

**FALLS COUNTY, TEXAS  
ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended  
September 30, 2023**



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## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR’S REPORT

To the Honorable County Judge and  
Commissioners’ Court  
Falls County, Texas

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the cash-basis financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Falls County, Texas (the “County”), as of and for the year 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 referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities and the major funds of the County as of September 30, 2023, and the respective changes in cash-basis financial position for the year then ended in accordance with the basis of accounting described in Note A.

#### *Basis for Opinion*

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 opinion.

#### *Emphasis of Matter – Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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

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

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-8 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 cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2024, on our consideration of Falls County, Texas internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Falls County, Texas internal control over financial reporting and compliance.

*P. Andrew Hall, LLC*

P. Andrew Hall, LLC  
May 30, 2024

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



**FALLS COUNTY, TEXAS  
MANAGEMENT DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

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As management of Falls County, Texas, we offer readers of Falls County, Texas' cash-basis financial statements this narrative overview and analysis of the financial activities of Falls County, Texas for the fiscal year ended September 30, 2023.

**Financial Highlights**

The assets and equity of Falls County, Texas at the close of the most recent fiscal year are \$11,159,216 (net position). Of this amount, \$6,739,293 or 60% (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net position increased by \$3,027,533. This increase is mainly attributable to excess sales tax revenue and careful budget management.

Falls County, Texas' total restricted net position on September 30, 2023, is \$4,419,923 or 40% of net position. This was a decrease of \$1,152,050 from the previous year. This increase is mainly attributable to excess sales tax revenue and careful budget management.

**Overview of the Financial Statements**

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Falls County's finances.

The *statement of net position* presents information of Falls County, Texas' cash and investments and cash basis - net position. The reported change in financial condition is a change in cash position and not a change in the economic condition of Falls County, Texas.

The statement of activities presents information showing how Falls County, Texas' net position changed during the most recent fiscal year. All changes in net position are reported as cash receipts are received, and disbursements are made. Thus, receipts and disbursements are reported in these statements.

The governmental activities on the government-wide financial statements of Falls County, Texas are principally supplied by taxes and intergovernmental receipts. The governmental activities of Falls County, Texas include general government, legal, health and welfare, judicial, public safety, culture and recreation, roads and bridges and principal and interest on long-term debt.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Falls County, Texas, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of Falls County, Texas can be divided into two categories: governmental funds and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Falls County, Texas maintains thirty-six (36) individual governmental funds.

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.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of receipts, disbursements, and changes in cash basis fund balances for the General, Road and Bridge, Farm to Market Lateral Road, Falls County Renovation Grant funds, and the Grant fund, all of which are major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Falls County Commissioners Court adopts an annual appropriated budget for its General, Road and Bridge, and Farm to Market Lateral Road Funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

**FALLS COUNTY, TEXAS  
MANAGEMENT DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

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**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to supplement Falls County's own programs.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents combining fund statements that further support the information in the financial statements. The combining fund statements and schedules for non-major funds are presented immediately following the required supplementary schedule.

**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 Falls County, cash, and net position were \$11,159,216 at the close of the most recent fiscal year.

	Governmental Activities	
	2023	2022
Current and Other Assets	\$ 11,159,216	\$ 8,131,683
Total Assets	11,159,216	8,131,683
Restricted	4,419,923	5,571,973
Unrestricted	6,739,293	2,559,710
Total Net position	\$ 11,159,216	\$ 8,131,683

A portion of Falls County, Texas' net position (40 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$6,739,293) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Falls County, Texas can report positive balances in all categories of net position, both for the government, as well as for its separate governmental activities.

The government's total net position increased by \$3,027,533. This increase is mainly attributable to excess sales tax revenue and careful budget management.

**Governmental activities:** There were no business-type activities so any analysis regarding governmental activities will be the same as the analysis of the Government-wide Financial Analysis. Governmental activities total net position increased by \$3,027,533. This increase is mainly attributable to excess sales tax revenue and careful budget management.

