	-	(5,514)	5,514
<b>Net Changes</b>	<u>(1,584,735)</u>	<u>864,813</u>	<u>(2,449,548)</u>
Beginning balance	13,112,652	\$ 3,083,513	\$ 10,029,139
<b>Ending Balance</b>	<u>\$ 11,527,917</u>	<u>\$ 3,948,326</u>	<u>\$ 7,579,591</u>

Consistent with the requirements of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the employer contributions include amounts for OPEB as the benefits come due that will not be reimbursed to the employer using OPEB plan assets. The estimated employer contributions shown above include trust contributions of \$251,549 and estimated implicit benefit payments of \$61,805, which were paid by the County using its own assets.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate (1.50%)</u>	<u>Discount Rate (2.50%)</u>	<u>1% Increase in Discount Rate (3.5%)</u>
County's Net OPEB Liability	<u>\$ 9,198,106</u>	<u>\$ 7,579,591</u>	<u>\$ 6,231,976</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
County's Net OPEB Liability	<u>\$ 6,905,613</u>	<u>\$ 7,579,591</u>	<u>\$ 8,380,705</u>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the County recognized OPEB expense of \$471,878. The County reported deferred outflows/inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 21,650	\$ 2,659,564
Changes in actuarial assumptions	2,262,499	772,353
Excess investment returns	44,491	-
Contributions subsequent to the measurement date	313,354	-
<b>Total</b>	<b>\$ 2,641,994</b>	<b>\$ 3,431,917</b>

\$313,354 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB liability for the fiscal year ending September 30, 2024. Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Fiscal Year Ended September 30</b>	<b>OPEB Expense</b>
2024	\$ (184,520)
2025	(184,830)
2026	(195,646)
2027	(250,175)
2028	(20,469)
Thereafter	(267,637)
<b>Total</b>	<b>\$ (1,103,277)</b>

**F. Jointly Governed and Related Organizations**

The Adult Probation and Juvenile Probation divisions are operated as combined departments doing business as the 258<sup>th</sup> and 411<sup>th</sup> Community Supervision and Correction Departments (the “Departments”). A different board (the “Board”) governs each department, although the District Judges preside on both Boards. The Departments service the counties of Polk, San Jacinto, and Trinity. Each county is required to provide office space for the operations of the Departments. Substantially all of the Departments’ funding is provided by the State. The participating counties provide approximately ten percent of the Departments’ budgets.

The Juvenile Probation Board consists of the Polk County Judge and the Polk County Court-at-Law Judge, along with two District judges and County judges from San Jacinto and Trinity Counties. The Adult Probation Department’s Board consists of two District judges and the County Court-at-Law Judge from the County. The Departments and their divisions are considered to be legally separate from the County. In addition, the County is not able to appoint a voting majority to either of the Departments’ Boards or otherwise able to impose its will. The Departments are not fiscally dependent on the County since the County’s approvals are ministerial in nature. While the Department’s divisions are closely affiliated with the County, they are not considered to be part of the reporting entity, i.e., component units of the County.



**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2023

**G. Component Unit Disclosures**

**1. Long-Term Debt**

The following is a summary of changes in the Corporation’s total governmental long-term liabilities for the year ended September 30, 2023. The Corporation uses the general fund to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds payable:					
2017 Project Revenue Bonds	\$ 10,020,000	\$ -	\$ (3,450,000)	\$ 6,570,000	\$ 3,295,000
<b>Total Governmental Activities</b>	<u>\$ 10,020,000</u>	<u>\$ -</u>	<u>\$ (3,450,000)</u>	<u>\$ 6,570,000</u>	<u>\$ 3,295,000</u>
			<b>Long-term liabilities due in more than one year</b>	<u>\$ 3,275,000</u>	

In November 2022, the Trustee conducted a Reverse Dutch Auction whereas \$1,650,000 was retired for \$1,604,400, resulting in a gain of \$45,600. In May 2023, the Trustee conducted a Reverse Dutch Auction whereas \$1,800,000 was retired for \$1,762,589, resulting in a gain of \$37,411. This totals a gain for the fiscal year of \$83,011.

Long-term debt obligations of the Corporation as of September 30, 2023 are as follows:

<b>Fiscal Year</b>			
<b>Ending Sept. 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 3,295,000	\$ 174,539	\$ 3,469,539
2025	3,275,000	173,480	3,448,480
<b>Total</b>	<u>\$ 6,570,000</u>	<u>\$ 348,019</u>	<u>\$ 6,918,019</u>

Long-term liabilities applicable to the Corporation’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental fund. Interest on long-term debt is not accrued in the governmental fund, but rather is recognized as an expenditure when due.

The debt service of the 2017 Project Revenue Bonds (the “Bonds”) is payable from project revenues as a result of the operation of the Corporation’s facility. The Bonds do not constitute an obligation, either special, general, or moral, of the County, the State, or any other political subdivision thereof. At least 30, but not more than 60, days prior to any sinking fund payment date, each bond holder shall have right, but not the obligation, to offer its bonds for purchase by the issuer in lieu of sinking fund redemption pursuant to a Reverse Dutch Auction at a price less than the principal amount thereof from funds available therefore in the bond fund.

The Bonds were issued to finance a project that consists of the acquisition of real property in the County and the construction, furnishing, and equipping of a multi-classification secure detention center. Separate financial statements are available from the County Auditor’s office.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2023**

**2. Subsequent Events for Component Unit**

**Reverse Dutch Auction**

Subsequent to year end, the Trustee initiated the November 2023 Reverse Dutch Auction in which \$1,650,000 in bonds were retired for \$1,715,000 resulting in a gain on extinguishment of debt of \$27,993. The next Reverse Dutch Auction is scheduled for April 2024, of which the results are presently unknown.

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***REQUIRED SUPPLEMENTARY INFORMATION***

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2)**  
**GENERAL FUND**

For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 16,273,796	\$ 16,273,796	\$ 16,150,199	\$ (123,597)
Sales taxes	3,200,000	3,200,000	3,923,390	723,390
Other taxes	400,000	400,000	492,482	92,482
Fines and forfeitures	487,350	487,350	507,604	20,254
Charges for services	1,254,400	1,254,400	1,336,619	82,219
Intergovernmental	1,196,709	1,213,195	1,846,917	633,722
Licenses and permits	325,275	325,275	291,060	(34,215)
Investment income	100,000	888,255	1,498,449	610,194
Other revenue	1,242,444	1,473,835	1,410,430	(63,405)
<b>Total Revenues</b>	<b>24,479,974</b>	<b>25,516,106</b>	<b>27,457,150</b>	<b>1,941,044</b>
<b><u>Expenditures</u></b>				
<b>General Government:</b>				
County Judge	298,858	298,858	298,824	34
Commissioners' Court	987,461	988,693	889,721	98,972
County Clerk	865,343	865,564	747,357	118,207
County Treasurer	203,053	203,053	202,225	828
County Auditor	445,659	445,659	366,181	79,478
Data processing	814,247	1,032,587	922,547	110,040
Human resources	293,421	261,281	225,941	35,340
Fire Marshal	-	18,215	17,905	310
Maintenance	1,043,774	1,040,888	918,720	122,168
Fire department support	230,568	230,568	229,538	1,030
Emergency management	574,200	602,967	496,640	106,327
General operating	1,529,775	1,691,517	1,686,345	5,172
Grants and contracts	70,695	70,695	68,611	2,084
Other unclassified	1,205,509	1,101,495	901,566	199,929
	<b>8,562,563</b>	<b>8,852,040</b>	<b>7,972,121</b>	<b>879,919</b>
<b>Administration of Justice:</b>				
Jury	96,216	96,216	84,503	11,713
County Court-at-law	839,950	839,950	765,896	74,054
District Clerk	663,710	664,046	630,924	33,122
District Judges	1,266,547	1,374,459	1,184,900	189,559
Justice of the Peace Pct. 1	269,639	271,639	268,189	3,450
Justice of the Peace Pct. 2	230,170	230,170	228,997	1,173
Justice of the Peace Pct. 3	213,648	213,648	209,151	4,497
Justice of the Peace Pct. 4	261,304	262,187	259,819	2,368
District Attorney	1,383,282	1,429,355	1,126,804	302,551
Sheriff	4,678,862	4,800,565	4,736,349	64,216
Jail	4,017,653	3,994,760	3,848,072	146,688
Constables	280,451	280,451	273,581	6,870
Department of Public Safety	86,697	86,697	82,962	3,735
	<b>14,288,129</b>	<b>14,544,143</b>	<b>13,700,147</b>	<b>843,996</b>

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2)**  
**GENERAL FUND**

For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures (continued)</b>				
<b>Health and Human Services:</b>				
Museum	\$ 70,915	\$ 70,915	\$ 67,450	\$ 3,465
Permit/inspections	127,835	128,072	128,072	-
Social services	396,727	451,727	262,466	189,261
Veterans services	75,157	75,157	71,841	3,316
County extension	130,634	130,634	130,338	296
Environmental services	-	15,285	11,385	3,900
	<u>801,268</u>	<u>871,790</u>	<u>671,552</u>	<u>200,238</u>
<b>Tax Administration:</b>				
Tax Assessor-Collector	1,136,000	1,129,516	1,029,035	100,481
	<u>1,136,000</u>	<u>1,129,516</u>	<u>1,029,035</u>	<u>100,481</u>
<b>Debt Service:</b>				
Principal	-	259,020	259,020	-
Interest and fiscal charges	-	5,735	5,735	-
	<u>-</u>	<u>264,755</u>	<u>264,755</u>	<u>-</u>
<b>Capital Outlay</b>	<u>220,000</u>	<u>4,889,259</u>	<u>4,758,491</u>	<u>130,768</u>
<b>Total Expenditures</b>	<u>25,007,960</u>	<u>30,551,503</u>	<u>28,396,101</u>	<u>2,155,402</u>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<u>(527,986)</u>	<u>(5,035,397)</u>	<u>(938,951)</u>	<u>4,096,446</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	598,461	598,461	598,461	-
Transfers (out)	(312,056)	(6,262,056)	(6,262,056)	-
Leases	241,608	1,149,014	1,126,852	(22,162)
<b>Total Other Financing Sources (Uses)</b>	<u>528,013</u>	<u>(4,514,581)</u>	<u>(4,536,743)</u>	<u>(22,162)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 27</u>	<u>\$ (9,549,978)</u>	<u>(5,475,694)</u>	<u>\$ 4,074,284</u>
Beginning fund balance			<u>19,131,706</u>	
<b>Ending Fund Balance</b>			<u>\$ 13,656,012</u>	

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 6,160,198	\$ 6,160,198	\$ 6,119,033	\$ (41,165)
Other taxes	970,000	970,000	988,926	18,926
Fines and forfeitures	85,000	85,000	83,122	(1,878)
Intergovernmental	49,300	124,412	135,960	11,548
Investment income	17,400	55,604	80,485	24,881
Other revenue	-	113,158	158,473	45,315
<b>Total Revenues</b>	<u>7,281,898</u>	<u>7,508,372</u>	<u>7,565,999</u>	<u>57,627</u>
<b><u>Expenditures</u></b>				
<b>Roads and bridges:</b>				
Precinct 1	1,526,269	1,550,134	1,433,461	116,673
Precinct 2	1,673,583	1,760,602	1,698,893	61,709
Precinct 3	1,976,285	1,991,675	1,883,247	108,428
Precinct 4	1,999,868	2,030,817	1,536,646	494,171
<b>Debt service:</b>				
Principal	1,239,170	1,329,508	1,173,549	155,959
Interest	32,693	34,142	34,142	-
<b>Capital outlay</b>				
	1,530,877	1,963,602	1,831,096	132,506
<b>Total Expenditures</b>	<u>9,978,745</u>	<u>10,660,480</u>	<u>9,591,034</u>	<u>1,069,446</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	(2,696,847)	(3,152,108)	(2,025,035)	1,127,073
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	1	(4,041)	-	4,041
Leases	1,690,877	1,783,528	1,491,022	(292,506)
Sale of capital assets	1,005,969	1,005,969	1,005,969	-
<b>Total Other Financing Sources</b>	<u>2,696,847</u>	<u>2,785,456</u>	<u>2,496,991</u>	<u>(288,465)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (366,652)</u>	471,956	<u>\$ 838,608</u>
Beginning fund balance			<u>1,684,020</u>	
<b>Ending Fund Balance</b>			<u>\$ 2,155,976</u>	

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).



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**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**AVAILABLE SCHOOL FUND**  
**For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Investment income	\$ -	\$ 10,522	\$ 16,320	\$ 5,798
Other revenue	192,821	192,821	206,470	13,649
<b>Total Revenues</b>	<u>192,821</u>	<u>203,343</u>	<u>222,790</u>	<u>19,447</u>
<b>Expenditures</b>				
General government	192,821	203,343	202,891	452
<b>Total Expenditures</b>	<u>192,821</u>	<u>203,343</u>	<u>202,891</u>	<u>452</u>
<b>Excess of Revenues Over Expenditures</b>	-	-	19,899	19,899
<b>Other Financing (Uses)</b>				
Transfers in	-	-	33,439	33,439
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>33,439</u>	<u>33,439</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	53,338	<u>\$ 53,338</u>
Beginning fund balance			<u>291,796</u>	
<b>Ending Fund Balance</b>			<u>\$ 345,134</u>	

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

# POLK COUNTY, TEXAS

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

For the Year Ended September 30, 2023

	Measurement Year*			
	2014	2015	2016	2017
<b>Total Pension Liability</b>				
Service cost	\$ 1,609,408	\$ 1,635,340	\$ 1,775,942	\$ 1,800,150
Interest (on the total pension liability)	3,913,810	4,187,330	4,425,097	4,723,059
Changes of benefit terms	-	(312,590)	-	109,415
Difference between expected and actual experience	(345,432)	(878,518)	(940,817)	(637,391)
Change of assumptions	-	575,540	-	183,374
Benefit payments, including refunds of employee contributions	(1,834,960)	(2,054,587)	(2,375,085)	(2,652,608)
<b>Net Change in Total Pension Liability</b>	<u>3,342,826</u>	<u>3,152,515</u>	<u>2,885,137</u>	<u>3,525,999</u>
Beginning total pension liability	<u>48,429,228</u>	<u>51,772,054</u>	<u>54,924,569</u>	<u>57,809,706</u>
<b>Ending Total Pension Liability</b>	<u><u>\$ 51,772,054</u></u>	<u><u>\$ 54,924,569</u></u>	<u><u>\$ 57,809,706</u></u>	<u><u>\$ 61,335,705</u></u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 1,311,060	\$ 1,294,127	\$ 1,300,420	\$ 1,438,245
Contributions - employee	742,511	749,514	769,300	787,437
Net investment income	3,140,528	(761,831)	3,616,677	7,556,897
Benefit payments, including refunds of employee contributions	(1,834,961)	(2,054,587)	(2,375,085)	(2,652,608)
Administrative expense	(37,125)	(35,522)	(39,392)	(39,173)
Other	(184,795)	13,191	(406,128)	(6,091)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>3,137,218</u>	<u>(795,108)</u>	<u>2,865,792</u>	<u>7,084,707</u>
Beginning plan fiduciary net position	<u>46,611,088</u>	<u>49,748,306</u>	<u>48,953,198</u>	<u>51,818,990</u>
<b>Ending Plan Fiduciary Net Position</b>	<u><u>\$ 49,748,306</u></u>	<u><u>\$ 48,953,198</u></u>	<u><u>\$ 51,818,990</u></u>	<u><u>\$ 58,903,697</u></u>
<b>Net Pension Liability/(Asset)</b>	<u><u>\$ 2,023,748</u></u>	<u><u>\$ 5,971,371</u></u>	<u><u>\$ 5,990,716</u></u>	<u><u>\$ 2,432,008</u></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	96.09%	89.13%	89.64%	96.03%
<b>Covered Payroll</b>	\$ 10,607,304	\$ 10,677,523	\$ 11,032,245	\$ 10,957,089
<b>Net Pension Liability/(Asset) as a Percentage of Covered Payroll</b>	19.08%	55.92%	54.30%	22.20%

\*Only nine years of information is currently available. The County will build this schedule over the next one-year period.

