

# JEFFERSON COUNTY, TEXAS

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For The Fiscal Year Ended  
September 30, 2023



# JEFFERSON COUNTY, TEXAS



ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2023

Prepared by:  
Jefferson County  
Auditor's Office  
1149 Pearl Street  
Beaumont, Texas 77701



JEFFERSON COUNTY, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

**TABLE OF CONTENTS**

---

**PAGE**

**INTRODUCTORY SECTION**

County Auditor's Letter of Transmittal	I
Certificate of Achievement for Excellence in Financial Reporting	VII
Organization Chart	IX
Schedule of Elected and Selected Appointed Officials	X

**FINANCIAL SECTION**

Independent Auditors' Report	1
Management's Discussion and Analysis	5

**BASIC FINANCIAL STATEMENTS:**

**Government-wide Financial Statements:**

Statement of Net Position	19
Statement of Activities	20

**Fund Financial Statements:**

Balance Sheet – Governmental Funds	22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	23
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures, And Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Net Position - Proprietary Funds	26
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	27
Statement of Cash Flows - Proprietary Funds	28
Statement of Fiduciary Net Position	29
Statement of Changes in Fiduciary Net Position	30

**Notes to the Financial Statements:**

Note 1: Summary of Significant Accounting Policies	31
Note 2: Deposits and Investments	45
Note 3: Property Taxes and Other Receivables	46
Note 4: Interfund Receivables, Payables, and Transfers	48

---



JEFFERSON COUNTY, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

**TABLE OF CONTENTS**

---

	<b><u>PAGE</u></b>
Note 5: Capital Assets	49
Note 6: Leases	50
Note 7: Long-Term Liabilities	52
Note 8: Defined Benefit Pension Plan	55
Note 9: Other Post-Employment Benefits	61
Note 10: Deferred Compensation Plan	64
Note 11: Individual Funds Deficit Equity Balances	65
Note 12: Risk Management	65
Note 13: Public Entity Risk Pool	66
Note 14: Construction and Other Significant Commitments	67
Note 15: Contingent Liabilities	68
Note 16: Tax Abatements	68
Note 17: Recent Accounting Pronouncements	69
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (GAAP) - General Fund	71
Notes to the Required Supplementary Information	72
Schedule of Changes in Net Pension Liability and Related Ratios Texas County and District Retirement System – Schedule of Employer Contributions	74
Notes to Schedule of Employer Contributions	75
Schedule of Changes in Total OPEB Liability and Related Ratios	76
<b>COMBINING AND INDIVIDUAL FUND INFORMATION AND OTHER SUPPLEMENTARY INFORMATION:</b>	
General Fund - Schedule of Expenditures - Budget and Actual (GAAP)	77
<b>Nonmajor Governmental Funds:</b>	
Combining Balance Sheet - Nonmajor Governmental Funds - Summary	79
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds - Summary	80
<b>Special Revenue Funds:</b>	
Combining Balance Sheet - Nonmajor Governmental Funds - Special Revenue	82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds - Special Revenue	88

---



JEFFERSON COUNTY, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

**TABLE OF CONTENTS**

---

	<u>PAGE</u>
Combining Balance Sheet - Nonmajor Governmental Funds - Special Revenue - Probation Department Funds	95
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds - Special Revenue - Probation Department Funds	99
Combining Balance Sheet - Nonmajor Governmental Funds - Special Revenue - Grant Funds	102
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds - Special Revenue - Grant Funds	106
<b>Capital Project Funds:</b>	
Combining Balance Sheet - Nonmajor Governmental Funds - Capital Projects	112
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds - Capital Projects	114
<b>Debt Service Funds:</b>	
Combining Balance Sheet - Nonmajor Governmental Funds - Debt Service	117
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds - Debt Service Funds	118
Combined Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (GAAP)- Debt Service Funds	119
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP) - Debt Service – 2012 Refunding Bond	120
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP) - Debt Service – 2019 Certificates of Obligation	121
<b>Internal Service Funds:</b>	
Combining Statement of Net Position - Internal Service Funds	123
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds	124
Combining Statement of Cash Flows - Internal Service Funds	125
<b>Fiduciary Funds:</b>	
Combining Statement of Fiduciary Net Position – All Fiduciary Funds	128
Combining Statement of Changes in Fiduciary Net Position – All Fiduciary Funds	132

---



JEFFERSON COUNTY, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

**TABLE OF CONTENTS**

---

**PAGE**

**STATISTICAL SECTION**

Table 1 - Net Position by Component	139
Table 2 - Changes in Net Position	140
Table 3 - Governmental Activities Tax Revenues by Source	142
Table 4 - Fund Balances of Governmental Funds	143
Table 5 - Changes in Fund Balances of Governmental Funds	144
Table 6 - Assessed Value and Estimated Actual Value of Taxable Property	146
Table 7 - Property Tax Rates - Direct and Overlapping Governments	147
Table 8 - Principal Taxpayers	148
Table 9 - Property Tax Levies and Collections	149
Table 10 - Ratio of Outstanding Debt by Type	150
Table 11 - Ratio of General Bonded Debt Outstanding	151
Table 12 - Direct and Overlapping Governmental Activities Debt	152
Table 13 - Legal Debt Margin Information	153
Table 14 - Demographic and Economic Statistics	154
Table 15 - Principal Employers	155
Table 16 - Full-time Equivalent County Employees by Function	156
Table 17 - Operating Indicators by Function	157
Table 18 - Capital Asset Statistics by Function	158

---

**INTRODUCTORY**

**SECTION**

**FRAN LEE**  
COUNTY AUDITOR  
(409) 835-8500



1149 PEARL ST. – 7<sup>TH</sup> FLOOR  
BEAUMONT, TEXAS 77701

March 21, 2024

Citizens of Jefferson County, Texas:

Honorable District Judges:

Randy Shelton, Presiding Judge, 279th District Court  
John Stevens, Jr., Judge, Criminal District Court  
Kent Walston, Judge, 58th District Court  
Justin Sanderson, 60th District Court  
Baylor Wortham, Judge, 136th District Court  
Mitch Templeton, Judge, 172nd District Court  
Raquel West, Judge, 252nd District Court  
Gordon Friesz, Judge, 317th District Court

Honorable Commissioners' Court:

Jeff Branick, County Judge  
Vernon Pierce, Commissioner, Precinct No. 1  
Cary Erickson, Commissioner, Precinct No. 2  
Michael "Shane" Sinegal, Commissioner, Precinct No. 3  
Everette "Bo" Alfred, Commissioner, Precinct No. 4

The County Auditor's Office ("the Auditor's Office") is pleased to present the Annual Comprehensive Financial Report ("Annual Report") of Jefferson County, Texas (the "County") for the fiscal year ended September 30, 2023. This report is submitted in accordance with Section 114.025 of the Texas Local Government Code and has been prepared by the County Auditor's staff.

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

Pattillo, Brown & Hill, LLP, Certified Public Accountants, has issued an unmodified ("clean") opinion on the County's financial statements for the year ended September 30, 2023. The independent auditors' report is located at the front of 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. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE GOVERNMENT**

Jefferson County was created in 1836 and organized in 1837 as one of the original counties of the Republic of Texas. It is a 954 square mile county that is located on the upper Texas Coast and is a component of the Beaumont-Port Arthur-Orange Metropolitan Statistical Area. According to the U.S. Department of Commerce-Bureau of the Census, the 2020 population of the County was 251,565. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

Jefferson County is a political subdivision of the State of Texas and the Commissioners' Court is the governing body of the County. It is composed of the County Judge elected from the County at large, and four Commissioners, each elected from a separate precinct, all elected for four-year terms. The County Judge is the presiding officer of the Commissioners' Court.

The County (primary government) solely or in cooperation with other local governmental entities provides a full range of services authorized by the Texas Constitution and Statutes that includes construction and maintenance of roads and bridges, health and housing services, assistance to indigents, juvenile and adult justice programs, economic development, recreation and cultural enrichment, an airport, an entertainment complex, and general administration.

The combined financial statements of the County as a financial reporting entity report all activities, organizations, and functions of the County, both as the primary government and its legally separate component units for which (1) the elected officials of the County are financially accountable and/or (2) exclusion of component units activities would cause the County's financial statements to be misleading or incomplete. The County's component units have been reported as blended with the County as the primary government or as discrete (separate) component unit, as appropriate. Criteria used by the County for including activities in preparing these financial statements are in conformity with GASB 14, *The Financial Reporting Entity*, GASB 39, *Determining Whether Certain Organizations are Component Units*, GASB 61, *The Financial Reporting Entity: Omnibus- an amendment of GASB Statements No. 14 and No 34*, and GASB 80, *Blending Requirements for Certain Component Units*. Based on the requirements of these accounting standards, the County reports the Southeast Texas Government Employee Benefits Pool as a blended component unit.

The County is required to adopt a final budget no later than close of the fiscal year. This annual budget serves as the foundation for the County's financial planning and control. The level of budgetary control is the department within the individual funds. The County maintains an encumbrance accounting system as a method to accomplish budgetary control. Department heads

may transfer resources within a department as needed. Transfers between departments, however, require approval by Commissioners' Court.

## **FACTORS AFFECTING FINANCIAL CONDITIONS**

### ***Local economy***

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

The area is served by deep-water ports located at Beaumont, Port Arthur, Orange, and Sabine Pass. The Sabine Neches Waterway provides deep-water access to ocean-going vessels, which are served by public ports within the County. The waterway is the third largest port in the U.S. by tonnage, the largest U.S. exporter of crude oil, LNG, and home to over 60% of the U.S. strategic petroleum reserves. With the completion of Golden Pass LNG and Sempra LNG approximately 600 ships annually will be added to the local waterways which we anticipate will make this area the 1<sup>st</sup> or 2<sup>nd</sup> largest U.S. port.

The County is traversed by Interstate Highway 10, U.S. Highways 90 and 69-96-287, State Highways 73, 87, and 105 and three farm-to-market roads. Rail and motor freight carriers also provide freight service to the County. The County is served by three major railroads, Canadian Pacific/Kansas City South, Union Pacific, and BNSF. The Jack Brooks Regional Airport located between Beaumont and Port Arthur provides passenger and freight service and is currently serviced by one commercial commuter passenger air carrier.

The economy of the County is based primarily on petroleum refining; the production and processing of petrochemicals, bio-fuels other chemicals, and synthetic rubber; the fabrication of steel and steel products; shipping activity; the manufacture of wood, pulp, food and feed products; agriculture; and health care services. The County continues to diversify its economic base as evidenced by the increase of jobs in the services and government sectors. The County is also home to the largest military off-load port in the world. Jefferson County is home to Lamar University, Lamar Institute of Technology, and Lamar State College – Port Arthur. Lamar is recognized nationally as one of the premier institutions for providing engineering, business, education, and pre-med degrees at a very cost-competitive value. Lamar Institute of Technology along with industry and union training organization are providing the preparation for tomorrow's careers in our ever-expanding industrial base.

In the last 2 years, numerous "green" or "blue" energy projects have begun in the County such as Arbor Renewables, which turns vegetative waste into gasoline which will be sold primarily in California and Europe. OCI and Linde are other global players beginning construction of environmentally friendly projects.

Several large projects are in construction, permitting, and development for the area and the County continues to work with other taxing entities to create a business environment conducive to this growth. These include such notables as Lucite, Air Products, Vitol, Golden Pass Products, OCI, Exxon Mobil, Golden Pass LNG, Sempra Energy, Valero, Total/BASF, Phillips 66, Entergy Transfer Partners, American Ethane, Sunoco Partners, Coastal Caverns, Golden Triangle Storage, Linde, and Iron Horse Terminals..

Petrochemical expansions at the Exxon Mobil, Total, and Valero facilities located in Jefferson County represent approximately \$15 billion in project improvements. In addition, hundreds of millions of dollars are being spent on terminal and pipeline facilities to support these projects. In addition, recent rail terminal facility expansions and new construction has significantly increased the transportation of Canadian tar sands oil and bitumen to our area for processing by area refineries. Additional rail expansions are currently in construction.

Cheniere, one of two companies with Liquefied Natural Gas Terminals on the border of the Texas/Louisiana Coast, is completing construction of a \$10 billion liquefaction facility. Golden Pass LNG opened their terminal in mid-2011. With their opening, our ship channel is now home to over 40% of the nation's LNG capacity. Golden Pass LNG received the permits allowing it to build a \$10 billion gas liquefaction facility in Jefferson County and is currently under construction with over 7,700 construction workers on site as of December 2023. Sempra Energy has received permitting from federal authorities and has begun construction activities on a new natural gas liquefaction facility..

The County has participated in a study by the U.S. Army Corps of Engineers into the feasibility of deepening the Sabine-Neches waterway. This will allow ports in Southeast Texas, the third largest in the nation, to accommodate newer deep draft vessels and thus remain competitive with other ports on the Gulf Coast. The U.S. Army Corps of Engineers has issued their "Chief's Report" which paves the way for federal funding of this project. The U.S. House and Senate recently passed legislation, which was signed by the President authorizing the construction of the waterway improvements at a cost in excess of \$1 billion. Congressional appropriations for the project have been made and construction has begun. Just recently, the first "useable increment: of the waterway deepening was completed bringing further federal appropriations. More contracts have been let to continue the 65-mile project which will be completed within 5 years, with work ongoing.

The County continues to work with industry leaders, the Texas Workforce Commission, Lamar Institute of Technology, Lamar University, trade unions, and non-profit groups to supply a workforce able to handle the growing labor needs of the County. This is especially critical given the interest of the international community in locating facilities in our county.

The resurgence in U. S. oil and gas exploration and production has made the County the place of choice for those industrial sectors seeking to exploit opportunities to profit from historically low priced energy commodities. Our excellent water bound, rail, highway, and pipeline infrastructure, the readily availability of water resources, and our business-friendly governmental environment,

coupled with a lower than average tax environment, has caught the attention of energy and manufacturing companies worldwide.

The County is now a primary location for carbon sequestration and utilization storage and numerous leases have been entered into with both private landowners and the State of Texas for activities with related carbon neutral impacts. The subsurface geology in Jefferson County makes our area extremely attractive for future carbon capture activities.

The County has 14 separate abatement agreements with \$3,685,831,448 in abated taxable value for fiscal year 2023. The County estimates these abatement agreements will roll off of abatement and become taxable over the next 12 years. The estimated taxes over the next 12 years to be collected based on the current rate of \$.363184 per \$100 of valuation and the FY 2023 market value is \$13,386,350. The future estimated tax revenue will fluctuate as market values increase/decrease due to market conditions. The county's tax abatement policies and current agreements allow the County to remain competitive in the goal to increase the industrial tax base for continued job creation. The County fully expects a significant increase in industrial and commercial ad valorem values over the next ten years totaling in excess of 65 billion dollars.

### ***Long-term financial planning & relevant financial policies***

Commissioners' Court continues to follow their policy guideline for budgetary and planning purposes of building and maintaining an unassigned fund balance in the General Fund of at least 15% of total general fund expenditures and transfers. The County's General Fund ended the fiscal year with an unassigned fund balance of 38.5% of total general fund expenditures and transfers. This falls within the policy guidelines.

### ***Major Initiatives***

The Commissioners' Court set the property tax rate at \$ .363184 per \$100 of assessed property valuation to provide funds for services and debt service for fiscal year 2023. Budget initiatives for fiscal year 2023 included:

- Provide a 5% salary increase for Sheriff Association union employees, Constable Association union employees, and all other employees.
- Commissioners' Court utilized previously transferred funds to complete outstanding capital projects.
- Maintained capital expenditures for durable goods to replace needed equipment to necessary levels.

## AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jefferson County, Texas for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. This was the twenty-fifth consecutive year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit 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.

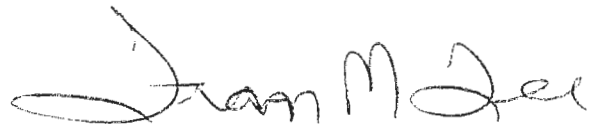
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

## ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated services of the staff of the County Auditor's Office. I express my sincere appreciation to all the members of this office who contributed to its preparation. In addition, I express my appreciation to the members of the Commissioners' Court, their staff, and all other County officials and employees who have given their support in planning and conducting the financial operations of Jefferson County, Texas in a responsible manner.

## REQUEST FOR INFORMATION

This financial report is designed to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report or requests for additional information should be addressed to the County Auditor's Office, 1149 Pearl Street 7<sup>th</sup> Floor, Beaumont, Texas 77701.

A handwritten signature in black ink, appearing to read "Fran M. Lee". The signature is fluid and cursive, with a large initial "F" and "L".

Fran Lee, C.P.A.  
County Auditor  
Jefferson County, Texas



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Jefferson County  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

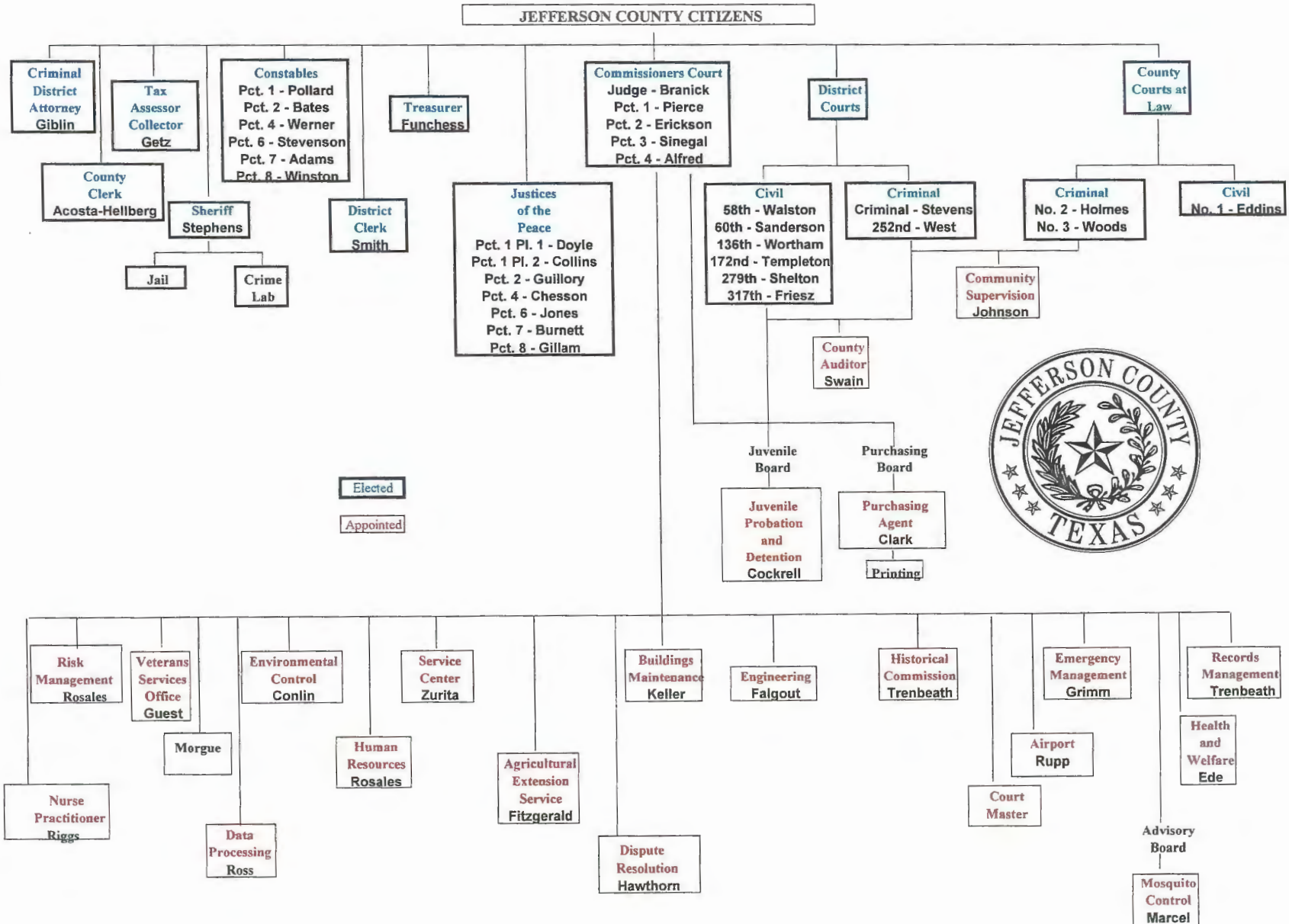
*Christopher P. Morrill*

Executive Director/CEO



# ORGANIZATION CHART OF JEFFERSON COUNTY

As of September 30, 2023



## **ELECTED OFFICIALS**

As of September 30, 2023

### **COMMISSIONERS' COURT**

County Judge	Jeff Branick
Commissioner Pct. 1	Vernon Pierce
Commissioner Pct. 2	Cary Erickson
Commissioner Pct. 3	Michael Sinegal
Commissioner Pct. 4	Bo Alfred

### **SHERIFF**

Zcna Stephens

### **TAX ASSESSOR - COLLECTOR**

Allison Getz

### **DISTRICT CLERK**

Jamie Smith

### **COUNTY CLERK**

Roxanne Acosta-Hellberg

### **COUNTY TREASURER**

Tim Funchess

### **JUSTICES OF THE PEACE**

J.P. Pct. 1 Pl. 1	Naomi Doyle
J.P. Pct. 1 Pl. 2	Benjamin Collins
J.P. Pct. 2	Joseph Guillory II
J.P. Pct. 4	Justin Chesson
J.P. Pct. 6	Duce Jones
J.P. Pct. 7	Brad Burnett
J.P. Pct. 8	Tom Gillam

### **CONSTABLES**

Constable Pct. 1	Jevonne Smith-Pollard
Constable Pct. 2	Christopher Bates
Constable Pct. 4	Bryan Werner
Constable Pct. 6	Joseph Stevenson
Constable Pct. 7	Bobby Adams
Constable Pct. 8	Gene Winston Jr

### **COUNTY COURTS AT LAW**

County Court at Law No. 1	Gerald Eddins
County Court at Law No. 2	Terrence Holmes
County Court at Law No. 3	Clint Woods

### **DISTRICT JUDGES**

Criminal Court	John Stevens, Jr.
252nd District Court	Raquel West
58th District Court	Kent Walston
60th District Court	Justin Sanderson
136th District Court	Baylor Wortham
172nd District Court	Mitch Templeton
279th District Court	Randy Shelton
317th District Court	Gordon Friesz

### **DISTRICT ATTORNEY**

Keith Giblin

## APPOINTED OFFICIALS

As of September 30, 2023

Agricultural Extension Service	Tyler Fitzgerald
Airport	Alex Rupp
Auditor	Patrick Swain
Auto Service Center	Jose Zurita
Buildings Maintenance	Greg Keller
Community Supervision	Jerry Johnson
Court Master	Vacant
Data Processing	Jeff Ross
Dispute Resolution Center	Kara Hawthorn
Emergency Management	Robert Grimm
Engineering	Michelle Falgout
Environmental Control	Ronda Conlin
Health and Welfare	Dr. Ezea Ede
Human Resources	Verenice Rosales
Juvenile Probation & Detention	Edward Cockrell
Mosquito Control	Denise Marcel
Nurse Practitioner	Leslie Riggs
Purchasing Agent\Printing	Deborah Clark
Risk Management	Verenice Rosales
Veterans Services Office	Hilary Guest



FINANCIAL

SECTION



## INDEPENDENT AUDITOR'S REPORT

Honorable County Judge  
and Commissioners' Court  
Jefferson County, Texas

### Report on the Audit of the Financial Statements

#### **Opinions**

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Emphasis of Matter - Change of Accounting Principle**

As discussed in the notes to the financial statements, in the year ending September 30, 2023, the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for one year after the date that the financial statements are issued.

#### OFFICE LOCATIONS

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules 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 comprehensive financial report (ACFR). The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

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

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

Waco, Texas  
March 21, 2024



*Jefferson County, Texas*  
*Management's Discussion and Analysis*

As management of Jefferson County, we offer readers of the Jefferson County's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended September 30, 2023. Please read it in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets and deferred outflows of resources of Jefferson County exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$3,907,384, an increase of \$39,005,347 in net position from the previous year. As a result, the County's overall financial position has improved from the previous year.
- Of the net position, \$152,266,594 is net investment in capital assets, \$36,866,636 is restricted for specific uses, and \$(185,225,846) is unrestricted.
- As of the close of fiscal year 2023, Jefferson County's governmental funds reported combined ending fund balances of \$111,006,995, an increase of \$18,253,286 in comparison with the prior year. About 48% of the total amount, \$52,920,289 is available for spending at the County's discretion (unassigned fund balance).
- At the end of fiscal year 2023, unassigned fund balance for the General Fund was \$57,413,280, or 38.5% of total General Fund expenditures and transfers. In addition, the General Fund had a nonspendable fund balance of \$1,353,542 and assigned fund balance of \$17,857,682.
- The LPPF fund is classified as a major fund. It had restricted fund balance of \$6,503,811.
- The ARPA Coronavirus fund is classified as a major fund. It had zero fund balance.
- The County's total bonds payable decreased by \$5,180,013 during the current fiscal year.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of the following three components: 1) Government-wide financial statements; 2) Fund financial statements and 3) Notes to the basic financial statements. This report also contains other supplementary information which is included in addition to the basic financial statements themselves.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

**Government-wide Financial Statements** are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all County assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference representing net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information that indicates how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial and law enforcement, education and recreation, health and welfare, and maintenance of equipment and structures. The business-type activities of the County include an airport and an entertainment complex.

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and they have substantially the same board as the County or provide services entirely to the County. The County's component unit, Southeast Texas Government Employee Benefits Pool, has been reported as blended with the County as the primary government. For more detailed information on this component unit refer to Note 1A and Note 13 of the basic financial statements.

**Fund Financial Statements** are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

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

The County maintains 72 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 major governmental funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds are maintained two ways. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of an airport and entertainment complex. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its liability activities, workers' compensation, and the public entity risk pool that provides health insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Both of the enterprise funds are considered to be major funds of the County. The County's internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County's fiduciary funds are one investment trust fund and 9 custodial funds.

*Notes to the Basic 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 can be found starting on page 31 of this report.

*Required Supplementary Information* is presented concerning the County's General Fund budgetary schedule. The County adopts an annual budget for this fund. A

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

budgetary comparison schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. Also included are schedules for pensions and other post-employment benefits. As part of the section are a schedule showing the changes in net pension liability and related ratios, a schedule of employer contributions to the retirement system with notes about these contributions, and a schedule of the changes in total other post-employment benefits liability and related ratios. Required supplementary information can be found starting on page 71 of this report.

The combining and individual fund statements and schedules referred to earlier provide information for non-major governmental funds and internal service funds and are presented immediately following the required supplementary information.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$3,907,384. For fiscal year 2022, assets and deferred outflows of resources were exceeded by liabilities and deferred inflows of resources by \$35,097,963.

The largest portion of the County's current fiscal year net position (\$152,266,594) reflects its investments in capital assets (e.g. land, improvements, buildings, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding plus any unspent bond proceeds. The main use of these capital assets is 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 resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Another portion of the County's current fiscal year net position (\$36,866,636) represents resources that are subject to external restrictions on how they may be used. The County's current fiscal year net position is reduced by (\$185,225,846) for the negative unrestricted net position. Unrestricted net position may be negative when entities incur long-term liabilities which are not offset by corresponding assets or when it covers post-retirement benefits on a pay-as-you-go basis rather than advance-funding such costs in a trust account.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

**Condensed Statement of Net Position**  
**September 30, 2023**  
**Primary Government**

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$ 176,201,081	\$ 12,217,985	\$ -	\$188,419,066
Capital Assets	104,738,710	75,732,711	-	180,471,421
Total Assets	\$ 280,939,791	\$ 87,950,696	\$ -	\$368,890,487
Total Deferred Outflows of Resources	\$ 47,873,728	\$ 524,567	\$ -	\$ 48,398,295
Current and other liabilities	\$ 52,912,357	\$ 4,757,892	\$ -	\$ 57,670,249
Long-term liabilities	290,246,686	1,351,747	-	291,598,433
Total Liabilities	\$ 343,159,043	\$ 6,109,639	\$ -	\$349,268,682
Total Deferred Inflows of Resources	\$ 59,041,958	\$ 5,070,758	\$ -	\$ 64,112,716
Net Position:				
Net investment in capital assets	\$ 86,504,831	\$ 75,732,711	\$ (9,970,948)	\$152,266,594
Restricted net position	36,866,636	-	-	36,866,636
Unrestricted net position	(196,758,949)	1,562,155	9,970,948	(185,225,846)
Total Net Position	\$ (73,387,482)	\$ 77,294,866	\$ -	\$ 3,907,384

**Condensed Statement of Net Position**  
**September 30, 2022**  
**Primary Government**

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$ 170,404,517	\$ 8,523,732	\$ -	\$178,928,249
Capital Assets	99,562,476	72,396,053	-	171,958,529
Total Assets	\$ 269,966,993	\$ 80,919,785	\$ -	\$350,886,778
Total Deferred Outflows of Resources	\$ 48,933,851	\$ 488,664	\$ -	\$ 49,422,515
Current and other liabilities	\$ 57,661,076	\$ 2,714,362	\$ -	\$ 60,375,438
Long-term liabilities	214,067,517	175,740	-	214,243,257
Total Liabilities	\$ 271,728,593	\$ 2,890,102	\$ -	\$274,618,695
Total Deferred Inflows of Resources	\$ 155,222,385	\$ 5,566,176	\$ -	\$160,788,561
Net Position:				
Net investment in capital assets	\$ 85,316,873	\$ 72,396,053	\$ (14,445,644)	\$143,267,282
Restricted net position	29,356,699	-	-	29,356,699
Unrestricted net position	(222,723,706)	556,118	14,445,644	(207,721,944)
Total Net Position	\$ (108,050,134)	\$ 72,952,171	\$ -	\$ (35,097,963)

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

At the end of the fiscal year 2023 and the 2022 fiscal year, the County reported positive net position in two of the three categories as a whole. The County reported positive balances in two of the three categories of net position for its governmental activities for fiscal year 2023 and fiscal year 2022. Business-type activities had positive balances in two categories of net position for fiscal year 2023 and fiscal year 2022.

The County had a reclassification of \$9,970,948 in fiscal year 2023 and \$14,445,644 in fiscal year 2022 to move the debt associated with the construction of Ford Park from Unrestricted net position to net investment in capital assets. The capital assets are reported in the business-type activities and the debt is reported in the governmental activities.

The County's net position increased by \$39,005,347 during the current fiscal year. The following table indicates changes in net position for governmental and business-type activities:

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

Statement of Activities  
For the Year Ended September 30, 2023

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 71,358,870	\$ 9,173,093	\$ 80,531,963
Operating grants and contributions	19,392,588	2,736,246	22,128,834
Capital grants and contributions	1,023,977	6,738,811	7,762,788
General revenues:			
Taxes - levied for general purposes	95,513,838	-	95,513,838
Taxes - levied for debt service	5,538,382	-	5,538,382
Sales taxes	40,704,146	-	40,704,146
Investment earnings	6,835,413	253,510	7,088,923
Miscellaneous	38,994	1,579	40,573
Total revenues	<u>240,406,208</u>	<u>18,903,239</u>	<u>259,309,447</u>
Expenses:			
General government	20,812,231	-	20,812,231
Judicial and law enforcement	104,105,919	-	104,105,919
Education and recreation	1,570,136	-	1,570,136
Health and welfare	56,998,278	-	56,998,278
Maintenance - equipment and structures	19,132,255	-	19,132,255
Interest and charges on long-term debt	606,216	-	606,216
Airport	-	7,888,941	7,888,941
Entertainment Complex	-	9,190,124	9,190,124
Total expenses	<u>203,225,035</u>	<u>17,079,065</u>	<u>220,304,100</u>
Excess (deficiency) before transfers	37,181,173	1,824,174	39,005,347
Transfers	<u>(2,518,521)</u>	<u>2,518,521</u>	<u>-</u>
Change in net position	<u>34,662,652</u>	<u>4,342,695</u>	<u>39,005,347</u>
Net position - beginning	<u>(108,050,134)</u>	<u>72,952,171</u>	<u>(35,097,963)</u>
Net position - ending	<u><u>\$(73,387,482)</u></u>	<u><u>\$ 77,294,866</u></u>	<u><u>\$ 3,907,384</u></u>

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

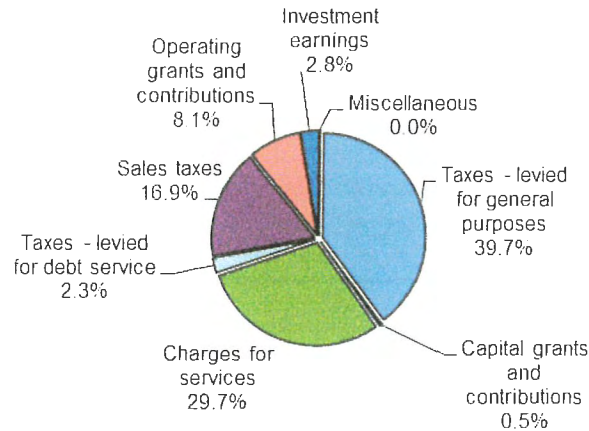
Statement of Activities  
For the Year Ended September 30, 2022

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 24,106,005	\$ 8,293,585	\$ 32,399,590
Operating grants and contributions	19,179,275	2,440,867	21,620,142
Capital grants and contributions	2,704,770	498,841	3,203,611
General revenues:			
Taxes - levied for general purposes	86,554,344	-	86,554,344
Taxes - levied for debt service	5,701,394	-	5,701,394
Sales taxes	39,733,983	-	39,733,983
Investment earnings	998,493	103,488	1,101,981
Miscellaneous	39,918	209,529	249,447
Total revenues	179,018,182	11,546,310	190,564,492
Expenses:			
General government	15,840,118	-	15,840,118
Judicial and law enforcement	82,657,612	-	82,657,612
Education and recreation	1,295,046	-	1,295,046
Health and welfare	19,216,823	-	19,216,823
Maintenance - equipment and structures	15,674,637	-	15,674,637
Interest and charges on long-term debt	844,313	-	844,313
Airport	-	7,401,297	7,401,297
Entertainment Complex	-	8,109,800	8,109,800
Total expenses	135,528,549	15,511,097	151,039,646
Excess (deficiency) before transfers	43,489,633	(3,964,787)	39,524,846
Transfers	(1,536,855)	1,536,855	-
Change in net position	41,952,778	(2,427,932)	39,524,846
Net position - beginning	(150,002,912)	75,380,103	(74,622,809)
Net position - ending	\$(108,050,134)	\$ 72,952,171	\$ (35,097,963)

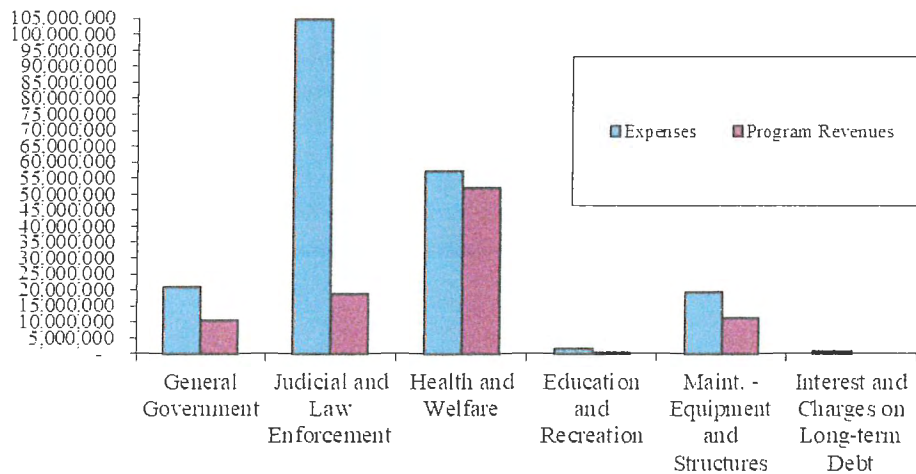
*Jefferson County, Texas  
Management's Discussion and Analysis*

*Governmental activities*

Revenues by Source - Governmental Activities  
Year Ended September 30, 2023



Expenses and Program Revenues - Governmental Activities  
Year Ended September 30, 2023



Governmental activities increased the County's net position by \$34,662,652.