**FALLS COUNTY, TEXAS  
MANAGEMENT DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

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**CHANGE IN NET POSITION - CASH BASIS**

	Governmental Activities	
	2023	2022
Receipts:		
Program Receipts:		
Charges for Services	\$ 1,460,694	\$ 1,530,169
Operating Grants and Contributions	572,533	2,014,897
Capital Grants and Contributions	-	828,203
General Receipts:		
Maintenance and Operations Taxes	9,776,467	9,087,337
Sales Taxes	1,505,427	600,614
Other Taxes	6,180	12,459
Unrestricted Investment Earnings	501,734	25,210
Miscellaneous	1,676,869	646,191
Total Revenue	15,499,904	14,745,080
Disbursements:		
General Administration	3,271,032	3,176,682
Legal	292,006	321,555
Judicial	554,421	594,813
Financial Administration	544,438	503,627
Public Facilities	133,306	1,101,355
Public Safety	2,410,647	2,661,104
Public Transportation	4,002,769	3,389,768
Culture and Recreation	23,748	21,174
Health and Welfare	883,540	383,607
Conservation - Agriculture	92,033	85,189
Equipment	-	43,912
Principal, Interest and Fiscal Charges	264,431	267,181
Total Disbursements	12,472,371	12,549,967
Increase in Net Position before	3,027,533	2,195,113
Net Position - Beginning of Year	8,131,683	5,936,570
Net Position - End of Year	\$ 11,159,216	\$ 8,131,683

**FALLS COUNTY, TEXAS  
MANAGEMENT DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

**STATEMENT OF ACTIVITIES**

Functions/Programs	Disbursements	Program Receipts		
		Operating Charges for Services	Grants and Contributions	Capital Grants and Contributions
Primary government				
Government activities:				
General Administration	\$ 3,271,032	\$ 580,613	\$ 461,848	\$ -
Legal	292,006	27,102	-	-
Judicial	554,421	199,615	-	-
Financial Administration	544,438	-	-	-
Public Facilities	133,306	-	3,300	-
Public Safety	2,410,647	23,705	69,580	-
Public Transportation	4,002,769	583,563	37,805	-
Culture and Recreation	23,748	-	-	-
Health and Welfare	883,540	-	-	-
Conservation - Agriculture	92,033	46,096	-	-
Principal, Interest and Fiscal Charges	264,431	-	-	-
Total government activities	<u>\$ 12,472,371</u>	<u>\$ 1,460,694</u>	<u>\$ 572,533</u>	<u>\$ -</u>

Receipts by source - Governmental Activities

	Receipts	%
Charges for Services	\$ 1,460,694	9%
Operating Grants and Contributions	572,533	4%
Capital Grants and Contributions	-	0%
Maintenance and Operations Taxes	9,776,467	63%
Sales Taxes	1,505,427	10%
Other Taxes	6,180	0%
Unrestricted Investment Earnings	501,734	3%
Miscellaneous	1,676,869	11%
	<u>\$15,499,904</u>	<u>100.00%</u>

For the most part, the increases and decreases in expenses closely paralleled inflation and growth in the demand for services.

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

As noted earlier, Falls County's uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of Falls County's *governmental funds* is to provide information on cash receipts and disbursements.

At the end of fiscal year 2023, Falls County's *governmental funds* reported combined ending cash basis fund balances of \$11,159,216, an increase of \$3,027,533 in comparison with the prior year. Governmental Funds total net position increased by \$3,027,533. This increase is mainly attributable to excess sales tax revenue and careful budget management.

The General Fund is the chief operating fund of Falls County. At the end of fiscal year 2023, the General Fund had an ending cash basis fund balance of \$4,310,070. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance of \$4,310,070 to total fund expenditures. Unassigned cash basis fund balance represents 61% of total General Fund disbursements.

**FALLS COUNTY, TEXAS  
MANAGEMENT DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

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The fund balance of Falls County's General Fund increased by \$1,991,895 during 2023. This increase is primarily due to careful budget management.