**Measurement Year\***

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$	1,689,624	\$ 1,717,165	\$ 1,836,800	\$ 1,992,562	\$ 1,927,168
	4,992,429	5,292,389	5,575,809	5,811,040	6,099,257
	-	-	-	-	-
	6,205	(229,118)	(506,618)	137,410	(580,767)
	-	-	4,354,357	2,764	-
	(2,836,014)	(3,196,180)	(3,614,072)	(3,972,726)	(4,203,601)
	<u>3,852,244</u>	<u>3,584,256</u>	<u>7,646,276</u>	<u>3,971,050</u>	<u>3,242,057</u>
	<u>61,335,705</u>	<u>65,187,949</u>	<u>68,772,205</u>	<u>76,418,481</u>	<u>80,389,531</u>
\$	<u><u>65,187,949</u></u>	<u><u>68,772,205</u></u>	<u><u>76,418,481</u></u>	<u><u>80,389,531</u></u>	<u><u>83,631,588</u></u>
\$	1,520,716	\$ 1,571,701	\$ 1,726,462	\$ 1,745,023	\$ 1,980,650
	794,408	826,589	850,539	859,617	896,796
	(1,103,184)	9,398,114	6,790,911	15,533,143	(4,901,090)
	(2,836,014)	(3,196,180)	(3,614,072)	(3,972,726)	(4,203,601)
	(45,962)	(50,109)	(52,269)	(46,274)	(46,380)
	(9,768)	(18,068)	(24,172)	(19,119)	(113,792)
	<u>(1,679,804)</u>	<u>8,532,047</u>	<u>5,677,399</u>	<u>14,099,664</u>	<u>(6,387,417)</u>
	<u>58,903,697</u>	<u>57,223,893</u>	<u>65,755,940</u>	<u>71,433,339</u>	<u>85,533,003</u>
\$	<u><u>57,223,893</u></u>	<u><u>65,755,940</u></u>	<u><u>71,433,339</u></u>	<u><u>85,533,003</u></u>	<u><u>79,145,586</u></u>
\$	<u><u>7,964,056</u></u>	<u><u>3,016,265</u></u>	<u><u>4,985,142</u></u>	<u><u>(5,143,472)</u></u>	<u><u>4,486,002</u></u>
	87.78%	95.61%	93.48%	106.40%	94.64%
\$	11,348,691	\$ 11,808,411	\$ 12,150,551	\$ 12,280,241	\$ 12,811,375
	70.18%	25.54%	41.03%	-41.88%	35.02%

**POLK COUNTY, TEXAS**  
**SCHEDULE OF CONTRIBUTIONS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**For the Year Ended September 30, 2023**

	Fiscal Year			
	2014	2015	2016	2017
Actuarially determined contribution	\$ 1,289,676	\$ 1,302,182	\$ 1,257,017	\$ 1,375,377
Contributions in relation to the actuarially determined contribution	1,289,676	1,302,182	1,257,017	1,375,377
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 \$ 10,160,018	 \$ 10,693,266	 \$ 10,597,164	 \$ 10,860,701
 Contributions as a percentage of covered payroll	 12.69%	 12.18%	 11.86%	 12.66%

**Notes to Required Supplementary Information:**

1. 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.
2. There were no benefit changes during the year.

**Fiscal Year**

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 1,494,403	\$ 1,552,232	\$ 1,689,122	\$ 1,726,462	\$ 1,966,866	\$ 2,045,837
<u>1,494,403</u>	<u>1,551,911</u>	<u>1,689,122</u>	<u>1,726,462</u>	<u>1,967,651</u>	<u>2,030,643</u>
<u>\$ -</u>	<u>\$ 321</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (785)</u>	<u>\$ 15,194</u>
\$ 11,244,476	\$ 11,640,558	\$ 12,098,729	\$ 12,242,817	\$ 12,998,517	\$ 14,098,335
13.29%	13.33%	13.96%	14.10%	15.14%	14.40%

**POLK COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
For the Year Ended September 30, 2023

	Measurement Year*			
	2017	2018	2019	2020
<b>Total OPEB Liability</b>				
Service cost	\$ 1,056,692	\$ 1,277,734	\$ 386,941	\$ 447,446
Interest (on the total OPEB liability)	658,785	682,731	373,435	322,394
Changes of benefit terms	-	(8,228,980)	-	(594,278)
Difference between expected and actual experience	(2,118)	(3,792,181)	39,938	(238,270)
Changes of assumptions	1,746,883	224,992	1,143,965	1,193,271
Benefit payments	(219,817)	(250,958)	(308,230)	(325,265)
<b>Net Change in Total OPEB Liability</b>	<b>3,240,425</b>	<b>(10,086,662)</b>	<b>1,636,049</b>	<b>805,298</b>
Beginning total OPEB liability	16,872,505	20,112,930	10,026,268	11,662,317
<b>Ending Total OPEB Liability</b>	<b>\$ 20,112,930</b>	<b>\$ 10,026,268</b>	<b>\$ 11,662,317</b>	<b>\$ 12,467,615</b>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 514,673	\$ 580,708	\$ 663,699	\$ 1,272,783
OPEB plan net investment income	15,783	21,707	49,164	14,094
Benefit payments	(219,817)	(250,958)	(308,230)	(325,265)
OPEB plan administrative expense	(6,798)	(1,800)	(3,000)	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>303,841</b>	<b>349,657</b>	<b>401,633</b>	<b>961,612</b>
Beginning plan fiduciary net position	1,198,590	1,502,431	1,852,088	2,253,721
<b>Ending Plan Fiduciary Net Position</b>	<b>\$ 1,502,431</b>	<b>\$ 1,852,088</b>	<b>\$ 2,253,721</b>	<b>\$ 3,215,333</b>
<b>Net OPEB Liability</b>	<b>\$ 18,610,499</b>	<b>\$ 8,174,180</b>	<b>\$ 9,408,596</b>	<b>\$ 9,252,282</b>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	7.47%	18.47%	19.32%	25.79%
<b>Covered Payroll</b>	\$ 9,598,064	\$ 11,348,691	\$ 11,808,411	\$ 10,529,006
<b>Net OPEB Liability as a Percentage of Covered Payroll</b>	193.90%	72.03%	79.68%	87.87%

\*Only six years of information is currently available. The County will build this schedule over the next four-year period.

**Notes to Required Supplementary Information:**

1. Changes in Assumptions

Changes of assumptions reflect the effects of changes in the Single Discount Rate changed from 1.84% as of December 31, 2021 to 2.5% as of December 31, 2022.

**Measurement Year\***

<u>2021</u>	<u>2022</u>
\$ 512,733	\$ 448,587
251,209	242,010
-	-
(2,036)	(1,015,554)
210,200	(891,334)
<u>(327,069)</u>	<u>(368,444)</u>
645,037	(1,584,735)
<u>12,467,615</u>	<u>13,112,652</u>
<u>\$ 13,112,652</u>	<u>\$ 11,527,917</u>
\$ 195,847	\$ 1,199,415
7,540	39,356
(327,069)	(368,444)
<u>(8,138)</u>	<u>(5,514)</u>
(131,820)	864,813
<u>3,215,333</u>	<u>3,083,513</u>
<u>\$ 3,083,513</u>	<u>\$ 3,948,326</u>
<u>\$ 10,029,139</u>	<u>\$ 7,579,591</u>
23.52%	34.25%
\$ 12,145,304	\$ 18,707,406
82.58%	40.52%



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***COMBINING STATEMENTS  
AND SCHEDULES***

## ***NONMAJOR GOVERNMENTAL FUNDS***

### ***Special Revenue Funds***

***County and District Court Technology*** - This fund and the associated fees assessed to certain offenders and case filings were approved by the Legislature and became effective in late 2009. Monies will be utilized, per statute, to improve the technology in County and District courts.

***Courthouse Security Fund*** - This fund is used to account for special fees collected by the District clerk and County clerk for the purpose of defraying expenses related to providing security in the County's court rooms.

***Law Library Fund*** - This fund accounts for revenues and expenditures to maintain a County law library at the County seat. Commissioners' Court has established a fee for each civil case filed in the County or District court.

***Aging Fund*** - This fund is used to account for a program created by the County and is funded in part by the Deep East Texas Council of Governments. This program provides senior citizens with nutrition and activity centers, home delivered meal programs, and counseling.

***County Records Management Fund*** - Fees collected by the District clerk and County clerk-at-law, as approved by the Texas Legislature, are accounted for in this fund. The requests to expend funds collected are addressed to Commissioners' Court.

***County Clerk Records Preservation Fund*** - Fees collected by the County clerk for filing official documents, such as birth and death certificates, are deposited in this fund and are expended for the purpose of preservation of documents within the County clerk's office.

***Hotel/Motel Tax Fund*** - This fund is used to account for revenues generated from a hotel/motel occupancy tax and expenditures for improvements that serve the purpose of attracting visitors and tourists.

***Justice Court Technology Fund*** - This fund is used to account for fees collected by Justice Court and designated for technology expenditures.

***Historical Commission Fund*** - Revenues received by the Historical Commission are recorded in this fund. The purpose of the fund is to preserve the heritage of the Polk County area and to promote its history.

***Language Access Fund*** - Grant revenues received to help aid clients by providing financial assistance for interpretation and translation services.

***District Attorney Collection Fund*** - Fees collected in connection with processing checks issued or passed in violation of the Texas Penal Code are deposited in this fund and used for the purposes of defraying the salaries and expenses of the District attorney.

***District Clerk Records Preservation Fund*** - This fund is used to account for records preserved by the District clerk and fees collected.

***Forfeiture Fund*** - Funds collected in connection with gambling, drug seizures, and forfeitures for the use of the District attorney or sheriff are deposited into this fund. Depending on the nature of funds obtained, these monies can be used for either department.

***District Clerk TDCJ Fund*** - Monies contributed by the Texas Department of Criminal Justice (TDCJ) to help offset the additional costs of the District clerk's office for having a prison located within the County are recorded within this fund.

***Judiciary Fund*** - Fees collected by the County and District clerk for various agencies are accumulated in this fund until payment is made.

***Officials' Fee Account Fund*** - This fund is used to account for monies held in official fee bank accounts. County officials (two justices of the peace and the County clerk) have bank accounts into which they deposit their collections.

## ***NONMAJOR GOVERNMENTAL FUNDS (Continued)***

### **Special Revenue Funds (continued)**

***Sheriff Federal Revenue Sharing Fund*** - This fund is used to account for revenues seized and distributed by the federal government to the County.

***District Attorney's Check Restitution Fund*** - This fund is used to collect and remit restitution for insufficient checks. Fees collected are remitted to the District Attorney collection fund.

***Waste Management Fund*** - This fund is used to account for all revenues generated from the operation of the County landfill and citizens' collection stations.

***Jail Commissary Fund*** - This fund is used to account for all revenues generated from the County's jails.

***District Attorney Special Fund*** - Money requested by the District Attorney from the State is deposited into this fund and used for the purposes of defraying costs of salaries within the District Attorney's office. Also, funds from the State for the District Attorney's investigators for education and training expenses are included.

***Justice Court Building Security Fund*** - This fund is used to account for special fees collected for the purpose of defraying expenses related to providing security in the County's court rooms.

***Pre-Trial Intervention Fund*** - This fund is used to account for special fees collected for the purpose of defraying expenses related to the pretrial intervention program.

***Child Abuse Prevention Fund*** - This fund is used to account for special fees collected for the purpose of child abuse prevention.

***Fire Marshal Fund*** - This fund is restricted for the administration and enforcement of the fire code.

***Guardianship Fund*** - This fund is used to account for the legislated fees collected in probate cases and administered by the Commissioners' Court for guardianship programs.

***Court Reporter Service Fund*** - This fund is used to account for the legislated fees collected as a court cost in civil cases to be used to assist in the payment of court-reporter related services.

***Grant Fund*** - This fund is used to account for funds received from State and/or Federal Grant programs and utilized for restricted purposes, such as disaster recovery.

***Court Facility Fee*** - This fund is used to account for fees collected that may be used by a county only to fund the construction, renovation, or improvement of facilities that house the courts or to pay the principal of, interest on, and costs of issuance of bonds, including refunding bonds, issued for the construction, renovation, or improvement of the facilities.

***County Specialty Court Fund*** - This fund is used to account for fees collected for special purposes.

***Local Assistance and Tribal Consistency ARPA*** - This fund is used to account for grant funds for local assistance and Tribal consistency with ARPA-related funding.

***Opioid Abatement Trust*** - This fund is used to account for funds received for the opioid abatement.

***Truancy Court Cost*** - This fund is used to account for fees collected for truancy.

***Salary Grants Fund*** - This fund is used to account for salaries that are paid through grant funding.

### **Permanent Fund**

Permanent funds are governmental funds which are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

***Permanent School Fund*** - This fund is used to account for mineral lease revenue derived from property awarded in Texas land grants to be held for the benefit of schools within the County. These funds may be distributed if approved by the Commissioners' Court.

**POLK COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 4)**  
**September 30, 2023**

	<u>Special Revenue Funds</u>			
	<u>County and District Court Technology</u>	<u>Courthouse Security</u>	<u>Law Library</u>	<u>Aging</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 12,699	\$ 201,800	\$ 137,585	\$ 59,825
Receivables, net	-	-	-	20,390
<b>Total Assets</b>	<b>\$ 12,699</b>	<b>\$ 201,800</b>	<b>\$ 137,585</b>	<b>\$ 80,215</b>
<b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>				
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ 3,191	\$ -	\$ 12,255
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Due to other units	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>3,191</b>	<b>-</b>	<b>12,255</b>
<b><u>Fund Balances</u></b>				
Restricted:				
Special projects	12,699	198,609	137,585	67,960
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
<b>Total Fund Balances</b>	<b>12,699</b>	<b>198,609</b>	<b>137,585</b>	<b>67,960</b>
<b>Total Liabilities, Deferred Inflows of of Resources, and Fund Balances</b>	<b>\$ 12,699</b>	<b>\$ 201,800</b>	<b>\$ 137,585</b>	<b>\$ 80,215</b>

**Special Revenue Funds**

<b>County Records Mgmt.</b>	<b>County Clerk Records Preservation</b>	<b>Hotel/Motel Tax</b>	<b>Justice Court Technology</b>	<b>Historical Commission</b>	<b>Language Access</b>
\$ 12,206	\$ 613,975	\$ 123,154	\$ 11,806	\$ 338,537	\$ 4,987
-	-	20,447	-	-	-
<u>\$ 12,206</u>	<u>\$ 613,975</u>	<u>\$ 143,601</u>	<u>\$ 11,806</u>	<u>\$ 338,537</u>	<u>\$ 4,987</u>
\$ -	\$ 9,007	\$ 17,582	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>9,007</u>	<u>17,582</u>	<u>-</u>	<u>-</u>	<u>-</u>
12,206	604,968	126,019	11,806	338,537	4,987
-	-	-	-	-	-
-	-	-	-	-	-
<u>12,206</u>	<u>604,968</u>	<u>126,019</u>	<u>11,806</u>	<u>338,537</u>	<u>4,987</u>
<u>\$ 12,206</u>	<u>\$ 613,975</u>	<u>\$ 143,601</u>	<u>\$ 11,806</u>	<u>\$ 338,537</u>	<u>\$ 4,987</u>