This increase is due to a net of multiple factors. The net effect of pension related liability, deferred inflows and outflows account for \$3.8 million of the increase. OPEB related liability, deferred inflows and outflows account for another \$13.7 million of the

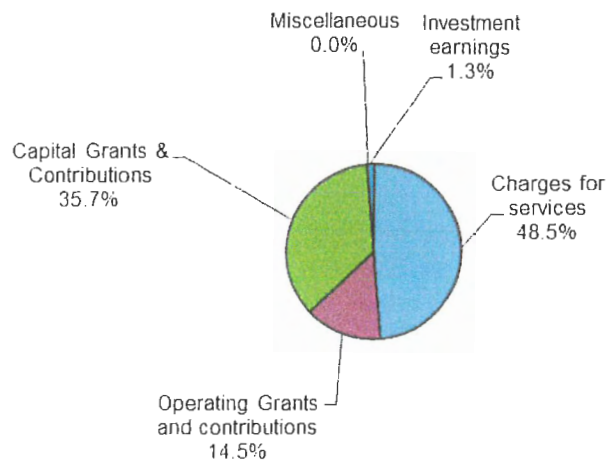
**Jefferson County, Texas**  
**Management's Discussion and Analysis**

increase. Additionally, \$4.8 million for in principal payments for bonds and financing arrangements account for and portion of the increase in County's net position. Revenue from Property tax increased \$8.8 million from prior year for increases in property valuations. Revenue from Interest has increased by about \$6 million due to higher rates. For the most part, other changes (increases/decreases) in expenses typically had corresponding changes in revenues as programs or projects ramp up or wind down.

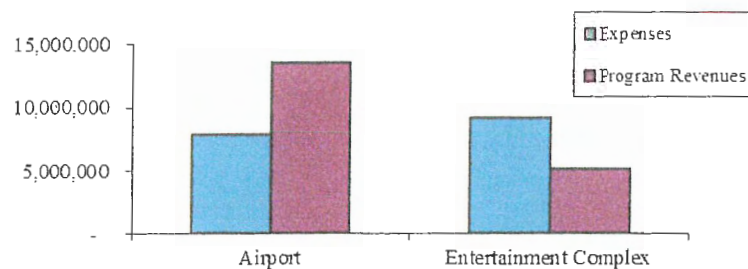
**Business-type activities**

Business-type activities increased the County's net position by \$4,342,695. The largest area of increase is in Net Investment in Capital Assets due to some FAA funded Airport improvements. The County continues to look for additional revenues sources as well as cost saving measures to have these business-type activities self-supporting without having to rely on transfers from the General Fund to subsidize operations.

Revenue by Source - Business-type Activities  
 Year Ended September 30, 2023



Expenses and Program Revenues - Business-type Activities  
 Year Ended September 30, 2023



**Financial Analysis of the Government's Funds**

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

As of the end of the current fiscal year, Jefferson County's governmental funds reported combined ending fund balances of \$111,006,995 an increase of \$18,253,286 in comparison with the prior year. About 48% of this total amount (\$52,920,289) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is nonspendable, committed, restricted, or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$57,413,280 while total fund balance reached \$76,624,504. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers. Unassigned fund balance represents 38.5 percent of total General Fund expenditures and transfers, while total fund balances represents 51.4 percent of that same amount.

The fund balance of the County's General Fund increased by \$12,167,113 during the current fiscal year. This increase is in mostly due to an increase of \$8.8 million for property tax revenue due to increase property valuations. Revenue from Interest also increase by \$4.2 due to higher interest rates. Other increases in revenue had corresponding offsetting increases in expenditures.

The LFFP fund had an ending fund balance of \$6,503,811. Fiscal year 2023 was the first year of this fund and the County will continue administrating the local providers mandatory payments for health care related expenditures.

The ARPA Coronavirus Recovery had an ending fund balance of zero. The County will continue administrating the local allocation of the American Rescue Plan Act of 2021

**Proprietary Funds.** The County's proprietary fund statements provide the same type of information found in the business type activities of the government-wide financial statements, but in more detail.

The Jack Brooks Regional Airport Fund is used to account for the day-to-day operations of the County airport. As of September 30, 2023, unrestricted net position is positive \$1,879,897, an increase of \$1,167,677 from the prior year unrestricted net position. This increase is mostly due increase grant funding from FAA for operations and revenue from interest.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

The Ford Park Fund is used to account for the day-to-day operations of Ford Park. As of September 30, 2023, unrestricted net position is negative \$317,742, a decrease of \$161,640 from the prior year negative net position. This decrease is mostly due to higher cost of goods.

**General Fund Budgetary Highlights**

The total original budget adopted on September 20, 2022 had to be amended during the year by increasing revenue and expenditures \$5,194,488 in order to implement GASB 96 for SBITA related items. Budget transfers were done during the year to adjust departments as needed.

During the year actual revenues and other financing sources including transfers in were more than budgetary estimates by \$15,570,000. Actual expenditures and transfers out were less than budgetary estimates by \$11,738,770. The budget had a projected reduction of \$15,141,657 to the fund balance. The net effect of over-realization of revenues and under-utilization of appropriations resulted in a positive variance of \$27,308,770 thus increasing the existing fund balance by \$12,167,113 on a budgetary basis.

The largest positive variance of \$9,360,885 is due to an increase in Sales Tax revenue. The area continues several large industrial expansions.

Revenue from Property Taxes had the largest negative variance of \$860,997 due to adjustments to property valuations after the adoption of the budget.

Many departments achieved savings over the fiscal year mostly due to unfilled staff positions and moving employees through their salary ranges whereby leaving unspent funds. The total amount of savings for salary and fringe benefits was about \$7 million. Departments also did well in controlling their spending in other budgetary areas.

Budget variances are not expected to impact future services or liquidity.

**Capital Assets and Debt Administration**

*Capital Assets.* The County's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounted to \$180,471,421 (net of accumulated depreciation). This investment in capital assets includes land, improvements, structures, park improvements and facilities, infrastructure, equipment, vehicles, machinery, other tangible and intangible assets, and construction in progress.

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

*Jefferson County, Texas*  
**Management's Discussion and Analysis**

- The County had a variety of building improvements, purchases of equipment, roads and bridges construction, construction of airport facilities, and energy conservation projects.
- At September 30, 2023, the ending fund balance for all capital projects funds was \$8.72 million.

For further information regarding capital assets, see Note 5.

	<b>Balance</b>	<b>Balance</b>
<u>Governmental Activities:</u>	<u>September 30, 2023</u>	<u>September 30, 2022</u>
Land	\$ 3,840,787	\$ 3,840,787
Construction in progress	3,472,011	16,579,159
Infrastructure	66,596,910	66,655,575
Buildings & Improvements	138,976,061	123,668,034
Equipment	60,608,404	60,655,189
SBITA, right to use	7,653,860	-
	<u>\$ 281,148,033</u>	<u>\$ 271,398,744</u>
Less: Accumulated depreciation	<u>(176,409,323)</u>	<u>(171,836,268)</u>
Total governmental activities	<u>\$ 104,738,710</u>	<u>\$ 99,562,476</u>
 <u>Business-type Activities:</u>		
Land	\$ 5,154,600	\$ 5,154,600
Construction in progress	7,849,001	1,302,662
Buildings & Improvements	144,533,709	143,969,476
Equipment	12,502,892	12,218,919
	<u>\$ 170,040,202</u>	<u>\$ 162,645,657</u>
Less: Accumulated depreciation	<u>(94,307,491)</u>	<u>(90,249,604)</u>
Total business-type activities	<u>\$ 75,732,711</u>	<u>\$ 72,396,053</u>

**Long-Term Liabilities.** At September 30, 2023, the County had total long-term liabilities outstanding of \$44,202,022. Refer to Note 7 for further information on the County's long-term liabilities. County officials, citizens, and investors will find the ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita as useful indicators of the County's debt position. This information is presented in the statistical section of this report.

*Jefferson County, Texas*  
**Management's Discussion and Analysis**

	<b>Outstanding at September 30, 2023</b>	<b>Outstanding at September 30, 2022</b>
<u>Governmental Activities:</u>		
Bonds Payable	\$ 23,637,594	\$ 28,817,607
Financing Arrangements	200,822	292,002
SBITA Liability	4,655,432	-
Claims & Judgments	3,995,649	2,930,815
Compensated Absences	11,516,718	11,502,203
Total governmental activities	\$ 44,006,215	\$ 43,542,627
 <u>Business-type Activities:</u>		
Compensated Absences	\$ 195,804	\$ 175,740
Total business-type activities	\$ 195,804	\$ 175,740

The bond rating services of Moody's Investors Services, Inc. and Standard & Poor's Ratings services have assigned the County's long term bond ratings of Aa2 and AA- respectively.

**Economic Factors and Next Year's Budgets and Rates**

The Commissioner's Court adopted the County's 2023-2024 budget on September 19, 2023 for the General Fund and Debt Service funds. The budget was adopted based on estimated balances that would be available at the end of fiscal year 2023 and estimated revenues to be received in fiscal year 2024. The total resources for all funds for fiscal year 2024 are estimated to be \$236.2 million. The budget was adopted with estimated expenditures in the amount of \$177.0 million. The 2023-2024 budget forecast utilizing \$17,857,682 of fund balance.

For 2023-2024, the property tax rate will drop slightly to \$.359000 per \$100 of taxable assessed value and taxable assessed property values are anticipated to increase by 9.7% for the 2023-2024 budget year.

The average unemployment rate for Jefferson County for September 2023 was 6.5%; this is a decrease from the prior year rate of 6.6%. The state's average unemployment rate for September 2023 was 4.1%.

**Request for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 1149 Pearl St. – 7<sup>th</sup> Floor, Beaumont, Texas 77701.

BASIC  
FINANCIAL STATEMENTS

JEFFERSON COUNTY, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2023

	PRIMARY GOVERNMENT			
	GOVERNMENTAL	BUSINESS-TYPE	RECLASSIFICATIONS	TOTAL
	ACTIVITIES	ACTIVITIES		
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 100,982,643	1,172,552	-	102,155,195
INVESTMENTS	55,006,176	-	-	55,006,176
INTEREST RECEIVABLE	564,094	17,651	-	581,745
ACCOUNTS RECEIVABLE, Net	1,131,916	598,333	-	1,730,249
INTERNAL BALANCES	849,276	(849,276)	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	9,678,746	5,629,507	-	15,308,253
INVENTORIES, At Cost	880,952	276,578	-	1,157,530
PREPAID ITEMS	503,434	235,249	-	738,683
DELINQUENT TAXES RECEIVABLE, Net	2,525,168	-	-	2,525,168
PENALTY AND INTEREST RECEIVABLE, Net	1,892,500	-	-	1,892,500
FINE AND COURT COST RECEIVABLE, Net	1,989,348	-	-	1,989,348
LEASE RECEIVABLE	103,828	5,137,391	-	5,241,219
DEPOSITS	93,000	-	-	93,000
<b>CAPITAL ASSETS:</b>				
LAND	3,840,787	5,154,600	-	8,995,387
CONSTRUCTION IN PROGRESS	3,472,011	7,849,001	-	11,321,012
OTHER CAPITAL ASSETS, Net of depreciation	97,425,912	62,729,110	-	160,155,022
<b>TOTAL ASSETS</b>	<b>\$ 280,939,791</b>	<b>87,950,696</b>	<b>-</b>	<b>368,890,487</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
DEFERRED LOSS ON BOND REFUNDING	\$ 189,018	-	-	189,018
DEFERRED OUTFLOWS RELATED TO PENSIONS	28,618,035	524,567	-	29,142,602
DEFERRED OUTFLOWS RELATED TO OPEB	19,066,675	-	-	19,066,675
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 47,873,728</b>	<b>524,567</b>	<b>-</b>	<b>48,398,295</b>
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 8,240,182	3,576,851	-	11,817,033
INTEREST PAYABLE	121,308	-	-	121,308
DUE TO OTHER GOVERNMENTAL ENTITIES	360	-	-	360
UNEARNED REVENUE	44,550,507	1,156,041	-	45,706,548
CUSTOMER DEPOSITS	-	25,000	-	25,000
<b>NONCURRENT LIABILITIES:</b>				
<b>DUE WITHIN ONE YEAR</b>				
LONG-TERM DEBT	11,119,049	22,060	-	11,141,109
TOTAL OPEB LIABILITY	7,740,000	-	-	7,740,000
<b>DUE IN MORE THAN ONE YEAR</b>				
LONG-TERM DEBT	32,887,166	173,744	-	33,060,910
TOTAL OPEB LIABILITY	175,437,399	-	-	175,437,399
NET PENSION LIABILITY	63,063,072	1,155,943	-	64,219,015
<b>TOTAL LIABILITIES</b>	<b>\$ 343,159,043</b>	<b>6,109,639</b>	<b>-</b>	<b>349,268,682</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
DEFERRED INFLOWS RELATED TO LEASES	\$ 100,797	5,021,064	-	5,121,861
DEFERRED INFLOWS RELATED TO PENSIONS	2,711,125	49,694	-	2,760,819
DEFERRED INFLOWS RELATED TO OPEB	56,230,036	-	-	56,230,036
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 59,041,958</b>	<b>5,070,758</b>	<b>-</b>	<b>64,112,716</b>
<b>NET POSITION (DEFICIT)</b>				
NET INVESTMENT IN CAPITAL ASSETS	\$ 86,504,831	75,732,711	(9,970,948)	152,266,594
<b>RESTRICTED FOR:</b>				
DEBT SERVICE	496,853	-	-	496,853
ENVIRONMENTAL PROJECTS	5,743,416	-	-	5,743,416
PUBLIC INTEREST	5,110,841	-	-	5,110,841
JUDICIAL & LAW ENFORCEMENT	6,816,172	-	-	6,816,172
EDUCATION & RECREATION	4,908,657	-	-	4,908,657
HEALTH & WELFARE	10,339,320	-	-	10,339,320
MAINTENANCE OF STRUCTURES & EQUIPMENT	3,451,377	-	-	3,451,377
UNRESTRICTED	(196,758,949)	1,562,155	9,970,948	(185,225,846)
<b>TOTAL NET POSITION (DEFICIT)</b>	<b>\$ (73,387,482)</b>	<b>77,294,866</b>	<b>-</b>	<b>3,907,384</b>

The reclassification is for the debt associated with the construction of Ford Park. The asset is accounted for in the Business-type activities column and the debt is accounted for in the Governmental Activities column.

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

**JEFFERSON COUNTY, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>PRIMARY GOVERNMENT</b>				
GOVERNMENTAL ACTIVITIES:				
GENERAL GOVERNMENT	\$ 20,812,231	\$ 8,814,792	\$ 1,307,332	\$ -
JUDICIAL AND LAW ENFORCEMENT	104,105,919	9,944,859	8,629,849	-
EDUCATION AND RECREATION	1,570,136	251,398	-	-
HEALTH AND WELFARE	56,998,278	46,635,171	4,742,917	300,742
MAINTENANCE - EQUIPMENT AND STRUCTURES	19,132,255	5,712,650	4,712,490	723,235
INTEREST AND CHARGES ON LONG-TERM DEBT	606,216	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 203,225,035</u>	<u>\$ 71,358,870</u>	<u>\$ 19,392,588</u>	<u>\$ 1,023,977</u>
BUSINESS-TYPE ACTIVITIES:				
AIRPORT	7,888,941	4,159,704	2,736,246	6,668,811
ENTERTAINMENT COMPLEX	9,190,124	5,013,389	-	70,000
TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$ 17,079,065</u>	<u>\$ 9,173,093</u>	<u>\$ 2,736,246</u>	<u>\$ 6,738,811</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 220,304,100</u>	<u>\$ 80,531,963</u>	<u>\$ 22,128,834</u>	<u>\$ 7,762,788</u>

GENERAL REVENUES

TAXES:

PROPERTY TAXES LEVIED FOR GENERAL PURPOSES

PROPERTY TAXES LEVIED FOR DEBT SERVICE

SALES TAXES

UNRESTRICTED INVESTMENT EARNINGS

MISCELLANEOUS

TRANSFERS

TOTAL GENERAL REVENUE AND TRANSFERS

CHANGE IN NET POSITION

NET POSITION - BEGINNING

NET POSITION - ENDING

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

NET (EXPENSES) REVENUES AND CHANGES IN NET  
POSITION

PRIMARY GOVERNMENT		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (10,690,107)	\$ -	\$ (10,690,107)
(85,531,211)	-	(85,531,211)
(1,318,738)	-	(1,318,738)
(5,319,448)	-	(5,319,448)
(7,983,880)	-	(7,983,880)
(606,216)	-	(606,216)
\$ (111,449,600)	\$ -	\$ (111,449,600)
-	5,675,820	5,675,820
-	(4,106,735)	(4,106,735)
\$ -	\$ 1,569,085	\$ 1,569,085
\$ (111,449,600)	\$ 1,569,085	\$ (109,880,515)
\$ 95,513,838	\$ -	\$ 95,513,838
5,538,382	-	5,538,382
40,704,146	-	40,704,146
6,835,413	253,510	7,088,923
38,994	1,579	40,573
(2,518,521)	2,518,521	-
\$ 146,112,252	\$ 2,773,610	\$ 148,885,862
\$ 34,662,652	\$ 4,342,695	\$ 39,005,347
(108,050,134)	72,952,171	(35,097,963)
\$ (73,387,482)	\$ 77,294,866	\$ 3,907,384

**JEFFERSON COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023**

	GENERAL	LPPF	ARPA CORONAVIRUS RECOVERY	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$ 15,037,533	6,503,811	44,130,132	30,945,049	96,616,525
INVESTMENTS	55,006,176	-	-	-	55,006,176
ACCOUNTS RECEIVABLE, Net	289,765	-	-	201,450	491,215
INTEREST RECEIVABLE	422,389	-	-	98,930	521,319
DUE FROM OTHER FUNDS	4,082,795	-	-	46,482	4,129,277
DUE FROM OTHER GOVERNMENTAL ENTITIES	6,600,559	-	-	2,260,019	8,860,578
DELINQUENT TAXES RECEIVABLE, Net	2,378,660	-	-	146,508	2,525,168
PENALTY AND INTEREST RECEIVABLE, Net	1,782,700	-	-	109,800	1,892,500
FINES AND FEES RECEIVABLE, Net	1,989,348	-	-	-	1,989,348
LEASE RECEIVABLE	103,828	-	-	-	103,828
INVENTORIES, At Cost	862,544	-	-	18,408	880,952
PREPAID ITEM	490,998	-	-	12,436	503,434
<b>TOTAL ASSETS</b>	<b>\$ 89,047,295</b>	<b>6,503,811</b>	<b>44,130,132</b>	<b>33,839,082</b>	<b>173,520,320</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$ 6,153,485	-	710,521	1,352,158	8,216,164
COMPENSATED ABSENCES PAYABLE	106,413	-	-	7,670	114,083
DUE TO OTHER FUNDS	-	-	-	3,280,001	3,280,001
DUE TO OTHER GOVERNMENTAL ENTITIES	360	-	-	-	360
UNEARNED REVENUE	130,101	-	43,419,611	1,000,795	44,550,507
<b>TOTAL LIABILITIES</b>	<b>\$ 6,390,359</b>	<b>-</b>	<b>44,130,132</b>	<b>5,640,624</b>	<b>56,161,115</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
DEFERRED INFLOWS RELATED TO LEASES	\$ 100,797	-	-	-	100,797
UNAVAILABLE REVENUE- PROPERTY TAXES	3,942,287	-	-	243,598	4,185,885
UNAVAILABLE REVENUE- FINES AND FEES	1,989,348	-	-	-	1,989,348
UNAVAILABLE REVENUE- GRANTS	-	-	-	76,180	76,180
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 6,032,432</b>	<b>-</b>	<b>-</b>	<b>319,778</b>	<b>6,352,210</b>
<b>FUND BALANCES:</b>					
<b>NONSPENDABLE FOR:</b>					
INVENTORY	\$ 862,544	-	-	18,408	880,952
PREPAID ITEMS	490,998	-	-	12,436	503,434
<b>RESTRICTED FOR:</b>					
DEBT SERVICE	-	-	-	457,311	457,311
CONSTRUCTION	-	-	-	5,743,416	5,743,416
PUBLIC INTEREST	-	-	-	5,110,841	5,110,841
JUDICIAL & LAW ENFORCEMENT	-	-	-	6,782,855	6,782,855
EDUCATION & RECREATION	-	-	-	4,903,930	4,903,930
HEALTH & WELFARE	-	6,503,811	-	3,835,509	10,339,320
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	-	-	3,451,377	3,451,377
<b>COMMITTED FOR:</b>					
CONSTRUCTION CONTRACTS	-	-	-	2,055,588	2,055,588
ASSIGNED FOR ADOPTED BUDGET UTILIZATION OF FUND BALANCE	17,857,682	-	-	-	17,857,682
UNASSIGNED (DEFICIT)	57,413,280	-	-	(4,492,991)	52,920,289
<b>TOTAL FUND BALANCES</b>	<b>\$ 76,624,504</b>	<b>6,503,811</b>	<b>-</b>	<b>27,878,680</b>	<b>111,006,995</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 89,047,295</b>	<b>6,503,811</b>	<b>44,130,132</b>	<b>33,839,082</b>	<b>173,520,320</b>

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

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

Total fund balances for governmental funds \$ 111,006,995

Total net position reported for governmental activities in the statement of net position is different because:

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

Land	\$	3,840,787	
Construction in progress		3,472,011	
Infrastructure, net of \$49,501,070 accumulated depreciation		17,095,840	
Buildings, net of \$82,765,209 accumulated depreciation		56,210,852	
Equipment, net of \$43,317,239 accumulated depreciation		17,291,165	
SBITA, right to us, net of \$825,805 accumulated depreciation		<u>6,828,055</u>	
Total capital assets			104,738,710

Long-term liabilities applicable to Jefferson County's activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term are reported in the Statement of Net Position.

Balances as of September 30, 2023 were:

Accrued interest on bonds and loans	\$	(121,308)	
Bonds payable		(22,035,000)	
SBITA Liability		(4,655,432)	
Total OPEB Liabilities		(183,177,399)	
Net Pension Liability		(63,063,073)	
Financing Arrangement		(200,822)	
Compensated absences		(11,402,634)	
Pensions - Contributions after 12/31/2022		12,319,814	
Pensions - Economic/demographic losses		8,848,649	
Pensions - Investment (gains) or losses		(2,084,107)	
Pensions - Changes in Assumption Outflows		7,449,572	
Pensions - Changes in Assumption (Inflows)		(627,018)	
OPEB - Changes in Assumption Outflows		9,189,192	
OPEB - Economic/demographic losses		9,877,483	
OPEB - Changes in Assumption (Inflows)		(36,061,541)	
OPEB - Economic/demographic (gains)		(20,168,495)	
Gain/Loss on Refunding Bonds		189,018	
Premium/Discounts on Bonds		<u>(1,602,594)</u>	
			(297,325,695)

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

1,913,507

Interest on investments is not accrued in governmental funds, but rather is recognized as revenue when due.

27,588

Some of the County's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable resources in the funds.

6,251,413

Total net position of governmental activities

\$ (73,387,482)

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

**JEFFERSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>GENERAL</u>	<u>LPPF</u>	<u>ARPA CORONAVIRUS RECOVERY</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES:</b>					
PROPERTY TAXES	\$ 95,538,091	-	-	5,556,723	101,094,814
SALES TAXES	39,060,885	-	-	1,643,261	40,704,146
FEES	9,592,942	46,172,394	-	4,161,117	59,926,453
LICENSES	477,572	-	-	-	477,572
INTERGOVERNMENTAL	1,907,237	-	4,784,350	13,843,780	20,535,367
SALES, RENTAL & SERVICES	3,096,663	-	-	1,269,649	4,366,312
FINES AND FORFEITURES	1,348,095	-	-	134,663	1,482,758
INTEREST	4,870,088	243,299	-	1,607,778	6,721,165
MISCELLANEOUS	32,935	-	-	-	32,935
CONTRIBUTIONS AND DONATIONS	50	-	-	-	50
<b>TOTAL REVENUES</b>	<b>\$ 155,924,558</b>	<b>46,415,693</b>	<b>4,784,350</b>	<b>28,216,971</b>	<b>235,341,572</b>
<b>EXPENDITURES:</b>					
<b>CURRENT</b>					
GENERAL GOVERNMENT	\$ 34,244,296	-	-	1,250,879	35,495,175
JUDICIAL AND LAW ENFORCEMENT	85,743,549	-	-	13,754,890	99,498,439
EDUCATION AND RECREATION	401,876	-	-	1,623,363	2,025,239
HEALTH AND WELFARE	11,102,784	39,911,882	673,768	5,245,973	56,934,407
MAINTENANCE OF STRUCTURES AND EQUIPMENT	14,187,628	-	4,110,582	29,035	18,327,245
CAPITAL OUTLAY	-	-	-	2,378,426	2,378,426
DEBT SERVICE					
PRINCIPAL	91,180	-	-	4,745,000	4,836,180
INTEREST AND COMMISSION	9,020	-	-	968,650	977,670
<b>TOTAL EXPENDITURES</b>	<b>\$ 145,780,333</b>	<b>39,911,882</b>	<b>4,784,350</b>	<b>29,996,216</b>	<b>220,472,781</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 10,144,225</b>	<b>6,503,811</b>	<b>-</b>	<b>(1,779,245)</b>	<b>14,868,791</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	\$ -	-	-	1,484,375	1,484,375
TRANSFERS OUT	(3,171,600)	-	-	(211,711)	(3,383,311)
ISSUANCE OF SBITA	5,194,488	-	-	88,943	5,283,431
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 2,022,888</b>	<b>-</b>	<b>-</b>	<b>1,361,607</b>	<b>3,384,495</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 12,167,113</b>	<b>6,503,811</b>	<b>-</b>	<b>(417,638)</b>	<b>18,253,286</b>
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 64,457,391</b>	<b>-</b>	<b>-</b>	<b>28,296,318</b>	<b>92,753,709</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 76,624,504</b>	<b>6,503,811</b>	<b>-</b>	<b>27,878,680</b>	<b>111,006,995</b>

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

**JEFFERSON COUNTY, TEXAS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds \$ 18,253,286

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Expenditures	\$ 15,197,774	
Capital asset donations to Business type activities	(619,585)	
Net adjustment for sale or disposal of capital assets	(510,433)	
Depreciation Expense	<u>(8,891,522)</u>	
Net adjustment		5,176,234

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.

Debt issued:		
SBITA, right to use	(5,283,431)	
Repayments:		
To paying agent for bond principal	4,745,000	
Principal on SBITA liability	627,999	
Financing arrangement principal	<u>91,180</u>	
Net adjustment		180,748

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather as it accrues. The adjustment combines the net changes of the following balances.