The Road and Bridge Fund had an ending fund balance of \$1,054,739, an increase of \$320,191, and the Farm-to-Market Lateral Road Fund ending fund balance was \$1,027,890, a decrease of \$181,377. The increase in the Road and Bridge Fund was primarily due to increased property tax receipts of \$210,846 and the decrease in the Farm-to-Market Lateral Road Fund was due to an increase in gravel expenditures. The cash basis fund balance represents 56% of total Road and Bridge Fund disbursements and 46% of total Farm-to-Market Lateral Road Fund disbursements.

There is no analysis of the Falls County Renovation Grant fund and the Grant fund because they are construction and rehabilitation funds making comparison illusory in nature.

**Budgetary Highlights:**

The was no difference between the original budget and the final amended budget in the general fund.

**Economic Factors:**

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the County. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

**Requests for Information**

This financial report is designed to provide our citizen's taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the funds it receives. If questions are encountered regarding this report; contact the Falls County Auditor's Office, 125 Bridge Room, Marlin, TX. 76661.

## **BASIC FINANCIAL STATEMENTS**

**FALLS COUNTY, TEXAS**  
**STATEMENT OF NET POSITION - CASH BASIS**  
**SEPTEMBER 30, 2023**

	Primary Government	
	Governmental Activities	Total
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 9,351,156	\$ 9,351,156
Investments	1,808,060	1,808,060
Total Assets	\$ 11,159,216	\$ 11,159,216
 <b>NET POSITION - CASH BASIS</b>		
Restricted		
Administration	\$ 1,594,872	\$ 1,594,872
Culture and Recreation	2,450	2,450
Debt Service	68,510	68,510
Elections	50,290	50,290
Judicial	519,189	519,189
Legal	20,534	20,534
Public Facilities	5,500	5,500
Public Safety	75,949	75,949
Public Transportation	2,082,629	2,082,629
Unrestricted	6,739,293	6,739,293
Total Net Position - Cash Basis	\$ 11,159,216	\$ 11,159,216

The accompanying notes are an integral part of these statements.

**FALLS COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES - CASH BASIS**  
**YEAR ENDED SEPTEMBER 30, 2023**

Functions/ Programs	Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in	
					Governmental Activities	Total
Primary government						
Government activities:						
General Administration	\$ 3,271,032	\$ 580,613	\$ 461,848	\$ -	\$ (2,228,571)	\$ (2,228,571)
Legal	292,006	27,102	-	-	(264,904)	(264,904)
Judicial	554,421	199,615	-	-	(354,806)	(354,806)
Financial Administration	544,438	-	-	-	(544,438)	(544,438)
Public Facilities	133,306	-	3,300	-	(130,006)	(130,006)
Public Safety	2,410,647	23,705	69,580	-	(2,317,362)	(2,317,362)
Public Transportation	4,002,769	583,563	37,805	-	(3,381,401)	(3,381,401)
Culture and Recreation	23,748	-	-	-	(23,748)	(23,748)
Health and Welfare	883,540	-	-	-	(883,540)	(883,540)
Conservation - Agriculture	92,033	46,096	-	-	(45,937)	(45,937)
Debt Service						
Principal, Interest and Fiscal Charges	264,431	-	-	-	(264,431)	(264,431)
Total government activities	12,472,371	1,460,694	572,533	-	(10,439,144)	(10,439,144)
Total Primary Government	\$ 12,472,371	\$ 1,460,694	\$ 572,533	\$ -	\$ (10,439,144)	\$ (10,439,144)
General Receipts						
Property Taxes, Levies for General Purposes					\$ 9,776,467	\$ 9,776,467
Sales Taxes					1,505,427	1,505,427
Other Taxes					6,180	6,180
Unrestricted Investment Earnings					501,734	501,734
Miscellaneous					1,676,869	1,676,869
Transfers					-	-
Total General Receipts and Transfers					13,466,677	13,466,677
Change in Net Position - Cash Basis					3,027,533	3,027,533
Net Position - Cash Basis - Beginning					8,131,683	8,131,683
Net Position - Cash Basis - Ending					\$ 11,159,216	\$ 11,159,216