**POLK COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 4)**  
**September 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>District Attorney Collection</b>	<b>District Clerk Records Preservation</b>	<b>Forfeiture</b>	<b>District Clerk TDCJ</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 28,369	\$ 131,944	\$ 660,349	\$ 2,012
Receivables, net	-	-	-	-
<b>Total Assets</b>	<b>\$ 28,369</b>	<b>\$ 131,944</b>	<b>\$ 660,349</b>	<b>\$ 2,012</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 3,225	\$ -	\$ 80	\$ -
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Due to other units	-	-	-	-
<b>Total Liabilities</b>	<b>3,225</b>	<b>-</b>	<b>80</b>	<b>-</b>
<b>Fund Balances</b>				
Restricted:				
Special projects	25,144	131,944	660,269	2,012
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
<b>Total Fund Balances</b>	<b>25,144</b>	<b>131,944</b>	<b>660,269</b>	<b>2,012</b>
<b>Total Liabilities, Deferred Inflows of of Resources, and Fund Balances</b>	<b>\$ 28,369</b>	<b>\$ 131,944</b>	<b>\$ 660,349</b>	<b>\$ 2,012</b>

**Special Revenue Funds**

<b>Judiciary</b>	<b>Officials' Fee Account</b>	<b>Sheriff Federal Revenue Sharing</b>	<b>District Attorney's Check Restitution</b>	<b>Waste Management</b>	<b>Jail Commissary</b>
\$ 26,790	\$ 47	\$ 68,518	\$ 288	\$ 397,382	\$ 167,799
-	-	-	-	138,761	-
<u>\$ 26,790</u>	<u>\$ 47</u>	<u>\$ 68,518</u>	<u>\$ 288</u>	<u>\$ 536,143</u>	<u>\$ 167,799</u>
\$ 26,790	\$ -	\$ -	\$ 288	\$ 240	\$ 800
-	-	-	-	-	-
-	-	-	-	-	-
-	47	-	-	-	-
<u>26,790</u>	<u>47</u>	<u>-</u>	<u>288</u>	<u>240</u>	<u>800</u>
-	-	68,518	-	535,903	166,999
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>68,518</u>	<u>-</u>	<u>535,903</u>	<u>166,999</u>
<u>\$ 26,790</u>	<u>\$ 47</u>	<u>\$ 68,518</u>	<u>\$ 288</u>	<u>\$ 536,143</u>	<u>\$ 167,799</u>



**POLK COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 3 of 4)**  
**September 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>District Attorney Special</b>	<b>Justice Court Building Security</b>	<b>Pre-Trial Intervention</b>	<b>Child Abuse Prevention</b>
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 43,064	\$ 162,632	\$ 2,641
Receivables, net	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 43,064</b>	<b>\$ 162,632</b>	<b>\$ 2,641</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Due to other units	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>				
Restricted:				
Special projects	-	43,064	162,632	2,641
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>43,064</b>	<b>162,632</b>	<b>2,641</b>
<b>Total Liabilities, Deferred Inflows of of Resources, and Fund Balances</b>	<b>\$ -</b>	<b>\$ 43,064</b>	<b>\$ 162,632</b>	<b>\$ 2,641</b>

**Special Revenue Funds**

<b>Fire Marshal</b>	<b>Guardianship</b>	<b>Court Reporter Service</b>	<b>Grant</b>	<b>Court Facility Fee</b>	<b>County Specialty Court</b>
\$ 28,465	\$ 24,877	\$ 1,273	\$ 60,914	\$ 33,270	\$ 4,503
200	-	-	417,179	-	-
<u>\$ 28,665</u>	<u>\$ 24,877</u>	<u>\$ 1,273</u>	<u>\$ 478,093</u>	<u>\$ 33,270</u>	<u>\$ 4,503</u>
\$ -	\$ -	\$ -	\$ 17,148	\$ -	\$ -
-	-	-	7,771	-	-
-	-	-	453,174	-	-
-	-	-	-	-	-
-	-	-	<u>478,093</u>	-	-
28,665	24,877	1,273	-	33,270	-
-	-	-	-	-	4,503
-	-	-	-	-	-
<u>28,665</u>	<u>24,877</u>	<u>1,273</u>	<u>-</u>	<u>33,270</u>	<u>4,503</u>
<u>\$ 28,665</u>	<u>\$ 24,877</u>	<u>\$ 1,273</u>	<u>\$ 478,093</u>	<u>\$ 33,270</u>	<u>\$ 4,503</u>

**POLK COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 4 of 4)**  
**September 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>Local Assist- ance and Tribal Consistency ARPA</b>	<b>Opioid Abatement Trust</b>	<b>Truancy Court Cost</b>	<b>Salary Grants</b>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 124,054	\$ 116,412	\$ 2,700	\$ -
Receivables, net	-	-	-	21,643
<b>Total Assets</b>	<b>\$ 124,054</b>	<b>\$ 116,412</b>	<b>\$ 2,700</b>	<b>\$ 21,643</b>
<b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>				
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned revenue	121,933	-	-	-
Due to other funds	-	-	-	21,643
Due to other units	-	-	-	-
<b>Total Liabilities</b>	<b>121,933</b>	<b>-</b>	<b>-</b>	<b>21,643</b>
<b><u>Fund Balances</u></b>				
Restricted:				
Special projects	2,121	116,412	2,700	-
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
<b>Total Fund Balances</b>	<b>2,121</b>	<b>116,412</b>	<b>2,700</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of of Resources, and Fund Balances</b>	<b>\$ 124,054</b>	<b>\$ 116,412</b>	<b>\$ 2,700</b>	<b>\$ 21,643</b>

<u>Permanent Fund</u>		<u>Total Nonmajor Governmental Funds</u>
<u>Permanent School</u>		
\$ 576,157	\$	4,181,034
-		618,620
<u>\$ 576,157</u>	<u>\$</u>	<u>4,799,654</u>

\$ -	\$	90,606
-		129,704
-		474,817
-		47
<u>-</u>		<u>695,174</u>

-		3,523,820
-		4,503
576,157		576,157
<u>576,157</u>		<u>4,104,480</u>
<u>\$ 576,157</u>	<u>\$</u>	<u>4,799,654</u>

**POLK COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 4)**  
**For the Year Ended September 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>County and District Court Technology</b>	<b>Courthouse Security</b>	<b>Law Library</b>	<b>Aging</b>
<b>Revenues</b>				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	1,389	7,974	-	-
Charge for services	-	37,522	36,225	-
Intergovernmental	-	-	-	443,954
Investment income	-	-	-	-
Other revenue	-	-	-	200
<b>Total Revenues</b>	<b>1,389</b>	<b>45,496</b>	<b>36,225</b>	<b>444,154</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	-	-	6,016	-
Administration of justice	660	127,762	-	-
Health and human services	-	-	-	510,377
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>660</b>	<b>127,762</b>	<b>6,016</b>	<b>510,377</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>729</b>	<b>(82,266)</b>	<b>30,209</b>	<b>(66,223)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	170,500	-	78,201
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>170,500</b>	<b>-</b>	<b>78,201</b>
<b>Net Change in Fund Balances</b>	<b>729</b>	<b>88,234</b>	<b>30,209</b>	<b>11,978</b>
Beginning fund balances	11,970	110,375	107,376	55,982
<b>Ending Fund Balances</b>	<b>\$ 12,699</b>	<b>\$ 198,609</b>	<b>\$ 137,585</b>	<b>\$ 67,960</b>

**Special Revenue Funds**

<b>County Records Mgmt.</b>	<b>County Clerk Records Preservation</b>	<b>Hotel/Motel Tax</b>	<b>Justice Court Technology</b>	<b>Historical Commission</b>	<b>Language Access</b>
\$ -	\$ -	\$ 74,064	\$ -	\$ -	\$ -
-	-	-	7,635	-	-
5,998	260,657	-	-	-	-
-	-	-	-	-	-
-	14,795	-	-	15,049	-
-	-	-	-	5,499	3,097
<u>5,998</u>	<u>275,452</u>	<u>74,064</u>	<u>7,635</u>	<u>20,548</u>	<u>3,097</u>
-	542,931	56,720	-	4,758	-
-	-	-	65,830	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>542,931</u>	<u>56,720</u>	<u>65,830</u>	<u>4,758</u>	<u>-</u>
<u>5,998</u>	<u>(267,479)</u>	<u>17,344</u>	<u>(58,195)</u>	<u>15,790</u>	<u>3,097</u>
-	-	-	63,355	-	-
<u>(2,683)</u>	<u>(168,461)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(2,683)</u>	<u>(168,461)</u>	<u>-</u>	<u>63,355</u>	<u>-</u>	<u>-</u>
3,315	(435,940)	17,344	5,160	15,790	3,097
<u>8,891</u>	<u>1,040,908</u>	<u>108,675</u>	<u>6,646</u>	<u>322,747</u>	<u>1,890</u>
<u>\$ 12,206</u>	<u>\$ 604,968</u>	<u>\$ 126,019</u>	<u>\$ 11,806</u>	<u>\$ 338,537</u>	<u>\$ 4,987</u>

**POLK COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 4)**  
**For the Year Ended September 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>District Attorney Collection</b>	<b>District Clerk Records Preservation</b>	<b>Forfeiture</b>	<b>District Clerk TDCJ</b>
<b>Revenues</b>				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Charge for services	245	30,117	-	-
Intergovernmental	-	-	301,628	100
Investment income	-	-	19,532	-
Other revenue	-	-	-	-
<b>Total Revenues</b>	<b>245</b>	<b>30,117</b>	<b>321,160</b>	<b>100</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	-	-	-	-
Administration of justice	3,909	71,100	273,340	400
Health and human services	-	-	-	-
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>3,909</b>	<b>71,100</b>	<b>273,340</b>	<b>400</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,664)</b>	<b>(40,983)</b>	<b>47,820</b>	<b>(300)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	2,683	-	-
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>2,683</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(3,664)</b>	<b>(38,300)</b>	<b>47,820</b>	<b>(300)</b>
Beginning fund balances	28,808	170,244	612,449	2,312
<b>Ending Fund Balances</b>	<b>\$ 25,144</b>	<b>\$ 131,944</b>	<b>\$ 660,269</b>	<b>\$ 2,012</b>

**Special Revenue Funds**

<b>Judiciary</b>	<b>Officials' Fee Account</b>	<b>Sheriff Federal Revenue Sharing</b>	<b>District Attorney's Check Restitution</b>	<b>Waste Management</b>	<b>Jail Commissary</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	393,503	-
-	-	41,980	-	-	-
-	-	-	-	-	-
-	-	-	-	15,400	52,563
-	-	41,980	-	408,903	52,563
-	-	-	-	-	-
-	1,377	-	-	-	49,111
-	-	-	-	2,252	-
-	-	-	-	15,400	-
-	1,377	-	-	17,652	49,111
-	(1,377)	41,980	-	391,251	3,452
-	-	-	-	-	-
-	-	-	-	(430,000)	-
-	-	-	-	(430,000)	-
-	(1,377)	41,980	-	(38,749)	3,452
-	1,377	26,538	-	574,652	163,547
\$ -	\$ -	\$ 68,518	\$ -	\$ 535,903	\$ 166,999



**POLK COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 3 of 4)**  
**For the Year Ended September 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>District Attorney Special</b>	<b>Justice Court Building Security</b>	<b>Pre-Trial Intervention</b>	<b>Child Abuse Prevention</b>
<b>Revenues</b>				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	258	-	-
Charge for services	-	-	-	-
Intergovernmental	649	-	24,549	52
Investment income	-	-	-	-
Other revenue	39,258	-	-	-
<b>Total Revenues</b>	<b>39,907</b>	<b>258</b>	<b>24,549</b>	<b>52</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	-	-	-	-
Administration of justice	40,230	-	2,400	-
Health and human services	-	-	-	-
<b>Capital outlay</b>	<b>-</b>	<b>601</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>40,230</b>	<b>601</b>	<b>2,400</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(323)</b>	<b>(343)</b>	<b>22,149</b>	<b>52</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(323)</b>	<b>(343)</b>	<b>22,149</b>	<b>52</b>
Beginning fund balances	323	43,407	140,483	2,589
<b>Ending Fund Balances</b>	<b>\$ -</b>	<b>\$ 43,064</b>	<b>\$ 162,632</b>	<b>\$ 2,641</b>

**Special Revenue Funds**

<b>Fire Marshal</b>	<b>Guardianship</b>	<b>Court Reporter Service</b>	<b>Grant</b>	<b>Court Facility Fee</b>	<b>County Specialty Court</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	505	-	-	-
25,455	8,354	-	1,391,618	20,650	-
-	-	-	-	-	-
665	-	-	-	-	-
<u>26,120</u>	<u>8,354</u>	<u>505</u>	<u>1,391,618</u>	<u>20,650</u>	<u>-</u>
2,541	-	-	928,261	-	-
-	-	-	31,315	-	-
-	-	-	-	-	-
-	-	-	432,042	-	-
<u>2,541</u>	<u>-</u>	<u>-</u>	<u>1,391,618</u>	<u>-</u>	<u>-</u>
<u>23,579</u>	<u>8,354</u>	<u>505</u>	<u>-</u>	<u>20,650</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
23,579	8,354	505	-	20,650	-
5,086	16,523	768	-	12,620	4,503
<u>\$ 28,665</u>	<u>\$ 24,877</u>	<u>\$ 1,273</u>	<u>\$ -</u>	<u>\$ 33,270</u>	<u>\$ 4,503</u>

**POLK COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS (Page 4 of 4)**  
**For the Year Ended September 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>Local Assist- ance and Tribal Consistency ARPA</b>	<b>Opioid Abatement Trust</b>	<b>Truancy Court Cost</b>	<b>Salary Grants</b>
<b>Revenues</b>				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	2,700	-
Charge for services	-	-	-	-
Intergovernmental	-	-	-	147,463
Investment income	2,121	-	-	-
Other revenue	-	116,412	-	-
<b>Total Revenues</b>	<b>2,121</b>	<b>116,412</b>	<b>2,700</b>	<b>147,463</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	-	-	-	-
Administration of justice	-	-	-	147,463
Health and human services	-	-	-	-
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>147,463</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,121</b>	<b>116,412</b>	<b>2,700</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>2,121</b>	<b>116,412</b>	<b>2,700</b>	<b>-</b>
Beginning fund balances	-	-	-	-
<b>Ending Fund Balances</b>	<b>\$ 2,121</b>	<b>\$ 116,412</b>	<b>\$ 2,700</b>	<b>\$ -</b>

<u>Permanent Fund</u>		<u>Total Nonmajor Governmental Funds</u>
<u>Permanent School</u>		
\$ -	\$	74,064
-		19,956
-		764,772
-		2,406,452
34,910		86,407
37,652		270,746
72,562		3,622,397
219,253		1,760,480
-		814,897
-		512,629
-		448,043
219,253		3,536,049
(146,691)		86,348
-		314,739
(33,439)		(634,583)
(33,439)		(319,844)
(180,130)		(233,496)
756,287		4,337,976
\$ 576,157	\$	4,104,480

# POLK COUNTY, TEXAS

## COMBINING BALANCE SHEET

### ROAD AND BRIDGE – SUB-FUNDS

September 30, 2023

	<b>Road and Bridge Leases</b>	<b>Road and Bridge Precinct No. 1</b>	<b>Road and Bridge Precinct No. 2</b>	<b>Road and Bridge Precinct No. 3</b>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ -	\$ 699,297	\$ 147,171	\$ 914,037
Receivables, net	-	116,926	178,535	140,438
<b>Total Assets</b>	\$ -	\$ 816,223	\$ 325,706	\$ 1,054,475
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ 101,464	\$ 74,413	\$ 193,973
Due to other units	-	-	-	-
<b>Total Liabilities</b>	-	101,464	74,413	193,973
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - property taxes	-	116,926	116,490	140,438
<b><u>Fund Balances</u></b>				
Restricted	-	597,833	134,803	720,064
<b>Total Fund Balances</b>	-	597,833	134,803	720,064
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	\$ -	\$ 816,223	\$ 325,706	\$ 1,054,475