Compensated absences	\$ (44,591)	
Total OPEB Liabilities	(12,652,509)	
Net Pension Liability	(72,624,093)	
Pensions - Economic/demographic (gains)	(9,213)	
Pensions - Economic/demographic losses	10,477,983	
Pensions - Change in assumptions outflows	(7,449,572)	
Pensions - Change in assumptions inflows	313,508	
Pensions - Investment (gains) of losses	64,881,443	
Pensions - Difference in Contributions	568,838	
OPEB - Change in assumptions outflows	(12,793,207)	
OPEB - Change in assumptions inflows	12,500,717	
OPEB - Economic/demographic outflows	9,877,483	
OPEB - Economic/demographic inflows	16,804,107	
Amortization of bond premium	435,013	
Amortization of refunding difference	(103,101)	
Accrued interest on debt	<u>39,542</u>	
Combined adjustment		10,222,348

Internal service funds are used by the County. The change in net position of the internal service funds are reported with governmental activities. 1,029,694

Because some revenues will not be collected for several months after the County's fiscal year end, they do not provide current financial resources and they are not reported as revenues in the funds. (199,658)

Total change in net position of governmental activities \$ 34,662,652

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF NET POSITION -**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	ENTERPRISE FUNDS			
	JACK BROOKS REGIONAL AIRPORT	FORD PARK	TOTAL	INTERNAL SERVICE FUNDS
<b>ASSETS:</b>				
<b>CURRENT ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ -	1,172,552	1,172,552	4,366,118
ACCOUNTS RECEIVABLE, Net	159,188	439,145	598,333	640,701
INTEREST RECEIVABLE	16,394	1,257	17,651	15,187
DUE FROM OTHER GOVERNMENTAL ENTITIES	5,629,507	-	5,629,507	818,168
LEASE RECEIVABLE	5,137,391	-	5,137,391	-
PREPAID ITEMS	78,580	156,669	235,249	-
INVENTORY, At Cost	190,056	86,522	276,578	-
DEPOSITS	-	-	-	93,000
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 11,211,116</b>	<b>1,856,145</b>	<b>13,067,261</b>	<b>5,933,174</b>
<b>NONCURRENT ASSETS:</b>				
<b>CAPITAL ASSETS:</b>				
LAND	3,024,815	2,129,785	5,154,600	-
CONSTRUCTION IN PROGRESS	7,364,401	484,600	7,849,001	-
OTHER CAPITAL ASSETS, NET OF DEPRECIATION	26,580,746	36,148,364	62,729,110	-
<b>TOTAL NONCURRENT ASSETS</b>	<b>\$ 36,969,962</b>	<b>38,762,749</b>	<b>75,732,711</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>\$ 48,181,078</b>	<b>40,618,894</b>	<b>88,799,972</b>	<b>5,933,174</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
DEFERRED OUTFLOWS RELATED TO PENSIONS	\$ 524,567	-	524,567	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 524,567</b>	<b>-</b>	<b>524,567</b>	<b>-</b>
<b>LIABILITIES:</b>				
<b>CURRENT LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 2,518,570	1,058,281	3,576,851	24,018
CLAIMS LIABILITY	-	-	-	3,995,649
DUE TO OTHER FUNDS	849,276	-	849,276	-
CURRENT PORTION - COMPENSATED ABSENCES	22,060	-	22,060	-
UNEARNED REVENUE	40,435	1,115,606	1,156,041	-
CUSTOMER DEPOSITS	25,000	-	25,000	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 3,455,341</b>	<b>2,173,887</b>	<b>5,629,228</b>	<b>4,019,667</b>
<b>NONCURRENT LIABILITIES:</b>				
NONCURRENT PORTION - COMPENSATED ABSENCES	173,744	-	173,744	-
PENSION LIABILITY	1,155,943	-	1,155,943	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>\$ 1,329,687</b>	<b>-</b>	<b>1,329,687</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 4,785,028</b>	<b>2,173,887</b>	<b>6,958,915</b>	<b>4,019,667</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
DEFERRED INFLOWS RELATED TO LEASES	\$ 5,021,064	-	5,021,064	-
DEFERRED INFLOWS RELATED TO PENSIONS	49,694	-	49,694	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 5,070,758</b>	<b>-</b>	<b>5,070,758</b>	<b>-</b>
<b>NET POSITION:</b>				
NET INVESTMENT IN CAPITAL ASSETS UNRESTRICTED	\$ 36,969,962 1,879,897	38,762,749 (317,742)	75,732,711 1,562,155	- 1,913,507
<b>TOTAL NET POSITION</b>	<b>\$ 38,849,859</b>	<b>38,445,007</b>	<b>77,294,866</b>	<b>1,913,507</b>

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

**JEFFERSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>ENTERPRISE FUNDS</u>			<u>INTERNAL SERVICE FUNDS</u>
	<u>JACK BROOKS REGIONAL AIRPORT</u>	<u>FORD PARK</u>	<u>TOTAL</u>	
<b>OPERATING REVENUES:</b>				
CHARGES FOR SERVICES	\$ 4,159,704	5,013,389	9,173,093	22,592,535
EMPLOYEE CONTRIBUTIONS	-	-	-	2,858,400
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 4,159,704</b>	<b>5,013,389</b>	<b>9,173,093</b>	<b>25,450,935</b>
<b>OPERATING EXPENSES:</b>				
SALARIES & BENEFITS	\$ 2,234,459	1,517,611	3,752,070	-
MATERIALS AND SUPPLIES	90,377	108,201	198,578	-
MAINTENANCE AND REPAIRS	152,071	306,243	458,314	-
UTILITIES	198,241	956,971	1,155,212	-
COST OF GOODS SOLD	2,472,520	3,031,957	5,504,477	-
MISCELLANEOUS	935,694	349,590	1,285,284	-
ADMINISTRATIVE	-	624,022	624,022	1,985,807
INCURRED & ESTIMATED CLAIMS	-	-	-	24,845,045
DEPRECIATION	1,805,579	2,295,529	4,101,108	-
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 7,888,941</b>	<b>9,190,124</b>	<b>17,079,065</b>	<b>26,830,852</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (3,729,237)</b>	<b>(4,176,735)</b>	<b>(7,905,972)</b>	<b>(1,379,917)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
INTEREST REVENUE	\$ 222,003	31,507	253,510	159,577
GAIN/(LOSS) ON SALE OF CAPITAL ASSETS	1,579	-	1,579	-
INTERGOVERNMENTAL	2,736,246	-	2,736,246	-
REFUNDS AND RECOVERIES	-	-	-	2,250,034
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 2,959,828</b>	<b>31,507</b>	<b>2,991,335</b>	<b>2,409,611</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	<b>\$ (769,409)</b>	<b>(4,145,228)</b>	<b>(4,914,637)</b>	<b>1,029,694</b>
CAPITAL CONTRIBUTIONS	6,668,811	689,585	7,358,396	-
TRANSFER IN	-	1,898,936	1,898,936	-
<b>CHANGE IN NET POSITION</b>	<b>\$ 5,899,402</b>	<b>(1,556,707)</b>	<b>4,342,695</b>	<b>1,029,694</b>
<b>NET POSITION, BEGINNING</b>	<b>32,950,457</b>	<b>40,001,714</b>	<b>72,952,171</b>	<b>883,813</b>
<b>NET POSITION, ENDING</b>	<b>\$ 38,849,859</b>	<b>38,445,007</b>	<b>77,294,866</b>	<b>1,913,507</b>

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF CASH FLOWS -**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	ENTERPRISE FUNDS			
	JACK BROOKS REGIONAL AIRPORT	FORD PARK	TOTAL	INTERNAL SERVICE FUNDS
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
RECEIPTS FROM CUSTOMERS AND USERS	\$ 4,057,172	4,504,309	8,561,481	2,445,318
RECEIPTS FROM EMPLOYEES	-	-	-	2,934,271
PAYMENTS TO SUPPLIERS	(3,983,642)	(5,053,741)	(9,037,383)	(1,995,027)
PAYMENTS TO EMPLOYEES	(2,143,989)	(1,517,611)	(3,661,600)	-
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	849,276	-	849,276	19,874,049
CLAIMS PAID	-	-	-	(23,780,211)
OTHER RECEIPTS	92	-	92	2,318,355
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (1,221,091)</b>	<b>(2,067,043)</b>	<b>(3,288,134)</b>	<b>1,796,755</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
RECEIPTS FROM GRANTS	\$ 2,686,932	-	2,686,932	-
TRANSFERS (TO) FROM OTHER FUNDS	-	1,898,936	1,898,936	-
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>\$ 2,686,932</b>	<b>1,898,936</b>	<b>4,585,868</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
CAPITAL GRANTS FROM FEDERAL ENTITIES	\$ 2,121,746	-	2,121,746	-
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(4,622,630)	(280,877)	(4,903,507)	-
PROCEEDS FROM SALE OF CAPITAL ASSETS	1,487	-	1,487	-
<b>NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES</b>	<b>\$ (2,499,397)</b>	<b>(280,877)</b>	<b>(2,780,274)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES:</b>				
RECEIPTS OF INTEREST	205,795	30,534	236,330	145,228
<b>NET CASH PROVIDED BY INVESTMENT ACTIVITIES</b>	<b>\$ 205,795</b>	<b>30,534</b>	<b>236,330</b>	<b>145,228</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - BEGINNING</b>	<b>\$ (827,760)</b>	<b>(418,450)</b>	<b>(1,246,210)</b>	<b>1,941,983</b>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<b>\$ 827,760</b>	<b>1,591,002</b>	<b>2,418,762</b>	<b>2,424,135</b>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<b>\$ -</b>	<b>1,172,552</b>	<b>1,172,552</b>	<b>4,366,118</b>
<b>RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES:</b>				
OPERATING INCOME(LOSS)	\$ (3,729,237)	(4,176,735)	(7,905,972)	(1,379,917)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
DEPRECIATION	1,805,579	2,295,529	4,101,108	-
OTHER NON-OPERATING REVENUES (EXPENSES)	92	-	92	2,250,034
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	(68,945)	(316,608)	(385,553)	68,692
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-	(273,168)
LEASE RECEIVABLE	(773,255)	-	(773,255)	-
INSURANCE DEPOSITS	-	-	-	65,500
PREPAID ITEMS	(78,580)	(122,255)	(200,835)	-
INVENTORY	4,038	4,173	8,211	-
DEFERRED OUTFLOWS	(35,903)	-	(35,903)	-
ACCOUNTS PAYABLE	(60,197)	319,070	258,873	780
CLAIMS LIABILITY	-	-	-	1,064,834
DEFERRED INFLOWS	(495,418)	-	(495,418)	-
DUE TO OTHER FUNDS	849,276	-	849,276	-
OTHER LIABILITIES	1,361,459	(70,217)	1,291,242	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (1,221,091)</b>	<b>(2,067,043)</b>	<b>(3,288,134)</b>	<b>1,796,755</b>
<b>NON-CASH OPERATING, CAPITAL AND RELATED FINANCING, AND INVESTING ACTIVITIES</b>				
CAPITAL CONTRIBUTIONS	\$ -	689,585	689,585	-

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**SEPTEMBER 30, 2023**

	INVESTMENT TRUST FUND	CUSTODIAL FUNDS
<b><u>ASSETS</u></b>		
CASH AND CASH EQUIVALENTS	\$ 2,332,686	32,373,712
ACCOUNTS RECEIVABLE, NET DUE FROM OTHER GOVERNMENTAL ENTITIES	-	78,276
	-	114,021
<b>TOTAL</b>	<b>\$ 2,332,686</b>	<b>32,566,009</b>
<b><u>LIABILITIES</u></b>		
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	-	66,542
	-	1,339,578
<b>TOTAL</b>	<b>\$ -</b>	<b>1,406,120</b>
<b>NET POSITION</b>		
<b>RESTRICTED FOR:</b>		
POOL PARTICIPANTS	\$ 2,332,686	-
INDIVIDUALS AND ORGANIZATIONS	-	31,159,889
<b>TOTAL NET POSITION</b>	<b>\$ 2,332,686</b>	<b>31,159,889</b>

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>INVESTMENT TRUST FUND</u>	<u>CUSTODIAL FUNDS</u>
<b><u>INCREASES</u></b>		
CONTRIBUTIONS FROM JUDGEMENTS	\$ 855,288	27,349,144
BONDS RECEIVED	-	588,098
DEPOSITS HELD	-	9,131,347
TAXES COLLECTED ON BEHALF OF TAXING ENTITIES	-	640,478,519
PROBATIONER PAYMENTS	-	401,173
INTEREST INCOME	2,430	58,668
<b>TOTAL INCREASES</b>	<b>\$ 857,718</b>	<b>678,006,949</b>
<b><u>DECREASES</u></b>		
BONDS REFUNDED	\$ -	2,169,751
COLLECTIONS DISTRIBUTED	390,350	4,446,012
DEPOSITS RETURNED	-	8,513,255
DISBURSEMENTS TO BENEFICIARIES	-	20,058,563
TAXES DISBURSED TO TAXING ENTITIES	-	640,292,616
<b>TOTAL DECREASES</b>	<b>\$ 390,350</b>	<b>675,480,197</b>
<b>NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION</b>	<b>\$ 467,368</b>	<b>2,526,752</b>
<b>NET POSITION - BEGINNING</b>	<b>1,865,318</b>	<b>28,633,137</b>
<b>NET POSITION - ENDING</b>	<b>\$ 2,332,686</b>	<b>31,159,889</b>

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



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies**

The financial statements of Jefferson County, Texas (“County”) have been prepared in conformity with generally accepted accounting principles (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

**A. Reporting Entity**

The County is a public corporation and a political subdivision of the State of Texas. The County is governed by Commissioners’ Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County provides a vast array of services, which include public safety, administration of justice, health and human services, recreation services, public improvements, and general administration.

As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units in conformity with GASB Statement No. 14, *The Financial Reporting Entity* (“GASB 14”), GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* (“GASB 39”), GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, (“GASB 61”), GASB Statement No. 80, *Blending Requirements for Certain Component Units*, clarifies the financial statement presentation requirements for certain component units which are incorporated as not-for-profit entities.

In accordance with these standards, a financial reporting entity consists of the primary government and its components units. Component units are legally separate organizations for which the elected officials of the County are financially accountable, or the relationship to the County is such that exclusion would cause the County’s financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the County’s operations, and so data from these units are combined with data of the County.

The criteria used to determine whether an organization is a component unit of the County and whether it is a discretely or a blended component unit includes: financial accountability of Jefferson County for the component unit, appointment of a voting majority, ability to impose the County’s will on the component unit, fiscal dependency criterion, whether there is a financial benefit to or burden to the County or if operational responsibility for the component unit rests with management of the County, and whether services are provided entirely or almost entirely to the primary government.

**Blended Component Units:**

For financial reporting purposes, the Southeast Texas Government Employee Benefits Pool (The Pool) is included in the operations and activities of the County as a blended component unit. The



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

Pool is a public entity risk pool (see Note 13), which the County is the sponsor government. The Pool provides services almost entirely to the County. The Pool is accounted for as an internal service fund.

Excluded from the reporting entity:

The following agencies were considered in the determination of component units of the County's financial reporting entity. It was determined that these entities should not be included as component units of the primary government: Jefferson County Navigation District, Drainage District #3, Drainage District #6, Drainage District #7, Foreign Trade Zone, Pleasure Island Park Board, Jefferson County Health Facilities Development Corporation, Jefferson County Housing Finance Corporation, Local Emergency Planning Committee (LEPC), and Jefferson County Industrial Development Corporation.

**B. Implementation of New Standards**

In the current year, the County implemented the following new standards:

GASB Statement No. 91, *Conduit Debt Obligations* ("GASB 91"). The Statement provides a single method of reporting conduit debt obligation by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 was implemented by the County in fiscal year 2023.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* – ("GASB 94"), primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Implementation of GASB 94 did not have an impact on the County's financial statement or disclosures.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*– ("GASB 96"), This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

adoption of this standard did not result in restatement of beginning fund balance or net positions, but assets and liabilities were recognized, and more extensive note disclosures were required.

GASB Statement No. 99, Omnibus 2022 – (“GASB 99”), objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. GASB 99 was implemented by the County in fiscal year 2023.

**C. Financial Statement Presentation, Measurement Focus and Basis of Accounting**

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is financially accountable.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Fines and forfeitures are recognized when they have been assessed and adjudicated and earned. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Activities demonstrates the degree to which the direct expenses of the County’s programs are offset by those programs’ revenues. Program revenues include; 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the program and; 2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Program revenues include those generated from General Government, Judicial and Law Enforcement, Education and Recreation, Health and Welfare, Contract Services, and Maintenance of Equipment and Structures. Taxes and other items not included among program revenues are reported instead as general revenues.

Miscellaneous general revenues consist of non-program specific contributions.

Fiduciary funds are excluded in the government-wide presentation of the financial statements.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

Fund-level Statements

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes and other revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on governmental long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Grant and entitlement revenues are also susceptible to accrual. Encumbrances are used during the year and any remaining encumbrances are liquidated at fiscal year end. These funds are accounted for on a spending “financial flow” measurement focus. This means that only current assets, deferred outflows (inflows) of resources, and current liabilities are generally included on their balance sheets. Their reported fund balance (net position) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

All proprietary funds, including the enterprise funds and internal service funds, and fiduciary funds, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using a cost of service or “capital maintenance” measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds’ balance sheets.

The accounts of the County are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

Funds are classified into three categories: Governmental, Proprietary, and Fiduciary. The County reports the following major funds:

**GOVERNMENTAL FUNDS:** Used to account for all or most of a government’s general activity.

**General Fund** – used to account for the general operations of the County.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

**LPPF** – used to account for the funding provided by local providers for mandatory payments of their net patient revenue and the intergovernmental transfers on their behalf for health care expenditures.

**ARPA Coronavirus Recovery** – used to account for the funding provided for by the American Rescue Plan Act of 2021.

**PROPRIETARY FUNDS:** Used to account for operations that are financed in a manner similar to those in the private sector, where the determination of net income is appropriate for sound financial administration.

**Jack Brooks Regional Airport** – used to account for the day-to-day operation of the County airport. These facilities are financed primarily through user charges.

**Ford Park** – used to account for the day-to-day operation of Ford Park. These facilities are financed primarily through user charges.

Additionally, the County reports the following fund types:

**Internal Service Funds** – used to account for the financing of goods and services provided by one department or agency of the County to other County departments or agencies on a cost reimbursement basis. The County reports three internal service fund: 1) Liability Insurance – to account for the County’s contribution and payment for liability claims, 2) Workers’ Compensation – to account for County’s contribution and payment for workers’ compensation claims, and 3) Southeast Texas Government Employee Benefits Pool - to account for the County’s Public Entity Risk Pool, which provides group health insurance programs for member governments including comprehensive major medical and dental care.

**FIDUCIARY FUNDS:** Used to report assets held in a trustee or fiduciary capacity for others and therefore cannot be used to support the government’s own programs. Fiduciary funds are used to account for assets held by the County as an agent on behalf of a third party. The County reports ten fiduciary funds held by the County as an agent on behalf for various third parties outside the primary government: Treasurer Maintained Fund, County Clerk Fund, District Clerk Fund, Sheriff’s Fund, Justice of the Peace Fund, Tax Assessor/Collector Fund, District Attorney’s Seizure Fund, Community Supervision Fund, Juvenile Probation Fund, and one Investments Trust Fund for the District Clerk Trust.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing goods in connection with the proprietary fund’s principal operations. The principal operating revenues of the Jack Brooks Regional Airport and Ford Park are user fees. Operating revenues in the Internal Service Funds consist primarily of charges to the various County departments. Operating expenses in the enterprise and internal service funds include the cost of sales and services, administrative expenses, incurred



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

and estimated claims, salaries & benefits, materials and supplies, maintenance and repairs, utilities, miscellaneous, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

**D. Budgets**

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

- Department annual budget requests are submitted by the Department or Agency Head to the County Auditor's office during the third quarter of the fiscal year for the upcoming fiscal year to begin October 1.
- The County Auditor's office prepares an estimate of available resources for the upcoming fiscal year.
- The County Auditor's office prepares the proposed annual operating budget to be presented to the Commissioners' Court for their consideration. The budget represents the financial plan for the new fiscal year.
- Public hearings are held on the proposed budget.
- The Commissioners' Court must adopt an annual operating budget by a majority vote of the Commissioners' Court before October 1. The adopted budget must be balanced; that is, available resources must be sufficient to support annual appropriations.
- The department is the legal level of budgetary control. Commissioners' Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget.
- The Commissioners' Court may approve expenditures as an amendment to the budget in an emergency situation that could not have been foreseen at the time the original budget was approved.
- Annual budgets are legally adopted for the General Fund and Debt Service Funds. Budgets for Grant Funds are established pursuant to grant awards and budgets for Capital Projects are established on a project basis.
- Appropriations lapse at year-end for all budgeted funds.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

- Budgets are prepared on a basis consistent with GAAP.

**E. Deposits and Investments**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposits, balances in privately managed local government investments pools, and short-term investments with original maturities of three months or less from the date of acquisition. The County's local government investments pools are recorded at amortized cost, which approximates fair value, as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

State statute authorizes the County to invest in obligations of the U.S. Treasury and Federal Agencies, commercial paper, repurchase agreements, Bankers' acceptances, money market mutual funds, public funds investments pools, and direct obligations of the State of Texas.

Investments for the County are stated at fair value, which is based on quoted market prices with the difference between the purchase price and market price being recorded as earnings on investments.

**F. Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed. All encumbrances are liquidated at fiscal year end.

**G. Receivables and Payables**

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1, 2022 and past due after January 31, 2023. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

Receivables from other governments include amount due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

recorded as unearned revenue in the fund statements. Receivables are shown net of an allowance for uncollectible.

Lending or borrowing between funds is reflected as “due to” or “due from” (current portion) or “advances to/from other funds” (non-current). Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Interfund activity reflected in “due to” or “due from” is eliminated on the government-wide statements.

**H. Interfund Transactions**

During the course of normal operations, the County has many transactions between funds. The accompanying fund level financial statements reflect as transfers the resources provided and the expenditures used to provide services, construct assets, and meet debt service requirements. The effect of interfund activity has been eliminated in the Government-Wide financial statements, except for transactions between governmental and business-type activities.

**I. Inventories and Prepaid Items**

Inventories are valued at cost, which approximates market, using the “first-in/first-out” method. Reported inventories in the governmental funds are offset by a fund balance reserve, which indicates they are unavailable for appropriations even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and in the fund financial statements are offset by a fund balance reserve, which indicates they are unavailable for appropriations even though they are a component of net current assets.

The cost of governmental fund type inventories and prepaid items are recorded as expenditures when consumed rather than when they are purchased (consumption method).

**J. Capital Assets and Infrastructure**

Capital assets include: land, land improvements, buildings and building improvements, park improvements and facilities, equipment, machinery, vehicles, other tangible and intangible assets, and infrastructure that are used in the County’s operations and benefits more than a single fiscal year. Infrastructure assets are long-lived assets that are generally stationary in nature and can typically be preserved for a significantly greater number of years than other capital assets. Infrastructure assets of the County include roads and bridges.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

Capital assets of the County are defined as assets with individual costs of \$10,000 or more and estimated useful lives in excess of one year. All capital assets are stated at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

It is the County's policy not to capitalize interest on construction for capital assets reported in the governmental activities of the government-wide financial statements.

Capital assets are depreciated in the government-wide financial statements using the straight-line method over the following useful lives:

<u>Asset</u>	<u>Years</u>
Runways	20-35
Buildings	40
Building Improvements	15-25
Equipment	3-7
Machinery	15
Vehicles	4-15
Other tangible assets	7-10
Computer software	3-5
Infrastructure:	
Bridges	25
Roads	40

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

The County is a participant in several non-cancellable subscription-based IT arrangement (SBITAs). The County recognizes a liability and intangible right-to-use assets in the government-wide financial statements.

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

Key estimates and judgements related to SBITAs include how the County determines (1) the discount rate it used to discount the expected payments to present value, (2) agreement term, and (3) agreed upon payments.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

- The County uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the County general uses its estimated incremental borrowing rate as the discount rate.
- The agreement term includes the non-cancellable period of the SBITA.
- The agreed upon payments included in the measurement of the liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a re-measurement of its SBITA and will re-measure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

These right to use assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

**L. Compensated Absences**

Accumulated compensatory leave, vacation and sick leave that have matured (reimbursable leave still outstanding following an employee's resignation or retirement) are reported as expenditures in the respective governmental funds. Accumulated compensated absences that have not matured are reported as long-term liabilities in the governmental activities column of the government-wide Statement of Net Position. The majority of these have typically been liquidated from the General Fund in previous years. Accumulated compensated absences of Proprietary Funds are recorded as an expense and liability in the respective fund and the business-type activities column of the government-wide Statement of Activities as the benefit accrues for the employee.

Employees are allowed to accrue 13 days of sick leave per year. Sick leave benefits are recognized as expenditures as they are used by the employees. Employees may accumulate up to 1,440 hours of sick leave. For employees with 8 years of service and hired prior to October 1, 2002, unused sick leave benefits are paid at 50% at termination. For employees with 8 years of service and hired after October 1, 2002, unused sick leave benefits are paid at 10% at termination.

Employees with more than one year of service accrue from two to five weeks of vacation per year, depending on years of service. Unused vacation benefits lapse on March 15 for the previous calendar year. Upon termination from County employment, an employee shall be entitled to payment for total accrued but unused hours of vacation.

Non-exempt employees earn compensatory time at one and one-half times their full rate of pay times the excess of 40 hours per week worked. The compensatory time balance for non-exempt employees may not exceed 80 hours except for law enforcement employees, which may accumulate up to 480 hours. Hours in excess of the maximum must be paid to the non-exempt employee at the rate of one and a half times the regular rate. Upon termination, non-exempt employees will be paid for



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

compensatory time at their wage rate at time of termination. Compensatory time is carried forward indefinitely.

**M. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. 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 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 financial sources while discounts on debt issuances are reported as other financing uses.

**N. 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. The County has three items that qualify for reporting in this category. The first is deferred loss on refunding bonds reported in the government-wide statement of net position. A deferred loss on refunding bonds 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. The second is deferred outflows related to pensions. The third is deferred outflows related to OPEB.

In addition to liabilities in the statement of financial 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. The County has four items that qualify for reporting in this category. The first arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, that item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is deferred inflows related to leases. The deferred inflow of resources is initially measured as the initial amount of the lease receivable and recognized as revenue over the life of the lease term. The third item is deferred inflows related to pensions and is only recorded in the government-wide financials. The fourth item is deferred inflows related to OPEB and is only recorded in the government-wide financials.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

**O. Pensions**

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

**P. Other Post-employment benefits**

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, the amounts have been determined by an actuary under GASB Statements No. 75. The County does not pre-fund benefits and the current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The total OPEB liability is the portion of actuarial present value of projected benefit payments that is attributable to past periods of member service using the Entry Age Normal cost method. The deferred outflows and deferred inflows of resources represent the portion of changes in total OPEB liability that is not immediately recognized in OPEB expense, which can include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on plan investments.

**Q. Net Position and Fund Balances**

Net Position Classifications

Net position represents the difference between assets, deferred outflows (inflows) of resources, and liabilities.

Net position in the proprietary fund financial statements and the government-wide financial statements are classified in three categories: 1) Net investment in capital assets, 2) Restricted net position, and 3) Unrestricted net position.

In the proprietary fund financial statements and in the government-wide financial statements, restricted net position is reported for amounts that are externally restricted by 1) creditors (eg. bond covenants), grantors, contributions, or laws and regulations of other governments, or 2) law through constitutional provision or enabling legislation.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

Fund Balance Classification

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributions, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by court resolution of the Commissioners' Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. When it is appropriate for fund balance to be assigned, the Commissioners' Court retains the responsibility to assign funds. Assignments may occur subsequent to fiscal year end.
- **Unassigned:** This classification includes the residual fund balances for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 1 - Summary of Significant Accounting Policies (continued)**

**R Statement of Cash Flows**

For purposes of cash flows, the County considers all highly liquid investments (including restricted) with a maturity of three months or less when purchased to be cash equivalents.

**S. Use of Estimates**

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

**T. Leases – Lessor**

The County is a lessor for a non-cancellable lease of various County-owned land and buildings. These include land and jail facilities for governmental-type activities. For business-type activities, the County's airport conducts a major part of its operations from leased facilities, which include office and parking lot spaces, terminal space, hanger space, and land space for the Private Hangar Park or land surrounding the Airport. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and proprietary 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 judgements 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 receipts.

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

The County monitors changes in circumstances that would require a re-measurement of its leases, and will re-measure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 2 - Deposits and Investments**

The County categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of September 30, 2023, the County held the following fair value measurements:

Investment Type	Fair Value/ Amortized Cost	Percentage of Portfolio	Weighted Average Maturity (days)
U. S. Agency Securities	\$55,006,176	100.0%	430
	\$55,006,176	100.0%	430

Of the County’s investments carried at fair value, \$55,006,176 (U S Agency Securities) were all Level 2 and were priced using the option-adjusted discount cash flow model.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the local government investments pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

Interest Rate Risk – Fair value fluctuates with interest rates and increasing rates may cause fair value to decline below cost. In compliance with the County’s Investment Policy, the County minimized interest rate risk by limiting the weighted average maturity of the portfolio to 1,096 days with a stated final maturity date not to exceed 3 years from the date of purchase. In addition, the portfolio is structured so that securities mature to meet cash flow requirements, thereby avoiding the need to sell securities prior to maturity and below the original cost.

Credit Risk – In compliance with the County’s investment policy, as of September 30, 2023, all of the County’s purchased investments in U.S. Agency Securities were rated AA+ and Aaa by Standard & Poor’s and Moody’s respectively.

Concentration Risk – The County’s investment policy is to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investment. As of September 30, 2023, the County had eleven investments that was with Federal Home Loan Bank (FHLB), four investments with Federal Home Loan Mortgage Corporation (FHLMC), and one investment that was with Federal National Mortgage Association (FNMA).



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 2 - Deposits and Investments (continued)**

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 is to have all checking accounts placed at the County Depository Bank under a depository contract. The \$140,706,321 bank balance was covered by federal depository insurance or collateralized with securities held by the Bank of New York Mellon Trust Company.

Custodial Credit Risk – Investments – Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty (e.g. broker/dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The County’s policy requires that the investments of the County be secured through third-party custodial and safekeeping procedures as designated by the County. The County’s agent hold securities in the County’s name; therefore, the County is not exposed to custodial credit risk.

**Note 3 - Property Taxes and Other Receivables**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and payable by January 31 of the following year. The County bills and collects its own property taxes and it also bills and collects taxes for Jefferson County Navigation District, Jefferson County Drainage District #3, #6, and #7, Port of Beaumont, Port of Port Arthur, Water District #10, Nederland Independent School District, Northwest Forest Municipal Utility District, Emergency Services District #1, #2, #3, #4, Trinity Bay Conservation District, Port of Sabine Pass, Sabine Pass Independent School District, Port Arthur Independent School District, City of Port Arthur, Hamshire Fannett Independent School District, Port Neches-Groves Independent School District, Beaumont Independent School District, City of Beaumont, City of Groves, City of Nederland, City of Port Neches, City of Bevil Oaks, and City of Taylor Landing. Collections of these taxes and remittance of them to the various districts are accounted for in the Tax Assessor - Collector Agency Fund. The County is permitted by the State Constitution to levy taxes up to \$.80 per \$100 of assessed valuation for general government services and the payment of principal and interest on Long-Term Debt. In addition to its taxes subject to the \$.80 tax limitation, the County's voters have authorized the levy of a special tax of \$.15 per \$100 assessed valuation solely for road maintenance expenses. The County is also authorized by the voters to levy the Farm to Market and Lateral Road Tax of \$.30 per \$100 of assessed value for the purpose of maintaining roads and bridges.

For the year ended September 30, 2023, the combined tax rate to finance general government services and the payment of principal and interest on long-term debt was \$.363184.

On February 1 of the following calendar year the tax bill becomes delinquent and penalty and interest is assessed by the County. The County Commissioners issue a tax levy for the County's General and Debt Service Funds. The levy and collections are restricted to the funds they are allocated for. The delinquent tax receivables and penalty and interest receivables represent the past thirty years of uncollected tax levies. The allowance for uncollectible was set at sixty-five percent of the gross tax receivable and sixty-five percent on penalty and interest as of September 30, 2023. The allowance



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 3 - Property Taxes and Other Receivables (continued)**

has been recorded for Property Taxes and Penalty and Interest, which are estimated to be uncollectible as required by generally accepted accounting.

Property tax receivables of \$2,525,168 as of September 30, 2023 are reported net of an allowance for uncollectible taxes of \$4,689,595.

Penalty and Interest receivables of \$1,892,500 as of September 30, 2023 are reported net of an allowance for uncollectible accounts of \$3,514,649.

Receivables as of September 30, 2023 consist of the following:

	General	Non Major Funds	Jack Brooks Regional Airport	Ford Park	Internal Service Funds	Total
Receivables:						
Accounts	\$ 288,661	\$ 200,385	\$ 161,738	\$ 439,145	\$ 640,701	\$ 1,730,630
Employee	1,104	1,065	-	-	-	2,169
Interest	422,389	98,930	16,394	1,257	15,187	554,157
Taxes	6,796,171	418,592	-	-	-	7,214,763
Penalty & Interest	5,093,433	313,716	-	-	-	5,407,149
Fines & Court Cost	4,149,305	-	-	-	-	4,149,305
Inter-governmental	6,600,559	2,260,019	5,629,507	-	818,168	15,308,253
Gross Receivables	\$ 23,351,622	\$ 3,292,707	\$ 5,807,639	\$ 440,402	\$ 1,474,056	\$ 34,366,426
Allowance for Uncollectible	(9,888,201)	(476,000)	(2,550)	-	-	(10,366,751)
Net total receivables	\$ 13,463,421	\$ 2,816,707	\$ 5,805,089	\$ 440,402	\$ 1,474,056	\$ 23,999,675

As of September 30, 2023, the various components of unearned revenue reported in the governmental funds were as follows:

	Unearned
Advanced Funding (General Fund)	\$ 130,101
Advanced Funding (ARPA Coronavirus Recovery)	43,419,611
Advanced Funding (Non-major Special Revenue Funds)	1,000,795
Total Unearned Revenue for Governmental Funds	<u>\$44,550,507</u>



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 4 – Interfund Receivables, Payables, and Transfers**

As of September 30, 2023, the various components of unearned revenue reported in the business-type funds were as follows:

	Unearned
Advanced Funding (Jack Brooks Regional Airport)	\$ 40,435
Advanced Funding (Ford Park)	1,115,606
Total Unearned Revenue for Business-type Funds	\$ 1,156,041

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. Balances between individual governmental funds and between governmental funds and enterprise funds or internal services funds are eliminated in the government-wide financial statements.

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

Due to/from other funds:		
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 3,233,519
Nonmajor governmental funds	Nonmajor governmental funds	46,482
General Fund	Jack Brooks Regional Airport	849,276
	Total	\$ 4,129,277

All of the due to/from transactions are routine in nature and are typically a result of timing differences between the payment for expenditures and receipt of the corresponding revenues.

The following is a summary of the County’s transfers for the year ended September 30, 2023:

	Transfers Out:		
	General Fund	Non-major Governmental	Total
<b>Transfers In:</b>			
General	\$ -	\$ -	\$ -
Non-major Funds	1,272,664	211,711	1,484,375
Ford Park	1,898,936	-	1,898,936
	\$ 3,171,600	\$ 211,711	\$ 3,383,311

Transfers in the amount of \$1,898,936 to Ford Park were to subsidize operations of the complex. All other transfers are routine in nature such as grant matches, ongoing capital projects, and residual fund balance transfers for close out of funds.

Transfers in the amount of \$619,585 for Ford Park were made between governmental activities and business-type activities for capital assets purchases which were donated to business-type activities in the government wide statements.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 5 – Capital Assets**

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

	Balance October 1, 2022	Additions	Deletions	Transfer	Balance September 30, 2023
<b>Governmental Activities:</b>					
Land	\$ 3,840,787	\$ -	\$ -	\$ -	\$ 3,840,787
Construction work in progress	16,579,159	3,330,969	-	(16,438,117)	3,472,011
Total capital assets not depreciated	\$ 20,419,946	\$ 3,330,969	\$ -	\$ (16,438,117)	\$ 7,312,798
Infrastructure	66,655,575	-	(58,665)	-	66,596,910
Buildings & Improvements	123,668,034	144,638	-	15,163,389	138,976,061
Equipment	60,655,189	4,723,450	(4,770,235)	-	60,608,404
SBITA, right to use	-	6,379,132	-	1,274,728	7,653,860
Total capital assets depreciated	\$ 250,978,798	\$ 11,247,220	\$ (4,828,900)	\$ 16,438,117	\$ 273,835,235
Less accumulated depreciation for:					
Infrastructure	(48,775,374)	(784,361)	58,665	-	(49,501,070)
Buildings & Improvements	(80,112,758)	(2,652,451)	-	-	(82,765,209)
Equipment	(42,948,136)	(4,628,905)	4,259,802	-	(43,317,239)
SBITA, right to use	-	(825,805)	-	-	(825,805)
Total accumulated depreciation	\$ (171,836,268)	\$ (8,891,522)	\$ 4,318,467	\$ -	\$ (176,409,323)
Total capital assets depreciated, net	\$ 79,142,530	\$ 2,355,698	\$ (510,433)	\$ 16,438,117	\$ 97,425,912
Governmental activities capital assets, net	\$ 99,562,476	\$ 5,686,667	\$ (510,433)	\$ -	\$ 104,738,710
<b>Business-type Activities:</b>					
Land	\$ 5,154,600	\$ -	\$ -	\$ -	\$ 5,154,600
Construction work in progress	1,302,662	7,229,812	(207,908)	(475,565)	7,849,001
Total capital assets not depreciated	\$ 6,457,262	\$ 7,229,812	\$ (207,908)	\$ (475,565)	\$ 13,003,601
Buildings & Improvements	143,969,476	111,071	-	453,162	144,533,709
Equipment	12,218,919	304,791	(43,221)	22,403	12,502,892
Total capital assets depreciated	\$ 156,188,395	\$ 415,862	\$ (43,221)	\$ 475,565	\$ 157,036,601
Less accumulated depreciation for:					
Buildings & Improvements	(81,406,963)	(3,699,560)	-	-	(85,106,523)
Equipment	(8,842,641)	(401,548)	43,221	-	(9,200,968)
Total accumulated depreciation	\$ (90,249,604)	\$ (4,101,108)	\$ 43,221	\$ -	\$ (94,307,491)
Total capital assets depreciated, net	\$ 65,938,791	\$ (3,685,246)	\$ -	\$ 475,565	\$ 62,729,110
Business-type activities capital assets, net	\$ 72,396,053	\$ 3,544,566	\$ (207,908)	\$ -	\$ 75,732,711



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 5 – Capital Assets (continued)**

Depreciation expense was charged to the programs of the primary government as follows:

**Governmental activities:**

General Government	\$1,759,047
Judicial & Law Enforcement	2,856,360
Education & Recreation	10,780
Health & Welfare	227,794
Maintenance - Equipment & Structures	<u>4,037,541</u>
 Total depreciation expense - governmental activities	 <u><u>\$8,891,522</u></u>

**Business-type activities:**

Jack Brooks Regional Airport	\$1,805,579
Ford Park	<u>2,295,529</u>
 Total depreciation expense - business-type activities	 <u><u>\$4,101,108</u></u>

**Note 6 - Leases**

Lease Receivable

Starting in fiscal year 2022, the County’s financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below as of 9/30/2023.