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



**FALLS COUNTY, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS - CASH BASIS**  
**SEPTEMBER 30, 2023**

	General Fund	Road and Bridge	F.M. Lateral Road Fund	American Rescue Plan	Budget Stabilization	Non-major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 4,310,070	\$ 1,054,739	\$ 1,027,890	\$ 1,471,472	\$ 203,202	\$ 1,283,783	\$ 9,351,156
Investments	-	-	-	-	1,808,060	-	1,808,060
Total Assets	<u>\$ 4,310,070</u>	<u>\$ 1,054,739</u>	<u>\$ 1,027,890</u>	<u>\$ 1,471,472</u>	<u>\$ 2,011,262</u>	<u>\$ 1,283,783</u>	<u>\$ 11,159,216</u>
<b>FUND BALANCES:</b>							
Fund Balances:							
Restricted							
Administration	-	-	-	1,471,472	-	123,400	1,594,872
Culture and Recreation	-	-	-	-	-	2,450	2,450
Debt Service	-	-	-	-	-	68,510	68,510
Elections	-	-	-	-	-	50,290	50,290
Judicial	-	-	-	-	-	519,189	519,189
Legal	-	-	-	-	-	20,534	20,534
Public Facilities	-	-	-	-	-	5,500	5,500
Public Safety	-	-	-	-	-	75,949	75,949
Public Transportation	-	1,054,739	1,027,890	-	-	-	2,082,629
Committed							
Cemetery	-	-	-	-	-	278	278
Equipment Replacement	-	-	-	-	-	317,665	317,665
Unassigned	4,310,070	-	-	-	2,011,262	100,018	6,421,350
Total Fund Balance	<u>4,310,070</u>	<u>1,054,739</u>	<u>1,027,890</u>	<u>1,471,472</u>	<u>2,011,262</u>	<u>1,283,783</u>	<u>11,159,216</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,310,070</u>	<u>\$ 1,054,739</u>	<u>\$ 1,027,890</u>	<u>\$ 1,471,472</u>	<u>\$ 2,011,262</u>	<u>\$ 1,283,783</u>	<u>\$ 11,159,216</u>