<b>Road and Bridge Precinct No. 4</b>	<b>Interfund Activity Elimination</b>	<b>Total Road and Bridge Funds</b>
\$ 807,474	\$ -	\$ 2,567,979
136,924	-	572,823
<u>\$ 944,398</u>	<u>\$ -</u>	<u>\$ 3,140,802</u>
\$ 57,938	\$ -	\$ 427,788
48,541	-	48,541
<u>106,479</u>	<u>-</u>	<u>476,329</u>
<u>134,643</u>	<u>-</u>	<u>508,497</u>
<u>703,276</u>	<u>-</u>	<u>2,155,976</u>
<u>703,276</u>	<u>-</u>	<u>2,155,976</u>
<u>\$ 944,398</u>	<u>\$ -</u>	<u>\$ 3,140,802</u>

# POLK COUNTY, TEXAS

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### ROAD AND BRIDGE – SUB-FUNDS

For the Year Ended September 30, 2023

	Road and Bridge Leases	Road and Bridge Precinct No. 1	Road and Bridge Precinct No. 2	Road and Bridge Precinct No. 3
<b>Revenues</b>				
Property taxes	\$ -	\$ 1,357,588	\$ 1,408,624	\$ 1,659,679
Other taxes	-	217,156	227,759	267,369
Fines and forfeitures	-	18,740	18,799	22,068
Intergovernmental	-	10,913	71,130	28,785
Investment income	-	19,237	8,512	36,556
Other	-	25,730	89,992	11,442
<b>Total Revenues</b>	-	1,649,364	1,824,816	2,025,899
<b>Expenditures</b>				
<b>Current:</b>				
Roads and bridges	-	1,433,461	1,698,893	1,883,247
<b>Debt service:</b>				
Principal	1,172,875	674	-	-
Interest charges	34,141	1	-	-
<b>Capital outlay</b>	1,491,022	67,715	-	222,359
<b>Total Expenditures</b>	2,698,038	1,501,851	1,698,893	2,105,606
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(2,698,038)	147,513	125,923	(79,707)
<b>Other Financing Sources (Uses)</b>				
Leases	1,491,022	-	-	-
Transfers in	201,047	-	-	-
Transfers (out)	-	(90,614)	(36,811)	(36,811)
Sale of capital assets	1,005,969	-	-	-
<b>Total Other Financing Sources (Uses)</b>	2,698,038	(90,614)	(36,811)	(36,811)
<b>Net Change in Fund Balances</b>	-	56,899	89,112	(116,518)
Beginning fund balances	-	540,934	45,691	836,582
<b>Ending Fund Balances</b>	\$ -	\$ 597,833	\$ 134,803	\$ 720,064

<b>Road and Bridge Precinct No. 4</b>	<b>Interfund Activity Elimination</b>	<b>Total Road and Bridge Funds</b>
\$ 1,693,142	\$ -	\$ 6,119,033
276,642	-	988,926
23,515	-	83,122
25,132	-	135,960
16,180	-	80,485
31,309	-	158,473
<u>2,065,920</u>	<u>-</u>	<u>7,565,999</u>
1,536,646	-	6,552,247
-	-	1,173,549
-	-	34,142
50,000	-	1,831,096
<u>1,586,646</u>	<u>-</u>	<u>9,591,034</u>
479,274	-	(2,025,035)
-	-	1,491,022
-	(201,047)	-
(36,811)	201,047	-
-	-	1,005,969
<u>(36,811)</u>	<u>-</u>	<u>2,496,991</u>
442,463	-	471,956
260,813	-	1,684,020
<u>\$ 703,276</u>	<u>\$ -</u>	<u>\$ 2,155,976</u>



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**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**

For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 3,706,609	\$ 3,706,609	\$ 3,615,425	\$ (91,184)
Investment income	-	-	37,669	37,669
<b>Total Revenues</b>	<u>3,706,609</u>	<u>3,706,609</u>	<u>3,653,094</u>	<u>(53,515)</u>
<b><u>Expenditures</u></b>				
Principal	3,040,000	3,040,000	3,035,000	5,000
Interest and fiscal charges	665,893	665,893	663,464	2,429
<b>Total Expenditures</b>	<u>3,705,893</u>	<u>3,705,893</u>	<u>3,698,464</u>	<u>7,429</u>
<b>Net Change in Fund Balance</b>	<u>\$ 716</u>	<u>\$ 716</u>	<u>(45,370)</u>	<u>\$ (46,086)</u>
Beginning fund balance			<u>957,444</u>	
<b>Ending Fund Balance</b>			<u>\$ 912,074</u>	

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**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct One**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<b>Variance with</b> <b>Final Budget</b> <b>Positive</b> <b>(Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>Revenues</b>				
Property taxes	\$ 1,366,896	\$ 1,366,896	\$ 1,357,588	\$ (9,308)
Other taxes	213,400	213,400	217,156	3,756
Fines and forfeitures	18,700	18,700	18,740	40
Intergovernmental	10,846	10,846	10,913	67
Investment income	3,000	7,041	19,237	12,196
Other	-	24,539	25,730	1,191
<b>Total Revenues</b>	<u>1,612,842</u>	<u>1,641,422</u>	<u>1,649,364</u>	<u>7,942</u>
<b>Expenditures</b>				
<b>Current:</b>				
Precinct 1	1,526,269	1,550,134	1,433,461	116,673
<b>Debt Service:</b>				
Principal	-	674	674	-
Interest	-	1	1	-
<b>Capital outlay</b>	-	67,715	67,715	-
<b>Total Expenditures</b>	<u>1,526,269</u>	<u>1,618,524</u>	<u>1,501,851</u>	<u>116,673</u>
<b>Excess of</b> <b>Revenues Over Expenditures</b>	<u>86,573</u>	<u>22,898</u>	<u>147,513</u>	<u>124,615</u>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	<u>(86,573)</u>	<u>(90,614)</u>	<u>(90,614)</u>	<u>-</u>
<b>Total Other Financing (Uses)</b>	<u>(86,573)</u>	<u>(90,614)</u>	<u>(90,614)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (67,716)</u>	<u>56,899</u>	<u>\$ 124,615</u>
Beginning fund balance			<u>540,934</u>	
<b>Ending Fund Balance</b>			<u>\$ 597,833</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct Two**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 1,423,634	\$ 1,423,634	\$ 1,408,624	\$ (15,010)
Other taxes	223,100	223,100	227,759	4,659
Fines and forfeitures	19,550	19,550	18,799	(751)
Intergovernmental	11,339	71,060	71,130	70
Investment income	2,400	2,399	8,512	6,113
Other	-	57,670	89,992	32,322
<b>Total Revenues</b>	<u>1,680,023</u>	<u>1,797,413</u>	<u>1,824,816</u>	<u>27,403</u>
<b><u>Expenditures</u></b>				
<b><u>Current:</u></b>				
Precinct 2	1,673,583	1,760,602	1,698,893	61,709
<b>Total Expenditures</b>	<u>1,673,583</u>	<u>1,760,602</u>	<u>1,698,893</u>	<u>61,709</u>
<b>Excess of</b> <b>Revenues Over Expenditures</b>	<u>6,440</u>	<u>36,811</u>	<u>125,923</u>	<u>89,112</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers (out)	(6,440)	(36,811)	(36,811)	-
<b>Total Other Financing (Uses)</b>	<u>(6,440)</u>	<u>(36,811)</u>	<u>(36,811)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>89,112</u>	<u>\$ 89,112</u>
Beginning fund balance			<u>45,691</u>	
<b>Ending Fund Balance</b>			<u>\$ 134,803</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct Three**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<b>Variance with</b> <b>Final Budget</b> <b>Positive</b> <b>(Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>Revenues</b>				
Property taxes	\$ 1,677,364	\$ 1,677,364	\$ 1,659,679	\$ (17,685)
Other taxes	261,900	261,900	267,369	5,469
Fines and forfeitures	22,950	22,950	22,068	(882)
Intergovernmental	13,311	28,702	28,785	83
Investment income	7,200	30,552	36,556	6,004
Other	-	-	11,442	11,442
<b>Total Revenues</b>	<u>1,982,725</u>	<u>2,021,468</u>	<u>2,025,899</u>	<u>4,431</u>
<b>Expenditures</b>				
<b>Current:</b>				
Precinct 3	1,976,285	1,991,675	1,883,247	108,428
Capital outlay	-	222,359	222,359	-
<b>Total Expenditures</b>	<u>1,976,285</u>	<u>2,214,034</u>	<u>2,105,606</u>	<u>108,428</u>
<b>Excess (Deficiency) of</b>				
<b>Revenues Over (Under) Expenditures</b>	<u>6,440</u>	<u>(192,566)</u>	<u>(79,707)</u>	<u>112,859</u>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	(6,440)	(36,811)	(36,811)	-
<b>Total Other Financing (Uses)</b>	<u>(6,440)</u>	<u>(36,811)</u>	<u>(36,811)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (229,377)</u>	<u>(116,518)</u>	<u>\$ 112,859</u>
Beginning fund balance			<u>836,582</u>	
<b>Ending Fund Balance</b>			<u>\$ 720,064</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct Four**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<b>Variance with</b> <b>Final Budget</b> <b>Positive</b> <b>(Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b><u>Revenues</u></b>				
Property taxes	\$ 1,692,304	\$ 1,692,304	\$ 1,693,142	\$ 838
Other taxes	271,600	271,600	276,642	5,042
Fines and forfeitures	23,800	23,800	23,515	(285)
Intergovernmental	13,804	13,804	25,132	11,328
Investment income	4,800	15,612	16,180	568
Other	-	30,949	31,309	360
<b>Total Revenues</b>	<u>2,006,308</u>	<u>2,048,069</u>	<u>2,065,920</u>	<u>17,851</u>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
Precinct 4	1,999,868	2,030,817	1,536,646	494,171
Capital outlay	-	50,000	50,000	-
<b>Total Expenditures</b>	<u>1,999,868</u>	<u>2,080,817</u>	<u>1,586,646</u>	<u>494,171</u>
<b>Excess (Deficiency) of Revenues</b> <b>Over (Under) Expenditures</b>	<u>6,440</u>	<u>(32,748)</u>	<u>479,274</u>	<u>512,022</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers (out)	(6,440)	(36,811)	(36,811)	-
<b>Total Other Financing (Uses)</b>	<u>(6,440)</u>	<u>(36,811)</u>	<u>(36,811)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (69,559)</u>	442,463	<u>\$ 512,022</u>
Beginning fund balance			<u>260,813</u>	
<b>Ending Fund Balance</b>			<u>\$ 703,276</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Leases**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures</b>				
<b>Debt service:</b>				
Principal	\$ 1,239,170	\$ 1,328,834	\$ 1,172,875	\$ 155,959
Interest	32,693	34,141	34,141	-
<b>Capital outlay</b>	<u>1,530,877</u>	<u>1,623,528</u>	<u>1,491,022</u>	<u>132,506</u>
<b>Total Expenditures</b>	<u>2,802,740</u>	<u>2,986,503</u>	<u>2,698,038</u>	<u>288,465</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>				
	<u>(2,802,740)</u>	<u>(2,986,503)</u>	<u>(2,698,038)</u>	<u>288,465</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	105,894	197,006	201,047	4,041
Leases	1,690,877	1,783,528	1,491,022	(292,506)
Sale of capital assets	<u>1,005,969</u>	<u>1,005,969</u>	<u>1,005,969</u>	<u>-</u>
<b>Total Other Financing Sources</b>	<u>2,802,740</u>	<u>2,986,503</u>	<u>2,698,038</u>	<u>(288,465)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Beginning fund balance			<u>-</u>	
<b>Ending Fund Balance</b>			<u>\$ -</u>	



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

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Fines and forfeitures	\$ 1,600	\$ 1,600	\$ 1,389	\$ (211)
<b>Total Revenues</b>	<u>1,600</u>	<u>1,600</u>	<u>1,389</u>	<u>(211)</u>
<b><u>Expenditures</u></b>				
Administration of justice	1,600	1,600	660	940
<b>Total Expenditures</b>	<u>1,600</u>	<u>1,600</u>	<u>660</u>	<u>940</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	729	<u>\$ 729</u>
Beginning fund balance			<u>11,970</u>	
<b>Ending Fund Balance</b>			<u>\$ 12,699</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COURTHOUSE SECURITY**  
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Charges for services	\$ 29,800	\$ 29,800	\$ 37,522	\$ 7,722
Fines and forfeitures	-	-	7,974	7,974
<b>Total Revenues</b>	<u>29,800</u>	<u>29,800</u>	<u>45,496</u>	<u>15,696</u>
<b><u>Expenditures</u></b>				
Administration of justice	200,297	200,297	127,762	72,535
<b>Total Expenditures</b>	<u>200,297</u>	<u>200,297</u>	<u>127,762</u>	<u>72,535</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<u>(170,497)</u>	<u>(170,497)</u>	<u>(82,266)</u>	<u>88,231</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	170,500	170,500	170,500	-
<b>Total Other Financing Sources</b>	<u>170,500</u>	<u>170,500</u>	<u>170,500</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 3</u>	<u>\$ 3</u>	88,234	<u>\$ 88,231</u>
Beginning fund balance			<u>110,375</u>	
<b>Ending Fund Balance</b>			<u>\$ 198,609</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**LAW LIBRARY**

For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 15,000	\$ 15,000	\$ 36,225	\$ 21,225
<b>Total Revenues</b>	<b>15,000</b>	<b>15,000</b>	<b>36,225</b>	<b>21,225</b>
<b>Expenditures</b>				
General government	15,000	15,000	6,016	8,984
<b>Total Expenditures</b>	<b>15,000</b>	<b>15,000</b>	<b>6,016</b>	<b>8,984</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>30,209</b>	<b>\$ 30,209</b>
Beginning fund balance			107,376	
<b>Ending Fund Balance</b>			<b>\$ 137,585</b>	

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

For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 397,409	\$ 397,409	\$ 443,954	\$ 46,545
Other	800	800	200	(600)
<b>Total Revenues</b>	<b>398,209</b>	<b>398,209</b>	<b>444,154</b>	<b>45,945</b>
<b>Expenditures</b>				
Health and human services	476,410	526,410	510,377	16,033
<b>Total Expenditures</b>	<b>476,410</b>	<b>526,410</b>	<b>510,377</b>	<b>16,033</b>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<b>(78,201)</b>	<b>(128,201)</b>	<b>(66,223)</b>	<b>61,978</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	78,201	78,201	78,201	-
<b>Total Other Financing Sources</b>	<b>78,201</b>	<b>78,201</b>	<b>78,201</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (50,000)</b>	<b>11,978</b>	<b>\$ 61,978</b>
Beginning fund balance			55,982	
<b>Ending Fund Balance</b>			<b>\$ 67,960</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY RECORDS MANAGEMENT**

For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 7,500	\$ 7,500	\$ 5,998	\$ (1,502)
<b>Total Revenues</b>	<b>7,500</b>	<b>7,500</b>	<b>5,998</b>	<b>(1,502)</b>
<b>Expenditures</b>				
General government	7,500	7,500	-	7,500
<b>Total Expenditures</b>	<b>7,500</b>	<b>7,500</b>	<b>-</b>	<b>7,500</b>
<b>Excess of Revenues Over Expenditures</b>	<b>-</b>	<b>-</b>	<b>5,998</b>	<b>5,998</b>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	-	(1,112)	(2,683)	(1,571)
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>(1,112)</b>	<b>(2,683)</b>	<b>(1,571)</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (1,112)</b>	<b>3,315</b>	<b>\$ 4,427</b>
Beginning fund balance			8,891	
<b>Ending Fund Balance</b>			<b>\$ 12,206</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY CLERK RECORDS PRESERVATION**