**Governmental Activities**

<u>Purpose of Lease</u>	<u>Interest Rate</u>	<u>Initial Year of Lease</u>	<u>Amount of Initial Lease Receivable</u>	<u>Amounts Receivable at 9/30/2023</u>	<u>Ending Deferred Inflows</u>
Right-to-use land	1.46%	2022	\$ 127,861	\$ 95,069	\$ 93,840
Right-to-use Jail Building	0.31%	2022	\$ 75,571	\$ 8,759	\$ 6,957
Total Governmental Activities			<u>\$ 203,432</u>	<u>\$ 103,828</u>	<u>\$ 100,797</u>



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 6 - Leases (continued)**

Business Type Activities

Purpose of Lease	Interest Rate	Initial Year of Lease	Amount of Initial Lease Receivable	Amounts Receivable at 9/30/2023	Ending Deferred Inflows
Right-to-use Airport Buildings	0.53% - 1.462%	2022	\$ 889,748	\$ 593,717	\$ 589,252
Right-to-use Airport Buildings	0.743% -3.212%	2023	\$ 46,192	\$ 9,828	\$ 9,544
Right-to-use Airport Land/Hangers	1.090%-2.560%	2022	\$3,801,029	\$ 3,577,153	\$3,478,007
Right-to-use Airport Land/Hangers	3.409%-4.174%	2023	\$1,065,369	\$ 956,693	\$ 944,261
Total Business Type Activities			<u>\$5,802,338</u>	<u>\$ 5,137,391</u>	<u>\$5,021,064</u>

Future revenues expected are as follows:

Governmental Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 25,481	\$ 1,280	\$ 26,761
2025	16,968	1,032	18,000
2026	17,218	782	18,000
2027	17,471	529	18,000
2028	17,728	272	18,000
2029-2032	8,962	38	9,000
	<u>\$ 103,828</u>	<u>\$ 3,933</u>	<u>\$ 107,761</u>

Business-Type Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 411,063	\$ 127,968	\$ 539,031
2025	320,380	120,879	441,259
2026	301,233	114,037	415,270
2027	121,378	109,225	230,603
2028	119,896	106,807	226,703
2029-2033	454,873	500,357	955,230
2034-2038	502,650	443,332	945,982
2039-2043	558,813	375,991	934,804
2044-2048	330,323	314,216	644,539
2049-2053	358,124	268,242	626,366
2054-2058	446,159	210,669	656,828
2059-2063	495,573	141,826	637,399
2064-2068	593,656	61,074	654,730
2069-2070	123,270	2,473	125,743
	<u>\$ 5,137,391</u>	<u>\$ 2,897,096</u>	<u>\$ 8,034,487</u>



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 7 - Long-Term Liabilities**

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. All of the 2012 Refunding Bonds, and approximately 5% (\$661,802) of the 2019 Certificates of Obligation funded and benefited business-type activities, though resources of the governmental activities are being used to liquidate the debt. All other General obligation bonds have been issued for governmental-type activities. The total original amount of general obligation bonds issued is \$62,700,000.

General obligation bonds are direct obligation and pledge the full faith and credit on the government. General obligation bonds currently outstanding are as follows:

\$47,305,000 2012 Refunding Bonds due in annual installments from \$780,000 to \$4,465,000 through August 1, 2025; interest rates ranging from 2.0% to 5.0%.	\$ 8,790,000
\$15,395,000 2019 Certificates of Obligation due in annual installments from \$500,000 to \$1,040,000 through August 1, 2039; interest rates ranging from 3.0% to 5.0%	<u>13,245,000</u>
Total General Obligation Bonds	<u><u>\$ 22,035,000</u></u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ended September 30	<u>Governmental Activities</u>		Total
	Principal	Interest	
2024	\$ 4,930,000	\$ 727,850	\$ 5,657,850
2025	5,100,000	567,850	5,667,850
2026	665,000	402,150	1,067,150
2027	700,000	368,900	1,068,900
2028	735,000	333,900	1,068,900
2029-2033	4,105,000	1,246,650	5,351,650
2034-2038	4,760,000	592,950	5,352,950
2039	1,040,000	31,200	1,071,200
Total	<u>\$ 22,035,000</u>	<u>\$ 4,271,450</u>	<u>\$ 26,306,450</u>

There is currently \$457,311 available in the Debt Service Funds to service the general obligation bonds. The County has no authorized but unissued bonds at September 30, 2023.

There are a number of limitations and restrictions contained in the various bond debentures regarding authorized uses of bond proceeds. The County is in compliance with all significant limitations and restrictions.

Should the County default on its outstanding bonds, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the County.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 7 - Long-Term Liabilities (continued)**

Financing Arrangement Obligations:

In 2020, a tax-exempt Series Master Equipment-Purchase Agreement was issued with maturities ranging from \$6,976 to \$8,325 with an interest rate of 3.6%, to be paid from the General Fund. The original issue amount was \$457,860 and the current outstanding balance is \$292,002. The asset acquired through a financing arrangement is recorded at \$457,860 for governmental funds for 71 copiers.

Annual debt service requirements to maturity for financing arrangement obligations are as follows:

Fiscal Year Ended September 30	<u>Governmental Activities</u>		
	Principal	Interest	Total
2024	\$ 94,518	\$ 5,682	\$ 100,200
2025	97,979	2,221	100,200
2026	8,325	25	8,350
Total	<u>\$ 200,822</u>	<u>\$ 7,928</u>	<u>\$ 208,750</u>

SBITAs Liability:

During the fiscal year, the County implemented into nine subscriptions for the use of software ranging from 60 to 66 months. An initial SBITA liability was recorded in the amount of \$5,283,431. The County is required to make annual fixed payments between \$866,892 and \$1,047,237. The SBITAs have interest rates between 2.31% and 3.31%.

The annual principal and interest payments are as follows:

Fiscal Year Ended September 30	<u>Governmental Activities</u>		
	Principal	Interest	Total
2024	\$ 889,646	\$ 76,607	\$ 966,253
2025	952,667	108,570	1,061,237
2026	971,065	76,171	1,047,236
2027	997,805	49,432	1,047,237
2028	844,249	22,643	866,892
Total	<u>\$ 4,655,432</u>	<u>\$ 333,423</u>	<u>\$ 4,988,855</u>



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 7 - Long-Term Liabilities (continued)**

Conduit Debt Obligations

The County has issued Housing Finance Corporation Bonds and Industrial Development Corporation Bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity serviced by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2023, there were three series of Jefferson County Housing Finance Corporation Bonds with an aggregate principal amount payable of \$49,231,960, and one series of Jefferson Industrial Development Bonds with an aggregate principal amount payable of \$9,195,000.

Arbitrage Rebate Liability

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local government bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due and remit the amount due at least every five years. As of September 30, 2023, there are no estimated liabilities for arbitrage rebate on governmental debt. The Debt Service Fund and the residual balance in the Capital Project Fund have typically been used to liquidate the arbitrage liability in previous years.

Changes in long-term liabilities

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 7 - Long-Term Liabilities (continued)**

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Governmental Activities:</b>					
Bonds Payable					
General obligation bonds	\$ 26,780,000	\$ -	\$ (4,745,000)	\$ 22,035,000	\$ 4,930,000
Premiums	2,037,607	-	(435,013)	1,602,594	-
Total bonds payable	\$ 28,817,607	\$ -	\$ (5,180,013)	\$ 23,637,594	\$ 4,930,000
Financing Arrangements	292,002	-	(91,180)	200,822	94,518
SBITA Liability	-	5,283,431	(627,999)	4,655,432	889,646
Claims and Judgments	2,930,815	27,874,160	(26,809,326)	3,995,649	3,995,649
Compensated Absences	11,502,203	1,279,483	(1,264,968)	11,516,718	1,209,236
Governmental Activities					
Long-term liabilities	\$ 43,542,627	\$ 34,437,074	\$ (33,973,486)	\$ 44,006,215	\$ 11,119,049
<b>Business-type Activities:</b>					
Compensated Absences	\$ 175,740	\$ 53,129	\$ (33,065)	\$ 195,804	\$ 22,060
Business-type Activities					
Long-term liabilities	\$ 175,740	\$ 53,129	\$ (33,065)	\$ 195,804	\$ 22,060

Compensated absences liabilities are normally liquidated by the general fund for governmental activities and by the corresponding enterprise fund for business type activities. Claims and judgments of governmental funds are normally paid from the corresponding internal service fund. Claims and judgments of the public entity risk pool are normally paid from the corresponding internal service fund.

**Note 8 – Defined Benefit Pension Plan**

**Plan Description.** The County participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (“TCDRS”). The Board of Trustees of TCERS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCERS issues a publicly available annual comprehensive financial report (“Annual report”) that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

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

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

Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 8 – Defined Benefit Pension Plan (continued)**

receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the 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 employer's commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. The County's current match is 200%.

***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	1,058
Inactive employees entitled to but not yet receiving benefits	882
Active employees	<u>1,067</u>
	<u><u>3,007</u></u>

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

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 20.25% and 20.31% in calendar years 2022 and 2023, respectively. The County's contributions to TCDRS for the year ended September 30, 2023, was \$15,524,374, and was equal to the required contributions.

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



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 8 – Defined Benefit Pension Plan (continued)**

*Actuarial Assumptions*

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

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment rate of return	7.5%, net of pension plan investment expense, including inflation

The plan does not have an automatic cost-of-living adjustment (“COLA”) and one is not considered to be substantively automatic under GASB No. 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculation or in the funding valuation. Each year, the plans may elect an ad-hoc COLA for its retirees.

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

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

The actuarial cost method was Entry Age Normal, as required by GASB No. 68. Straight-line amortization over Expected Working Life with a 5 year smoothing period, and a non-asymptotic recognition method with no corridor were utilized in the actuarial calculation.

The actuarial assumptions that determined the total pension liability as of December 31, 2022, were based on the results of an actuarial experience study for the period January 1, 2017 through December 31, 2020.

The long-term expected rate of return on pension plan investments is 7.60%. The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2023 information for a



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

**Note 8 – Defined Benefit Pension Plan (continued)**

10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 10-year time horizon; the most recent analysis was performed in 2023. The target allocation and best estimates of geometric real rates return for each major assets class are summarized in the following table:

Asset Class	Benchmark	Target Allocation <sup>(1)</sup>	Geometric Real Rate of
U.S. Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index <sup>(3)</sup>	4.00%	7.60%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(5)</sup>	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRJ) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U. S. Treasury	2.00%	.20%

<sup>(1)</sup> Target asset allocation adopted at the March 2023 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.6%, per Cliffwater's 2023 capital market assumptions.

<sup>(3)</sup> Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

<sup>(5)</sup> Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

**Discount Rate**

The discount rate used to measure the Total Pension Liability was 7.6%. 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, the pension plan'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 period of projected benefit payments to determine the Total Pension Liability.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 8 – Defined Benefit Pension Plan (continued)**

*Changes in the Net Pension (Asset) Liability*

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at 12/31/2021	\$ 583,263,025	\$ 592,999,298	\$ (9,736,273)
Changes for the year:			
Service cost	10,388,366	-	10,388,366
Interest on total pension liability <sup>(1)</sup>	43,862,245	-	43,862,245
Effect on plan changes <sup>(2)</sup>	6,085,700	-	6,085,700
Effect of economic/demographic gains or losses	(1,553,147)	-	(1,553,147)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(786,137)	(786,137)	-
Benefit payments	(32,863,188)	(32,863,188)	-
Administrative expenses	-	(318,898)	318,898
Member contributions	-	5,175,508	(5,175,508)
Net investment income	-	(33,612,380)	33,612,380
Employer contributions	-	14,971,996	(14,971,996)
Other <sup>(3)</sup>	-	(1,388,350)	1,388,350
Balance at 12/31/2022	<u>\$ 608,396,864</u>	<u>\$ 544,177,849</u>	<u>\$ 64,219,015</u>

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

<sup>(2)</sup> Reflects plan changes adopted effective in 2023.

<sup>(3)</sup> Relates to allocation of system-wide items.

**Sensitivity Analysis**

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

	1% Decrease 6.6%	Current Discount Rate 7.6%	1% Increase 8.6%
	Total pension liability	\$ 681,752,871	\$ 608,396,864
Fiduciary net position	<u>544,177,849</u>	<u>544,177,849</u>	<u>544,177,849</u>
Net pension liability/(asset)	<u>\$ 137,575,022</u>	<u>\$ 64,219,015</u>	<u>\$ 2,093,932</u>



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 8 – Defined Benefit Pension Plan (continued)**

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan’s Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the internet at [www.tcdrs.org](http://www.tcdrs.org).

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

For the year ended September 30, 2023, the County recognized pension (income) expense of \$19,112,443 and \$350,330 in the governmental and business-type activities, respectively.

At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 2,122,308	\$ -
Changes in actuarial assumptions	638,511	7,586,122
Net difference between projected and actual investment earnings	-	9,010,844
Contributions subsequent to the measurement date	-	12,545,636
Total	\$ 2,760,819	\$ 29,142,602

\$12,545,636, reported as deferred outflows of resources related to pension resulting from contributions made after the measurement date but before the end of the County’s fiscal year ending September 30, 2023, will be recognized as a reduction of the net pension liability (asset) or collective net pension liability in the subsequent fiscal year rather than in the current fiscal year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For the Year Ended December 31,	
2023	\$ (1,168,130)
2024	(1,734,238)
2025	1,115,923
2026	15,622,592
	\$ 13,836,147



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 9 – Other Post-Employment Benefits**

**Plan Description.** The County sponsors a single-employer defined benefit post-employment benefit (OPEB) plan for health and dental care benefits.

**Benefits Provided.**

Retirees Benefits

The County provides post-retirement health and dental care benefits to all employees who retired on or after April 9, 1990. Effective January 1, 1997, Commissioners’ Court adopted the following policy detailing eligibility requirements for participation in this benefit:

- A) employee must have retired under the Texas County and District Retirement System (TCDRS) guidelines described in Note 8; and
- B) employee must have at least 8 years of TCDRS credible service with Jefferson County.

For retirees prior to February 1, 2003, the County pays 100 percent of health insurance premiums for those retirees that qualify. After February 1, 2003, the County will pay on the following scale for retirees that qualify:

Years of Service	Percentage	
	Paid by Retiree	Paid by County
8-11	30%	70%
12-15	20%	80%
16-19	10%	90%
20+	0%	100%

Effective January 1, 2016, all new employees will not be eligible for County paid post-retirement health care benefits.

Retiree Spouse Benefits

The employee's spouse is eligible for County paid health and dental insurance benefits following the employee's retirement if:

- A) employee met the above requirements A and B; hired prior to January 1, 2016 and,
- B) employee's spouse was enrolled in the health plan either as a dependent or an active County employee.

Spouse participation will end in the event of a divorce, at which time COBRA continuation will be offered as described below.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 9 – Other Post-Employment Benefits (continued)**

For retirees prior to February 1, 2003, the County pays 100 percent of health and dental insurance premiums for those retirees’ spouses that qualify. For retirees between February 1, 2003 and February 28, 2005, the County will pay the same scale as described above for retirees’ spouses that qualify. For retirees after February 28, 2005, the County requires the following premiums to be paid for retirees’ spouses that qualify:

Age of Spouse	Premium Amount Due
Less than 65 during ten year maximum	Equal to the active employee contribution made for a spouse
Less than 65 after ten year maximum	Full Premium
Over 65	Same percentage as retiree see table above

***Individuals covered by benefits terms***

At the October 1, 2022 valuation date, the following individuals were covered by the benefits terms:

Active employees hired prior to January 1, 2016	505
Retirees	623
Surviving Spouses & Beneficiaries	<u>32</u>
	<u><u>1,160</u></u>

**Assets.** There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan

**Contributions.** The Plan is funded on a pay-as-you-go basis and is not administered through an irrevocable trust. The County does not make contributions as defined by GASB 75. For the fiscal year 2023, the County did make payments as established by Commissioners’ Court under the Plan based on the combination of premiums and prior year costs of the self-funded portion of the plan of \$7,336,020.

**Total OPEB Liability.** The County’s Total OPEB liability of \$183,177,399 was measured as of September 30, 2023 and was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 74 and 75.

***Actuarial Assumptions and Other Inputs***

The Total OPEB Liability in the October 1, 2022, actuarial valuation was determined using the following actuarial assumptions:



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 9 – Other Post-Employment Benefits (continued)**

Discount Rate	4.09%
20 Year Tax-Exempt Municipal Bond Yield	4.09%
Inflation	2.30%
Salary increases included inflation	3.00%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

The actuarial cost method was Entry Age normal. The trend rates for medical of 6.3% for pre-65 for 2022 will then trend upward to as high as 6.7% during years 2023 and the slowly grade downward yearly to ultimately reaching trend medical rates of 3.7% for years 2072 and beyond . The trend rated for medical post-65 of 5.5% and 4.0% for dental rates for 2022 will trend will slowly grade downward yearly to ultimately reaching trend medical rates of 3.7% for post-65, and dental rates of 3.7% for years 2072 and beyond.

There has not been a separate, audited GAAP-basis postemployment benefit plan report issued.

***Changes in the Total OPEB Liability***

	Increase (Decrease) Total OPEB Liability
Balance at 9/30/2022	\$ 170,524,890
Changes for the year:	
Service cost	3,708,424
Interest on total OPEB liability	6,858,179
Effect of economic/demographic losses	13,405,155
Effect of assumptions changes or inputs	(3,983,229)
Benefit payments	<u>(7,336,020)</u>
Balance at 9/30/2023	<u>\$ 183,177,399</u>

***Sensitivity Analysis***

The following presents the total OPEB liability of the County, calculated using the discount rate of 4.09%, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-higher (5.09%) than the current rate:

	1% Decrease 3.09%	Current Discount Rate 4.09%	1% Increase 5.09%
Total OPEB liability	\$ 208,533,372	\$ 183,177,399	\$ 162,424,364



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 9 – Other Post-Employment Benefits (continued)**

The following presents the total OPEB liability of the County, calculated using the current healthcare cost trends as well as what the County’s total OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 159,165,177	\$ 183,177,399	\$ 213,087,946

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

For the year ended September 30, 2023, the County recognized OPEB expense (income) of (\$13,736,591).

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

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 20,168,495	\$ 9,877,483
Change in actuarial assumptions	36,061,541	9,189,192
Total	\$ 56,230,036	\$ 19,066,675

Amounts reported as deferred outflows and inflows of resources related to other postemployment benefits will be recognized in OPEB expenses as follows:

For the Year Ended September 30,	
2024	\$ (14,244,821)
2025	(16,482,432)
2026	(6,436,108)
	\$ (37,163,361)

**Note 10 - Deferred Compensation Plan**

Employees of Jefferson County, Texas may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is administered by an unrelated financial institution. Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997. The County approved plan amendments such that plan assets are held in trust by a



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 10 - Deferred Compensation Plan (continued)**

third party custodian, for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. The County's beneficial ownership of plan assets will be held for the further exclusive benefit of the plan for the exclusive benefit of participants and beneficiaries.

Accordingly, the County performs minimal administrative functions and does not perform any investment functions for the plan. Consequently, the assets held by the custodian are not included in the financial statements as of September 30, 2023.

**Note 11 - Individual Funds Deficit Equity Balances**

The following funds had deficit equity balances as of September 30, 2023:

<u>Governmental Activities</u>	
General Land Office Grants	\$2,261,500
Sheriff Training Grant	2,502
JAG Grant	3,671
Auto Theft Grant	60,106
BRIC/FMA Grant	114,331
Family Treatment Court	2,493
Total for Governmental Activities	<u>\$2,444,603</u>
<u>Business-type Activities</u>	
Liability Insurance Fund	\$78,719
Workers' Compensation Fund	1,059,942
Total for Business-type Activities	<u>\$1,138,661</u>

If funding does not become available to cover these deficit fund balances from other governmental entities, the County plans to transfer funds from General Fund to cover the deficit fund balance.

**Note 12 - Risk Management**

The Liability Insurance Fund was established to account for the contributions from the General Fund for payment of general liability claims. Under the laws of the State of Texas, claims for torts are limited to \$100,000 per person and \$300,000 per incident. The Liability Fund records a claim as payable when information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlement trends. Changes in the Liability Insurance Fund's claims liability (including an estimate for claims incurred but not reported) were:



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 12 - Risk Management (continued)**

	2023	2022
Liability for claims, beginning of fiscal year	\$350,000	\$357,322
Incurred claims and changes in estimates	118,767	182,178
Claim payments	(113,990)	(189,500)
Liability for claims, end of fiscal year	\$354,777	\$350,000

The Workers' Compensation Fund was established to account for the County's workers' compensation claims. Contributions are made from the General, Special Revenue, and Enterprise Funds for employees covered under the County's workers' compensation policy. Contributions to the fund are determined by position class code within each department. From October 1, 1999, to February 14, 2005 the County was fully insured for workers' compensation claims and employers' liability. As of February 15, 2005, the County is self insured for workers' compensation claims and employers' liability. The County has excess coverage for workers' compensation claims and employers' liability claims limiting the County's liability to \$750,000 for law enforcement or firefighters and \$500,000 for all others per occurrence for losses occurring prior to October 1, 1999 and after February 15, 2005. Settled claims have not exceeded commercial coverages in any of the past three fiscal years. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlement trends. Changes in the Worker's Compensation Fund's claims liability (including an estimate for claims incurred but not reported) were:

	2023	2022
Liability for claims, beginning of fiscal year	\$345,698	\$469,232
Incurred claims and changes in estimates	2,240,026	310,372
Claim payments	(711,734)	(433,906)
Liability for claims, end of fiscal year	\$1,873,990	\$345,698

**Note 13 – Public Entity Risk Pool**

On November 27, 2000, the Jefferson County Commissioners' Court pursuant to Texas Local Government Code Ann. Sec. 172.001 organized the Southeast Texas Government Employee Benefits Pool (The Pool). The Pool was organized for the benefit of Texas Political Subdivisions and Special Districts to make available accident, life, and health benefits for Pool member employees. Twelve trustees govern the Pool. Five of these trustees are the Jefferson County Auditor, Jefferson County Insurance and Benefits Manager, Jefferson County Human Resources Director, Jefferson County Purchasing Agent, and the Jefferson County Assistant District Attorney. Two of the trustees are members of Commissioners' Court. The remaining five trustees are appointed by Commissioners' Court.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 13 – Public Entity Risk Pool (continued)**

The Pool is responsible for adopting underwriting standards, qualifications for membership in the pool, and establishing the types of benefits to be provided and associated fees for these benefits. The members of the Pool are responsible for their members’ eligibility in the pool and payment of monthly contributions for participation in the Pool. The Pool members are not subject to supplemental assessments in the event of deficiencies. If the assets of the Pool were to be exhausted, members would not be responsible for the Pool’s liabilities. Pool members currently include Jefferson County, Texas (reporting entity), Jefferson County Drainage District #3, and Jefferson County Drainage District #6. The total number of members in the Pool is 1,769. Operations of the Pool are accounted for as an internal service fund.

The Pool uses reinsurance agreements to reduce its exposure to large losses on medical and prescription claims. For the fiscal year ended September 30, 2023, the Pool had stop loss insurance contracts to limit the medical and prescription claims per individual member to \$325,000 in a calendar year with a \$125,000 aggregating specific deductible. The Pool did exceed these limits during fiscal year 2023 by \$376,425, did exceed these limits during fiscal year 2022 by \$831,379, and did exceed these limits during fiscal year 2021 by \$1,560,585.

Liabilities of the Pool are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlements trends.

Changes in the Pool’s claims liability (including an estimate of claims incurred but not reported and claim adjustment expenses) were:

	2023	2022
Liability for claims, beginning of fiscal year	\$2,235,117	\$2,881,013
Incurred claims and changes in estimates	25,515,367	26,918,108
Claim payments	<u>(25,983,602)</u>	<u>(27,564,004)</u>
Liability for claims, end of fiscal year	<u>\$1,766,882</u>	<u>\$2,235,117</u>

Additional information including ten-year revenue and claim development are addressed in a separate annual report. The annual report may be obtained from Southeast Texas Governmental Employee Benefits Pool, 215 Franklin Street Suite 200, Beaumont, Texas 77701.

**Note 14 - Construction and Other Significant Commitments**

As of September 30, 2023, the County had the following commitments with respect to unfinished projects:



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2023

**Note 14 - Construction and Other Significant Commitments (continued)**

	Project	Remaining Commitment	Expected Date of Completion
<u>Governmental Activities</u>			
<u>Major Funds</u>			
ARPA Coronavirus Recovery	American Rescue Plan projects	\$8,379,950	12/31/2026
<u>Nonmajor funds</u>			
Hotel Occupancy Tax Fund	Ford Fields Improvements	\$ 449,987	12/31/2023
GLO Disaster Recovery	Harvey Infrastructure Improvements	1,770,182	12/31/2024
Capital Project Funds	Phone system	74,483	3/31/2024
GLO Disaster Grant Home	GLO Home Buyout program	251,021	12/31/2024
Total Nonmajor Funds		\$ 2,545,673	
Total Governmental Activities		\$10,925,623	
<u>Business-type Activities</u>			
Jack Brooks Regional Airport	Airport Improvements	\$7,385,511	9/30/2024
Total Business-type Activities		\$7,385,511	

**Note 15 - Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Texas. Any disallowed expenditures or 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 involved in lawsuits and other claims in the ordinary course of operations. The outcome of these lawsuits and other claims are not presently determinable and the resolutions of these matters are not expected to have a material effect on the financial condition of the County.

**Note 16 – Tax Abatements**

The County enters into property tax abatement agreements with local businesses under the state Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code, as well as its own guidelines and criteria, which is required under the Act. Under the Act, including its guidelines and criteria, the County may grant property tax abatements for creation of additional value to eligible facilities. The creation must be made subsequent to and specified in an abatement agreement between the County and the property owner or lessee. In addition, the County requires the following economic qualifications in order to grant the tax abatement:



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 16 – Tax Abatements (continued)**

- (1) Must create an increased appraised ad valorem tax value based upon the Jefferson County Appraisal District's assessment of the eligible property; and
- (2) Must prevent the loss of payroll or retain, increase or create payroll (full-time employment) on a permanent basis in the County.
- (3) Must not have the effect of displacing workers or transferring employment from one part of the County to another.
- (4) Must demonstrate by an independent economic impact analysis that the local economic benefit will be substantially in excess of the amount of anticipated foregone tax revenues resulting from the abatement.

The County's guidelines and criteria focus on creating new wealth to the community rather than recirculating dollars within the community, and attracting industries that have demonstrated a commitment to protecting our environment—all without creating a substantial adverse effect on the competitive position of existing companies operating in the County. The agreement used for this purpose provides for termination of the agreement in the event its counterparty discontinues producing product as well as recapturing property taxes abated in that calendar year. These abatements may be granted for up to ten years.

The County has also entered into one agreement under the state County Development and Growth, Chapter 381 of the Texas Local Government code that will rebate a percentage of property taxes for up to twenty years. The agreement was granted for twenty years.

For the fiscal year ended September 30, 2023, the County abated property tax revenue totaling \$13,386,350 based on property tax values of \$3,685,831,448 for 14 entities.

**Note 17 – Recent Accounting Pronouncements**

GASB Statement No. 99, Omnibus 2022 – (“GASB 99”), objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Except what was implemented as of September 30, 2023, the requirements guarantees and reporting of derivative instruments will be implemented by the County in the fiscal year ending September 30, 2024 and the impact has not yet been determined.

GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62 – The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

---

**Note 17 – Recent Accounting Pronouncements (continued)**

accountability. GASB 100 will be implemented by the County in fiscal year 2024 and the impact has not yet been determined.

GASB Statement No. 101, Compensated Absences – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. GASB 100 will be implemented by the County in fiscal year 2025 and the impact has not yet been determined.

The Government Accounting Standards Board (GASB) has amended the existing standards regarding capitalization thresholds for assets. The amended guidance for the capitalization threshold comes from GASB Implementation Guide 2021-1, Question 5.1. Capitalization policies adopted by governments include many considerations such as finding an appropriate balance between ensuring that all significant capital assets, collectively, are capitalized and minimizing the cost of recordkeeping for capital assets. A government should capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant. The amended guidance will be implemented by the County in fiscal year 2024 and the impact has not yet been determined.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**JEFFERSON COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)**  
**FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2023**

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
TAXES:				
PROPERTY	\$ 96,399,088	96,399,088	95,538,091	(860,997)
SALES TAX	29,700,000	29,700,000	39,060,885	9,360,885
FEES	8,358,970	8,358,970	9,592,942	1,233,972
LICENSES	434,000	434,000	477,572	43,572
SALES, RENTALS, AND SERVICES	1,875,200	1,875,200	3,096,663	1,221,463
INTERGOVERNMENTAL	1,311,000	1,311,000	1,907,237	596,237
FINES AND FORFEITURES	1,500,000	1,500,000	1,348,095	(151,905)
INTEREST	746,200	746,200	4,870,088	4,123,888
MISCELLANEOUS	30,000	30,000	32,935	2,935
CONTRIBUTIONS AND DONATIONS	100	100	50	(50)
<b>TOTAL REVENUES</b>	<b>\$ 140,354,558</b>	<b>140,354,558</b>	<b>155,924,558</b>	<b>15,570,000</b>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ 32,227,030	36,795,518	34,244,296	2,551,222
JUDICIAL AND LAW ENFORCEMENT	91,383,581	91,611,294	85,743,549	5,867,745
EDUCATION AND RECREATION	475,130	475,130	401,876	73,254
HEALTH AND WELFARE	12,337,283	12,364,691	11,102,784	1,261,907
MAINTENANCE - EQUIPMENT AND STRUCTURES	15,998,077	16,090,300	14,187,628	1,902,672
CAPITAL OUTLAY	-	-	-	-
DEBT SERVICE				
PRINCIPAL	91,180	91,180	91,180	-
INTEREST AND COMMISSION	9,020	9,020	9,020	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 152,521,301</b>	<b>157,437,133</b>	<b>145,780,333</b>	<b>11,656,800</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (12,166,743)</b>	<b>(17,082,575)</b>	<b>10,144,225</b>	<b>27,226,800</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
ISSUANCE OF SBITA	-	5,194,488	5,194,488	-
TRANSFERS OUT	\$ (2,974,914)	(3,253,570)	(3,171,600)	81,970
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (2,974,914)</b>	<b>1,940,918</b>	<b>2,022,888</b>	<b>81,970</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (15,141,657)</b>	<b>(15,141,657)</b>	<b>12,167,113</b>	<b>27,308,770</b>
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 64,457,391</b>	<b>64,457,391</b>	<b>64,457,391</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 49,315,734</b>	<b>49,315,734</b>	<b>76,624,504</b>	<b>27,308,770</b>



JEFFERSON COUNTY, TEXAS  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2023

---

**1. Budgetary Basis**

- Budgets are prepared on a basis consistent with GAAP.
- The department is the legal level of budgetary control. Commissioners' Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget.
- Annual budgets are legally adopted for the General Fund and the Debt Service Funds.

**2. Analysis of Significant Expenditure Variances from Original Budget**

Commissioners' Court approved to amend the original budget by \$5,194,488 to increase revenue and to increase the expenditure budget for General Service in order to implement GASB 96 for SBITA, right to use for the County's computer software.

The Court approved \$243,617 in budget transfers over the original budget for Transfers out in order to provide additional subsidies to the Enterprise Fund – Ford Park for their operations.

The Court approved approximately \$100,000 in budget transfers over the original budget for the Service Center to cover additional cost for fuel due to increase prices and additional repairs needed on fleet vehicle as result of continued supply chain issues as the County awaits multiple new vehicle replacements.

The Court approved approximately \$220,000 in budget transfers over the original budget for Jail operations to cover the increase in overtime due to staff shortages.

In addition, the Court approved approximately \$188,000 in budget transfers over the original budget for additional cost for indigent defense as court cases are increasing to address the backlog due to the impacts of Covid-19 on the Court system.