For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 307,600	\$ 307,600	\$ 260,657	\$ (46,943)
Investment income	-	2,007	14,795	12,788
<b>Total Revenues</b>	<b>307,600</b>	<b>309,607</b>	<b>275,452</b>	<b>(34,155)</b>
<b>Expenditures</b>				
General government	130,358	542,931	542,931	-
<b>Total Expenditures</b>	<b>130,358</b>	<b>542,931</b>	<b>542,931</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>177,242</b>	<b>(233,324)</b>	<b>(267,479)</b>	<b>(34,155)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	(168,461)	(168,461)	(168,461)	-
<b>Total Other Financing (Uses)</b>	<b>(168,461)</b>	<b>(168,461)</b>	<b>(168,461)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ 8,781</b>	<b>\$ (401,785)</b>	<b>(435,940)</b>	<b>\$ (34,155)</b>
Beginning fund balance			1,040,908	
<b>Ending Fund Balance</b>			<b>\$ 604,968</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**HOTEL/MOTEL TAX**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Other taxes	\$ 25,000	\$ 57,398	\$ 74,064	\$ 16,666
<b>Total Revenues</b>	<u>25,000</u>	<u>57,398</u>	<u>74,064</u>	<u>16,666</u>
<b><u>Expenditures</u></b>				
General government	25,000	57,398	56,720	678
<b>Total Expenditures</b>	<u>25,000</u>	<u>57,398</u>	<u>56,720</u>	<u>678</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	17,344	<u>\$ 17,344</u>
Beginning fund balance			<u>108,675</u>	
<b>Ending Fund Balance</b>			<u>\$ 126,019</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**JUSTICE COURT TECHNOLOGY**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Fines and forfeitures	\$ 2,475	\$ 2,475	\$ 7,635	\$ 5,160
<b>Total Revenues</b>	<u>2,475</u>	<u>2,475</u>	<u>7,635</u>	<u>5,160</u>
<b><u>Expenditures</u></b>				
Administration of justice	65,830	65,830	65,830	-
<b>Total Expenditures</b>	<u>65,830</u>	<u>65,830</u>	<u>65,830</u>	<u>-</u>
<b>(Deficiency) of Revenues (Under)</b>				
<b>Expenditures</b>	<u>(63,355)</u>	<u>(63,355)</u>	<u>(58,195)</u>	<u>5,160</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	63,355	63,355	63,355	-
<b>Total Other Financing Sources</b>	<u>63,355</u>	<u>63,355</u>	<u>63,355</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	5,160	<u>\$ 5,160</u>
Beginning fund balance			<u>6,646</u>	
<b>Ending Fund Balance</b>			<u>\$ 11,806</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT ATTORNEY COLLECTION**  
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Charges for services	\$ -	\$ -	\$ 245	\$ 245
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>245</u>	<u>245</u>
<b><u>Expenditures</u></b>				
Administration of justice	\$ -	\$ 3,909	\$ 3,909	\$ -
<b>Total Expenditures</b>	<u>-</u>	<u>3,909</u>	<u>3,909</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (3,909)</u>	(3,664)	<u>\$ 245</u>
Beginning fund balance			<u>28,808</u>	
<b>Ending Fund Balance</b>			<u>\$ 25,144</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT CLERK RECORDS PRESERVATION**  
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Charges for services	\$ 23,100	\$ 23,100	\$ 30,117	\$ 7,017
<b>Total Revenues</b>	<u>23,100</u>	<u>23,100</u>	<u>30,117</u>	<u>7,017</u>
<b><u>Expenditures</u></b>				
Administration of justice	21,250	71,100	71,100	-
<b>Total Expenditures</b>	<u>21,250</u>	<u>71,100</u>	<u>71,100</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues</b> <b>Over (Under) Expenditures</b>	1,850	(48,000)	(40,983)	7,017
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	-	2,683	2,683
<b>Total Other Financing</b> <b>Sources</b>	<u>-</u>	<u>-</u>	<u>2,683</u>	<u>2,683</u>
<b>Net Change in Fund Balance</b>	<u>\$ 1,850</u>	<u>\$ (48,000)</u>	(38,300)	<u>\$ 9,700</u>
Beginning fund balance			<u>170,244</u>	
<b>Ending Fund Balance</b>			<u>\$ 131,944</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FORFEITURE**

For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 766	\$ 12,639	\$ 301,628	\$ 288,989
Investment income	-	5,094	19,532	14,438
<b>Total Revenues</b>	<u>766</u>	<u>17,733</u>	<u>321,160</u>	<u>303,427</u>
<b>Expenditures</b>				
Administration of justice	766	306,366	273,340	33,026
<b>Total Expenditures</b>	<u>766</u>	<u>306,366</u>	<u>273,340</u>	<u>33,026</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (288,633)</u>	47,820	<u>\$ 336,453</u>
Beginning fund balance			<u>612,449</u>	
<b>Ending Fund Balance</b>			<u>\$ 660,269</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SHERIFF FEDERAL REVENUE SHARING**

For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 41,980	\$ 41,980	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>41,980</u>	<u>41,980</u>	<u>-</u>
<b>Expenditures</b>				
Administration of justice	-	41,980	-	41,980
<b>Total Expenditures</b>	<u>-</u>	<u>41,980</u>	<u>-</u>	<u>41,980</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	41,980	<u>\$ 41,980</u>
Beginning fund balance			<u>26,538</u>	
<b>Ending Fund Balance</b>			<u>\$ 68,518</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**WASTE MANAGEMENT**  
**For the Year Ended September 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Charges for services	\$ 450,000	\$ 450,000	\$ 393,503	\$ (56,497)
Other revenue	-	15,400	15,400	-
<b>Total Revenues</b>	<b>450,000</b>	<b>465,400</b>	<b>408,903</b>	<b>(56,497)</b>
<b>Expenditures</b>				
<b>Current:</b>				
Health and human services	20,000	20,176	2,252	17,924
<b>Capital outlay</b>	<b>-</b>	<b>15,400</b>	<b>15,400</b>	<b>-</b>
<b>Total Expenditures</b>	<b>20,000</b>	<b>35,576</b>	<b>17,652</b>	<b>17,924</b>
<b>Excess of Revenues Over Expenditures</b>	<b>430,000</b>	<b>429,824</b>	<b>391,251</b>	<b>(38,573)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	(430,000)	(430,000)	(430,000)	-
<b>Total Other Financing (Uses)</b>	<b>(430,000)</b>	<b>(430,000)</b>	<b>(430,000)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (176)</b>	<b>(38,749)</b>	<b>\$ (38,573)</b>
Beginning fund balance			574,652	
<b>Ending Fund Balance</b>			<b>\$ 535,903</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**JAIL COMMISSARY**  
**For the Year Ended September 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Other	\$ 26,500	\$ 35,749	\$ 52,563	\$ 16,814
<b>Total Revenues</b>	<b>26,500</b>	<b>35,749</b>	<b>52,563</b>	<b>16,814</b>
<b>Expenditures</b>				
Administration of justice	26,500	49,349	49,111	238
<b>Total Expenditures</b>	<b>26,500</b>	<b>49,349</b>	<b>49,111</b>	<b>238</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (13,600)</b>	<b>3,452</b>	<b>\$ 17,052</b>
Beginning fund balance			163,547	
<b>Ending Fund Balance</b>			<b>\$ 166,999</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT ATTORNEY SPECIAL**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Intergovernmental	\$ -	\$ -	\$ 649	\$ 649
Other	27,500	39,258	39,258	-
<b>Total Revenues</b>	<u>27,500</u>	<u>39,258</u>	<u>39,907</u>	<u>649</u>
<b><u>Expenditures</u></b>				
Administration of justice	28,200	41,312	40,230	1,082
<b>Total Expenditures</b>	<u>28,200</u>	<u>41,312</u>	<u>40,230</u>	<u>1,082</u>
<b>Net Change in Fund Balance</b>	<u>\$ (700)</u>	<u>\$ (2,054)</u>	<u>(323)</u>	<u>\$ 1,731</u>
Beginning fund balance			<u>323</u>	
<b>Ending Fund Balance</b>			<u>\$ -</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**JUSTICE COURT BUILDING SECURITY**  
**For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Fines and forfeitures	\$ 3,400	\$ 3,400	\$ 258	\$ (3,142)
<b>Total Revenues</b>	<u>3,400</u>	<u>3,400</u>	<u>258</u>	<u>(3,142)</u>
<b><u>Expenditures</u></b>				
Capital outlay	1,700	1,901	601	1,300
<b>Total Expenditures</b>	<u>1,700</u>	<u>1,901</u>	<u>601</u>	<u>1,300</u>
<b>Net Change in Fund Balance</b>	<u>\$ 1,700</u>	<u>\$ 1,499</u>	<u>(343)</u>	<u>\$ (1,842)</u>
Beginning fund balance			<u>43,407</u>	
<b>Ending Fund Balance</b>			<u>\$ 43,064</u>	



**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**PRE-TRIAL INTERVENTION PROGRAM**  
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 24,549	\$ 14,549
<b>Total Revenues</b>	<u>10,000</u>	<u>10,000</u>	<u>24,549</u>	<u>14,549</u>
<b><u>Expenditures</u></b>				
Administration of justice	10,000	10,000	2,400	7,600
<b>Total Expenditures</b>	<u>10,000</u>	<u>10,000</u>	<u>2,400</u>	<u>7,600</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	22,149	<u>\$ 22,149</u>
Beginning fund balance			<u>140,483</u>	
<b>Ending Fund Balance</b>			<u>\$ 162,632</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**CHILD ABUSE PREVENTION**  
For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Intergovernmental	\$ 400	\$ 400	\$ 52	\$ (348)
<b>Total Revenues</b>	<u>400</u>	<u>400</u>	<u>52</u>	<u>(348)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 400</u>	<u>\$ 400</u>	52	<u>\$ (348)</u>
Beginning fund balance			<u>2,589</u>	
<b>Ending Fund Balance</b>			<u>\$ 2,641</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FIRE MARSHAL**  
**For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 25,455	\$ 20,455
Other revenue	-	-	665	665
<b>Total Revenues</b>	<u>5,000</u>	<u>5,000</u>	<u>26,120</u>	<u>21,120</u>
<b>Expenditures</b>				
General government	5,000	5,000	2,541	2,459
<b>Total Expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>2,541</u>	<u>2,459</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	23,579	<u>\$ 23,579</u>
Beginning fund balance			<u>5,086</u>	
<b>Ending Fund Balance</b>			<u>\$ 28,665</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GUARDIANSHIP**  
**For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 8,354	\$ 3,354
<b>Total Revenues</b>	<u>5,000</u>	<u>5,000</u>	<u>8,354</u>	<u>3,354</u>
<b>Expenditures</b>				
Administration of justice	5,000	5,000	-	5,000
<b>Total Expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	8,354	<u>\$ 8,354</u>
Beginning fund balance			<u>16,523</u>	
<b>Ending Fund Balance</b>			<u>\$ 24,877</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COURT REPORTER SERVICE**  
**For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 300	\$ 300	\$ 505	\$ 205
<b>Total Revenues</b>	<u>300</u>	<u>300</u>	<u>505</u>	<u>205</u>
<b>Expenditures</b>				
Administration of justice	300	300	-	300
<b>Total Expenditures</b>	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	505	<u>\$ 505</u>
Beginning fund balance			<u>768</u>	
<b>Ending Fund Balance</b>			<u>\$ 1,273</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GRANT**  
**For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental revenue	\$ 4,776,981	\$ 1,347,254	\$ 1,391,618	\$ 44,364
<b>Total Revenues</b>	<u>4,776,981</u>	<u>1,347,254</u>	<u>1,391,618</u>	<u>44,364</u>
<b>Expenditures</b>				
General government	18,571	912,311	928,261	(15,950)
Administration of Justice	-	31,315	31,315	-
<b>Capital Outlay</b>	<u>4,758,410</u>	<u>432,042</u>	<u>432,042</u>	<u>-</u>
<b>Total Expenditures</b>	<u>4,776,981</u>	<u>1,375,668</u>	<u>1,391,618</u>	<u>(15,950)</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<u>-</u>	<u>(28,414)</u>	<u>-</u>	<u>28,414</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (28,414)</u>	<u>-</u>	<u>\$ 28,414</u>
Beginning fund balance			<u>-</u>	
<b>Ending Fund Balance</b>			<u>\$ -</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SALARY GRANTS**

For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Intergovernmental	\$ -	\$ 147,463	\$ 147,463	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>147,463</u>	<u>147,463</u>	<u>-</u>
<b><u>Expenditures</u></b>				
Administration of Justice	\$ -	\$ 147,463	\$ 147,463	-
<b>Total Expenditures</b>	<u>-</u>	<u>147,463</u>	<u>147,463</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Beginning fund balance			<u>-</u>	
<b>Ending Fund Balance</b>			<u>\$ -</u>	

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

For the Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Investment income	\$ -	\$ 28,346	\$ 34,910	\$ 6,564
Other	25,000	25,000	37,652	12,652
<b>Total Revenues</b>	<u>25,000</u>	<u>53,346</u>	<u>72,562</u>	<u>19,216</u>
<b><u>Expenditures</u></b>				
General government	25,000	219,253	219,253	-
<b>Total Expenditures</b>	<u>25,000</u>	<u>219,253</u>	<u>219,253</u>	<u>-</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<u>-</u>	<u>(165,907)</u>	<u>(146,691)</u>	<u>19,216</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers (out)	-	(33,439)	(33,439)	-
<b>Total Other Financing (Uses)</b>	<u>-</u>	<u>(33,439)</u>	<u>(33,439)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (199,346)</u>	<u>(180,130)</u>	<u>\$ 19,216</u>
Beginning fund balance			<u>756,287</u>	
<b>Ending Fund Balance</b>			<u>\$ 576,157</u>	

**POLK COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**September 30, 2023**

	Custodial Funds			
	County Clerk's Probate Trust	District Clerk's Trust	Tax Assessor Collector	Adult Probation
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 650,774	\$ 4,662,608	\$ 1,726,359	\$ 9,064
Due from other units	-	-	-	26,009
<b>Total Assets</b>	650,774	4,662,608	1,726,359	35,073
<b><u>Liabilities</u></b>				
Accounts payable	-	-	-	35,065
<b>Total Liabilities</b>	-	-	-	35,065
<b><u>Net Position</u></b>				
Restricted for:				
Individuals, organizations, or other governments	650,774	4,662,608	1,726,359	8
<b>Total Net Position</b>	\$ 650,774	\$ 4,662,608	\$ 1,726,359	\$ 8

<b>Custodial Funds</b>		
<b>Juvenile Probation</b>	<b>Jail Inmate</b>	<b>Total Custodial Funds</b>
\$ 10,504	\$ 109,978	\$ 7,169,287
14,082	-	40,091
<u>24,586</u>	<u>109,978</u>	<u>7,209,378</u>
24,371	-	59,436
<u>24,371</u>	<u>-</u>	<u>59,436</u>
215	109,978	7,149,942
<u>\$ 215</u>	<u>\$ 109,978</u>	<u>\$ 7,149,942</u>

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

	<b>Custodial Funds</b>			
	<b>County Clerk's Probate Trust</b>	<b>District Clerk's Trust</b>	<b>Tax Assessor Collector</b>	<b>Adult Probation</b>
<b><u>Additions</u></b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,270,019
Other revenue	85,908	1,538,132	110,541,440	-
Investment income	3,092	19,116	89,470	-
<b>Total Additions</b>	<b>89,000</b>	<b>1,557,248</b>	<b>110,630,910</b>	<b>1,270,019</b>
<b><u>Deductions</u></b>				
Trust fund recipients	89,978	-	-	-
Criminal departments	-	-	-	1,270,011
Deed recipients	-	876,241	-	-
Taxing entities	-	-	110,684,377	-
<b>Total Deductions</b>	<b>89,978</b>	<b>876,241</b>	<b>110,684,377</b>	<b>1,270,011</b>
<b>Change in Net Position</b>	<b>(978)</b>	<b>681,007</b>	<b>(53,467)</b>	<b>8</b>
Beginning net position	651,752	3,981,601	1,779,826	-
<b>Ending Net Position</b>	<b>\$ 650,774</b>	<b>\$ 4,662,608</b>	<b>\$ 1,726,359</b>	<b>\$ 8</b>

<b>Custodial Funds</b>		
<b>Juvenile Probation</b>	<b>Jail Inmate</b>	<b>Total Custodial Funds</b>
\$ 716,779	\$ 451,279	\$ 2,438,077
-	-	112,165,480
-	-	111,678
<u>716,779</u>	<u>451,279</u>	<u>114,715,235</u>
-	-	89,978
716,564	343,441	2,330,016
-	-	876,241
-	-	110,684,377
<u>716,564</u>	<u>343,441</u>	<u>113,980,612</u>
215	107,838	734,623
-	2,140	6,415,319
<u>\$ 215</u>	<u>\$ 109,978</u>	<u>\$ 7,149,942</u>



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## ***STATISTICAL SECTION***

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

### **Contents**

#### **Financial Trends (Page 142)**

*These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.*

#### **Revenue Capacity (Page 150)**

*These schedules contain information to help the reader assess the County's most significant local revenue source, property tax.*

#### **Debt Capacity (Page 160)**

*These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.*

#### **Demographic and Economic Information (Page 168)**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.*

#### **Operating Information (Page 173)**

*These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.*

# POLK COUNTY, TEXAS

## NET POSITION BY COMPONENT

Last Ten Years

(Accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
Governmental activities				
Net investment in capital assets	\$ 29,864,824	\$ 31,763,084	\$ 34,652,210	\$ 36,559,546
Restricted	5,567,823	5,576,469	5,766,620	4,627,091
Unrestricted	3,799,287	2,503,356	1,879,843	2,032
<b>Total Governmental Activities Net Position</b>	<b>\$ 39,231,934</b>	<b>\$ 39,842,909</b>	<b>\$ 42,298,673</b>	<b>\$ 41,188,669</b>

<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 37,695,725	\$ 38,630,639	\$ 40,272,870	\$ 42,402,129	\$ 38,941,024	\$ 45,427,252
4,415,662	5,501,000	6,817,883	6,699,618	12,251,734	17,800,633
(9,836,200)	(1,994,172)	(2,023,023)	1,000,044	3,847,080	(1,066,944)
<b>\$ 32,275,187</b>	<b>\$ 42,137,467</b>	<b>\$ 45,067,730</b>	<b>\$ 50,101,791</b>	<b>\$ 55,039,838</b>	<b>\$ 62,160,941</b>

# POLK COUNTY, TEXAS

## CHANGES IN NET POSITION

Last Ten Years

(Accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
<b>Expenses</b>				
Governmental activities				
General government	\$ 7,453,356	\$ 7,183,313	\$ 8,247,032	\$ 8,052,484
Administration of justice	10,840,429	10,950,781	11,216,535	12,429,450
Roads and bridges	5,182,543	7,124,431	5,864,408	9,257,802
Health and human services	1,121,303	1,044,763	1,192,366	1,192,373
Tax administration	1,247,269	1,235,406	1,240,282	1,303,518
Interest and fiscal agent fees	937,773	878,067	877,747	784,356
<b>Total Governmental Activities Expenses</b>	<b>\$ 26,782,673</b>	<b>\$ 28,416,761</b>	<b>\$ 28,638,369</b>	<b>\$ 33,019,983</b>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
General government	\$ 2,048,349	\$ 2,204,713	\$ 1,976,516	\$ 2,101,994
Administration of justice	291,860	337,454	336,248	354,383
Roads and bridges	67,811	105,240	108,232	125,057
Health and human services	129,909	143,881	145,676	183,360
Operating grants and contributions	4,118,523	2,688,631	3,181,552	3,627,839
<b>Total Governmental Activities Program Revenues</b>	<b>6,656,452</b>	<b>5,479,919</b>	<b>5,748,224</b>	<b>6,392,633</b>
<b>Net (Expense)</b>				
Governmental activities	<b>\$ (20,126,221)</b>	<b>\$ (22,936,842)</b>	<b>\$ (22,890,145)</b>	<b>\$ (26,627,350)</b>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities				
Taxes	\$ 21,645,908	\$ 22,354,430	\$ 22,981,912	\$ 23,064,315
Investment earnings	10,250	30,436	59,910	140,485
Gain on sale of capital assets	-	-	-	-
Other revenues	2,009,517	1,988,796	2,304,087	2,087,173
<b>Total Governmental Activities</b>	<b>23,665,675</b>	<b>24,373,662</b>	<b>25,345,909</b>	<b>25,291,973</b>
<b>Change in Net Position</b>				
Governmental activities	<b>\$ 3,539,454</b>	<b>\$ 1,436,820</b>	<b>\$ 2,455,764</b>	<b>\$ (1,335,377)</b>

**Fiscal Year**

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 7,277,465	\$ 5,907,007	\$ 12,183,608	\$ 9,099,542	\$ 9,976,837	\$ 20,139,589
13,024,986	8,089,203	12,540,565	11,271,427	13,026,844	11,875,231
7,388,389	6,774,803	7,017,278	6,774,048	7,087,458	4,220,380
1,292,738	1,284,264	1,368,351	1,058,807	1,016,272	1,185,825
1,374,349	996,187	1,393,851	1,312,104	1,348,198	994,009
624,347	580,035	851,342	435,488	1,116,859	564,557
<u>\$ 30,982,274</u>	<u>\$ 23,631,499</u>	<u>\$ 35,354,995</u>	<u>\$ 29,951,416</u>	<u>\$ 33,572,468</u>	<u>\$ 38,979,591</u>
\$ 2,143,912	\$ 2,023,645	\$ 2,007,715	\$ 2,263,734	\$ 2,223,733	\$ 2,141,281
356,482	346,923	351,256	424,250	417,548	385,227
92,555	74,950	85,823	63,982	91,506	83,122
238,896	228,364	421,770	598,204	559,059	393,503
2,650,189	3,263,193	6,020,646	2,627,211	3,184,486	7,462,177
<u>5,482,034</u>	<u>5,937,075</u>	<u>8,887,210</u>	<u>5,977,381</u>	<u>6,476,332</u>	<u>10,465,310</u>
<u>\$ (25,500,240)</u>	<u>\$ (17,694,424)</u>	<u>\$ (26,467,785)</u>	<u>\$ (23,974,035)</u>	<u>\$ (27,096,136)</u>	<u>\$ (28,514,281)</u>
\$ 24,338,387	\$ 25,002,843	\$ 26,632,818	\$ 26,812,272	\$ 29,010,768	\$ 31,422,617
310,990	499,843	213,083	32,870	310,023	2,166,648
126,759	111,559	183,000	-	-	-
1,584,686	1,942,459	2,369,147	1,949,580	2,713,392	2,046,119
<u>26,360,822</u>	<u>27,556,704</u>	<u>29,398,048</u>	<u>28,794,722</u>	<u>32,034,183</u>	<u>35,635,384</u>
<u>\$ 860,582</u>	<u>\$ 9,862,280</u>	<u>\$ 2,930,263</u>	<u>\$ 4,820,687</u>	<u>\$ 4,938,047</u>	<u>\$ 7,121,103</u>

**POLK COUNTY, TEXAS**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Years  
 (Modified accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 15,548	\$ -	\$ -	\$ -
Special projects	-	-	-	-
Unassigned	7,105,228	7,440,074	8,365,306	9,083,198
<b>Total General Fund</b>	<u><u>\$ 7,120,776</u></u>	<u><u>\$ 7,440,074</u></u>	<u><u>\$ 8,365,306</u></u>	<u><u>\$ 9,083,198</u></u>
All Other Governmental Funds				
Restricted	\$ 5,567,823	\$ 5,576,469	\$ 7,323,132	\$ 4,787,736
Assigned	759,884	760,277	762,472	767,770
Unassigned	-	-	-	(51,791)
<b>Total All Other Governmental Funds</b>	<u><u>\$ 6,327,707</u></u>	<u><u>\$ 6,336,746</u></u>	<u><u>\$ 8,085,604</u></u>	<u><u>\$ 5,503,715</u></u>

<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ -	\$ 12,468	\$ 33,874	\$ 11,018	\$ 37,490	\$ 48,392
-	585,461	585,461	585,461	-	-
10,475,683	12,414,533	13,675,781	15,694,224	19,094,216	13,607,620
<u>\$ 10,475,683</u>	<u>\$ 13,012,462</u>	<u>\$ 14,295,116</u>	<u>\$ 16,290,703</u>	<u>\$ 19,131,706</u>	<u>\$ 13,656,012</u>
\$ 4,524,661	\$ 4,915,684	\$ 6,232,567	\$ 6,118,660	\$ 12,256,237	\$ 17,805,136
779,642	797,876	805,147	805,547	811,215	848,811
-	-	-	-	-	-
<u>\$ 5,304,303</u>	<u>\$ 5,713,560</u>	<u>\$ 7,037,714</u>	<u>\$ 6,924,207</u>	<u>\$ 13,067,452</u>	<u>\$ 18,653,947</u>



**POLK COUNTY, TEXAS**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**Last Ten Years**  
**(Modified accrual basis of accounting)**

	Fiscal Year			
	2014	2015	2016	2017
<b>Revenues</b>				
Taxes	\$ 21,466,960	\$ 22,182,899	\$ 23,022,338	\$ 22,907,667
Licenses and permits	178,133	160,261	174,746	171,385
Fines and forfeitures	652,276	721,504	657,667	799,538
Charges for services	1,707,520	1,909,523	1,734,259	1,793,871
Intergovernmental	4,118,523	2,688,631	3,181,552	3,627,839
Investment earnings	10,250	30,436	59,910	140,485
Other revenue	2,009,517	1,988,796	2,304,087	2,087,173
<b>Total Revenues</b>	<b>30,143,179</b>	<b>29,682,050</b>	<b>31,134,559</b>	<b>31,527,958</b>
<b>Expenditures</b>				
General government	8,711,024	7,020,291	7,268,461	7,002,234
Administration of justice	10,726,732	10,456,874	10,675,120	11,046,954
Roads and bridges	4,664,171	5,954,742	5,667,284	7,324,181
Health and human services	1,016,281	941,598	1,073,199	1,051,857
Tax administration	1,247,269	1,238,932	1,221,446	1,234,171
Capital outlay	1,078,353	2,050,961	2,320,390	3,337,273
Debt service				
Principal	3,267,645	3,509,860	3,762,198	3,653,094
Debt issuance costs	52,847	31,226	58,033	98,014
Interest and paying agent	869,231	827,127	777,664	771,061
Payment to refunding bond escrow agent	-	-	-	4,119,069
<b>Total Expenditures</b>	<b>31,633,553</b>	<b>32,031,611</b>	<b>32,823,795</b>	<b>39,637,908</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,490,374)</b>	<b>(2,349,561)</b>	<b>(1,689,236)</b>	<b>(6,679,230)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,029,953	407,626	370,335	734,434
Transfers out	(1,029,953)	(407,626)	(370,335)	(734,434)
Issuance of debt	2,395,865	1,921,898	3,572,326	4,941,160
Leases	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Premium on bonds issued	26,552	-	-	320,953
Sale of capital assets	707,678	756,000	791,000	983,840
<b>Total Other Financing Sources</b>	<b>3,130,095</b>	<b>2,677,898</b>	<b>4,363,326</b>	<b>6,245,953</b>
<b>Net change in Fund Balances</b>	<b>\$ 1,639,721</b>	<b>\$ 328,337</b>	<b>\$ 2,674,090</b>	<b>\$ (433,277)</b>
Debt service as a percentage of noncapital expenditures	13.56%	14.90%	15.74%	12.41%

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 24,353,603	\$ 25,138,592	\$ 26,422,461	\$ 27,182,501	\$ 28,969,542	\$ 31,363,519	
173,822	190,967	285,618	336,168	345,590	291,060	
778,876	666,431	547,642	603,478	600,663	610,682	
1,879,147	1,816,484	2,033,304	2,410,524	2,352,855	2,101,391	
2,650,189	3,263,193	6,020,646	2,627,211	3,177,224	7,462,177	
310,990	499,843	213,083	32,870	310,023	2,166,648	
1,584,686	1,942,459	2,369,147	1,949,580	2,713,392	2,046,119	
<u>31,731,313</u>	<u>33,517,969</u>	<u>37,891,901</u>	<u>35,142,332</u>	<u>38,469,289</u>	<u>46,041,596</u>	
6,235,358	6,757,948	10,422,050	8,008,612	7,979,771	13,008,340	
11,617,784	11,946,817	11,928,619	12,252,394	12,941,098	14,515,044	
5,975,553	5,655,314	6,127,668	6,376,197	7,586,012	6,552,247	
1,153,656	1,383,842	1,234,599	1,241,907	1,131,341	1,184,181	
1,302,814	1,310,620	1,356,334	1,374,688	1,415,450	1,029,035	
2,624,567	2,876,391	1,921,609	2,307,322	1,869,498	8,094,881	
3,686,949	3,719,030	3,227,028	3,799,173	3,989,676	4,467,569	
32,953	35,825	29,030	26,750	111,734	-	
671,453	631,766	550,178	624,183	549,164	703,341	
-	-	-	-	-	-	
<u>33,301,087</u>	<u>34,317,553</u>	<u>36,797,115</u>	<u>36,011,226</u>	<u>37,573,744</u>	<u>49,554,638</u>	
(784,785)	(799,584)	1,094,786	(868,894)	895,545	(3,513,042)	
584,863	638,364	936,112	703,752	1,284,345	6,896,639	
(584,863)	(638,364)	(936,112)	(703,752)	(1,284,345)	(6,896,639)	
2,025,795	2,812,820	9,491,445	1,577,600	6,555,969	-	
-	-	-	-	-	2,617,874	
-	-	(9,517,488)	-	-	-	
-	-	1,355,065	-	556,734	-	
948,000	932,800	183,000	960,000	976,000	1,005,969	
<u>2,973,795</u>	<u>3,745,620</u>	<u>1,512,022</u>	<u>2,537,600</u>	<u>8,088,703</u>	<u>3,623,843</u>	
<u>\$ 2,189,010</u>	<u>\$ 2,946,036</u>	<u>\$ 2,606,808</u>	<u>\$ 1,668,706</u>	<u>\$ 8,984,248</u>	<u>\$ 110,801</u>	
14.04%	14.04%	10.49%	14.05%	15.48%	12.50%	

**POLK COUNTY, TEXAS**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL ACTIVITIES**  
 Last Ten Years  
 (Accrual basis of accounting)

<b>Function</b>	<b>Fiscal Year</b>			
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Property taxes	\$ 18,212,134	\$ 18,586,644	\$ 19,168,536	\$ 19,052,802
Sales taxes	2,063,194	2,210,700	2,470,991	2,437,411
Other taxes	1,370,580	1,385,555	1,342,385	1,417,454
<b>Total Taxes</b>	<b>\$ 21,645,908</b>	<b>\$ 22,182,899</b>	<b>\$ 22,981,912</b>	<b>\$ 22,907,667</b>