These transfers were not part of the original budget. The above budget transfers were funded with the savings from various departments. Commissioners' Court was able to achieve \$11,738,770 in actual savings from the total budget, with the assistance from all County departments.

**JEFFERSON COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST NINE MEASUREMENT YEARS**

Plan Year Ended December 31	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Total Pension Liability</b>									
Service Cost	\$ 8,802,884	\$ 9,087,096	\$ 10,064,449	\$ 9,240,166	\$ 9,167,537	\$ 8,921,172	\$ 9,316,375	\$ 10,534,103	\$ 10,388,366
Interest total pension liability	31,100,211	32,905,759	34,577,662	36,386,446	38,052,890	39,598,336	41,229,591	42,541,830	43,862,245
Effect of plan changes	-	( 1,753,160)	-	-	-	-	-	-	6,085,700
Effect of assumption changes or inputs	-	4,437,711	-	1,469,816	-	-	30,344,488	( 1,277,021)	-
Effect of economic/demographic (gains) or losses	970,401	( 1,826,418)	( 3,026,782)	( 699,117)	( 678,722)	37,525	( 698,248)	( 1,565,772)	( 1,553,147)
Benefit payments/refunds of contributions	<u>( 19,372,249)</u>	<u>( 20,730,737)</u>	<u>( 22,041,227)</u>	<u>( 25,201,451)</u>	<u>( 26,323,006)</u>	<u>( 28,143,943)</u>	<u>( 29,509,218)</u>	<u>( 31,811,374)</u>	<u>( 33,649,325)</u>
Net change in total pension liability	\$ 21,501,247	\$ 22,120,251	\$ 19,574,102	\$ 21,195,860	\$ 20,218,699	\$ 20,413,090	\$ 50,682,988	\$ 18,421,766	\$ 25,133,839
Total pension liability - beginning	<u>389,135,022</u>	<u>410,636,269</u>	<u>432,756,520</u>	<u>452,330,622</u>	<u>473,526,482</u>	<u>493,745,181</u>	<u>514,158,271</u>	<u>564,841,259</u>	<u>583,263,025</u>
Total pension liability - ending (a)	<u>\$ 410,636,269</u>	<u>\$ 432,756,520</u>	<u>\$ 452,330,622</u>	<u>\$ 473,526,482</u>	<u>\$ 493,745,181</u>	<u>\$ 514,158,271</u>	<u>\$ 564,841,259</u>	<u>\$ 583,263,025</u>	<u>\$ 608,396,864</u>
<b>Plan Fiduciary Net Position</b>									
Employer contributions	\$ 11,131,001	\$ 12,012,562	\$ 11,654,736	\$ 11,611,789	\$ 12,199,912	\$ 12,767,990	\$ 14,337,862	\$ 14,386,981	\$ 14,971,996
Member contributions	4,514,879	4,761,495	4,632,780	4,758,530	4,616,186	4,776,915	4,951,412	5,030,415	5,175,508
Investment income net of investment expenses	23,395,891	1,207,991	26,503,470	55,064,738	( 8,008,077)	66,649,542	47,623,237	107,955,529	( 33,612,380)
Benefit payments/refunds of contributions	<u>( 19,372,249)</u>	<u>( 20,730,737)</u>	<u>( 22,041,227)</u>	<u>( 25,201,451)</u>	<u>( 26,323,006)</u>	<u>( 28,143,943)</u>	<u>( 29,509,218)</u>	<u>( 31,811,374)</u>	<u>( 33,649,325)</u>
Administrative expenses	<u>( 270,923)</u>	<u>( 259,107)</u>	<u>( 288,421)</u>	<u>( 282,006)</u>	<u>( 325,932)</u>	<u>( 351,445)</u>	<u>( 364,375)</u>	<u>( 320,819)</u>	<u>( 318,898)</u>
Other	<u>445,436</u>	<u>72,744</u>	<u>( 1,075,190)</u>	<u>( 121,010)</u>	<u>( 418,931)</u>	<u>( 297,899)</u>	<u>( 257,411)</u>	<u>( 213,914)</u>	<u>( 1,388,350)</u>
Net change in plan fiduciary net position	\$ 19,844,035	\$( 2,935,052)	\$ 19,386,148	\$ 45,830,590	\$( 18,259,848)	\$ 55,401,160	\$ 36,781,507	\$ 95,026,818	\$( 48,821,449)
Plan fiduciary net position - beginning	<u>341,923,940</u>	<u>361,767,975</u>	<u>358,832,923</u>	<u>378,219,071</u>	<u>424,049,661</u>	<u>405,789,813</u>	<u>461,190,973</u>	<u>497,972,480</u>	<u>592,999,298</u>
Plan fiduciary net position - ending (b)	<u>\$ 361,767,975</u>	<u>\$ 358,832,923</u>	<u>\$ 378,219,071</u>	<u>\$ 424,049,661</u>	<u>\$ 405,789,813</u>	<u>\$ 461,190,973</u>	<u>\$ 497,972,480</u>	<u>\$ 592,999,298</u>	<u>\$ 544,177,849</u>
Net pension liability - ending (a) - (b)	<u>\$ 48,868,294</u>	<u>\$ 73,923,597</u>	<u>\$ 74,111,551</u>	<u>\$ 49,476,821</u>	<u>\$ 87,955,368</u>	<u>\$ 52,967,298</u>	<u>\$ 66,868,779</u>	<u>\$( 9,736,273)</u>	<u>\$ 64,219,015</u>
Fiduciary net position as a percentage of total pension liability	88.10%	82.92%	83.62%	89.55%	82.19%	89.70%	88.16%	101.67%	89.44%
Pensionable covered payroll	\$ 63,934,561	\$ 68,021,353	\$ 66,182,567	\$ 67,510,440	\$ 65,945,517	\$ 68,241,637	\$ 70,734,450	\$ 71,863,073	\$ 73,935,832
Net pension liability as a percentage of covered payroll	76.43%	108.68%	111.98%	73.29%	133.38%	77.62%	94.53%	-13.55%	86.86%

\* Reporting began in fiscal year 2015. Additional years will be reported as it becomes available.

**JEFFERSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<b>Fiscal Year Ended</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Pensionable Covered Payroll (1)</b>	<b>Actual Contribution as a % of Covered Payroll</b>
2014	\$ 10,889,473	\$ 10,889,473	\$ -	\$ 63,521,999	17.1%
2015	11,476,313	11,476,313	-	65,197,649	17.6%
2016	11,644,582	11,644,582	-	66,074,018	17.6%
2017	11,699,132	11,699,132	-	67,589,717	17.3%
2018	11,920,988	11,920,988	-	65,695,117	18.1%
2019	12,532,809	12,532,809	-	67,188,223	18.7%
2020	14,035,386	14,035,386	-	70,719,630	19.8%
2021	14,330,834	14,330,834	-	71,342,609	20.1%
2022	15,333,200	15,333,200	-	75,943,576	20.2%
2023	15,524,374	15,524,374	-	76,489,369	20.3%

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

**JEFFERSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

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

**Methods and assumptions used to determine contribution rates:**

<b>Actuarial Cost Method</b>	Entry Age
<b>Amortization Method</b>	Level percentage of payroll, closed
<b>Remaining Amortization Period</b>	12.8 years (based on contribution rate calculated in 12/31/2022 valuation)
<b>Asset Valuation Method</b>	5-year smoothed fair value
<b>Inflation</b>	2.50%
<b>Salary Increases</b>	Varies by age and service. 4.7% average over career including inflation.
<b>Investment Rate of Return</b>	7.5%, net of administrative and investment expenses, including inflation
<b>Retirement Age</b>	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
<b>Mortality</b>	135% of the Pub-2020 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
<b>Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*</b>	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
<b>Changes in Plan Provisions Reflected in the Schedule*</b>	2015: No changes in plan provisions. 2016: No changes in plan provisions. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017 2018: No changes in plan provisions. 2019: No changes in plan provisions. 2020: No changes in plan provisions. 2021: No changes in plan provisions. 2022: No changes in plan provisions.

\* Only changes effective 2015 and later are shown in the Notes in Schedule. Additional years will be reported as it becomes available

**JEFFERSON COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST SIX FISCAL YEARS**

Plan Year Ended September 30	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>						
Service Cost	\$ 9,576,801	\$ 6,020,230	\$ 7,703,213	\$ 6,133,513	\$ 6,656,313	\$ 3,708,424
Interest total OPEB liability	8,585,089	9,428,912	6,354,719	5,874,025	4,858,279	6,858,179
Effect of plan changes	-	-	-	-	-	-
Effect of assumption changes or inputs	( 19,171,693)	48,420,854	20,744,958	( 15,464,588)	( 45,840,440)	( 3,983,229)
Effect of economic/demographic (gains) or losses	-	( 46,197,295)	-	( 41,182,537)	-	13,405,155
Benefit payments/refunds of contributions	( 5,544,058)	( 5,898,029)	( 6,138,914)	( 6,535,363)	( 6,883,610)	( 7,336,020)
7/6 Net change in total pension liability	\$( 6,553,861)	\$ 11,774,672	\$ 28,663,976	\$( 51,174,950)	\$( 41,209,458)	\$ 12,652,509
Total OPEB liability - beginning	<u>229,024,511</u>	<u>222,470,650</u>	<u>234,245,322</u>	<u>262,909,298</u>	<u>211,734,348</u>	<u>170,524,890</u>
Total OPEB liability - ending	<u>\$ 222,470,650</u>	<u>\$ 234,245,322</u>	<u>\$ 262,909,298</u>	<u>\$ 211,734,348</u>	<u>\$ 170,524,890</u>	<u>\$ 183,177,399</u>
OPEB covered-employee payroll	\$ 55,723,780	\$ 45,105,747	\$ 45,105,747	\$ 40,373,418	\$ 40,373,418	\$ 35,783,829
Total OPEB liability as a percentage of covered-employee payroll	399.24%	519.32%	582.87%	524.44%	422.37%	511.90%

Note: There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

\* Reporting began in fiscal year 2018. Additional years will be reported as it becomes available.

COMBINING AND INDIVIDUAL FUND  
INFORMATION AND OTHER  
SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>GENERAL GOVERNMENT:</b>				
TAX ASSESSOR-COLLECTOR	\$ 4,718,125	4,690,125	4,151,597	538,528
HUMAN RESOURCES	551,886	551,460	444,654	106,806
COUNTY AUDITOR	1,802,059	1,802,059	1,675,226	126,833
COUNTY CLERK	2,632,690	2,632,690	2,218,520	414,170
COUNTY JUDGE	1,077,634	1,077,634	845,375	232,259
RISK MANAGEMENT	327,343	327,769	316,672	11,097
COUNTY TREASURER	453,516	453,516	445,537	7,979
PRINTING DEPARTMENT	167,525	162,225	153,685	8,540
PURCHASING AGENT	673,017	678,317	640,202	38,115
GENERAL SERVICES	14,932,637	19,529,125	18,966,592	562,533
DATA PROCESSING	3,439,648	3,439,648	3,195,475	244,173
VOTERS REGISTRATION DEPARTMENT	168,425	168,425	118,653	49,772
ELECTIONS DEPARTMENT	909,662	909,662	721,301	188,361
VETERANS SERVICE	372,863	372,863	350,807	22,056
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 32,227,030</b>	<b>36,795,518</b>	<b>34,244,296</b>	<b>2,551,222</b>
<b>JUDICIAL AND LAW ENFORCEMENT:</b>				
DISTRICT ATTORNEY	\$ 8,169,124	8,169,124	7,612,516	556,608
DISTRICT CLERK	2,358,777	2,358,777	2,291,787	66,990
CRIMINAL DISTRICT COURT	1,826,127	1,930,164	1,899,353	30,811
58TH DISTRICT COURT	353,322	353,322	330,980	22,342
60TH DISTRICT COURT	369,735	369,735	353,967	15,768
136TH DISTRICT COURT	370,331	370,331	355,763	14,568
172ND DISTRICT COURT	351,811	352,811	347,268	5,543
252ND DISTRICT COURT	1,376,977	1,403,621	1,379,189	24,432
279TH DISTRICT COURT	661,376	718,876	687,315	31,561
317TH DISTRICT COURT	593,909	593,909	479,266	114,643
JURY	500,212	467,712	440,458	27,254
J.P. PRECINCT NO. 1 - PLACE NO. 1	462,587	462,587	423,742	38,845
J.P. PRECINCT NO. 1 - PLACE NO. 2	463,483	463,483	458,885	4,598
J.P. PRECINCT NO. 2	412,178	412,178	365,813	46,365
J.P. PRECINCT NO. 4	461,258	461,258	438,796	22,462
J.P. PRECINCT NO. 6	450,049	450,049	421,863	28,186
J.P. PRECINCT NO. 7	446,260	446,260	418,712	27,548
J.P. PRECINCT NO. 8	446,370	446,370	390,989	55,381
COUNTY COURT AT LAW NO. 1	584,298	584,298	564,050	20,248
COUNTY COURT AT LAW NO. 2	715,233	709,552	579,316	130,236
COUNTY COURT AT LAW NO. 3	893,057	893,057	763,955	129,102
COURT MASTER	763,334	736,876	666,794	70,082
DISPUTE RESOLUTION CENTER	327,113	327,113	298,468	28,645
COMMUNITY SUPERVISION	20,901	20,901	20,427	474
SHERIFF	17,052,201	16,935,372	15,875,637	1,059,735
CRIME LABORATORY	1,743,692	1,743,692	1,574,749	168,943
JAIL	39,383,584	39,603,584	37,679,846	1,923,738
JUVENILE CORRECTIONAL PROBATION	1,863,655	1,863,655	1,563,879	299,776
JUVENILE DETENTION HOME	2,566,321	2,566,321	2,155,559	410,762
CONSTABLE PRECINCT NO. 1	870,011	870,011	804,012	65,999
CONSTABLE PRECINCT NO. 2	562,066	562,066	510,698	51,368
CONSTABLE PRECINCT NO. 4	549,345	549,345	523,433	25,912
CONSTABLE PRECINCT NO. 6	680,432	680,432	637,540	42,892
CONSTABLE PRECINCT NO. 7	568,546	568,546	545,791	22,755
CONSTABLE PRECINCT NO. 8	565,906	565,906	549,185	16,721
COUNTY MORGUE	1,600,000	1,600,000	1,333,548	266,452
<b>TOTAL JUDICIAL AND LAW ENFORCEMENT</b>	<b>\$ 91,383,581</b>	<b>91,611,294</b>	<b>85,743,549</b>	<b>5,867,745</b>

[CONTINUED]

JEFFERSON COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>EDUCATION AND RECREATION:</b>				
AGRICULTURAL EXTENSION SERVICE	\$ 475,130	475,130	401,876	73,254
TOTAL EDUCATION AND RECREATION	\$ 475,130	475,130	401,876	73,254
<b>HEALTH AND WELFARE:</b>				
PUBLIC HEALTH UNIT 1	\$ 1,575,946	1,575,946	1,402,613	173,333
PUBLIC HEALTH UNIT 2	1,403,873	1,403,873	1,278,041	125,832
NURSE PRACTITIONER	383,685	385,143	359,675	25,468
CHILD WELFARE	120,000	120,000	94,286	25,714
ENVIRONMENTAL CONTROL	480,866	480,866	409,302	71,564
INDIGENT MEDICAL SERVICE	5,175,888	5,175,888	5,158,260	17,628
MOSQUITO CONTROL	2,702,674	2,728,624	1,943,482	785,142
EMERGENCY MANAGEMENT	274,351	274,351	237,125	37,226
TOBACCO SETTLEMENT FUND	220,000	220,000	220,000	-
TOTAL HEALTH AND WELFARE	\$ 12,337,283	12,364,691	11,102,784	1,261,907
<b>MAINTENANCE - EQUIPMENT &amp; STRUCTURES:</b>				
COURTHOUSE & ANNEXES	\$ 3,098,675	3,048,675	2,659,526	389,149
PORT ARTHUR BUILDINGS	968,134	968,134	857,388	110,746
MID-COUNTY BUILDINGS	257,015	257,238	227,734	29,504
ROAD & BRIDGE PCT. 1	2,061,365	2,061,365	1,660,333	401,032
ROAD & BRIDGE PCT. 2	2,032,628	2,032,628	1,828,578	204,050
ROAD & BRIDGE PCT. 3	2,303,255	2,345,255	2,077,776	267,479
ROAD & BRIDGE PCT. 4	2,370,852	2,370,852	2,158,074	212,778
ENGINEERING	1,279,596	1,279,596	1,100,154	179,442
PARKS & RECREATION	227,068	227,068	145,902	81,166
SERVICE CENTER	1,399,489	1,499,489	1,472,163	27,326
TOTAL MAINTENANCE - EQUIPMENT & STRUCTURES	\$ 15,998,077	16,090,300	14,187,628	1,902,672
<b>CAPITAL OUTLAY:</b>				
	\$ -	-	-	-
<b>DEBT SERVICE:</b>				
PRINCIPAL	\$ 91,180	91,180	91,180	-
INTEREST AND COMMISSION	9,020	9,020	9,020	-
TOTAL DEBT SERVICE	\$ 100,200	100,200	100,200	-
TOTAL OPERATING EXPENDITURES	\$ 152,521,301	157,437,133	145,780,333	11,656,800
<b>OTHER FINANCING USES:</b>				
TRANSFERS OUT	\$ 2,974,914	3,253,570	3,171,600	81,970
TOTAL OTHER FINANCING USES	\$ 2,974,914	3,253,570	3,171,600	81,970
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 155,496,215	160,690,703	148,951,933	11,738,770

**NONMAJOR GOVERNMENTAL FUNDS**

JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - SUMMARY  
 SEPTEMBER 30, 2023

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 21,957,355	8,544,594	443,100	30,945,049
ACCOUNTS RECEIVABLE, Net	201,450	-	-	201,450
INTEREST RECEIVABLE	67,795	29,634	1,501	98,930
DUE FROM OTHER FUNDS	46,482	-	-	46,482
DUE FROM OTHER GOVERNMENTAL ENTITIES	1,765,003	495,016	-	2,260,019
DELINQUENT TAXES RECEIVABLE, Net	-	-	146,508	146,508
PENALTY AND INTEREST RECEIVABLE, Net	-	-	109,800	109,800
INVENTORY, At Cost	18,408	-	-	18,408
PREPAID ITEM	12,436	-	-	12,436
<b>TOTAL ASSETS</b>	<b>\$ 24,068,929</b>	<b>9,069,244</b>	<b>700,909</b>	<b>33,839,082</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 1,000,855	351,303	-	1,352,158
COMPENSATED ABSENCES	7,670	-	-	7,670
DUE TO OTHER FUNDS	3,280,001	-	-	3,280,001
UNEARNED REVENUE	1,000,795	-	-	1,000,795
<b>TOTAL LIABILITIES</b>	<b>\$ 5,289,321</b>	<b>351,303</b>	<b>-</b>	<b>5,640,624</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE- PROPERTY TAXES	\$ -	-	243,598	243,598
UNAVAILABLE REVENUE- GRANTS	76,180	-	-	76,180
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 76,180</b>	<b>-</b>	<b>243,598</b>	<b>319,778</b>
<b>FUND BALANCES:</b>				
NONSPENDABLE FOR:				
INVENTORY	\$ 18,408	-	-	18,408
PREPAID ITEMS	12,436	-	-	12,436
RESTRICTED FOR:				
DEBT SERVICE	-	-	457,311	457,311
ENVIRONMENTAL PROJECTS	-	5,743,416	-	5,743,416
PUBLIC INTEREST	5,110,841	-	-	5,110,841
JUDICIAL & LAW ENFORCEMENT	6,782,855	-	-	6,782,855
EDUCATION & RECREATION	4,903,930	-	-	4,903,930
HEALTH & WELFARE	3,835,509	-	-	3,835,509
MAINTENANCE OF STRUCTURES & EQUIPMENT	476,852	2,974,525	-	3,451,377
COMMITTED FOR:				
CONTRACTS	2,055,588	-	-	2,055,588
UNASSIGNED (DEFICIT)	(4,492,991)	-	-	(4,492,991)
<b>TOTAL FUND BALANCES</b>	<b>\$ 18,703,428</b>	<b>8,717,941</b>	<b>457,311</b>	<b>27,878,680</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 24,068,929</b>	<b>9,069,244</b>	<b>700,909</b>	<b>33,839,082</b>

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SUMMARY**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
PROPERTY TAXES	\$ -	-	5,556,723	5,556,723
SALES TAXES	1,643,261	-	-	1,643,261
FEES	4,161,117	-	-	4,161,117
INTERGOVERNMENTAL	11,788,212	2,055,568	-	13,843,780
SALES, RENTAL & SERVICES	1,264,665	4,984	-	1,269,649
FINES AND FORFEITURES	134,663	-	-	134,663
INTEREST	1,046,751	423,801	137,226	1,607,778
<b>TOTAL REVENUES</b>	<b>\$ 20,038,669</b>	<b>2,484,353</b>	<b>5,693,949</b>	<b>28,216,971</b>
<b>EXPENDITURES:</b>				
CURRENT				
GENERAL GOVERNMENT	\$ 1,250,879	-	-	1,250,879
JUDICIAL AND LAW ENFORCEMENT	13,754,890	-	-	13,754,890
EDUCATION AND RECREATION	1,623,363	-	-	1,623,363
HEALTH AND WELFARE	5,245,973	-	-	5,245,973
MAINTENANCE OF STRUCTURES AND EQUIPMENT	29,035	-	-	29,035
CAPITAL OUTLAY	-	2,378,426	-	2,378,426
DEBT SERVICE				
PRINCIPAL	-	-	4,745,000	4,745,000
INTEREST AND COMMISSION	-	-	968,650	968,650
<b>TOTAL EXPENDITURES</b>	<b>\$ 21,904,140</b>	<b>2,378,426</b>	<b>5,713,650</b>	<b>29,996,216</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (1,865,471)</b>	<b>105,927</b>	<b>(19,701)</b>	<b>(1,779,245)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ 1,449,306	35,069	-	1,484,375
TRANSFERS OUT	(211,711)	-	-	(211,711)
ISSUANCE OF SBITA	88,943	-	-	88,943
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 1,326,538</b>	<b>35,069</b>	<b>-</b>	<b>1,361,607</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (538,933)</b>	<b>140,996</b>	<b>(19,701)</b>	<b>(417,638)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 19,242,361</b>	<b>8,576,945</b>	<b>477,012</b>	<b>28,296,318</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 18,703,428</b>	<b>8,717,941</b>	<b>457,311</b>	<b>27,878,680</b>

# SPECIAL REVENUE FUNDS

## SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources other than expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes. Included in this heading are the following individual funds:

**Lateral Road Funds** - This fund is used to account for expenditures of materials incurred in the maintenance of the lateral roads of the County. Financing is provided by contributions from the State.

**Breath Alcohol Testing Fund** - This fund is used to account for fees collected by the courts on D.W.I. convictions and the expenditure of those funds.

**Law Library Fund** - This fund is used to account for the maintenance of the County Law Library. Financing is provided by fees from law suits filed in the District Courts and County Courts-at-Law.

**Juvenile Probation and Detention Fund** - This fund is used to account for receipts specifically designated for use in juvenile programs.

**County Clerk Records Management and Preservation Fund** - This fund is used to account for fees collected by the County Clerk for the maintenance of their records and the expenditure of those funds.

**County Clerk Records Archive Fund** - This fund is used to account for fees collected by the County Clerk for the preservation of records prior to 1990 and the expenditure of those funds.

**Local Truancy Prevention** - This fund is used to account for fees collected by the courts and the expenditure of those funds for juvenile programs.

**Justice Court Support Fund** - This fund is used to account for fees collected by the courts and the expenditure of those funds to assist the judiciary.

**Court Facility Fund** - This fund is used to account for fees collected by the courts and the expenditure of those funds for construction, renovation, or improvement of court facilities.

**Language Access Fund** - This fund is used to account for fees collected by the courts and the expenditure of those funds to provide individual translation and other language access for judicial matters.

**County Records Management and Preservation Fund** - This fund is used to account for fees collected by the County Clerk, District Clerk, and Sheriff for the maintenance of County records and the expenditure of those funds.

**Justice Court Building Security** - This fund is used to account for fees collected by the justice courts to finance security services and equipment for justice courts not located in the County courthouse.

**Hotel Occupancy Tax Fund** - This fund is used to account for the collection of a 2% Hotel/Motel Occupancy tax. Revenues collected from this tax are to be used for tourism projects in the County.

**County Clerk HAVA Fund** - This fund is used to account for funds received by the County Clerk for election related cost.

**County and District Court Technology Fund** - This fund is used to account for fees collected from defendants convicted in a County, Statutory County, or District court and the expenditures of those funds on technological enhancements for the previously mentioned courts.

**Sheriff and Constable Education Fund** - This fund is used to account for the expenditures associated with the education of Sheriff's deputies and Constables of the County.

**Tax Office Auto Dealer Fund** - This fund is used to account for taxes collected from Local Auto Dealerships to be used by the County's Tax Office.

**Unclaimed Funds Management Fund** - This fund is used to account for Unclaimed Funds for all County departments.

**Family Protection Fund** - This fund is used to account for fees collected by the District Clerk for family violence prevention or intervention and the expenditure of this money.

**District Attorney Special Funds** - This fund is used to account for the fees and forfeitures received by the District Attorney associated with District Attorney Forfeitures from criminal convictions and Hot Check fees for the prosecution of hot check offenders and the expenditure of those funds.

**JC Assistance District 4 Fund** - This fund is used to account for sales taxes received by the special district of JP Assistance District 4 and the expenditure of those funds.

**Justice of the Peace Courtroom Technology Fund** - This fund is used to account for the fees collected by the Justices of the Peace on misdemeanor convictions and the expenditure of those funds on technological enhancements for the justices' courts.

**District Clerk Records Management Fund** - This fund is used to account for fees collected by the District Clerk for the maintenance of their records and the expenditure of those funds.

**County Clerk Election Contracts** - This fund is used to account for fees collected by the County Clerk for election contracts with local governments and the expenditure of those funds.

**Child Abuse Prevention** - This fund is used to account for fees collected for certain child sexual assault and related convictions and the expenditure of those funds.

**Sheriff's Special Revenue Funds** - This fund is used to account for fees, forfeitures, and other revenue received by the Sheriff in association with Security Fees, Law Officer Training fees, D.A.R.E. Contributions, Sheriff's Forfeitures, Sheriff's Commissary, Sheriff - Spindletop Grant, and the Marine Division reimbursements, and the expenditure of those funds.

**Guardianship Fee Fund** - This fund is used to account for fees collected by the County Clerk to supplement the support of the judiciary in cases involving guardianships.

**Juvenile Delinquency Prevention** - This fund is used to account for fees collected by the courts for certain offenses and the expenditures associated with juvenile delinquency prevention and graffiti eradication measures.

**District Court Records Technology** - This fund is used to account for fees collected by the District Clerk for the preservation and restoration of District Court records.

**Probation Department Funds** - These funds are used to account for the expenditures of maintaining probation services as authorized by the County and District Courts. Financing is provided by State grant and probationary fees. Included in this heading are the following individual funds:

- Juvenile Probation and Detention - State Aid
- Pretrial Diversion Programs
- IV-E Foster Care Fund
- Juvenile Grant A - State Aid
- Mentally Impaired Offenders
- Community Supervision
- Juvenile TJPC Supplement
- Community Corrections
- DWI Pretrial Diversion
- Drug Diversion Program

**Grant Funds** - These funds are used to account for receipts of Federal and State grants designated for special projects or services. Included in this heading are the following individual funds:

- Family Group Conferencing
- General Land Office Grants
- Sheriff Training Grant
- JAG Grant
- Sheriff Dept Grants
- SCAAP Grant
- LATCF Federal Grant
- FEMA Emergency
- Regional Communication
- Crime Victims Clearing
- EMPG Grant
- Crime Lab CJD Grant
- Port Security Grants
- Auto Theft Grant
- Health Grant
- BRIC/FMA Grant
- Emergency Rental Assistance
- Cybersecurity Grant

Violence Against Women  
Family Treatment Court  
Environment Grants  
Cheek Water and Sewer Phase 6  
CJD Sheriff Grants



**JEFFERSON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
SEPTEMBER 30, 2023**

	LATERAL ROAD FUNDS	BREATH ALCOHOL TESTING FUND	LAW LIBRARY FUND	JUVENILE PROBATION & DETENTION FUND
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 475,179	15,637	312,389	677,434
ACCOUNTS RECEIVABLE, Net	-	-	-	-
INTEREST RECEIVABLE	1,673	55	1,033	2,542
DUE FROM OTHER FUNDS	-	-	-	46,482
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-	76,685
INVENTORY, At Cost	-	-	-	-
PREPAID ITEMS	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 476,852</b>	<b>15,692</b>	<b>313,422</b>	<b>803,143</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	185	2,954	11,919
COMPENSATED ABSENCES	-	-	-	-
DUE TO OTHER FUNDS	-	-	-	-
UNEARNED REVENUE - GRANTS	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>185</b>	<b>2,954</b>	<b>11,919</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	\$ -	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>				
NONSPENDABLE FOR:				
INVENTORY	\$ -	-	-	-
PREPAID ITEMS	-	-	-	-
RESTRICTED FOR:				
PUBLIC INTEREST	-	-	-	-
JUDICIAL & LAW ENFORCEMENT	-	15,507	-	791,224
EDUCATION & RECREATION	-	-	310,468	-
HEALTH & WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	476,852	-	-	-
COMMITTED FOR:				
CONTRACTS	-	-	-	-
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 476,852</b>	<b>15,507</b>	<b>310,468</b>	<b>791,224</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 476,852</b>	<b>15,692</b>	<b>313,422</b>	<b>803,143</b>

COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND	COUNTY CLERK RECORDS ARCHIVE FUND	LOCAL TRUANCY PREVENTION	JUSTICE COURT SUPPORT FUND	COURT FACILITY FUND	LANGUAGE ACCESS FUND	COUNTY RECORDS MGMT. AND PRESERVATION FUND
1,657,953	2,449,651	113,595	340,457	187,556	48,350	253,212
-	-	-	-	-	-	-
5,716	8,516	390	1,144	623	158	880
-	-	-	-	-	-	-
-	-	-	-	-	-	19,328
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,663,669</u>	<u>2,458,167</u>	<u>113,985</u>	<u>341,601</u>	<u>188,179</u>	<u>48,508</u>	<u>273,420</u>
1,224	108,304	-	-	-	5,526	10,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,224</u>	<u>108,304</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,526</u>	<u>10,000</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,662,445	2,349,863	-	-	-	-	263,420
-	-	113,985	341,601	188,179	42,982	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,662,445</u>	<u>2,349,863</u>	<u>113,985</u>	<u>341,601</u>	<u>188,179</u>	<u>42,982</u>	<u>263,420</u>
<u>1,663,669</u>	<u>2,458,167</u>	<u>113,985</u>	<u>341,601</u>	<u>188,179</u>	<u>48,508</u>	<u>273,420</u>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
SEPTEMBER 30, 2023**

		JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	COUNTY CLERK HAVA FUND	COUNTY & DISTRICT COURT TECHNOLOGY FUND
<b>ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$	266,422	4,506,100	-	19,189
ACCOUNTS RECEIVABLE, Net		-	130,318	-	-
INTEREST RECEIVABLE		928	15,400	-	66
DUE FROM OTHER FUNDS		-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES		-	-	-	-
INVENTORY, At Cost		-	-	-	-
PREPAID ITEMS		-	4,727	-	-
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>267,350</u></b>	<b><u>4,656,545</u></b>	<b><u>-</u></b>	<b><u>19,255</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$	-	58,356	-	-
COMPENSATED ABSENCES		-	-	-	-
DUE TO OTHER FUNDS		-	-	-	-
UNEARNED REVENUE - GRANTS		-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b><u>-</u></b>	<b><u>58,356</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
UNAVAILABLE REVENUE-GRANTS	\$	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES:</b>					
<b>NONSPENDABLE FOR:</b>					
INVENTORY	\$	-	-	-	-
PREPAID ITEMS		-	4,727	-	-
<b>RESTRICTED FOR:</b>					
PUBLIC INTEREST		-	-	-	-
JUDICIAL & LAW ENFORCEMENT		267,350	-	-	19,255
EDUCATION & RECREATION		-	4,593,462	-	-
HEALTH & WELFARE		-	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT		-	-	-	-
<b>COMMITTED FOR:</b>					
CONTRACTS		-	-	-	-
UNASSIGNED (DEFICIT)		-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b><u>267,350</u></b>	<b><u>4,598,189</u></b>	<b><u>-</u></b>	<b><u>19,255</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$</b>	<b><u>267,350</u></b>	<b><u>4,656,545</u></b>	<b><u>-</u></b>	<b><u>19,255</u></b>

SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY SPECIAL FUNDS	JC ASSISTANCE DISTRICT 4 FUND	JP COURTROOM TECHNOLOGY FUND
77,139	280,225	2,500	416	475,202	334,620	150,470
-	-	-	-	-	-	-
271	986	-	1	-	1,178	521
-	-	-	-	-	-	-
-	-	-	-	-	22,361	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>77,410</u>	<u>281,211</u>	<u>2,500</u>	<u>417</u>	<u>475,202</u>	<u>358,159</u>	<u>150,991</u>
-	-	2,462	-	-	21	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	2,462	-	-	21	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	281,211	38	-	-	-	-
77,410	-	-	417	475,202	358,138	150,991
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>77,410</u>	<u>281,211</u>	<u>38</u>	<u>417</u>	<u>475,202</u>	<u>358,138</u>	<u>150,991</u>
<u>77,410</u>	<u>281,211</u>	<u>2,500</u>	<u>417</u>	<u>475,202</u>	<u>358,159</u>	<u>150,991</u>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
SEPTEMBER 30, 2023**