<b>Fiscal Year</b>						<b>Change</b>
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2022-2023</b>
\$ 20,458,921	\$ 21,081,991	\$ 22,227,706	\$ 22,582,322	\$ 23,861,285	\$ 25,943,755	8.7%
2,502,791	2,502,854	2,795,362	3,173,120	3,548,077	3,923,390	10.6%
1,376,675	1,417,998	1,399,393	1,427,059	1,560,180	1,555,472	-0.3%
<u>\$ 24,338,387</u>	<u>\$ 25,002,843</u>	<u>\$ 26,422,461</u>	<u>\$ 27,182,501</u>	<u>\$ 28,969,542</u>	<u>\$ 31,422,617</u>	8.5%

**POLK COUNTY, TEXAS**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Years**

	<b>Fiscal Year</b>			
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Real property	\$ 2,038,542,297	\$ 2,584,070,818	\$ 2,743,880,166	\$ 2,873,191,987
Personal property	512,183,088	535,973,582	575,589,894	604,117,476
Mineral	352,464,821	336,421,796	232,753,563	109,579,830
Total assessed value (1)	<u>2,903,190,206</u>	<u>3,456,466,196</u>	<u>3,552,223,623</u>	<u>3,586,889,293</u>
Less: real property exemptions	<u>(442,563,250)</u>	<u>(456,123,623)</u>	<u>(475,602,352)</u>	<u>(463,299,119)</u>
<b>Total Taxable Assessed Value (Net)(1)</b>	<u>2,460,626,956</u>	<u>3,000,342,573</u>	<u>3,076,621,271</u>	<u>3,123,590,174</u>
Less: freeze taxable exemptions	<u>(352,192,056)</u>	<u>(393,901,443)</u>	<u>(421,853,708)</u>	<u>(454,131,686)</u>
<b>Total Freeze Adjusted Taxable(1)</b>	<u>\$ 2,108,434,900</u>	<u>\$ 2,606,441,130</u>	<u>\$ 2,654,767,563</u>	<u>\$ 2,669,458,488</u>
<b>Total Direct Tax Rate</b>	\$ 0.6277	\$ 0.6461	\$ 0.6461	\$ 0.6461

(1) Property is assessed at actual value; therefore, the assessed values are equal to actual value.  
Source: Polk Central Appraisal District

**Fiscal Year**

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 3,047,723,414	\$ 3,154,514,774	\$ 3,380,313,153	\$ 3,470,980,729	\$ 3,806,586,738	\$ 4,279,031,737
690,425,326	835,555,725	858,270,565	904,827,820	966,679,881	1,014,214,169
198,273,059	196,736,488	179,051,026	91,385,889	66,297,681	105,366,926
<u>3,936,421,799</u>	<u>4,186,806,987</u>	<u>4,417,634,744</u>	<u>4,467,194,438</u>	<u>4,839,564,300</u>	<u>5,398,612,832</u>
(598,407,562)	(771,896,150)	(815,715,833)	(863,904,678)	(903,873,164)	(944,760,102)
<u>3,338,014,237</u>	<u>3,414,910,837</u>	<u>3,601,918,911</u>	<u>3,603,289,760</u>	<u>3,935,691,136</u>	<u>4,453,852,730</u>
(516,439,579)	(538,128,396)	(577,952,726)	(611,807,374)	(681,416,721)	774,055,402
<u>\$ 2,821,574,658</u>	<u>\$ 2,876,782,441</u>	<u>\$ 3,023,966,185</u>	<u>\$ 2,991,482,386</u>	<u>\$ 3,254,274,415</u>	<u>\$ 5,227,908,132</u>
\$ 0.6461	\$ 0.6461	\$ 0.6461	\$ 0.6461	\$ 0.6376	\$ 0.5830

**POLK COUNTY, TEXAS**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last Ten Years**

	Fiscal Year			
	2014	2015	2016	2017
<b><u>Polk County by fund:</u></b>				
General	\$ 0.36390	\$ 0.37570	\$ 0.37980	\$ 0.38680
Road and bridge	0.14880	0.14880	0.14290	0.14710
Debt service	0.13340	0.12160	0.12340	0.11220
	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>
<b><u>Cities:</u></b>				
City of Corrigan	0.48150	0.44310	0.43540	0.35180
City of Goodrich	0.50840	0.49320	0.45730	0.40840
<b><u>School Districts:</u></b>				
Big Sandy ISD	1.18210	1.17540	1.21650	1.26940
Corrigan-Camden ISD	1.20000	1.18000	1.18000	1.18000
Goodrich ISD	1.17000	1.17000	1.17000	1.33000
Leggett ISD	1.14190	1.14000	1.15290	1.20000
Livingston ISD	1.39500	1.39500	1.39000	1.39000
Onalaska ISD	1.15600	1.29880	1.27980	1.23500
<b><u>Utility Districts:</u></b>				
Memorial Point Utility District	0.89000	0.89000	0.89000	0.89000
Polk County FWSD	0.35800	0.35800	0.33500	0.33500
<b>Total Direct and Overlapping Rates</b>	<u>\$ 10.12900</u>	<u>\$ 10.18960</u>	<u>\$ 10.15300</u>	<u>\$ 10.23570</u>

Tax rates per \$100 of assessed valuation  
Source: Polk County Tax Assessor/Collector

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 0.39840	\$ 0.39744	\$ 0.39744	\$ 0.40019	\$ 0.40290	\$ 0.36745	
0.14710	0.14710	0.14710	0.14710	0.14710	0.14740	
0.10060	0.10156	0.10156	0.09881	0.08760	0.06815	
<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.63760</u>	<u>0.58300</u>	
0.43600	0.42770	0.42000	0.47640	0.50000	0.51300	
0.42600	0.43290	0.42810	0.41820	0.38060	0.33090	
1.26900	1.20450	1.20830	1.21530	1.09520	0.98820	
1.18000	1.11000	1.10000	1.07680	1.07650	0.93630	
1.33100	1.20530	1.15750	1.06560	1.03150	0.83899	
1.18200	1.17740	1.26337	1.23770	1.08430	0.88720	
1.39000	1.32330	1.30970	1.23690	1.13200	0.91864	
1.24900	1.17890	1.16530	1.08390	1.03990	0.85460	
0.90000	0.90000	0.90000	0.90000	0.08900	0.89000	
0.33500	0.33500	0.33500	0.33250	0.32270	0.30350	
<u>\$ 10.34410</u>	<u>\$ 9.94110</u>	<u>\$ 9.93337</u>	<u>\$ 9.68940</u>	<u>\$ 8.38930</u>	<u>\$ 8.04433</u>	



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# POLK COUNTY, TEXAS

## PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Taxpayer	2023			2014		
	2022 Taxable Assessed Value	Rank	% of Taxable Assessed Value	2013 Taxable Assessed Value	Rank	% of Taxable Assessed Value
Georgia Pacific LLC*	\$ 117,207,130	1	2.24%	\$ 76,735,900	1	3.64%
Transcanada Keystone Pipeline LP	101,600,431	2	1.94%	-		0.00%
Gulf South Pipeline Co LP	50,442,500	3	0.96%	-		0.00%
Corrigan OSB LLC	41,453,772	4	0.79%	-		0.00%
Union Pacific Railroad Co.	39,872,590	5	0.76%	-		0.00%
Eastex Telephone	31,417,300	6	0.60%	-		0.00%
East Texas Electric Coop Inc	24,291,995	7	0.46%	-		0.00%
Olipdp II LLC	22,073,028	8	0.42%	-		0.00%
Kinder Morgan Tejas Pipeline LP	21,295,180	9	0.41%	-		0.00%
Midcoast Pipelines (East TX) LP	19,627,030	10	0.38%	-		0.00%
Wildhorse Resources LLC	-	-	0.00%	62,832,068	2	2.98%
ETC Katy Pipeline Limited	-	-	0.00%	42,564,570	3	2.02%
Enbridge Pipelines	-	-	0.00%	35,868,460	4	1.70%
Unit Petroleum Company	-	-	0.00%	34,342,450	5	1.63%
BBX Operating LLC	-	-	0.00%	30,953,552	6	1.47%
Wapiti Operating LLC	-	-	0.00%	47,838,698	7	2.27%
Black Stone Minerals	-	-	0.00%	25,703,914	8	1.22%
RMS Texas Timberlands I LP	-	-	0.00%	25,162,235	9	1.19%
Comstock Oil and Gas	-	-	0.00%	24,658,024	10	1.17%
Subtotal	<u>469,280,956</u>		<u>8.98%</u>	<u>406,659,871</u>		<u>19.29%</u>
Other taxpayers	<u>4,758,627,176</u>		<u>91.02%</u>	<u>1,825,330,119</u>		<u>86.57%</u>
<b>Total</b>	<u><u>\$ 5,227,908,132</u></u>		<u><u>100.00%</u></u>	<u><u>\$ 2,108,434,900</u></u>		<u><u>105.86%</u></u>

Source: Polk Central Appraisal District

\*Previously named International Paper Company

**POLK COUNTY, TEXAS**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
Adjusted tax levy	\$ 17,876,863	\$ 18,472,325	\$ 18,827,503	\$ 18,891,307
Current tax collected	\$ 17,270,190	\$ 17,690,427	\$ 18,220,530	\$ 18,238,267
Percentage of current tax collections	96.61%	95.77%	96.78%	96.54%
Delinquent tax collections	545,569	702,597	521,545	562,858
<b>Total Tax Collections</b>	<b>\$ 17,815,759</b>	<b>\$ 18,393,024</b>	<b>\$ 18,742,075</b>	<b>\$ 18,801,125</b>
Total collections as a percentage of current levy	99.27%	99.12%	99.05%	98.89%
<b>Outstanding Delinquent Taxes</b>	<b>\$ 61,104</b>	<b>\$ 79,301</b>	<b>\$ 85,428</b>	<b>\$ 90,182</b>
Outstanding delinquent taxes as percentage of current levy	0.34%	0.43%	0.45%	0.48%

Source: Polk County Tax Assessor/Collector

<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<u>\$ 20,298,419</u>	<u>\$ 20,793,624</u>	<u>\$ 21,980,245</u>	<u>\$ 21,879,475</u>	<u>\$ 23,459,904</u>	<u>\$ 25,464,323</u>
\$ 19,600,034	\$ 20,197,962	\$ 21,256,031	\$ 21,353,183	\$ 22,782,673	\$ 25,314,986
96.56%	97.14%	97.15%	91.02%	97.11%	99.41%
<u>605,909</u>	<u>484,518</u>	<u>613,285</u>	<u>356,335</u>	<u>392,650</u>	<u>-</u>
<u>\$ 20,205,943</u>	<u>\$ 20,682,480</u>	<u>\$ 21,869,316</u>	<u>\$ 21,709,518</u>	<u>\$ 23,175,323</u>	<u>\$ 25,314,986</u>
98.43%	97.14%	99.21%	98.88%	97.11%	99.41%
<u>\$ 92,476</u>	<u>\$ 111,144</u>	<u>\$ 110,929</u>	<u>\$ 169,957</u>	<u>\$ 284,581</u>	<u>\$ 767,901</u>
0.46%	0.53%	0.50%	0.78%	1.21%	3.02%

**POLK COUNTY, TEXAS**  
**RATIO OF GENERAL BONDED DEBT OUTSTANDING**  
 Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
<b>Net Taxable Assessed Value</b>				
All property	\$ 2,460,626,956	\$ 3,000,342,573	\$ 3,076,621,271	\$ 3,123,590,174
<b>Net Bonded Debt</b>				
Gross bonded debt	\$ 27,045,440	\$ 26,083,036	\$ 25,351,776	\$ 22,777,368
Less debt service funds	39,975	48,183	63,588	51,766
<b>Total Net Bonded Debt</b>	<b>\$ 27,005,465</b>	<b>\$ 26,034,853</b>	<b>\$ 25,288,188</b>	<b>\$ 22,725,602</b>
<b>Ratio of Net Bonded Debt     To Assessed Value</b>	1.0975%	0.8677%	0.8219%	0.7275%
<b>Population (1,2,3)</b>	46,079	46,079	46,972	46,972
<b>Net Bonded Debt per Capita</b>	\$ 586	\$ 565	\$ 538	\$ 484

Data sources:

- (1) U.S. Bureau of Economic Analysis\*\*
- (2) Texas Association of Counties (County Information Project)\*\*
- (3) U.S. Census Bureau\*\*

\*\*Most current information available from these data sources.

<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<u>\$ 3,338,014,237</u>	<u>\$ 3,414,910,837</u>	<u>\$ 3,601,918,911</u>	<u>\$ 3,603,289,760</u>	<u>\$ 3,935,691,136</u>	<u>\$ 4,453,852,730</u>
\$ 21,042,017	\$ 20,019,665	\$ 17,869,325	\$ 15,323,461	\$ 18,268,124	\$ 17,535,099
-	44,083	121,173	174,728	146,229	63,263
<u>\$ 21,042,017</u>	<u>\$ 19,975,582</u>	<u>\$ 17,748,152</u>	<u>\$ 15,148,733</u>	<u>\$ 18,121,895</u>	<u>\$ 17,471,836</u>
0.6304%	0.5850%	0.4927%	0.5979%	0.4605%	0.3923%
49,162	50,031	51,353	50,123	51,899	54,186
\$ 428	\$ 399	\$ 346	\$ 302	\$ 349	\$ 322

**POLK COUNTY, TEXAS**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
 Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
<b>Governmental activities:</b>				
General obligation	\$ 22,810,000	\$ 21,762,567	\$ 22,092,278	\$ 20,329,842
Tax notes	4,235,440	4,290,469	3,259,498	2,447,527
Notes payable	825,865	862,198	1,307,326	1,281,393
Leases	-	-	-	-
Direct borrowings/placement	-	-	-	-
Premium	698,013	637,567	577,278	769,368
<b>Net Governmental Activities Debt</b>	<b>\$ 28,569,318</b>	<b>\$ 27,552,801</b>	<b>\$ 27,236,380</b>	<b>\$ 24,828,130</b>
<b>Percentage of personal income</b>	1.50%	1.66%	1.64%	1.43%
<b>Net Bonded Debt per Capita</b>	\$ 620	\$ 598	\$ 591	\$ 518

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

<b>Fiscal Year</b>						
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	
\$ 18,293,460	\$ 15,665,000	\$ 12,570,000	\$ 10,645,000	\$ 8,630,000	\$ 6,530,000	
2,748,557	3,790,000	305,000	45,000	5,455,000	5,125,000	
1,253,238	1,267,033	1,256,444	1,329,871	1,332,854	-	
-	-	-	-	270,400	2,628,581	
-	3,235,000	3,475,000	3,365,000	2,605,000	2,000,000	
667,017	564,665	1,519,325	1,268,461	1,578,124	1,251,518	
<u>\$ 22,962,272</u>	<u>\$ 24,521,698</u>	<u>\$ 19,125,769</u>	<u>\$ 16,653,332</u>	<u>\$ 19,871,378</u>	<u>\$ 17,535,099</u>	
1.22%	1.24%	0.94%	0.73%	0.80%	0.70%	
\$ 467	\$ 490	\$ 372	\$ 332	\$ 383	\$ 324	



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**POLK COUNTY, TEXAS**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
September 30, 2023

<u>Governmental Unit</u>	<u>Net Bonded Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Cities:			
Corrigan	\$ 3,110,215	100.00%	\$ 3,110,215
Goodrich	\$ 40,000	100.00%	40,000
Livingston	\$ -	100.00%	-
Onalaska	\$ -	100.00%	-
School Districts:			
Big Sandy ISD	\$ 575,000	100.00%	575,000
Chester ISD	\$ 5,285,000	38.61%	2,040,539
Corrigan-Camden ISD	\$ 17,680,000	100.00%	17,680,000
Goodrich ISD	\$ 2,400,000	100.00%	2,400,000
Leggett ISD	\$ 2,405,000	100.00%	2,405,000
Livingston ISD	\$ 49,060,000	100.00%	49,060,000
Onalaska ISD	\$ 8,991,181	100.00%	8,991,181
Woodville ISD	\$ 50,102,000	0.71%	355,724
Subtotal, overlapping debt	139,648,396		86,657,659
<b>Polk County direct debt</b>	<u>\$ 17,471,836</u>	100.00%	<u>17,471,836</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>\$ 157,120,232</u></u>		<u><u>\$ 104,129,495</u></u>

Source: Texas Municipal Reports

(1) Estimated Percentage Applicable obtained from Municipal Advisory Council of Texas: "The percentage of overlapping debt applicable is determined by dividing the County's certified taxable value within the taxing jurisdiction by the certified taxable value of the taxing jurisdiction."