	DISTRICT CLERK RECORDS MANAGEMENT	COUNTY CLERK ELECTION CONTRACTS	CHILD ABUSE PREVENTION	SHERIFF'S SPECIAL REVENUE FUNDS
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 132,081	101,933	28,321	1,843,923
ACCOUNTS RECEIVABLE, Net	-	-	-	68,790
INTEREST RECEIVABLE	421	359	99	1,838
DUE FROM OTHER FUNDS	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-	888,260
INVENTORY, At Cost	-	-	-	18,408
PREPAID ITEMS	-	-	-	7,553
<b>TOTAL ASSETS</b>	<b>\$ 132,502</b>	<b>102,292</b>	<b>28,420</b>	<b>2,828,772</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 573	-	-	318,594
COMPENSATED ABSENCES	-	-	-	7,670
DUE TO OTHER FUNDS	-	-	-	767,122
UNEARNED REVENUE - GRANTS	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 573</b>	<b>-</b>	<b>-</b>	<b>1,093,386</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	\$ -	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>				
NONSPENDABLE FOR:				
INVENTORY	\$ -	-	-	18,408
PREPAID ITEMS	-	-	-	7,553
RESTRICTED FOR:				
PUBLIC INTEREST	-	102,292	-	-
JUDICIAL & LAW ENFORCEMENT	131,929	-	28,420	1,702,225
EDUCATION & RECREATION	-	-	-	-
HEALTH & WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	-	-	-
COMMITTED FOR:				
CONTRACTS	-	-	-	7,200
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 131,929</b>	<b>102,292</b>	<b>28,420</b>	<b>1,735,386</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 132,502</b>	<b>102,292</b>	<b>28,420</b>	<b>2,828,772</b>

GUARDIANSHIP FEE FUND	JUVENILE DELINQUENCY PREVENTION	DISTRICT COURT RECORDS TECHNOLOGY	PROBATION DEPARTMENT FUNDS	GRANT FUNDS	TOTAL
449,999	107	40,381	2,655,099	4,061,815	21,957,355
-	-	-	1,065	1,277	201,450
1,573	1	142	8,711	12,570	67,795
-	-	-	-	-	46,482
-	-	-	232,418	525,951	1,765,003
-	-	-	-	-	18,408
-	-	-	156	-	12,436
<u>451,572</u>	<u>108</u>	<u>40,523</u>	<u>2,897,449</u>	<u>4,601,613</u>	<u>24,068,929</u>
-	-	-	409,663	71,074	1,000,855
-	-	-	-	-	7,670
-	-	-	46,481	2,466,398	3,280,001
-	-	-	538,331	462,464	1,000,795
-	-	-	994,475	2,999,936	5,289,321
-	-	-	-	76,180	76,180
-	-	-	-	76,180	76,180
-	-	-	-	-	18,408
-	-	-	156	-	12,436
451,572	-	-	-	-	5,110,841
-	108	40,523	1,902,818	134,591	6,782,855
-	-	-	-	-	4,903,930
-	-	-	-	3,835,509	3,835,509
-	-	-	-	-	476,852
-	-	-	-	2,048,388	2,055,588
-	-	-	-	(4,492,991)	(4,492,991)
<u>451,572</u>	<u>108</u>	<u>40,523</u>	<u>1,902,974</u>	<u>1,525,497</u>	<u>18,703,428</u>
<u>451,572</u>	<u>108</u>	<u>40,523</u>	<u>2,897,449</u>	<u>4,601,613</u>	<u>24,068,929</u>

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>LATERAL ROAD FUND</u>	<u>BREATH ALCOHOL TESTING FUND</u>	<u>LAW LIBRARY FUND</u>	<u>JUVENILE PROBATION &amp; DETENTION FUND</u>
<b>REVENUES:</b>				
TAXES	\$ -	-	-	-
FEES	-	1,385	185,662	22,839
FINES AND FORFEITURES	-	-	-	-
SALES, RENTAL & SERVICES	-	-	-	-
INTERGOVERNMENTAL	29,296	-	-	98,684
INTEREST	22,573	829	10,523	43,195
<b>TOTAL REVENUES</b>	<b>\$ 51,869</b>	<b>2,214</b>	<b>196,185</b>	<b>164,718</b>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ -	-	-	-
JUDICIAL AND LAW ENFORCEMENT	-	4,480	-	290,845
EDUCATION AND RECREATION	-	-	36,169	-
HEALTH AND WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	8,000	-	-	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,000</b>	<b>4,480</b>	<b>36,169</b>	<b>290,845</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 43,869</b>	<b>(2,266)</b>	<b>160,016</b>	<b>(126,127)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	188,690
TRANSFERS OUT	-	-	-	-
ISSUANCE OF SBITA	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>188,690</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 43,869</b>	<b>(2,266)</b>	<b>160,016</b>	<b>62,563</b>
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 432,983</b>	<b>17,773</b>	<b>150,452</b>	<b>728,661</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 476,852</b>	<b>15,507</b>	<b>310,468</b>	<b>791,224</b>

COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND	COUNTY CLERK RECORDS ARCHIVE FUND	LOCAL TRUANCY PREVENTION	JUSTICE COURT SUPPORT FUND	COURT FACILITY FUND	LANGUAGE ACCESS FUND	COUNTY RECORDS MGMT. AND PRESERVATION FUND
-	-	-	-	-	-	-
399,415	356,564	29,241	193,533	104,716	38,972	34,822
-	-	-	-	-	-	-
-	-	-	-	-	-	36,443
78,404	112,141	4,652	11,573	6,063	1,856	14,380
477,819	468,705	33,893	205,106	110,779	40,828	85,645
758,970	321,590	-	-	-	-	150,813
-	-	-	6,330	-	26,607	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
758,970	321,590	-	6,330	-	26,607	150,813
(281,151)	147,115	33,893	198,776	110,779	14,221	(65,168)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(281,151)	147,115	33,893	198,776	110,779	14,221	(65,168)
1,943,596	2,202,748	80,092	142,825	77,400	28,761	328,588
1,662,445	2,349,863	113,985	341,601	188,179	42,982	263,420

[CONTINUED]

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	COUNTY CLERK HAVA FUND	COUNTY & DISTRICT COURT TECHNOLOGY FUND
<b>REVENUES:</b>				
TAXES	\$ -	1,529,168	-	-
FEES	30,000	-	-	4,319
FINES AND FORFEITURES	-	-	-	-
SALES, RENTAL & SERVICES	-	65,736	-	-
INTERGOVERNMENTAL	-	-	5,499	-
INTEREST	11,835	202,393	87	838
<b>TOTAL REVENUES</b>	<b>\$ 41,835</b>	<b>1,797,297</b>	<b>5,586</b>	<b>5,157</b>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ -	-	6,044	-
JUDICIAL AND LAW ENFORCEMENT	550	-	-	2,736
EDUCATION AND RECREATION	-	1,587,194	-	-
HEALTH AND WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 550</b>	<b>1,587,194</b>	<b>6,044</b>	<b>2,736</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 41,285</b>	<b>210,103</b>	<b>(458)</b>	<b>2,421</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	-
TRANSFERS OUT	-	-	-	-
ISSUANCE OF SBITA	-	88,943	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>88,943</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 41,285</b>	<b>299,046</b>	<b>(458)</b>	<b>2,421</b>
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 226,065</b>	<b>4,299,143</b>	<b>458</b>	<b>16,834</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 267,350</b>	<b>4,598,189</b>	<b>-</b>	<b>19,255</b>

SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY SPECIAL FUNDS	JC ASSISTANCE DISTRICT 4 FUND	JP COURTROOM TECHNOLOGY FUND
-	-	-	-	-	114,093	-
-	4,135	-	296	-	-	25,541
-	-	-	-	50,265	-	-
-	-	-	-	-	-	-
20,552	-	-	-	-	-	-
3,907	49,167	-	11	20,874	14,145	7,825
-	-	-	-	-	-	-
24,459	53,302	-	307	71,139	128,238	33,366
-	-	-	-	-	-	-
20,775	-	-	3,600	89,717	-	56,183
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	21,035	-
-	-	-	-	-	-	-
20,775	-	-	3,600	89,717	21,035	56,183
-	-	-	-	-	-	-
3,684	53,302	-	(3,293)	(18,578)	107,203	(22,817)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,684	53,302	-	(3,293)	(18,578)	107,203	(22,817)
73,726	227,909	38	3,710	493,780	250,935	173,808
77,410	281,211	38	417	475,202	358,138	150,991

[CONTINUED]

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>DISTRICT CLERK RECORDS MANAGEMENT</u>	<u>COUNTY CLERK ELECTION CONTRACTS</u>	<u>CHILD ABUSE PREVENTION</u>	<u>SHERIFF'S SPECIAL REVENUE FUNDS</u>
<b>REVENUES:</b>				
TAXES	\$ -	-	-	-
FEES	117,987	-	2,418	195,017
FINES AND FORFEITURES	-	-	-	84,398
SALES, RENTAL & SERVICES	-	19,319	-	1,179,610
INTERGOVERNMENTAL	-	-	-	3,039,777
INTEREST	5,225	4,278	1,281	85,598
	<u>123,212</u>	<u>23,597</u>	<u>3,699</u>	<u>4,584,400</u>
<b>TOTAL REVENUES</b>	<b>\$ 123,212</b>	<b>23,597</b>	<b>3,699</b>	<b>4,584,400</b>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ -	-	-	-
JUDICIAL AND LAW ENFORCEMENT	99,091	-	-	5,250,582
EDUCATION AND RECREATION	-	-	-	-
HEALTH AND WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-
CAPITAL OUTLAY	-	-	-	-
	<u>99,091</u>	<u>-</u>	<u>-</u>	<u>5,250,582</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 99,091</b>	<b>-</b>	<b>-</b>	<b>5,250,582</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 24,121</b>	<b>23,597</b>	<b>3,699</b>	<b>(666,182)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	662,072
TRANSFERS OUT	-	-	-	(77,087)
ISSUANCE OF SBITA	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>584,985</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 24,121</b>	<b>23,597</b>	<b>3,699</b>	<b>(81,197)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 107,808</b>	<b>78,695</b>	<b>24,721</b>	<b>1,816,583</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 131,929</b>	<b>102,292</b>	<b>28,420</b>	<b>1,735,386</b>

<u>GUARDIANSHIP FEE FUND</u>	<u>JUVENILE DELINQUENCY PREVENTION</u>	<u>DISTRICT COURT RECORDS TECHNOLOGY</u>	<u>PROBATION DEPARTMENT FUNDS</u>	<u>GRANT FUNDS</u>	<u>TOTAL</u>
-	-	-	-	-	1,643,261
39,402	-	1,670	2,373,183	-	4,161,117
-	-	-	-	-	134,663
-	-	-	-	-	1,264,665
-	-	-	3,885,719	4,672,242	11,788,212
<u>20,259</u>	<u>5</u>	<u>1,969</u>	<u>143,615</u>	<u>167,250</u>	<u>1,046,751</u>
<u>59,661</u>	<u>5</u>	<u>3,639</u>	<u>6,402,517</u>	<u>4,839,492</u>	<u>20,038,669</u>
600	-	-	-	12,862	1,250,879
-	-	10,573	6,560,033	1,332,788	13,754,890
-	-	-	-	-	1,623,363
-	-	-	-	5,245,973	5,245,973
-	-	-	-	-	29,035
-	-	-	-	-	-
<u>600</u>	<u>-</u>	<u>10,573</u>	<u>6,560,033</u>	<u>6,591,623</u>	<u>21,904,140</u>
<u>59,061</u>	<u>5</u>	<u>(6,934)</u>	<u>(157,516)</u>	<u>(1,752,131)</u>	<u>(1,865,471)</u>
-	-	-	17,274	581,270	1,449,306
-	-	-	(134,624)	-	(211,711)
-	-	-	-	-	88,943
-	-	-	(117,350)	581,270	1,326,538
<u>59,061</u>	<u>5</u>	<u>(6,934)</u>	<u>(274,866)</u>	<u>(1,170,861)</u>	<u>(538,933)</u>
<u>392,511</u>	<u>103</u>	<u>47,457</u>	<u>2,177,840</u>	<u>2,696,358</u>	<u>19,242,361</u>
<u>451,572</u>	<u>108</u>	<u>40,523</u>	<u>1,902,974</u>	<u>1,525,497</u>	<u>18,703,428</u>



**JEFFERSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS**  
**SEPTEMBER 30, 2023**

	JUVENILE PROBATION AND DETENTION-- STATE AID	PRETRIAL DIVERSION PROGRAMS	IV-E FOSTER CARE FUND	JUVENILE GRANT A - STATE AID
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ -	131,815	495,963	-
ACCOUNTS RECEIVABLE, Net	-	-	-	-
INTEREST RECEIVABLE	-	463	1,745	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	5,654	-	-	209,889
PREPAID ITEMS	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 5,654</b>	<b>132,278</b>	<b>497,708</b>	<b>209,889</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 2,367	-	-	50,502
DUE TO OTHER FUNDS	3,287	-	-	31,944
UNEARNED REVENUE	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 5,654</b>	<b>-</b>	<b>-</b>	<b>82,446</b>
<b>FUND BALANCES:</b>				
NONSPENDABLE FOR: PREPAID ITEMS	\$ -	-	-	-
RESTRICTED FOR: JUDICIAL & LAW ENFORCEMENT	-	132,278	497,708	127,443
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ -</b>	<b>132,278</b>	<b>497,708</b>	<b>127,443</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,654</b>	<b>132,278</b>	<b>497,708</b>	<b>209,889</b>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS**  
**SEPTEMBER 30, 2023**

	MENTALLY IMPAIRED OFFENDERS PROGRAM	COMMUNITY SUPERVISION	JUVENILE TJPC SUPPLEMENT
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS:</b>			
CASH AND CASH EQUIVALENTS	\$ 51,896	1,292,300	-
ACCOUNTS RECEIVABLE, Net	-	1,065	-
INTEREST RECEIVABLE	-	5,328	-
DUE FROM OTHER			
GOVERNMENTAL ENTITIES	-	-	16,875
PREPAID ITEMS	<u>-</u>	<u>156</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>51,896</u></b>	<b><u>1,298,849</u></b>	<b><u>16,875</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
ACCOUNTS PAYABLE	\$ 23,431	148,585	5,625
DUE TO OTHER FUNDS	-	-	11,250
UNEARNED REVENUE	<u>23,361</u>	<u>355,645</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>46,792</u></b>	<b><u>504,230</u></b>	<b><u>16,875</u></b>
<b>FUND BALANCES:</b>			
NONSPENDABLE FOR			
PREPAID ITEMS	\$ -	156	-
RESTRICTED FOR: JUDICIAL &			
LAW ENFORCEMENT	5,104	794,463	-
UNASSIGNED (DEFICIT)	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUND BALANCES</b>	<b>\$ <u>5,104</u></b>	<b><u>794,619</u></b>	<b><u>-</u></b>
<b>TOTAL LIABILITIES AND</b>			
<b>FUND BALANCES</b>	<b>\$ <u>51,896</u></b>	<b><u>1,298,849</u></b>	<b><u>16,875</u></b>

<u>COMMUNITY CORRECTIONS</u>	<u>DWI PRETRIAL DIVERSION</u>	<u>DRUG DIVERSION PROGRAM</u>	<u>TOTAL</u>
197,202	338,598	147,325	2,655,099
-	-	-	1,065
-	1,175	-	8,711
-	-	-	232,418
-	-	-	156
<u>197,202</u>	<u>339,773</u>	<u>147,325</u>	<u>2,897,449</u>
110,540	1,657	66,956	409,663
-	-	-	46,481
84,949	-	74,376	538,331
<u>195,489</u>	<u>1,657</u>	<u>141,332</u>	<u>994,475</u>
-	-	-	156
1,713	338,116	5,993	1,902,818
-	-	-	-
<u>1,713</u>	<u>338,116</u>	<u>5,993</u>	<u>1,902,974</u>
<u>197,202</u>	<u>339,773</u>	<u>147,325</u>	<u>2,897,449</u>



**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	JUENILE PROBATION AND DETENTION-- STATE AID	PRETRIAL DIVERSION PROGRAMS	IV-E FOSTER CARE FUND	JUENILE GRANT A - STATE AID
<b>REVENUES:</b>				
FEES	\$ -	9,232	-	-
INTERGOVERNMENTAL	60,357	-	-	1,479,376
INTEREST	-	6,078	24,207	-
<b>TOTAL REVENUES</b>	<b>\$ 60,357</b>	<b>15,310</b>	<b>24,207</b>	<b>1,479,376</b>
<b>EXPENDITURES:</b>				
JUDICIAL AND LAW ENFORCEMENT	\$ 54,722	1,731	23,856	1,351,483
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 54,722</b>	<b>1,731</b>	<b>23,856</b>	<b>1,351,483</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 5,635</b>	<b>13,579</b>	<b>351</b>	<b>127,893</b>
<b>OTHER FINANCIAL SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	-
TRANSFERS OUT	(29,330)	-	-	(88,020)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (29,330)</b>	<b>-</b>	<b>-</b>	<b>(88,020)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (23,695)</b>	<b>13,579</b>	<b>351</b>	<b>39,873</b>
<b>FUND BALANCES, BEGINNING</b>	<b>23,695</b>	<b>118,699</b>	<b>497,357</b>	<b>87,570</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ -</b>	<b>132,278</b>	<b>497,708</b>	<b>127,443</b>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>MENTALLY IMPAIRED OFFENDERS PROGRAM</u>	<u>COMMUNITY SUPERVISION</u>	<u>JUVENILE TJPC SUPPLEMENT</u>
<b>REVENUES:</b>			
FEES	\$ -	2,244,932	-
INTERGOVERNMENTAL	94,309	1,457,997	16,875
INTEREST	-	97,111	-
	<u>\$ 94,309</u>	<u>3,800,040</u>	<u>16,875</u>
<b>TOTAL REVENUES</b>			
<b>EXPENDITURES:</b>			
JUDICIAL AND LAW ENFORCEMENT	\$ 118,494	3,964,489	16,875
CAPITAL OUTLAY	-	-	-
	<u>\$ 118,494</u>	<u>3,964,489</u>	<u>16,875</u>
<b>TOTAL EXPENDITURES</b>			
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (24,185)</u>	<u>(164,449)</u>	<u>-</u>
<b>OTHER FINANCIAL SOURCES (USES):</b>			
TRANSFERS IN	\$ 3,839	-	-
TRANSFERS OUT	-	(17,274)	-
	<u>\$ 3,839</u>	<u>(17,274)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (20,346)</u>	<u>(181,723)</u>	<u>-</u>
<b>FUND BALANCES, BEGINNING</b>	<u>25,450</u>	<u>976,342</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 5,104</u></u>	<u><u>794,619</u></u>	<u><u>-</u></u>

<u>COMMUNITY CORRECTIONS</u>	<u>DWI PRETRIAL DIVERSION</u>	<u>DRUG DIVERSION PROGRAM</u>	<u>TOTAL</u>
-	79,909	39,110	2,373,183
433,002	-	343,803	3,885,719
-	16,219	-	143,615
<u>433,002</u>	<u>96,128</u>	<u>382,913</u>	<u>6,402,517</u>
483,928	103,129	441,326	6,560,033
-	-	-	-
<u>483,928</u>	<u>103,129</u>	<u>441,326</u>	<u>6,560,033</u>
<u>(50,926)</u>	<u>(7,001)</u>	<u>(58,413)</u>	<u>(157,516)</u>
-	-	13,435	17,274
-	-	-	(134,624)
-	-	13,435	(117,350)
<u>(50,926)</u>	<u>(7,001)</u>	<u>(44,978)</u>	<u>(274,866)</u>
<u>52,639</u>	<u>345,117</u>	<u>50,971</u>	<u>2,177,840</u>
<u>1,713</u>	<u>338,116</u>	<u>5,993</u>	<u>1,902,974</u>

**JEFFERSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - GRANT FUNDS**  
**SEPTEMBER 30, 2023**

		FAMILY GROUP CONFERENCING PROJECT	GENERAL LAND OFFICE GRANTS	SHERIFF TRAINING GRANT	JAG GRANT	SHERIFF DEPT GRANTS
<b>ASSETS:</b>						
CASH AND CASH EQUIVALENTS	\$	29,913	-	-	-	-
ACCOUNTS RECEIVABLE , Net		-	-	-	-	-
INTEREST RECEIVABLE		105	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES		-	40,202	5,764	3,671	6,073
<b>TOTAL ASSETS</b>	<b>\$</b>	<u>30,018</u>	<u>40,202</u>	<u>5,764</u>	<u>3,671</u>	<u>6,073</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>						
<b>LIABILITIES:</b>						
ACCOUNTS PAYABLE	\$	-	20,007	989	-	421
DUE TO OTHER FUNDS		-	2,281,695	4,775	3,671	5,652
UNEARNED REVENUE		-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<u>-</u>	<u>2,301,702</u>	<u>5,764</u>	<u>3,671</u>	<u>6,073</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
UNAVAILABLE REVENUE-GRANTS	\$	-	-	2,502	3,671	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$</b>	<u>-</u>	<u>-</u>	<u>2,502</u>	<u>3,671</u>	<u>-</u>
<b>FUND BALANCES:</b>						
RESTRICTED FOR:						
JUDICIAL & LAW ENFORCEMENT	\$	30,018	-	-	-	-
HEALTH & WELFARE		-	-	-	-	-
COMMITTED FOR:						
CONTRACTS		-	2,014,002	-	-	-
UNASSIGNED (DEFICIT)		-	(4,275,502)	(2,502)	(3,671)	-
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<u>30,018</u>	<u>(2,261,500)</u>	<u>(2,502)</u>	<u>(3,671)</u>	<u>-</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$</b>	<u>30,018</u>	<u>40,202</u>	<u>5,764</u>	<u>3,671</u>	<u>6,073</u>

SCAAP GRANT	LATCF FEDERAL GRANT	FEMA EMERGENCY	REGIONAL COMMUNICATION	CRIME VICTIMS CLEARING	EMPG GRANT	CRIME LAB CJD GRANT
88,751	462,464	3,423,359	22,853	-	30,491	-
-	-	-	-	-	-	-
312	-	12,046	-	-	107	-
-	-	369,980	7,351	20,531	-	653
<u>89,063</u>	<u>462,464</u>	<u>3,805,385</u>	<u>30,204</u>	<u>20,531</u>	<u>30,598</u>	<u>653</u>
-	-	-	-	12,084	474	-
-	-	-	7,351	8,447	-	653
-	462,464	-	-	-	-	-
-	462,464	-	7,351	20,531	474	653
-	-	-	7,351	-	-	-
-	-	-	7,351	-	-	-
89,063	-	-	15,502	-	-	-
-	-	3,805,385	-	-	30,124	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>89,063</u>	<u>-</u>	<u>3,805,385</u>	<u>15,502</u>	<u>-</u>	<u>30,124</u>	<u>-</u>
<u>89,063</u>	<u>462,464</u>	<u>3,805,385</u>	<u>30,204</u>	<u>20,531</u>	<u>30,598</u>	<u>653</u>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - GRANT FUNDS**  
**SEPTEMBER 30, 2023**

		<u>PORT SECURITY GRANTS</u>	<u>AUTO THEFT GRANT</u>	<u>HEALTH GRANT</u>	<u>BRIC/FMA GRANT</u>	<u>EMERGENCY RENTAL ASSISTANCE</u>
<b>ASSETS:</b>						
CASH AND CASH EQUIVALENTS	\$	-	-	-	-	-
ACCOUNTS RECEIVABLE , Net		-	-	-	-	-
INTEREST RECEIVABLE		-	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES		-	60,106	-	-	-
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>-</b>	<b>60,106</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>						
<b>LIABILITIES:</b>						
ACCOUNTS PAYABLE	\$	-	4,008	-	27,101	-
DUE TO OTHER FUNDS		-	56,098	-	87,230	-
UNEARNED REVENUE		-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>-</b>	<b>60,106</b>	<b>-</b>	<b>114,331</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
UNAVAILABLE REVENUE-GRANTS	\$	-	60,106	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$</b>	<b>-</b>	<b>60,106</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>						
RESTRICTED FOR:						
JUDICIAL & LAW ENFORCEMENT	\$	-	-	-	-	-
HEALTH & WELFARE		-	-	-	-	-
COMMITTED FOR:						
CONTRACTS		-	-	-	34,386	-
UNASSIGNED (DEFICIT)		-	(60,106)	-	(148,717)	-
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b>-</b>	<b>(60,106)</b>	<b>-</b>	<b>(114,331)</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$</b>	<b>-</b>	<b>60,106</b>	<b>-</b>	<b>-</b>	<b>-</b>

CYBER SECURITY GRANT	VIOLENCE AGAINST WOMEN	FAMILY TREATMENT COURT	ENVIRONMENT GRANTS	CHEEK WATER AND SEWER PHASE 6	CJD SHERIFF GRANTS	TOTAL
-	3,984	-	-	-	-	4,061,815
-	-	-	1,277	-	-	1,277
-	-	-	-	-	-	12,570
-	-	11,620	-	-	-	525,951
-	3,984	11,620	1,277	-	-	4,601,613
-	3,984	1,258	748	-	-	71,074
-	-	10,305	521	-	-	2,466,398
-	-	-	-	-	-	462,464
-	3,984	11,563	1,269	-	-	2,999,936
-	-	2,550	-	-	-	76,180
-	-	2,550	-	-	-	76,180
-	-	-	8	-	-	134,591
-	-	-	-	-	-	3,835,509
-	-	-	-	-	-	2,048,388
-	-	(2,493)	-	-	-	(4,492,991)
-	-	(2,493)	8	-	-	1,525,497
-	3,984	11,620	1,277	-	-	4,601,613

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - GRANT FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	FAMILY GROUP CONFERENCING PROJECT	GENERAL LAND OFFICE GRANTS	SHERIFF TRAINING GRANT	JAG GRANT	SHERIFF DEPT GRANTS
<b>REVENUES:</b>					
INTERGOVERNMENTAL INTEREST	\$ -	590,779	13,754	16,775	15,356
	<u>1,414</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	\$ <u>1,414</u>	<u>590,779</u>	<u>13,754</u>	<u>16,775</u>	<u>15,356</u>
<b>EXPENDITURES:</b>					
GENERAL GOVERNMENT	\$ -	-	-	-	-
JUDICIAL AND LAW ENFORCEMENT	372	-	13,107	19,887	19,708
HEALTH & WELFARE	-	2,027,290	-	-	-
CAPITAL OUTLAY	-	-	-	-	-
TOTAL EXPENDITURES	\$ <u>372</u>	<u>2,027,290</u>	<u>13,107</u>	<u>19,887</u>	<u>19,708</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ <u>1,042</u>	<u>(1,436,511)</u>	<u>647</u>	<u>(3,112)</u>	<u>(4,352)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	\$ -	-	-	-	4,352
TOTAL OTHER FINANCING SOURCES (USES)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,352</u>
NET CHANGE IN FUND BALANCES	\$ 1,042	(1,436,511)	647	(3,112)	-
FUND BALANCES, BEGINNING	<u>28,976</u>	<u>(824,989)</u>	<u>(3,149)</u>	<u>(559)</u>	<u>-</u>
FUND BALANCES, ENDING	\$ <u><u>30,018</u></u>	<u><u>(2,261,500)</u></u>	<u><u>(2,502)</u></u>	<u><u>(3,671)</u></u>	<u><u>-</u></u>

SCAAP GRANT	LATCF FEDERAL GRANT	FEMA EMERGENCY	REGIONAL COMMUNICATION	CRIME VICTIMS CLEARING	EMPG GRANT	CRIME LAB CJD GRANT
100,902	-	458,281	87,714	93,623	-	35,993
2,272	-	161,744	-	-	1,820	-
103,174	-	620,025	87,714	93,623	1,820	35,993
-	-	-	-	-	-	-
18,162	-	-	95,065	399,984	-	35,993
-	-	369,071	-	-	19,208	-
-	-	-	-	-	-	-
18,162	-	369,071	95,065	399,984	19,208	35,993
85,012	-	250,954	(7,351)	(306,361)	(17,388)	-
-	-	-	-	306,361	-	-
-	-	-	-	306,361	-	-
85,012	-	250,954	(7,351)	-	(17,388)	-
4,051	-	3,554,431	22,853	-	47,512	-
89,063	-	3,805,385	15,502	-	30,124	-

[CONTINUED]

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	PORT SECURITY GRANTS	AUTO THEFT GRANT	HEALTH GRANT	BRIC/FMA GRANT	EMERGENCY RENTAL ASSISTANCE
REVENUES:					
INTERGOVERNMENTAL INTEREST	\$ 231,261	32,042	47,498	-	2,706,554
	-	-	-	-	-
TOTAL REVENUES	\$ 231,261	32,042	47,498	-	2,706,554
EXPENDITURES:					
GENERAL GOVERNMENT	\$ -	-	-	-	-
JUDICIAL AND LAW ENFORCEMENT	308,348	130,294	-	-	-
HEALTH & WELFARE	-	-	79,020	37,418	2,706,554
CAPITAL OUTLAY	-	-	-	-	-
TOTAL EXPENDITURES	\$ 308,348	130,294	79,020	37,418	2,706,554
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (77,087)	(98,252)	(31,522)	(37,418)	-
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	\$ 77,087	60,084	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ 77,087	60,084	-	-	-
NET CHANGE IN FUND BALANCES	\$ -	(38,168)	(31,522)	(37,418)	-
FUND BALANCES, BEGINNING	-	(21,938)	31,522	(76,913)	-
FUND BALANCES, ENDING	\$ -	(60,106)	-	(114,331)	-

<u>CYBER SECURITY GRANT</u>	<u>VIOLENCE AGAINST WOMEN</u>	<u>FAMILY TREATMENT COURT</u>	<u>ENVIRONMENT GRANTS</u>	<u>CHEEK WATER AND SEWER PHASE 6</u>	<u>CJD SHERIFF GRANTS</u>	<u>TOTAL</u>
12,862	41,437	33,759	7,944	53,442	92,266	4,672,242
-	-	-	-	-	-	167,250
<u>12,862</u>	<u>41,437</u>	<u>33,759</u>	<u>7,944</u>	<u>53,442</u>	<u>92,266</u>	<u>4,839,492</u>
12,862	-	-	-	-	-	12,862
-	164,410	35,192	-	-	92,266	1,332,788
-	-	-	7,936	(524)	-	5,245,973
-	-	-	-	-	-	-
<u>12,862</u>	<u>164,410</u>	<u>35,192</u>	<u>7,936</u>	<u>(524)</u>	<u>92,266</u>	<u>6,591,623</u>
-	(122,973)	(1,433)	8	53,966	-	(1,752,131)
-	122,973	-	-	10,413	-	581,270
-	122,973	-	-	10,413	-	581,270
-	-	(1,433)	8	64,379	-	(1,170,861)
-	-	(1,060)	-	(64,379)	-	2,696,358
-	-	(2,493)	8	-	-	1,525,497



# CAPITAL PROJECTS FUNDS

## CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition or construction of capital facilities except those financed by Enterprise Funds or Internal Service Funds. Included in this heading are the following individual funds:

**Coastal Restoration Projects** - This fund is used to account for the proceeds received related to Coastal Restoration projects including the BP Deepwater Horizon lawsuit settlement and the Gulf of Mexico Energy Security Act. Planned expenditures for these proceeds will be for the County shoreline and dune restoration project starting in Sabine Pass to High Island.

**Capital Projects Fund** - This fund is used to account for all other capital projects of the County for which a separate fund has not been established.

**TCEQ – First Time Sewer** - This fund is used to account for the expenditures for the installation of a low-pressure sewer system to approximately 81 low income residential customers in the Candlelight and Martel subdivisions. Funds for this project are from penalties assessed by the Texas Commission on Environmental Quality.

**CETRZ Grant** - This fund is used to account for the revenues and expenditures related to the County Energy Transportation Reinvestment Zone (CETRZ) Grant from the State of Texas. This grant will be used to rehabilitate County roads within all the Road & Bridge precincts.

**C O Series 2019 Projects** – This fund is used to account for the expenditures of proceeds from \$15,395,000 in Certificates of Obligation issued in June 2019. The proceeds will be spent on various energy conservation projects.



JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS  
 SEPTEMBER 30, 2023

	COASTAL RESTORATION PROJECTS	CAPITAL PROJECTS FUND
<b>ASSETS:</b>		
CASH AND CASH EQUIVALENTS	\$ 5,648,766	2,721,051
INTEREST RECEIVABLE	19,876	9,575
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	495,016
<b>TOTAL ASSETS</b>	<b>\$ 5,668,642</b>	<b>3,225,642</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
<b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	\$ -	351,303
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>351,303</b>
<b>FUND BALANCES:</b>		
RESTRICTED FOR:		
ENVIRONMENTAL PROJECTS	\$ 5,668,642	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	2,874,339
UNASSIGNED (DEFICIT)	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 5,668,642</b>	<b>2,874,339</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 5,668,642</b>	<b>3,225,642</b>

TCEQ - FIRST TIME SEWER	CETRZ GRANT	C O SERIES 2019 PROJECTS	TOTAL
74,774	-	100,003	8,544,594
-	-	183	29,634
-	-	-	495,016
<u>74,774</u>	<u>-</u>	<u>100,186</u>	<u>9,069,244</u>
-	-	-	351,303
-	-	-	351,303
74,774	-	-	5,743,416
-	-	100,186	2,974,525
-	-	-	-
<u>74,774</u>	<u>-</u>	<u>100,186</u>	<u>8,717,941</u>
<u>74,774</u>	<u>-</u>	<u>100,186</u>	<u>9,069,244</u>

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	COASTAL RESTORATION PROJECTS	CAPITAL PROJECTS FUND
	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>		
INTERGOVERNMENTAL	\$ 1,264,939	723,265
SALES, RENTAL & SERVICES	-	4,984
INTEREST	<u>247,358</u>	<u>172,313</u>
<b>TOTAL REVENUES</b>	<b>\$ <u>1,512,297</u></b>	<b><u>900,562</u></b>
<b>EXPENDITURES:</b>		
CAPITAL OUTLAY	<u>\$ -</u>	<u>2,348,195</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>-</u></b>	<b><u>2,348,195</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ <u>1,512,297</u></b>	<b><u>(1,447,633)</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>		
TRANSFERS IN	<u>\$ -</u>	<u>35,039</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ <u>-</u></b>	<b><u>35,039</u></b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 1,512,297</b>	<b>(1,412,594)</b>
<b>FUND BALANCES, BEGINNING</b>	<u>4,156,345</u>	<u>4,286,933</u>
<b>FUND BALANCES, ENDING</b>	<b>\$ <u><u>5,668,642</u></u></b>	<b><u><u>2,874,339</u></u></b>

TCEQ - FIRST TIME SEWER	CETRZ GRANT	C O SERIES	
		2019 PROJECTS	TOTAL
-	67,364	-	2,055,568
-	-	-	4,984
-	-	4,130	423,801
-	67,364	4,130	2,484,353
-	-	30,231	2,378,426
-	-	30,231	2,378,426
-	67,364	(26,101)	105,927
-	30	-	35,069
-	30	-	35,069
-	67,394	(26,101)	140,996
74,774	(67,394)	126,287	8,576,945
74,774	-	100,186	8,717,941



# DEBT SERVICE FUNDS

## DEBT SERVICE FUNDS

The Debt Service Funds are used to account for each specific long-term debt. These funds account for the accumulation of resources and subsequent disbursement of such resources to pay principal, interest, and commissions. Included in this heading are the following individual funds:

**2012 Refunding Bond** - This fund is used to account for the revenues and expenditures associated with the \$47,305,000 General Obligation Refunding Bonds issued in May 2012.

**2019 Certificates of Obligation** - This fund is used to account for the revenues and expenditures associated with the \$15,395,000 Certificate of Obligation Bonds issued in June 2019.

JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NON MAJOR GOVERNMENTAL FUNDS - DEBT SERVICE  
 SEPTEMBER 30, 2023

		2012 REFUNDING BOND	2019 CERTIFICATES OF OBLATION	TOTAL
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$	384,904	58,196	443,100
INTEREST RECEIVABLE		1,307	194	1,501
DELINQUENT TAXES RECEIVABLE, Net		119,581	26,927	146,508
PENALTY AND INTEREST RECEIVABLE, Net		89,620	20,180	109,800
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>595,412</b>	<b>105,497</b>	<b>700,909</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>DEFERRED INFLOWS OF RESOURCES</b>				
UNAVAILABLE REVENUE-PROPERTY TAXES	\$	198,827	44,771	243,598
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$</b>	<b>198,827</b>	<b>44,771</b>	<b>243,598</b>
<b>FUND BALANCES:</b>				
RESTRICTED FOR DEBT SERVICE	\$	396,585	60,726	457,311
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b>396,585</b>	<b>60,726</b>	<b>457,311</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$</b>	<b>595,412</b>	<b>105,497</b>	<b>700,909</b>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	2012 REFUNDING BOND	2019 CERTIFICATES OF OBLIGATION	TOTAL
<b>REVENUES:</b>			
PROPERTY TAXES	\$ 4,535,830	1,020,893	5,556,723
INTEREST	116,354	20,872	137,226
<b>TOTAL REVENUES</b>	<b>\$ 4,652,184</b>	<b>1,041,765</b>	<b>5,693,949</b>
<b>EXPENDITURES:</b>			
DEBT SERVICE:			
PRINCIPAL	\$ 4,170,000	575,000	4,745,000
INTEREST AND COMMISSION	474,100	494,550	968,650
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,644,100</b>	<b>1,069,550</b>	<b>5,713,650</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 8,084</b>	<b>(27,785)</b>	<b>(19,701)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 8,084</b>	<b>(27,785)</b>	<b>(19,701)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>388,501</b>	<b>88,511</b>	<b>477,012</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 396,585</b>	<b>60,726</b>	<b>457,311</b>

JEFFERSON COUNTY, TEXAS  
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 DEBT SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 5,466,999	5,466,999	5,556,723	89,724
INTEREST	20,600	20,600	137,226	116,626
<b>TOTAL REVENUES</b>	<b>\$ 5,487,599</b>	<b>5,487,599</b>	<b>5,693,949</b>	<b>206,350</b>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 4,745,000	4,745,000	4,745,000	-
INTEREST AND COMMISSION	970,100	970,100	968,650	1,450
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,715,100</b>	<b>5,715,100</b>	<b>5,713,650</b>	<b>1,450</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (227,501)</b>	<b>(227,501)</b>	<b>(19,701)</b>	<b>207,800</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (227,501)</b>	<b>(227,501)</b>	<b>(19,701)</b>	<b>207,800</b>
<b>FUND BALANCES, BEGINNING</b>	<b>477,012</b>	<b>477,012</b>	<b>477,012</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 249,511</b>	<b>249,511</b>	<b>457,311</b>	<b>207,800</b>

JEFFERSON COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
DEBT SERVICE - 2012 REFUNDING BONDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 4,462,624	4,462,624	4,535,830	73,206
INTEREST	17,500	17,500	116,354	98,854
<b>TOTAL REVENUES</b>	<b>\$ 4,480,124</b>	<b>4,480,124</b>	<b>4,652,184</b>	<b>172,060</b>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 4,170,000	4,170,000	4,170,000	-
INTEREST AND COMMISSION	474,700	474,700	474,100	600
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,644,700</b>	<b>4,644,700</b>	<b>4,644,100</b>	<b>600</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (164,576)</b>	<b>(164,576)</b>	<b>8,084</b>	<b>172,660</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (164,576)</b>	<b>(164,576)</b>	<b>8,084</b>	<b>172,660</b>
<b>FUND BALANCES, BEGINNING</b>	<b>388,501</b>	<b>388,501</b>	<b>388,501</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 223,925</b>	<b>223,925</b>	<b>396,585</b>	<b>172,660</b>

JEFFERSON COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
DEBT SERVICE - 2019 CERTIFICATES OF OBLIGATION  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 1,004,375	1,004,375	1,020,893	16,518
INTEREST	3,100	3,100	20,872	17,772
<b>TOTAL REVENUES</b>	<b>\$ 1,007,475</b>	<b>1,007,475</b>	<b>1,041,765</b>	<b>34,290</b>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 575,000	575,000	575,000	-
INTEREST AND COMMISSION	495,400	495,400	494,550	850
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,070,400</b>	<b>1,070,400</b>	<b>1,069,550</b>	<b>850</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (62,925)</b>	<b>(62,925)</b>	<b>(27,785)</b>	<b>35,140</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (62,925)</b>	<b>(62,925)</b>	<b>(27,785)</b>	<b>35,140</b>
<b>FUND BALANCES, BEGINNING</b>	<b>88,511</b>	<b>88,511</b>	<b>88,511</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 25,586</b>	<b>25,586</b>	<b>60,726</b>	<b>35,140</b>



# INTERNAL SERVICE FUNDS

## INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other agencies of the government and to other government units, on a cost reimbursement basis. Included in this heading are the following individual funds:

**Liability Insurance Fund** - This fund is used to account for the County's contribution and payment for liability claims.

**Workers' Compensation Fund** - This fund is used to account for the County's contribution and payment for workers' compensation claims.

**Southeast Texas Government Employee Benefits Pool** - This fund is used to account for the County's group health insurance program, which includes comprehensive major medical and dental care.

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF NET POSITION -**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2023**

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 275,090	811,369	3,279,659	4,366,118
ACCOUNTS RECEIVABLE	-	-	640,701	640,701
INTEREST RECEIVABLE	968	2,679	11,540	15,187
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	818,168	818,168
INSURANCE DEPOSIT	-	-	93,000	93,000
<b>TOTAL ASSETS</b>	<b>\$ 276,058</b>	<b>814,048</b>	<b>4,843,068</b>	<b>5,933,174</b>
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	-	24,018	24,018
CLAIMS LIABILITY	354,777	1,873,990	1,766,882	3,995,649
<b>TOTAL LIABILITIES</b>	<b>\$ 354,777</b>	<b>1,873,990</b>	<b>1,790,900</b>	<b>4,019,667</b>
<b>NET POSITION:</b>				
UNRESTRICTED	\$ (78,719)	(1,059,942)	3,052,168	1,913,507
<b>TOTAL NET POSITION</b>	<b>\$ (78,719)</b>	<b>(1,059,942)</b>	<b>3,052,168</b>	<b>1,913,507</b>

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION -**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
<b>OPERATING REVENUES:</b>				
EMPLOYEE CONTRIBUTIONS	\$ -	-	2,858,400	2,858,400
CHARGES FOR SERVICES	-	500,000	22,092,535	22,592,535
<b>TOTAL OPERATING REVENUES</b>	<b>\$ -</b>	<b>500,000</b>	<b>24,950,935</b>	<b>25,450,935</b>
<b>OPERATING EXPENSES:</b>				
ADMINISTRATIVE	\$ -	-	1,985,807	1,985,807
INCURRED & ESTIMATED CLAIMS	118,035	2,290,026	22,436,984	24,845,045
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 118,035</b>	<b>2,290,026</b>	<b>24,422,791</b>	<b>26,830,852</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (118,035)</b>	<b>(1,790,026)</b>	<b>528,144</b>	<b>(1,379,917)</b>
<b>NONOPERATING REVENUES:</b>				
INTEREST	\$ 16,699	30,781	112,097	159,577
REFUNDS AND RECOVERIES	-	2,824	2,247,210	2,250,034
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 16,699</b>	<b>33,605</b>	<b>2,359,307</b>	<b>2,409,611</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ (101,336)</b>	<b>(1,756,421)</b>	<b>2,887,451</b>	<b>1,029,694</b>
<b>NET POSITION, BEGINNING</b>	<b>22,617</b>	<b>696,479</b>	<b>164,717</b>	<b>883,813</b>
<b>NET POSITION, ENDING</b>	<b>\$ (78,719)</b>	<b>(1,059,942)</b>	<b>3,052,168</b>	<b>1,913,507</b>

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF CASH FLOWS -**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
RECEIPTS FROM CUSTOMERS AND USERS	\$ -	-	2,445,318	2,445,318
RECEIPTS FROM EMPLOYEES	-	-	2,934,271	2,934,271
PAYMENTS TO SUPPLIERS	-	-	(1,995,027)	(1,995,027)
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	-	500,000	19,374,049	19,874,049
CLAIMS PAID	(113,258)	(761,734)	(22,905,219)	(23,780,211)
OTHER RECEIPTS	-	78,324	2,240,031	2,318,355
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (113,258)</b>	<b>(183,410)</b>	<b>2,093,423</b>	<b>1,796,755</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES:</b>				
INTEREST	\$ 15,860	28,436	100,932	145,228
<b>NET CASH PROVIDED BY INVESTMENT ACTIVITIES</b>	<b>\$ 15,860</b>	<b>28,436</b>	<b>100,932</b>	<b>145,228</b>
<b>NET INCREASE (DECREASE) IN CASH CASH AND CASH EQUIVALENTS - BEGINNING</b>	<b>\$ (97,398)</b> 372,488	<b>(154,974)</b> 966,343	<b>2,194,355</b> 1,085,304	<b>1,941,983</b> 2,424,135
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<b>\$ 275,090</b>	<b>811,369</b>	<b>3,279,659</b>	<b>4,366,118</b>
<b>RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES:</b>				
OPERATING INCOME(LOSS)	\$ (118,035)	(1,790,026)	528,144	(1,379,917)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
OTHER NON-OPERATING REVENUES	-	2,824	2,247,210	2,250,034
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	-	-	68,692	68,692
INSURANCE DEPOSIT	-	75,500	(10,000)	65,500
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	(273,168)	(273,168)
ACCOUNTS PAYABLE	-	-	780	780
CLAIMS LIABILITY	4,777	1,528,292	(468,235)	1,064,834
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ (113,258)</b>	<b>(183,410)</b>	<b>2,093,423</b>	<b>1,796,755</b>



# FIDUCIARY FUNDS

## FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the County as a trustee or agent for individuals, private organizations, and other units of government. Such funds are operated by carrying out specific terms of trust indentures, ordinances, grant requirements, or other governing regulations. Included in this heading are the following individual funds:

### Investment Trust Funds:

District Clerk Trust Fund - This fund is used to account for the collection and distribution of the investments held in trust by the Clerk of the District Courts.

### Custodial Funds:

Treasurer Maintained Fund - This fund is used to account for various monies deposited with the County Treasurer for distribution to other individuals and/or government entities.

County Clerk Fund - This fund is used to account for the collection and distribution of money held by the Clerk of the County Courts.

District Clerk Fund - This fund is used to account for the collection and distribution of the money held by the Clerk of the District Courts.

Sheriff's Fund - This fund is used to account for the collection and distribution of money held by the Sheriff.

Justice of the Peace Fund - This fund is used to account for the collection and distribution of money held by the Justices of the Peace.

Tax Assessor/Collector Fund - This fund is used to account for the collection and distribution of money held by the Tax Assessor/Collector .

District Attorney's Seizure Fund - This fund is used to account for the seizure and subsequent distribution of seized personal property.

Community Supervision Fund - This fund is used to account for the collection and distribution of money held by the Community Supervision Department.

**Juvenile Probation Fund** - This fund is used to account for the collection and distribution of money held by the Juvenile Probation Department.



**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**ALL FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2023**

	<u>INVESTMENT TRUST FUNDS</u>	
	<u>DISTRICT CLERK TRUST</u>	<u>TOTAL INVESTMENT TRUST FUNDS</u>
<b><u>ASSETS</u></b>		
CASH AND CASH EQUIVALENTS	\$ 2,332,686	2,332,686
ACCOUNTS RECEIVABLE, NET DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-
<b>TOTAL</b>	<u>\$ 2,332,686</u>	<u>2,332,686</u>
<b><u>LIABILITIES</u></b>		
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	-	-
<b>TOTAL</b>	<u>\$ -</u>	<u>-</u>
<b>NET POSITION</b>		
<b>RESTRICTED FOR:</b>		
POOL PARTICIPANTS INDIVIDUALS AND ORGANIZATIONS	\$ 2,332,686	2,332,686
	<u>-</u>	<u>-</u>
<b>TOTAL NET POSITION</b>	<u>\$ 2,332,686</u>	<u>2,332,686</u>

**CUSTODIAL FUNDS**

TREASURER MAINTAINED FUND	COUNTY CLERK FUND	DISTRICT CLERK FUND	SHERIFF'S FUND	JUSTICE OF THE PEACE FUND
1,107,030	3,415,038	19,312,320	211,859	72,284
18,722	-	59,554	-	-
114,021	-	-	-	-
<u>1,239,773</u>	<u>3,415,038</u>	<u>19,371,874</u>	<u>211,859</u>	<u>72,284</u>
8,154	-	58,388	-	-
910,702	31,574	20,866	-	59,368
<u>918,856</u>	<u>31,574</u>	<u>79,254</u>	<u>-</u>	<u>59,368</u>
-	-	-	-	-
<u>320,917</u>	<u>3,383,464</u>	<u>19,292,620</u>	<u>211,859</u>	<u>12,916</u>
<u>320,917</u>	<u>3,383,464</u>	<u>19,292,620</u>	<u>211,859</u>	<u>12,916</u>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2023**

	<b>CUSTODIAL FUNDS</b>		
	<b>TAX ASSESSOR COLLECTOR FUND</b>	<b>DISTRICT ATTORNEY'S SEIZURE FUND</b>	<b>COMMUNITY SUPERVISION FUND</b>
<b><u>ASSETS</u></b>			
CASH AND CASH EQUIVALENTS	\$ 7,657,473	251,210	341,620
ACCOUNTS RECEIVABLE, NET DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-
<b>TOTAL</b>	<b>\$ 7,657,473</b>	<b>251,210</b>	<b>341,620</b>
<b><u>LIABILITIES</u></b>			
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-
<b>TOTAL</b>	<b>\$ 1,369</b>	<b>-</b>	<b>315,699</b>
<b>NET POSITION</b>			
<b>RESTRICTED FOR:</b>			
POOL PARTICIPANTS INDIVIDUALS AND ORGANIZATIONS	-	-	-
	7,656,104	251,210	25,921
<b>TOTAL NET POSITION</b>	<b>\$ 7,656,104</b>	<b>251,210</b>	<b>25,921</b>

<u>CUSTODIAL FUNDS</u>		
<u>JUVENILE PROBATION FUND</u>	<u>TOTAL CUSTODIAL FUNDS</u>	<u>TOTAL FIDUCIARY FUNDS</u>
4,878	32,373,712	34,706,398
-	78,276	78,276
-	114,021	114,021
4,878	32,566,009	34,898,695
-	66,542	66,542
-	1,339,578	1,339,578
-	1,406,120	1,406,120
-	-	2,332,686
4,878	31,159,889	31,159,889
4,878	31,159,889	33,492,575

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**ALL FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<b>INVESTMENT TRUST FUNDS</b>	
	<b>DISTRICT CLERK TRUST</b>	<b>TOTAL INVESTMENT TRUST FUNDS</b>
<b><u>INCREASES</u></b>		
CONTRIBUTIONS FROM		
JUDGEMENTS	\$ 855,288	855,288
BONDS RECEIVED	-	-
DEPOSITS HELD	-	-
TAXES COLLECTED ON BEHALF OF TAXING ENTITIES	-	-
PROBATIONER PAYMENTS	-	-
INTEREST INCOME	2,430	2,430
<b>TOTAL INCREASES</b>	<b>\$ 857,718</b>	<b>857,718</b>
<b><u>DECREASES</u></b>		
BONDS REFUNDED	\$ -	-
COLLECTIONS DISTRIBUTED	390,350	390,350
DEPOSITS RETURNED	-	-
DISBURSEMENTS TO BENEFICIARIES	-	-
TAXES DISBURSED TO TAXING ENTITIES	-	-
<b>TOTAL DECREASES</b>	<b>\$ 390,350</b>	<b>390,350</b>
<b>NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION</b>	<b>\$ 467,368</b>	<b>467,368</b>
<b>NET POSITION - BEGINNING</b>	<b>1,865,318</b>	<b>1,865,318</b>
<b>NET POSITION - ENDING</b>	<b>\$ 2,332,686</b>	<b>2,332,686</b>

**CUSTODIAL FUNDS**

TREASURER MAINTAINED FUND	COUNTY CLERK FUND	DISTRICT CLERK FUND	SHERIFF'S FUND	JUSTICE OF THE PEACE FUND
1,212,966	19,283,322	4,531,174	1,461,959	859,723
2,000	285,030	107,110	185,818	8,140
-	-	-	1,907,350	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,214,966</u>	<u>19,568,352</u>	<u>4,638,284</u>	<u>3,555,127</u>	<u>867,863</u>
1,008,000	190,063	799,401	159,842	12,445
1,212,966	259,055	374,239	1,711,133	858,136
-	-	-	1,660,298	-
-	17,711,945	1,947,748	-	-
-	-	-	-	-
<u>2,220,966</u>	<u>18,161,063</u>	<u>3,121,388</u>	<u>3,531,273</u>	<u>870,581</u>
(1,006,000)	1,407,289	1,516,896	23,854	(2,718)
<u>1,326,917</u>	<u>1,976,175</u>	<u>17,775,724</u>	<u>188,005</u>	<u>15,634</u>
<u>320,917</u>	<u>3,383,464</u>	<u>19,292,620</u>	<u>211,859</u>	<u>12,916</u>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**ALL FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>CUSTODIAL FUNDS</u>		
	<u>TAX ASSESSOR COLLECTOR FUND</u>	<u>DISTRICT ATTORNEY'S SEIZURE FUND</u>	<u>COMMUNITY SUPERVISION FUND</u>
<b><u>INCREASES</u></b>			
CONTRIBUTIONS FROM			
JUDGEMENTS	\$ -	-	-
BONDS RECEIVED	-	-	-
DEPOSITS HELD	7,015,256	208,741	-
TAXES COLLECTED ON BEHALF			
OF TAXING ENTITIES	640,478,519	-	-
PROBATIONER PAYMENTS	-	-	400,904
INTEREST INCOME	58,457	-	-
<b>TOTAL INCREASES</b>	<b>\$ 647,552,232</b>	<b>208,741</b>	<b>400,904</b>
<b><u>DECREASES</u></b>			
BONDS REFUNDED	\$ -	-	-
COLLECTIONS DISTRIBUTED	-	-	30,340
DEPOSITS RETURNED	6,703,808	149,149	-
DISBURSEMENTS TO			
BENEFICIARIES	-	-	398,601
TAXES DISBURSED TO TAXING			
ENTITIES	640,292,616	-	-
<b>TOTAL DECREASES</b>	<b>\$ 646,996,424</b>	<b>149,149</b>	<b>428,941</b>
<b>NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION</b>	<b>\$ 555,808</b>	<b>59,592</b>	<b>(28,037)</b>
<b>NET POSITION-BEGINNING</b>	<b>7,100,296</b>	<b>191,618</b>	<b>53,958</b>
<b>NET POSITION - ENDING</b>	<b>\$ 7,656,104</b>	<b>251,210</b>	<b>25,921</b>

<u>CUSTODIAL FUNDS</u>		
<u>JUVENILE PROBATION FUND</u>	<u>TOTAL CUSTODIAL FUNDS</u>	<u>TOTAL FIDUCIARY FUNDS</u>
-	27,349,144	28,204,432
-	588,098	588,098
-	9,131,347	9,131,347
-	640,478,519	640,478,519
269	401,173	401,173
211	58,668	61,098
<u>480</u>	<u>678,006,949</u>	<u>678,864,667</u>
-	2,169,751	2,169,751
143	4,446,012	4,836,362
-	8,513,255	8,513,255
269	20,058,563	20,058,563
-	640,292,616	640,292,616
<u>412</u>	<u>675,480,197</u>	<u>675,870,547</u>
68	2,526,752	2,994,120
4,810	28,633,137	30,498,455
<u>4,878</u>	<u>31,159,889</u>	<u>33,492,575</u>



# STATISTICAL SECTION

## STATISTICAL SECTION

This part of the Jefferson County, Texas 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.

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	139
Revenue Trends <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	146
Debt Capacity <i>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.</i>	150
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	154
Operating Information <i>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.</i>	156

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



JEFFERSON COUNTY, TEXAS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Net Investment in capital assets	\$ 85,095,478	\$ 93,814,603	\$ 96,137,672	\$ 91,366,714	\$ 91,380,403	\$ 88,843,451	\$ 85,447,244	\$ 84,359,502	\$ 85,316,873	\$ 86,504,831
Restricted	28,919,622	24,695,909	25,282,712	24,514,807	22,333,791	32,663,849	25,307,410	27,893,333	29,356,699	36,866,636
Unrestricted	(64,427,876)	(106,962,928)	(122,326,487)	(146,062,087)	(269,515,413)	(279,038,253)	(271,061,003)	(262,255,747)	(222,723,706)	(196,758,949)
Total governmental activities net position	\$ 49,587,224	\$ 11,547,584	\$ (906,103)	\$ (30,180,566)	\$ (155,801,219)	\$ (157,530,953)	\$ (160,306,349)	\$ (150,002,912)	\$ (108,050,134)	\$ (73,387,482)
Business-type activities:										
Net Investment in capital assets	\$ 84,297,573	\$ 83,107,097	\$ 82,294,523	\$ 81,842,002	\$ 79,849,183	\$ 79,014,242	\$ 78,206,312	\$ 74,958,578	\$ 72,396,053	\$ 75,732,711
Unrestricted	479,535	(634,858)	55,359	96,202	(20,118)	(348,276)	(1,265,379)	421,525	556,118	1,562,155
Total business-type activities net position	\$ 84,777,108	\$ 82,472,239	\$ 82,349,882	\$ 81,938,204	\$ 79,829,065	\$ 78,665,966	\$ 76,940,933	\$ 75,380,103	\$ 72,952,171	\$ 77,294,866
Reclassifications:										
Net Investment in capital assets	\$ (43,072,050)	\$ (39,220,834)	\$ (37,614,654)	\$ (33,254,522)	\$ (29,615,115)	\$ (25,890,708)	\$ (21,393,888)	\$ (18,683,446)	\$ (14,445,644)	\$ (9,970,948)
Unrestricted	43,072,050	39,220,834	37,614,654	33,254,522	29,615,115	25,890,708	21,393,888	18,683,446	14,445,644	9,970,948
Total reclassifications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary government:										
Net Investment in capital assets	\$ 126,321,001	\$ 137,700,866	\$ 140,817,541	\$ 139,954,194	\$ 141,614,471	\$ 141,966,985	\$ 142,259,668	\$ 140,634,634	\$ 143,267,282	\$ 152,266,594
Restricted	28,919,622	24,695,909	25,282,712	24,514,807	22,333,791	32,663,849	25,307,410	27,893,333	29,356,699	36,866,636
Unrestricted	(20,876,291)	(68,376,952)	(84,656,474)	(112,711,363)	(239,920,416)	(253,495,821)	(250,932,494)	(243,150,776)	(207,721,944)	(185,225,846)
Total primary government net position	\$ 134,364,332	\$ 94,019,823	\$ 81,443,779	\$ 51,757,638	\$ (75,972,154)	\$ (78,864,987)	\$ (83,365,416)	\$ (74,622,809)	\$ (35,097,963)	\$ 3,907,384

Note: The reclassification is for the debt associated with the construction of Ford Park and for Energy Conservation measures for Ford Park and the Airport. The assets are accounted for in the Business-type activities column and the debt is accounted for in the Governmental activities column.

JEFFERSON COUNTY, TEXAS  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental activities:										
General Government	\$ 42,933,889	\$ 40,203,444	\$ 40,583,261	\$ 44,626,177	\$ 36,877,298	\$ 40,243,871	\$ 40,371,411	\$ 25,978,115	\$ 15,840,118	\$ 20,812,231
Judicial and Law Enforcement	82,058,360	80,018,632	84,656,946	85,700,169	82,243,174	90,143,691	90,135,263	90,685,785	82,657,612	104,105,919
Education and Recreation	1,416,537	1,425,539	1,214,705	1,275,949	1,232,840	1,360,492	1,219,082	1,192,114	1,295,046	1,570,136
Health and Welfare	10,570,568	10,362,461	10,490,353	17,478,616	20,779,392	13,299,080	16,942,064	13,619,698	19,216,823	56,998,278
Maintenance - Equipment and Structures	14,859,687	14,076,436	14,693,137	18,698,878	12,446,937	17,101,085	16,722,371	15,437,913	15,674,637	19,132,255
Interest and Charges on Long-term Debt	1,611,661	1,423,776	1,320,790	1,181,005	1,016,850	1,371,705	1,240,987	1,055,497	844,313	606,216
Total governmental activities expenses	\$ 153,450,702	\$ 147,510,288	\$ 152,959,192	\$ 168,960,794	\$ 154,596,491	\$ 163,519,924	\$ 166,631,178	\$ 147,969,122	\$ 135,528,549	\$ 203,225,035
Business-type activities:										
Airport	\$ 6,943,749	\$ 5,894,518	\$ 5,478,254	\$ 5,492,750	\$ 5,703,795	\$ 5,801,068	\$ 5,194,816	\$ 5,761,526	\$ 7,401,297	\$ 7,888,941
Entertainment Complex	9,760,675	7,752,545	7,510,076	7,286,876	7,515,064	7,226,121	7,298,085	6,243,292	8,109,800	9,190,124
Total Business-type expenses	\$ 16,704,424	\$ 13,647,063	\$ 12,988,330	\$ 12,779,626	\$ 13,218,859	\$ 13,027,189	\$ 12,492,901	\$ 12,004,818	\$ 15,511,097	\$ 17,079,065
Total primary government expenses	\$ 170,155,126	\$ 161,157,351	\$ 165,947,522	\$ 181,740,420	\$ 167,815,350	\$ 176,547,113	\$ 179,124,079	\$ 159,973,940	\$ 151,039,646	\$ 220,304,100
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General Government	\$ 6,234,887	\$ 4,697,503	\$ 5,219,872	\$ 6,211,869	\$ 5,672,872	\$ 7,490,710	\$ 7,992,079	\$ 6,875,215	\$ 7,279,825	\$ 8,814,792
Judicial and Law Enforcement	10,067,596	10,602,406	10,307,890	9,322,352	10,545,334	10,027,836	9,153,446	5,218,486	10,696,598	9,944,859
Education and Recreation	66,517	73,649	13,428	37,096	61,387	64,113	60,233	119,480	182,187	251,398
Health and Welfare	430,032	411,006	401,391	1,471,797	589,599	463,627	521,311	516,103	498,051	46,635,171
Maintenance - Equipment and Structures	5,535,713	5,482,157	5,612,682	5,470,153	6,294,131	6,124,206	5,438,640	5,617,353	5,449,344	5,712,650
Operating grants and contributions	13,417,014	10,935,535	11,359,382	14,563,279	13,995,269	20,646,204	18,734,846	15,657,720	19,179,275	19,392,588
Capital grants and contributions	4,287,420	8,711,241	4,246,945	5,432,451	703,625	715,238	1,558,225	1,007,189	2,704,770	1,023,977
Total governmental activities program revenues	\$ 40,039,179	\$ 40,913,497	\$ 37,161,590	\$ 42,508,997	\$ 37,862,217	\$ 45,531,934	\$ 43,458,780	\$ 35,011,546	\$ 45,990,050	\$ 91,775,435
Business-type activities:										
Charges for services:										
Airport	\$ 4,526,324	\$ 3,493,616	\$ 2,780,094	\$ 3,253,212	\$ 3,281,881	\$ 3,215,924	\$ 2,464,946	\$ 2,887,422	\$ 4,273,919	\$ 4,159,704
Entertainment Complex	5,564,686	3,445,635	3,288,418	3,249,799	3,528,209	3,497,310	3,504,785	2,892,895	4,019,666	5,013,389
Operating grants and contributions	-	-	50,000	50,000	50,000	50,000	1,162,165	2,315,118	2,440,867	2,736,246
Capital grants and contributions	231,418	2,442,839	3,012,750	2,382,339	1,360,827	2,066,091	85,012	790,697	498,841	6,738,811
Total business-type activities program revenues	\$ 10,322,428	\$ 9,382,090	\$ 9,131,262	\$ 8,935,350	\$ 8,220,917	\$ 8,829,325	\$ 7,216,908	\$ 8,886,132	\$ 11,233,293	\$ 18,648,150
Total primary government program revenues	\$ 50,361,607	\$ 50,295,587	\$ 46,292,852	\$ 51,444,347	\$ 46,083,134	\$ 54,361,259	\$ 50,675,688	\$ 43,897,678	\$ 57,223,343	\$ 110,423,585
Net (expense)/revenue										
Governmental activities	\$ (113,411,523)	\$ (106,596,791)	\$ (115,797,602)	\$ (126,451,797)	\$ (116,734,274)	\$ (117,987,990)	\$ (123,172,398)	\$ (112,957,576)	\$ (89,538,499)	\$ (111,449,600)
Business-type activities	(6,381,996)	(4,264,973)	(3,857,068)	(3,844,276)	(4,997,942)	(4,197,864)	(5,275,993)	(3,118,686)	(4,277,804)	1,569,085
Total primary government net expense	\$ (119,793,519)	\$ (110,861,764)	\$ (119,654,670)	\$ (130,296,073)	\$ (121,732,216)	\$ (122,185,854)	\$ (128,448,391)	\$ (116,076,262)	\$ (93,816,303)	\$ (109,880,515)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
Property taxes	\$ 84,616,538	\$ 83,122,853	\$ 80,099,108	\$ 78,728,457	\$ 80,487,467	\$ 82,425,768	\$ 87,216,353	\$ 88,187,762	\$ 92,255,738	\$ 101,052,220
Sales taxes	24,064,857	23,047,286	24,595,048	24,984,470	30,911,766	32,759,242	33,497,873	33,621,425	37,288,969	38,156,787
Alcoholic Beverage Tax	614,384	656,678	673,135	689,240	743,739	753,954	590,925	755,519	912,052	904,098
Hotel Occupancy Tax	1,150,383	1,291,716	1,211,569	1,187,625	1,696,852	1,422,345	1,537,054	1,507,187	1,452,286	1,529,168
County Assistance District Tax	n/a ^	n/a ^	n/a ^	n/a ^	n/a ^	48,980	95,332	76,404	80,676	114,093
Investment earnings	311,546	468,561	353,495	238,304	425,510	1,836,916	1,095,256	217,947	998,493	6,835,413
Miscellaneous	30,355	29,686	27,589	33,113	24,062	31,605	348,503	449,595	39,918	38,994
Transfers	(3,470,353)	(2,594,492)	(3,733,600)	(3,430,561)	(2,868,585)	(3,020,554)	(3,984,294)	(1,554,826)	(1,536,855)	(2,518,521)
<b>Total governmental activities</b>	<b>\$ 107,317,710</b>	<b>\$ 106,022,288</b>	<b>\$ 103,226,344</b>	<b>\$ 102,430,648</b>	<b>\$ 111,420,811</b>	<b>\$ 116,258,256</b>	<b>\$ 120,397,002</b>	<b>\$ 123,261,013</b>	<b>\$ 131,491,277</b>	<b>\$ 146,112,252</b>
Business-type activities:										
Investment earnings	\$ 550	\$ 788	\$ 1,111	\$ 1,516	\$ 4,318	\$ 14,211	\$ 5,955	\$ 2,802	\$ 103,488	\$ 253,510
Miscellaneous	52,457	52,260	-	521	15,900	-	5,276	228	209,529	1,579
Transfers	3,470,353	2,594,492	3,733,600	3,430,561	2,868,585	3,020,554	3,984,294	1,554,826	1,536,855	2,518,521
<b>Total business-type activities</b>	<b>\$ 3,523,360</b>	<b>\$ 2,647,540</b>	<b>\$ 3,734,711</b>	<b>\$ 3,432,598</b>	<b>\$ 2,888,803</b>	<b>\$ 3,034,765</b>	<b>\$ 3,995,525</b>	<b>\$ 1,557,856</b>	<b>\$ 1,849,872</b>	<b>\$ 2,773,610</b>
<b>Total primary government</b>	<b>\$ 110,841,070</b>	<b>\$ 108,669,828</b>	<b>\$ 106,961,055</b>	<b>\$ 105,863,246</b>	<b>\$ 114,309,614</b>	<b>\$ 119,293,021</b>	<b>\$ 124,392,527</b>	<b>\$ 124,818,869</b>	<b>\$ 133,341,149</b>	<b>\$ 148,885,862</b>
<b>Changes in Net Position</b>										
Governmental activities	\$ (6,093,813)	\$ (574,503)	\$ (12,571,258)	\$ (24,021,149)	\$ (5,313,463)	\$ (1,729,734)	\$ (2,775,396)	\$ 10,303,437	\$ 41,952,778	\$ 34,662,652
Business-type activities	(2,858,636)	(1,617,433)	(122,357)	(411,678)	(2,109,139)	(1,163,099)	(1,280,468)	(1,560,830)	(2,427,932)	4,342,695
<b>Total primary government</b>	<b>\$ (8,952,449)</b>	<b>\$ (2,191,936)</b>	<b>\$ (12,693,615)</b>	<b>\$ (24,432,827)</b>	<b>\$ (7,422,602)</b>	<b>\$ (2,892,833)</b>	<b>\$ (4,055,864)</b>	<b>\$ 8,742,607</b>	<b>\$ 39,524,846</b>	<b>\$ 39,005,347</b>

^ District was formed and began collecting sales taxes in FY 2019.

TABLE 3

**JEFFERSON COUNTY, TEXAS**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Alcoholic Beverage Tax</b>	<b>Hotel Occupancy Tax</b>	<b>County Assistance District Tax</b>	<b>Total</b>
2014	\$ 84,616,538	\$ 24,064,857	\$ 614,384	\$ 1,150,383	n/a ^	\$ 110,446,162
2015	83,122,853	23,047,286	656,678	1,291,716	n/a ^	108,118,533
2016	80,099,108	24,595,048	673,135	1,211,569	n/a ^	106,578,860
2017	78,728,457	24,984,470	689,240	1,187,625	n/a ^	105,589,792
2018	80,487,467	30,911,766	743,739	1,696,852	n/a ^	113,839,824
2019	82,425,768	32,759,242	753,954	1,422,345	\$ 48,980	117,410,289
2020	87,216,353	33,497,873	590,925	1,537,054	95,332	122,937,537
2021	88,187,762	33,621,425	755,519	1,507,187	76,404	124,148,297
2022	92,255,738	37,288,969	912,052	1,452,286	80,676	131,989,721
2023	101,052,220	38,156,787	904,098	1,529,168	114,093	141,756,366

^ District was formed and began collecting sales taxes in FY 2019.

TABLE 4

JEFFERSON COUNTY, TEXAS  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (modified accrual basis of accounting)

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund:										
Nonspendable	897,102	873,260	889,865	903,116	926,860	847,849	1,130,195	1,237,726	1,544,576	1,353,542
Assigned	10,082,383	9,952,977	12,478,022	12,922,519	12,736,699	13,494,504	14,938,314	16,809,047	15,141,657	17,857,682
Unassigned	36,284,915	37,054,620	34,142,140	31,652,055	35,632,532	39,868,798	42,701,205	42,916,483	47,771,158	57,413,280
Total general fund	<u>\$ 47,264,400</u>	<u>\$ 47,880,857</u>	<u>\$ 47,510,027</u>	<u>\$ 45,477,690</u>	<u>\$ 49,296,091</u>	<u>\$ 54,211,151</u>	<u>\$ 58,769,714</u>	<u>\$ 60,963,256</u>	<u>\$ 64,457,391</u>	<u>\$ 76,624,504</u>
All other governmental funds:										
Nonspendable	49,781	56,535	32,858	16,396	22,029	67,190	272,086	57,504	9,523	30,844
Restricted	28,846,726	24,613,120	25,229,322	24,490,362	21,973,717	32,082,766	25,035,324	27,868,558	29,347,176	36,789,050
Committed	2,919,885	6,649,085	532,034	-	259,134	3,992,895	172,231	1,199,419	1,054,545	2,055,588
Assigned	1,697,319	1,799,539	1,664,791	1,536,694	-	-	-	-	-	-
Unassigned (Deficit)	(2,925,831)	(4,489,815)	(583,320)	(19,668)	(439,515)	(2,149,518)	(441,774)	(1,764,919)	(2,114,926)	(4,492,991)
Total all other governmental funds	<u>\$ 30,587,880</u>	<u>\$ 28,628,464</u>	<u>\$ 26,875,685</u>	<u>\$ 26,023,784</u>	<u>\$ 21,815,365</u>	<u>\$ 33,993,333</u>	<u>\$ 25,037,867</u>	<u>\$ 27,360,562</u>	<u>\$ 28,296,318</u>	<u>\$ 34,382,491</u>

**JEFFERSON COUNTY, TEXAS**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>REVENUES:</b>										
Property Taxes	\$ 84,262,722	\$ 82,850,758	\$ 80,400,650	\$ 78,856,965	\$ 80,704,782	\$ 82,794,242	\$ 87,564,321	\$ 88,722,128	\$ 92,517,279	\$ 101,094,814
Sales Taxes	25,829,624	24,995,680	26,479,752	26,861,335	33,352,357	34,984,521	35,721,184	35,960,535	39,733,983	40,704,146
Fees	13,811,818	14,337,616	14,111,539	13,562,054	14,702,517	14,065,127	13,170,695	13,604,653	15,380,820	59,926,453
Licenses	480,386	459,198	502,532	437,175	875,585	741,707	722,912	805,528	455,206	477,572
Intergovernmental	18,488,048	16,668,364	16,558,057	17,962,425	14,128,320	19,000,069	18,953,897	14,444,228	22,248,185	20,535,367
Sales, Rental & Services	3,053,808	4,754,414	3,085,858	3,850,471	3,292,213	3,885,848	3,496,591	4,895,024	3,599,628	4,366,312
Fines and Forfeitures	1,900,630	2,120,860	2,081,063	1,905,652	2,824,377	1,974,510	1,698,652	1,690,113	1,731,853	1,482,758
Interest	307,434	478,763	332,235	222,285	395,424	1,860,589	1,086,297	216,675	914,305	6,721,165
Miscellaneous	30,355	29,495	27,589	33,113	24,062	31,605	28,173	31,042	29,918	32,935
Contributions and Donations	184,819	57,842	12,123	31,970	4,362	1,471,149	2,062,787	223,566	38,238	50
Total Revenues	\$ 148,349,644	\$ 146,752,990	\$ 143,591,398	\$ 143,723,445	\$ 150,303,999	\$ 160,809,367	\$ 164,505,509	\$ 160,593,492	\$ 176,649,415	\$ 235,341,572
<b>EXPENDITURES:</b>										
General Government	\$ 22,666,968	\$ 23,786,927	\$ 22,470,110	\$ 24,286,380	\$ 24,215,125	\$ 25,591,885	\$ 26,582,152	\$ 27,804,916	\$ 31,681,053	\$ 35,495,175
Judicial and Law Enforcement	80,101,133	80,546,836	81,871,609	79,315,978	82,172,119	83,964,269	91,197,309	92,849,625	95,438,048	99,498,439
Education and Recreation	1,409,870	1,439,979	1,264,975	1,919,925	1,317,498	1,448,817	1,629,890	1,209,156	1,508,007	2,025,239
Health and Welfare	10,416,839	10,479,518	10,267,776	14,208,718	20,728,899	12,870,996	16,779,028	13,593,349	19,758,966	56,934,407
Maintenance of Structures and Equipment	12,677,678	12,178,205	11,850,940	11,674,025	12,491,590	12,887,696	14,076,969	13,076,323	15,116,178	18,327,245
Capital Outlay	8,270,112	12,829,173	7,818,394	6,039,315	1,987,390	15,363,395	10,740,633	1,256,043	1,501,600	2,378,426
Debt Services										
Principal	4,498,094	4,420,000	4,913,395	5,022,110	3,981,008	3,799,636	4,481,214	4,355,108	4,595,750	4,836,180
Interest and Commission	1,922,689	1,695,044	1,586,336	1,453,179	1,298,050	1,593,007	1,604,116	1,422,992	1,213,850	977,670
Total Expenditures	\$ 141,963,383	\$ 147,375,682	\$ 142,043,535	\$ 143,919,630	\$ 148,191,679	\$ 157,519,701	\$ 167,091,311	\$ 155,567,512	\$ 170,813,452	\$ 220,472,781
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,386,261	\$ (622,692)	\$ 1,547,863	\$ (196,185)	\$ 2,112,320	\$ 3,289,666	\$ (2,585,802)	\$ 5,025,980	\$ 5,835,963	\$ 14,868,791

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>OTHER FINANCING SOURCES (USES):</b>										
Transfer In	\$ 5,310,045	\$ 1,598,717	\$ 1,498,879	\$ 1,521,015	\$ 4,800,783	\$ 4,062,875	\$ 1,179,196	\$ 1,410,775	\$ 1,334,548	\$ 1,484,375
Transfer Out	(8,167,733)	(4,064,677)	(5,169,565)	(4,250,626)	(7,303,121)	(6,884,199)	(3,240,627)	(2,796,931)	(2,740,620)	(3,383,311)
Insurance of SBITA	-	-	-	-	-	-	-	-	-	5,283,431
Capital Lease Obligations	-	1,707,363	-	-	-	-	-	457,860	-	-
Insurance Proceeds	-	-	-	-	-	-	320,330	418,553	-	-
Issuance of Debt	1,340,000	-	-	-	-	15,395,000	-	-	-	-
Premium on Debt Issued	-	-	-	-	-	1,159,686	-	-	-	-
Payment to Refunding Bond Escrow Agent	(1,298,192)	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (2,815,880)</b>	<b>\$ (758,597)</b>	<b>\$ (3,670,686)</b>	<b>\$ (2,729,611)</b>	<b>\$ (2,502,338)</b>	<b>\$ 13,733,362</b>	<b>\$ (1,741,101)</b>	<b>\$ (509,743)</b>	<b>\$ (1,406,072)</b>	<b>\$ 3,384,495</b>
<b>Net Change in Fund Balances</b>	<b>\$ 3,570,381</b>	<b>\$ (1,381,289)</b>	<b>\$ (2,122,823)</b>	<b>\$ (2,925,796)</b>	<b>\$ (390,018)</b>	<b>\$ 17,023,028</b>	<b>\$ (4,326,903)</b>	<b>\$ 4,516,237</b>	<b>\$ 4,429,891</b>	<b>\$ 18,253,286</b>
Debt Service As A Percentage of Noncapital Expenditures	4.7%	4.6%	4.9%	4.7%	3.7%	3.5%	4.0%	3.9%	3.6%	2.8%

**JEFFERSON COUNTY, TEXAS  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Tax	Hotel Occupancy Tax	County Assistance District Tax	Total
2014	\$ 84,262,722	\$ 24,064,857	\$ 614,384	\$ 1,150,383	n/a ^	\$ 110,092,346
2015	82,850,758	23,047,286	656,678	1,291,716	n/a ^	107,846,438
2016	80,400,650	24,595,048	673,135	1,211,569	n/a ^	106,880,402
2017	78,856,965	24,984,470	689,240	1,187,625	n/a ^	105,718,300
2018	80,704,782	30,911,766	743,739	1,696,852	n/a ^	114,057,139
2019	82,794,242	32,759,242	753,954	1,422,345	\$ 48,980	117,778,763
2020	87,564,321	33,497,873	590,925	1,537,054	95,332	123,285,505
2021	88,722,128	33,621,425	755,519	1,507,187	76,404	124,682,663
2022	92,517,279	37,288,969	912,052	1,452,286	80,676	132,251,262
2023	101,094,814	38,156,787	904,098	1,529,168	114,093	141,798,960

^ District was formed and began collecting sales taxes in FY 2019.

TABLE 6

**JEFFERSON COUNTY, TEXAS**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value (a) as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2014	\$ 7,974,453,458	\$ 17,857,917,342	\$ 66,248,570	\$ 6,675,937,170	\$ 6,667,443,764	\$ 25,907,112,776	0.365000	\$ 25,914,410,662	79.55%
2015	8,081,673,579	16,701,727,909	68,532,930	6,926,838,120	6,385,170,071	25,393,602,467	0.365000	25,404,515,574	79.94%
2016	8,279,899,361	17,082,882,495	75,061,930	5,867,214,193	6,399,625,866	24,905,432,113	0.365000	24,916,084,230	79.59%
2017	8,568,478,324	16,366,360,029	79,893,490	5,363,369,718	6,033,364,824	24,344,736,737	0.365000	24,362,151,992	80.20%
2018	8,889,166,293	17,403,345,487	79,433,190	5,725,297,404	7,709,373,774	24,387,868,600	0.364977	24,399,250,958	76.02%
2019	8,730,543,858	17,128,750,951	89,422,160	6,291,014,537	7,921,774,579	24,317,956,927	0.364977	24,325,403,054	75.45%
2020	9,358,201,823	18,275,367,049	81,563,400	6,641,611,442	8,807,616,190	25,549,127,524	0.364977	25,587,225,039	74.48%
2021	9,852,804,731	17,725,271,180	85,760,892	6,461,341,223	9,328,538,631	24,796,639,395	0.364977	24,815,196,078	72.72%
2022	12,133,582,380	16,957,209,512	81,176,376	5,685,262,267	8,934,010,700	25,923,219,835	0.363184	26,654,433,042	76.47%
2023	13,298,445,108	18,069,241,825	92,190,551	6,956,407,510	9,802,337,309	28,613,947,685	0.363184	29,369,753,974	76.45%

146

Source: Jefferson County Appraisal District

Note: Property in the county is reassessed annually. The county assesses property at 100% of actual value for all types of real and personal property.

However, each homestead residential property can only increase by a maximum of 10% in any given year. Estimated actual value is calculated by adding back the loss to the limit on homestead residential properties to the total taxable assessed value. Tax rates are per \$100 of assessed value.

(a) Includes tax-exempt property.

TABLE 7

**JEFFERSON COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING (a) GOVERNMENTS  
LAST TEN FISCAL YEARS**

Fiscal Year	Operating Rate	Debt Service Rate	Total County Rate	Overlapping Rates							Total Direct & Overlapping Rates
				Cities			School Districts				
				Operating Rate	Debt Service Rate	Total City Rate	Operating Rate	Debt Service Rate	Total School Rate	Special Districts	
2014	\$ 0.341	\$ 0.024	\$ 0.365	\$ 0.419	\$ 0.189	\$ 0.608	\$ 1.058	\$ 0.235	\$ 1.293	\$ 0.193	\$ 2.459
2015	0.340	0.025	0.365	0.430	0.186	0.616	1.059	0.244	1.303	0.203	2.487
2016	0.342	0.023	0.365	0.441	0.175	0.616	1.059	0.259	1.318	0.206	2.505
2017	0.339	0.026	0.365	0.422	0.147	0.569	1.059	0.267	1.326	0.203	2.463
2018	0.345	0.020	0.365	0.426	0.150	0.576	1.099	0.238	1.337	0.201	2.479
2019	0.346	0.019	0.365	0.488	0.145	0.633	1.117	0.236	1.353	0.308	2.659
2020	0.342	0.023	0.365	0.443	0.140	0.583	1.015	0.284	1.299	0.231	2.478
2021	0.341	0.024	0.365	0.443	0.134	0.577	1.002	0.304	1.306	0.223	2.471
2022	0.341	0.022	0.363	0.411	0.116	0.527	0.949	0.333	1.282	0.211	2.383
2023	0.343	0.020	0.363	0.393	0.115	0.508	0.916	0.340	1.256	0.199	2.326

Source: Jefferson County Tax Assessor Collector

(a) Overlapping rates are those of local governments that apply to property owners within Jefferson County. Not all overlapping rates apply to all Jefferson County property owners. (e.g., the rates for special districts apply only to the proportion of the County's property owners whose property is located within the geographic boundaries of the special district.)

Note: Rates are per \$100 of taxable value. Rates for overlapping entities are an average tax rate of all cities (7), school districts (7), and special districts (14) located within Jefferson County. For fiscal year 2023, total rates ranged between .147 and .691 for cities, 1.148 and 1.583 for school districts, and .019 and .543 for special districts.

TABLE 8

**JEFFERSON COUNTY, TEXAS  
PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayers	2023			2014		
	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value
ExxonMobil Oil Corporation	\$ 2,352,935,900	1	8.22%	\$ 2,309,873,672	2	8.92%
Motiva Refinery	1,887,418,313	2	6.60%	5,376,213,660	1	20.75%
Premcor Refining Group Inc	1,127,165,463	3	3.94%	1,301,592,044	3	5.02%
Enterprise Texas Pipeline LP	674,821,719	4	2.36%	268,134,700	10	1.03%
Total Petrochemicals USA	579,132,364	5	2.02%	856,734,540	4	3.31%
Entergy Texas Inc.	554,978,315	6	1.94%	286,743,290	9	1.11%
Sunoco Partners Mktg & Term LP	437,846,338	7	1.53%	357,468,990	6	1.38%
Golden Pass Pipeline LLC	425,452,104	8	1.49%	-	-	-
Indorama Ventures Oxides LLC	354,009,295	9	1.24%	-	-	-
Phillips 66 Gulf Coast Prop LLC	334,181,595	10	1.17%	-	-	-
Huntsman Petrochemical Corp	-	-	-	432,061,860	5	1.67%
Chevron Phillips Chemical Co	-	-	-	336,674,350	8	1.30%
BASF-Atofina Joint Venture	-	-	-	336,886,140	7	1.30%
<b>TOTAL</b>	<b>\$8,727,941,406</b>		<b>30.51%</b>	<b>\$11,862,383,246</b>		<b>45.79%</b>

Source: Jefferson County Appraisal District.

(b) Amounts shown for these taxpayers do not include assessed values attributable to certain subsidiaries and affiliates which are not grouped on the tax roll with the taxpayers shown.

TABLE 9

**JEFFERSON COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 92,549,226	\$ 91,329,673	98.68%	\$ 984,160	\$ 92,313,833	99.75%
2015	90,436,218	89,246,776	98.68%	933,479	90,180,255	99.72%
2016	88,882,647	87,788,574	98.77%	797,196	88,585,770	99.67%
2017	87,377,275	86,272,257	98.74%	801,115	87,073,372	99.65%
2018	87,845,322	86,900,639	98.92%	602,632	87,503,271	99.61%
2019	83,599,166	82,230,903	98.36%	967,539	83,198,442	99.52%
2020	87,908,494	86,812,624	98.75%	614,434	87,427,058	99.45%
2021	87,887,816	86,846,043	98.81%	481,192	87,327,235	99.36%
2022	91,685,215	90,519,594	98.73%	41,258	90,560,852	98.77%
2023	101,383,259	99,455,205	98.10%	-	99,455,205	98.10%

TABLE 10

**JEFFERSON COUNTY, TEXAS  
RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	SBITA Liability	Financing Arrangements	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2014	\$ 49,281,192	\$ -	\$ -	\$ 49,281,192	0.49%	\$ 195
2015	44,444,323	-	1,707,363	46,151,686	0.46%	\$ 183
2016	39,437,454	-	1,383,968	40,821,422	0.38%	\$ 161
2017	34,337,146	-	1,051,858	35,389,004	0.31%	\$ 139
2018	30,319,638	-	710,850	31,030,488	0.27%	\$ 121
2019	43,027,646	-	361,214	43,388,860	0.35%	\$ 170
2020	38,472,633	-	-	38,472,633	0.27%	\$ 153
2021	33,767,620	-	372,752	34,140,372	0.26%	\$ 133
2022	28,817,607	-	292,002	29,109,609	0.21%	\$ 115
2022	23,637,594	4,655,432	200,822	28,493,848	0.20%	\$ 114

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

(a) See the Schedule of Demographic and Economics Statistics in Table 14 for personal income and population data.

TABLE 11

**JEFFERSON COUNTY, TEXAS  
RATIO OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Fund	Total	Percentage of Estimated Actual Taxable Value (a) of Property	Per Capita (b)
151 2014	\$ 49,281,192	\$ 1,010,241	\$ 48,270,951	0.19%	\$ 191
2015	44,444,323	1,096,051	43,348,272	0.17%	172
2016	39,437,454	602,071	38,835,383	0.15%	153
2017	34,337,146	700,149	33,636,997	0.14%	132
2018	30,319,638	550,264	29,769,374	0.12%	116
2019	43,027,646	450,811	42,576,835	0.18%	167
2020	38,472,633	205,094	38,267,539	0.15%	152
2021	33,767,620	434,551	33,333,069	0.13%	130
2022	28,817,607	477,012	28,340,595	0.11%	112
2023	23,637,594	496,853	23,140,741	0.08%	92

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

(a) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property in Table 6 for property value data.

(b) See the Schedule of Demographic and Economics Statistics in Table 14 for population data.

TABLE 12

**JEFFERSON COUNTY, TEXAS**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF SEPTEMBER 30, 2023**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
JEFFERSON COUNTY DIRECT DEBT	\$28,493,848	100.0%	\$28,493,848
<b>Total Direct Debt</b>			<b>\$28,493,848</b>
OVERLAPPING DEBT REPAYED WITH PROPERTY TAXES:			
CITIES:			
BEAUMONT	189,645,000	100.0%	189,645,000
BEVIL OAKS	-	100.0%	-
GROVES	11,060,000	100.0%	11,060,000
NEDERLAND	12,720,000	100.0%	12,720,000
PORT ARTHUR	133,170,000	100.0%	133,170,000
PORT NECHES	18,850,000	100.0%	18,850,000
TAYLOR LANDING	-	100.0%	-
SCHOOL DISTRICTS:			
BEAUMONT	223,990,000	100.0%	223,990,000
HAMSHIRE FANNETT	49,910,000	100.0%	49,910,000
HARDIN JEFFERSON	48,315,000	52.9%	25,558,635
NEDERLAND	139,340,000	100.0%	139,340,000
PORT ARTHUR	339,655,000	100.0%	339,655,000
PORT NECHES	187,315,000	100.0%	187,315,000
SABINE PASS	72,710,883	100.0%	72,710,883
PORT DISTRICTS:			
BEAUMONT	68,615,000	100.0%	68,615,000
PORT ARTHUR	90,740,000	100.0%	90,740,000
SABINE PASS	8,245,362	100.0%	8,245,362
DRAINAGE DISTRICTS:			
DRAINAGE DISTRICTS #3	-	100.0%	-
DRAINAGE DISTRICTS #6	-	100.0%	-
DRAINAGE DISTRICTS #7	12,710,000	100.0%	12,710,000
NAVIGATION DISTRICTS:			
SABINE NECHES	199,175,000	100.0%	199,175,000
MUNICIPAL UTILITY DISTRICTS:			
NORTHWEST FOREST	-	100.0%	-
WATER DISTRICTS:			
WATER DISTRICT #10	6,540,000	100.0%	6,540,000
EMERGENCY SERVICE DISTRICTS:			
EMERGENCY SERVICE DISTRICT #1	-	100.0%	-
EMERGENCY SERVICE DISTRICT #2	-	100.0%	-
EMERGENCY SERVICE DISTRICT #3	-	100.0%	-
EMERGENCY SERVICE DISTRICT #4	-	100.0%	-
CONSERVATION DISTRICTS:			
TRINITY BAY	-	1.0%	-
IMPROVEMENT DISTRICT:			
CARDINAL MEADOWS	-	100.0%	-
<b>Total Overlapping Debt</b>			<b>\$1,789,949,880</b>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<b>\$1,818,443,728</b>

Sources: Debt outstanding data was provided by each of the taxing entities.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Jefferson County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of taxing entity that is within the County's boundaries and dividing it by the taxing entity's total taxable assessed value.

TABLE 13

**JEFFERSON COUNTY, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 6,458,093	\$ 6,195,850	\$ 6,340,696	\$ 6,233,710	\$ 6,573,128	\$ 6,464,824	\$ 6,908,392	\$ 6,894,519	\$ 7,272,698	\$ 7,841,922
Total net debt applicable to limit	44,070	39,564	35,468	30,680	27,190	39,234	35,360	30,860	26,303	21,538
Legal debt margin	<u>\$ 5,531,634</u>	<u>\$ 6,414,023</u>	<u>\$ 6,156,286</u>	<u>\$ 6,305,228</u>	<u>\$ 6,203,030</u>	<u>\$ 6,545,938</u>	<u>\$ 6,425,590</u>	<u>\$ 6,863,659</u>	<u>\$ 7,246,395</u>	<u>\$ 7,820,384</u>
Total net debt applicable to the limit as a percentage of debt limit	1.18%	0.87%	0.68%	0.64%	0.56%	0.49%	0.41%	0.45%	0.36%	0.27%

**Legal Debt Margin Calculation for Fiscal Year 2023**

Assessed Value of Real Property	\$ 31,367,687
Debt limit (25% of assessed value of real property)	7,841,922
Debt applicable to limit:	
General obligation bonds	22,035
Less: Amount set aside for repayment of general obligation debt	497
Total net debt applicable to limit	<u>\$ 21,538</u>
Legal debt margin	<u>\$ 7,820,384</u>

Note: Under Article III, Section 52 of the State Constitution, Jefferson County's outstanding general obligation debt should not exceed 25% of assessed valuation of real property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

TABLE 14

**JEFFERSON COUNTY, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	Population (a)	Personal Income (amounts expressed in thousands)	Per Capita Personal Income (a)	Median Age (a)	School Enrollment (a)	Unemployment Rate (b)
2014	252,358	\$ 10,083,721	\$ 39,958	35.9	63,350	7.8%
2015	252,235	\$ 9,971,354	\$ 39,532	35.9	61,768	6.6%
2016	254,308	\$ 10,809,362	\$ 42,505	35.9	60,809	7.4%
2017	254,679	\$ 11,451,641	\$ 44,965	36.0	59,927	8.5%
2018	256,299	\$ 11,524,485	\$ 44,965	36.0	59,927	6.2%
2019	255,001	\$ 12,358,113	\$ 48,463	36.0	59,845	5.6%
2020	251,565	\$ 14,036,572	\$ 55,797	37.1	59,784	13.1%
2021	256,526	\$ 13,146,444	\$ 51,248	37.1	59,784	8.3%
2022	253,704	\$ 13,601,833	\$ 53,613	36.3	47,418	6.6%
2023	250,830	\$ 14,371,054	\$ 57,294	36.9	44,017	6.2%

Data sources

(a) Bureau of Census

(b) Texas Workforce Commission

TABLE 15

JEFFERSON COUNTY, TEXAS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
State of Texas	3,896	1	4.01%	5,000	1	4.75%
Beaumont ISD	2,235	2	2.30%	2,385	2	2.27%
ExxonMobil Oil Corporation	2,141	3	2.21%	2,000	3	1.90%
Christus Health Southeast Texas	1,748	4	1.80%	1,734	4	1.65%
Motiva Enterprises	1,672	5	1.72%	1,575	5	1.50%
Memorial Hermann Baptist Hospital	1,571	6	1.62%	1,100	9	1.05%
Port Arthur ISD	1,443	7	1.49%	1,274	7	1.21%
City of Beaumont	1,253	8	1.29%	1,321	6	1.26%
Jefferson County	1,082	9	1.11%	1,206	8	1.15%
Valero	834	10	0.86%	829	10	0.79%
TOTAL	<u>17,875</u>		<u>18.41%</u>	<u>18,424</u>		<u>17.53%</u>

Source: Employment numbers provided by each entity

**JEFFERSON COUNTY, TEXAS**  
**FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

Function	Full-time Equivalent Employees as of September 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	165	165	168	155	161	163	157	157	152	153
Judicial & Law Enforcement										
Deputies	138	143	146	148	145	141	135	134	136	138
Detention Officers	238	237	237	231	232	230	221	216	205	193
Others	443	440	439	415	419	413	409	410	391	396
Education & Recreation	15	15	15	12	14	15	13	15	14	15
Health & Welfare	60	60	61	52	59	58	57	52	59	53
Maintenance - Equipment & Structures										
Road & Bridges	64	60	64	61	64	68	65	65	66	63
Engineering	10	10	10	9	10	10	9	10	9	9
Maintenance	27	28	28	25	26	26	27	27	27	25
Jack Brooks Regional Airport	25	24	24	24	24	23	25	24	24	23
Ford Park	21	20	21	22	22	19	12	15	15	14
<b>TOTAL</b>	<u>1,206</u>	<u>1,202</u>	<u>1,213</u>	<u>1,154</u>	<u>1,176</u>	<u>1,166</u>	<u>1,130</u>	<u>1,125</u>	<u>1,098</u>	<u>1,082</u>

Sources: County and Ford Park payroll records

**JEFFERSON COUNTY, TEXAS  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	FISCAL YEAR									
	2014	2015	2016	2017	2018	2019	2020*	2021*	2022	2023
Judicial & Law Enforcement										
Courts										
Number of Indigent Cases Heard	3,392	3,727	3,969	3,252	2,944	3,336	2,751	4,202	4,548	3,787
Number of Justice of Peace Cases	41,359	33,717	28,130	31,835	33,428	36,461	26,313	26,381	25,633	23,670
Sheriff										
Number of Arrests	5,517	5,730	5,337	4,644	5,227	5,159	3,045	3,054	2,769	2,567
Number of Citations	1,558	1,615	1,861	2,231	2,240	2,970	1,994	1,887	1,952	1,675
Jail										
Average Daily Population of Inmates	855	830	819	731	713	752	732	920	872	825
Constables										
Number of Papers Served	17,348	18,276	16,618	16,561	15,831	16,053	11,965	12,555	12,323	22,235
Education & Recreation										
Visitor Center										
Number of Visitors	64,440	66,230	53,050	64,536	58,938	46,661	-	11,746	22,537	23,522
Health & Welfare										
Health & Welfare										
Number of Patients Seen in Clinic	11,314	10,508	10,401	11,937	8,508	8,794	7,936	7,494	8,921	9,009
Mosquito Control										
Number of Acreage Sprayed	1,048,256	563,520	839,680	594,148	789,504	451,840	377,856	150,528	603,648	412,160
Maintenance - Equipment & Structures										
Road & Bridge										
Road Miles Maintained	370	369	369	366	366	376	371	373	374	374
Airport										
Number of Aircraft Operations	19,109	15,462	14,842	15,757	17,755	18,310	16,863	17,945	16,932	22,396
Number of Enplaned	36,605	34,879	27,245	24,934	25,514	28,498	10,098	15,506	23,807	23,628
Number of Deplaned	35,340	34,517	28,098	24,467	24,705	27,619	9,700	15,190	23,334	22,696
Health Insurance Risk Pool										
Number of Participants in Plan	1,807	1,652	1,667	1,702	1,722	1,734	1,743	1,739	1,760	1,769
Entertainment Complex										
Number of Events	174	170	183	40	102	99	91	92	99	94
Total Attendance	650,089	303,562	336,555	348,710	361,468	302,903	125,722	186,613	313,460	304,099

Sources: Various county departments  
Note: Indicators are not available for the general government functions.

\* COVID-19 Pandemic

TABLE 18

**JEFFERSON COUNTY, TEXAS  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	FISCAL YEAR									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Judicial & Law Enforcement										
Sheriff										
Patrol Units	121	123	141	132	142	141	139	133	137	139
Aviation Units	3	3	3	4	4	4	4	4	4	4
Marine Units	11	11	10	10	10	10	10	12	10	10
Jail										
Dorms	23	23	23	23	23	23	24	24	24	24
Bed Capacity	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268
Constables										
Patrol Units	32	32	34	28	33	24	24	22	24	29
Health & Welfare										
Mosquito Control										
Mosquito Spray Trucks	8	8	8	8	8	8	8	8	8	8
Weed Control Trucks	2	2	2	2	2	2	2	2	2	2
Aviation Units	3	3	3	3	3	3	3	3	3	3
Maintenance - Equipment & Structures										
Road (miles)	370	369	369	366	366	376	371	373	374	374
Bridges	65	65	65	65	65	65	65	65	65	65
Airport										
Runways (linear feet)	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820
T-Hangar & Open Span Hangars (square feet)	150,470	150,470	150,470	150,470	150,470	108,270	108,270	108,270	108,270	108,270
Office Space (square feet)	43,850	43,850	45,850	45,850	45,850	44,304	44,304	44,304	44,304	44,304
Entertainment Complex										
Number of venues	5	5	5	5	5	5	5	5	5	5
Softball Fields	12	12	12	12	12	12	12	12	12	12
Exhibit Floor Space (square feet)	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000
Seating Capacity	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500

Sources: Various county departments

Note: Indicators are not available for the general government function.