**POLK COUNTY, TEXAS**  
**LEGAL DEBT MARGIN INFORMATION**  
Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
Debt limit	\$ 615,244,268	\$ 750,085,643	\$ 769,155,318	\$ 780,897,544
Total net debt applicable to limit	26,968,025	25,335,817	24,685,412	22,059,766
<b>Legal Debt Margin</b>	<b>\$ 588,276,243</b>	<b>\$ 724,749,826</b>	<b>\$ 744,469,906</b>	<b>\$ 758,837,778</b>
Total net debt applicable to the limit as a percentage of debt limit	4.38%	3.38%	3.21%	2.82%

**Legal Debt Margin Calculation for 2023**

Assessed value	\$ 4,453,852,730
Debt limit (25% of assessed value)	1,113,463,183
Debt applicable to limit:	
General obligation bonds	6,530,000
Tax notes	5,125,000
Leases	2,628,581
Premium	1,251,518
Direct borrowings/placement	2,000,000
Less: amount set aside for direct borrowings/placement	(63,263)
Total net debt applicable to limit	17,471,836
<b>Legal Debt Margin</b>	<b>\$ 1,095,991,347</b>

**Fiscal Year**

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 834,503,559	\$ 853,727,709	\$ 900,467,228	\$ 900,822,440	\$ 983,922,784	\$ 1,113,463,183
20,375,000	19,455,000	16,350,000	14,055,000	17,711,389	17,471,836
<u>\$ 814,128,559</u>	<u>\$ 834,272,709</u>	<u>\$ 884,117,228</u>	<u>\$ 886,767,440</u>	<u>\$ 966,211,395</u>	<u>\$ 1,095,991,347</u>
2.44%	2.28%	1.82%	1.56%	1.80%	1.57%

**POLK COUNTY, TEXAS**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Years**

	Fiscal Year			
	2014	2015	2016	2017
Population (5)**	46,079	46,079	46,972	47,916
Personal income (4)**	\$1,907,585,000	\$1,663,552,000	\$1,706,994,000	\$ 1,736,049,000
Per capita personal income (4)**	\$ 37,194	\$ 36,102	\$ 39,662	\$ 36,231
Median age (1,4,5)**	42.9	43.6	43.5	43.7
School enrollment (2)				
Big Sandy ISD	464	464	498	528
Chester ISD	155	155	175	194
Corrigan-Camden ISD	945	945	988	917
Goodrich ISD	207	207	239	227
Leggett ISD	159	159	168	163
Livingston ISD	3,788	3,788	4,049	4,063
Onalaska ISD	846	846	893	1,026
<b>Total</b>	<u>6,564</u>	<u>6,564</u>	<u>7,010</u>	<u>7,118</u>
Unemployment rate (3)	7.70%	6.40%	6.50%	6.30%

Data sources:

- (1) U.S. Bureau of Economic Analysis\*\*
- (2) Texas Education Agency\*\*
- (3) Texas Workforce Commission
- (4) Texas Association of Counties (County Information Project)\*\*
- (5) U.S. Census Bureau\*\*

\*\*Most current information available from these data sources.

<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
49,162	50,031	51,353	50,123	51,899	54,186
\$ 1,878,484,000	\$1,973,118,000	\$2,044,752,000	\$2,269,799,000	\$2,490,838,000	\$ 2,510,949,000
\$ 38,210	\$ 24,686	\$ 39,818	\$ 42,830	\$ 47,994	\$ 47,150
43.4	43.7	43.6	44.1	43.9	44.0
528	507	503	532	529	523
194	206	203	213	212	225
917	890	820	819	817	852
227	241	259	244	244	265
163	179	195	219	219	234
4,063	4,056	3,970	4,023	4,013	4,061
1,026	1,110	1,143	1,215	1,213	1,247
<u>7,118</u>	<u>7,189</u>	<u>7,093</u>	<u>7,265</u>	<u>7,247</u>	<u>7,407</u>
4.60%	5.00%	8.30%	6.90%	5.40%	4.80%

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# POLK COUNTY, TEXAS

## PRINCIPAL EMPLOYERS

Last Ten Years

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Georgia Pacific*	1,000	1	1.85%	1,000	1	2.17%
Alabama-Coushatta Tribe of Texas including Naskila Entertainment	687	2	1.27%	223	7	0.48%
Livingston ISD	657	3	1.21%	618	3	1.34%
Texas Dept of Criminal Justice, Polunsky Unit	554	4	1.02%	667	2	1.45%
Wal-Mart	352	5	0.65%	454	4	0.99%
CHI St. Luke's Health Memorial Livingston	323	6	0.60%	310	6	0.67%
Polk County	302	7	0.56%	337	5	0.73%
Corrigan OSB	223	8	0.41%	-		0.00%
Onalaska ISD	211	9	0.39%	185	9	0.40%
Corrian/Camden ISD	193	10	0.36%			
Brookshire Brothers (Corrigan, Livingston, Onalaska)			0.00%	213	8	0.46%
MTC (IAH Detention Facility)			0.00%	177	10	0.38%
<b>Total</b>	<b>4,502</b>		<b>8.31%</b>	<b>4,184</b>		<b>9.08%</b>

Sources:

Polk County Economic & Industrial Development Corporation  
Texas Workforce

\*Previously named International Paper Company



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# POLK COUNTY, TEXAS

## COUNTY EMPLOYEES

Last Ten Years

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Government:</b>										
County Judge	3	3	3	3	2	3	3	3	3	3
Commissioners' Court	1	1	1	1	1	1	1	1	1	2
County Clerk	10	10	10	11	11	11	12	11	12	11
County Auditor	5	4	5	4	5	5	5	5	5	6
County Treasurer	3	3	3	3	3	3	3	3	3	3
Information Technology*	2	2	3	3	3	3	3	3	4	4
Maintenance/Custodial	-	-	-	-	-	-	-	-	-	-
Maintenance/Engineering	11	11	12	12	10	11	12	11	12	10
Emergency Management	5	5	3	3	4	4	4	4	4	4
Personnel/Human Resources	3	2	3	3	3	3	3	3	3	3
Grants and Contracts***	-	-	-	-	-	1	1	1	1	1
<b>Road and Bridges:</b>										
Commissioners	4	4	4	4	4	4	4	4	4	4
Road and Bridge Workers	37	36	35	34	43	34	33	36	38	42
<b>Administration of Justice:</b>										
County Court-at-Law	3	4	4	3	4	5	5	5	5	5
District Clerk	9	10	9	10	10	12	12	10	12	12
District Judges	9	9	11	8	10	10	8	7	10	8
JP Precinct 1	3	3	4	4	4	4	4	4	4	4
JP Precinct 2	3	3	3	3	2	4	4	4	4	3
JP Precinct 3	3	3	3	3	3	3	3	3	3	4
JP Precinct 4	2	3	3	3	3	3	3	3	3	4
District Attorney	16	18	18	17	18	18	17	16	19	17
Sheriff's Dept	50	53	51	54	51	53	59	56	46	50
Jail	39	41	46	49	45	48	46	46	44	41
Constables	4	4	4	4	4	3	4	4	4	4
Department of Public Safety	1	1	1	1	1	1	1	1	1	1
Courthouse Security	2	2	3	3	2	4	4	2	2	3
Fire Marshall	-	-	-	-	-	1	1	1	0	1
<b>Health and Human Services:</b>										
Library and Museum	2	1	1	1	1	1	1	1	1	1
Social Services	2	2	1	1	1	2	2	2	2	2
Veterans Service	1	1	1	1	1	1	1	1	1	1
County Extension	4	4	4	3	3	3	3	3	3	3
Permits/Inspections**	-	-	2	2	2	2	2	2	2	2
Environmental Enforcement	-	-	1	1	1	2	2	2	0	2
Aging Services	1	1	4	4	4	7	7	7	7	8
<b>Tax Administration:</b>										
Tax Assessor/Collector	12	14	14	14	14	14	15	14	16	14
<b>Total:</b>	<u>250</u>	<u>258</u>	<u>270</u>	<u>270</u>	<u>273</u>	<u>284</u>	<u>288</u>	<u>279</u>	<u>279</u>	<u>283</u>

Source: Polk County Human Resources ( Based on Full-Time Status)

\*Previously named Data Processing

\*\*FY2016 separated these functions from Emergency Management.

\*\*\*FY2019 Newly created departments

**POLK COUNTY, TEXAS**  
**OPERATING INDICATORS BY FUNCTION**  
Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
<b><u>County Court</u></b>				
<b>Civil Cases</b>				
Pending Beginning of Year	1,678	1,734	1,724	2,504
Docket Adjust	46	-	-	(18)
Added	789	707	988	860
Disposed	(779)	(673)	(875)	(871)
Pending End of Year	1,734	1,724	2,504	2,461
<b>Criminal Cases</b>				
Pending Beginning of Year	3,142	3,180	2,294	2,555
Docket Adjust	(6)	-	-	1
Added	1,145	994	984	1,078
Disposed	(1,101)	(957)	(501)	(446)
Pending End of Year	3,180	2,294	2,555	1,873
<b><u>District Court</u></b>				
<b>Civil Cases</b>				
Pending Beginning of Year	889	956	707	679
Docket Adjust	-	-	-	(7)
Added	334	272	357	428
Disposed	(267)	(227)	(383)	(321)
Pending End of Year	956	707	679	776
<b>Criminal Cases</b>				
Pending Beginning of Year	1,561	1,687	918	639
Docket Adjust	-	-	-	(9)
Added	919	704	871	688
Disposed	(793)	(513)	(941)	(1,032)
Pending End of Year	1,687	918	639	832
<b><u>Justice of the Peace Courts</u></b>				
<b>Cases Filed</b>				
Traffic	4,162	4,837	3,172	4,447
Nontraffic	2,507	2,100	1,892	1,217
Small Claims Suits	168	155	277	130
Forcible Entry and Detainer	165	179	72	207
Other Civil Suits	195	281	120	387
<b>Cases Disposed</b>				
Traffic	3,658	2,922	2,682	2,837
Nontraffic	2,007	1,545	1,257	984
Small Claims Suits	170	182	173	122
Forcible Entry and Detainer	147	188	210	178
Other Civil Suits	101	208	272	266
<b>Cases Appealed</b>				
Traffic	10	10	4	5
Nontraffic	5	-	3	-
Small Claims Suits	-	-	3	-
Forcible Entry and Detainer	1	2	80	5
Other Civil Suits	-	-	-	-
<b>Miscellaneous</b>				
Examining Trials	1	-	-	-
Inquests	243	312	299	307

Source: Texas Courts Online (Office of Court Administration)

Fiscal Year					
2018	2019	2020	2021	2022	2023
2,461	2,414	2,338	2,152	2,129	2,011
(67)	(37)	(60)	(65)	(25)	(427)
855	864	757	811	689	1,595
(835)	(903)	(883)	(769)	(806)	(1,750)
2,414	2,338	2,152	2,129	2,011	1,429
1,873	1,692	3,088	3,770	2,084	2,251
(41)	994	11	(1,705)	116	(347)
734	606	922	548	541	536
(874)	(204)	(251)	(529)	(490)	(627)
1,692	3,088	3,770	2,084	2,251	1,813
776	761	749	760	813	870
-	(53)	-	(66)	(42)	(217)
327	390	345	402	328	386
(342)	(349)	(334)	(283)	(229)	(260)
761	749	760	813	870	779
832	637	554	1,258	1,804	1,222
(338)	(21)	283	130	(274)	(19)
998	830	1,019	1,025	720	972
(855)	(892)	(598)	(609)	(1,028)	(1,116)
637	554	1,258	1,804	1,222	1,059
6,101	5,541	3,528	3,149	2,733	3,048
1,724	2,053	1,480	1,499	1,350	1,207
131	179	155	105	242	145
179	204	63	161	332	71
487	533	343	665	1,096	379
4,246	3,565	2,019	2,086	2,104	2,565
1,264	1,241	903	1,109	1,480	1,284
97	175	70	103	242	85
173	199	164	151	332	245
395	508	471	597	753	676
5	17	22	34	32	19
1	1	2	1	-	2
1	4	2	2	4	-
5	-	2	5	5	12
-	-	-	-	-	2
-	8	1	-	10	26
334	347	417	487	442	284

**POLK COUNTY, TEXAS**  
**CAPITAL ASSET STATISTICS BY FUNCTION**  
 Last Ten Years

Function/Program	Fiscal Year			
	2014	2015	2016	2017
<b><u>General Government</u></b>				
Commissioners' Court	2	2	2	2
County Clerk	6	7	7	7
General Operations	46	44	48	51
District Clerk	2	2	2	2
JP Precinct 1	-	-	1	1
JP Precinct 2	1	1	-	-
JP Precinct 4	-	-	5	-
Judicial	5	5	6	5
District Attorney	6	6	2	6
County Auditor	2	2	2	2
County Treasurer	2	2	3	2
Tax Assessor/Collector	3	4	1	3
Information Technology	14	13	13	16
Maintenance/Engineering	33	32	32	33
Jail	14	14	13	14
Constable Precinct 1	1	2	2	2
Constable Precinct 2	2	3	3	4
Constable Precinct 3	2	2	2	2
Constable Precinct 4	1	1	1	1
Sheriff's Department	96	93	91	92
Social Services	3	3	3	3
Extension	1	1	21	1
Emergency Management	13	14	14	14
Environmental Enforcement	-	3	3	3
<b><u>Road and Bridge</u></b>				
Road and Bridge Precinct 1	40	41	42	44
Road and Bridge Precinct 2	41	41	42	42
Road and Bridge Precinct 3	83	82	83	83
Road and Bridge Precinct 4	67	68	68	69
<b><u>Security</u></b>				
Security Department	1	1	1	1
<b><u>Historical Commission</u></b>				
Historical	2	2	2	2
<b><u>Waste Management</u></b>				
Waste Management	35	35	35	34
<b><u>Aging</u></b>				
Aging Services	10	10	10	11

Source: County Inventory Reports

Fiscal Year					
2018	2019	2020	2021	2022	2023
2	2	2	2	2	2
7	7	37	37	37	36
48	50	51	51	50	48
2	2	2	2	3	3
1	1	1	1	1	-
-	-	-	-	-	-
5	5	1	1	1	-
6	6	1	1	5	5
2	2	6	6	5	5
2	2	2	2	2	2
3	3	2	2	2	-
1	1	1	1	2	2
13	14	16	15	16	10
32	33	35	37	33	29
13	13	17	18	20	19
2	2	4	6	7	5
3	3	5	5	4	4
2	2	3	3	3	3
1	1	2	2	2	3
91	93	99	101	99	90
3	3	2	4	2	2
21	22	1	1	1	1
14	14	14	15	14	13
3	3	3	3	3	1
42	43	40	42	37	33
42	41	44	43	50	46
83	84	87	88	87	86
68	70	74	75	77	73
1	1	-	-	-	-
2	2	2	2	2	3
35	35	35	35	33	33
10	10	9	9	13	11

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