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

**FALLS COUNTY, TEXAS**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS - CASH BASIS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	General Fund	Road and Bridge	F.M. Lateral Road Fund	American Rescue Plan	Budget Stabilization	Non-major Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>							
Taxes							
Property	\$ 6,357,492	\$ 1,571,689	\$ 1,447,939	\$ -	\$ 47,232	\$ 352,115	\$ 9,776,467
Sales	640,322	-	-	-	865,105	-	1,505,427
Other	6,180	-	-	-	-	-	6,180
Intergovernmental	50,366	37,805	-	-	-	484,362	572,533
Licenses and Permits	-	583,563	-	-	-	-	583,563
Charges for Services	498,409	-	-	-	-	179,107	677,516
Fines and Forfeitures	192,054	-	-	-	-	7,561	199,615
Interest	327,920	-	50,862	112,227	3,895	6,830	501,734
Miscellaneous	1,137,145	1,500	287,059	-	95,000	156,165	1,676,869
Total Receipts	<u>9,209,888</u>	<u>2,194,557</u>	<u>1,785,860</u>	<u>112,227</u>	<u>1,011,232</u>	<u>1,186,140</u>	<u>15,499,904</u>
<b>DISBURSEMENTS</b>							
Current:							
General Administration	2,611,706	-	-	26,837	-	632,489	3,271,032
Legal	292,006	-	-	-	-	-	292,006
Judicial	531,667	-	-	-	-	22,754	554,421
Financial Administration	544,438	-	-	-	-	-	544,438
Public Facilities	130,006	-	-	-	-	3,300	133,306
Public Safety	2,332,759	-	-	-	-	77,888	2,410,647
Public Transportation	-	1,874,366	1,604,483	523,920	-	-	4,002,769
Culture and Recreation	23,748	-	-	-	-	-	23,748
Health and Welfare	505,983	-	-	377,557	-	-	883,540
Conservation - Agriculture	92,033	-	-	-	-	-	92,033
Debt Service	-	-	-	-	-	-	-
Principal, Interest and Fiscal Charges	-	-	-	-	-	264,431	264,431
Total Disbursements	<u>7,064,346</u>	<u>1,874,366</u>	<u>1,604,483</u>	<u>928,314</u>	<u>-</u>	<u>1,000,862</u>	<u>12,472,371</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	2,145,542	320,191	181,377	(816,087)	1,011,232	185,278	3,027,533
<b>OTHER FINANCING SOURCES (USES):</b>							
Other Financing Sources							
Operating Transfers In	-	-	-	-	1,000,030	1,002,686	2,002,716
Operating Transfers Out	(153,647)	-	-	(1,000,030)	-	(849,039)	(2,002,716)
Total Other Financing Sources (Uses)	<u>(153,647)</u>	<u>-</u>	<u>-</u>	<u>(1,000,030)</u>	<u>1,000,030</u>	<u>153,647</u>	<u>-</u>
Net Changes in Fund Balances	1,991,895	320,191	181,377	(1,816,117)	2,011,262	338,925	3,027,533
Fund Balances - Beginning	2,318,175	734,548	846,513	3,287,589	-	944,858	8,131,683
Fund Balances - Ending	<u>\$ 4,310,070</u>	<u>\$ 1,054,739</u>	<u>\$ 1,027,890</u>	<u>\$ 1,471,472</u>	<u>\$ 2,011,262</u>	<u>\$ 1,283,783</u>	<u>\$ 11,159,216</u>

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

**FALLS COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>RECEIPTS</b>				
Taxes				
Property	\$ 6,188,977	\$ 6,188,977	\$ 6,357,492	\$ 168,515
Sales	520,000	520,000	640,322	120,322
Other	12,500	12,500	6,180	(6,320)
Intergovernmental	66,193	66,193	50,366	(15,827)
Charges for Services	456,200	456,200	498,409	42,209
Fines and Forfeitures	208,500	208,500	192,054	(16,446)
Interest	1	1	327,920	327,919
Miscellaneous	110,145	110,145	1,137,145	1,027,000
Contingency	49,711	49,711	-	(49,711)
Total Receipts	<u>7,612,227</u>	<u>7,612,227</u>	<u>9,209,888</u>	<u>1,597,661</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration				
County Judge	142,137	142,137	130,576	11,561
Court Reporter	110,975	110,975	87,621	23,354
Elections Administration	209,476	209,476	196,695	12,781
Non-Departmental	2,021,894	2,021,894	1,588,264	433,630
Legal				
County/District Attorney	326,916	326,916	292,006	34,910
Judicial				
County and District Clerk	392,493	392,493	339,164	53,329
Justice's of the Peace	223,514	223,514	-	223,514
Courthouse	-	-	-	-
Financial Administration				
County Treasurer	111,905	111,905	100,998	10,907
County Auditor	203,188	203,188	199,378	3,810
Tax Assessor-Collector	263,501	263,501	244,062	19,439
Public Facilities				
Building and Yards	118,247	118,247	130,006	(11,759)
Comm. Towers	11,800	11,800	-	11,800
Public Safety				
Emergency Management	95,794	95,794	-	95,794
Constables	271,438	271,438	-	271,438
Jail	1,257,840	1,257,840	-	1,257,840
Sheriff	1,127,079	1,127,079	2,332,759	(1,205,680)
Culture and Recreation				
Brazos Park	29,751	29,751	23,748	6,003
Health and Welfare				
Indigent Health	601,053	601,053	505,983	95,070
Conservation - Agriculture				
Agriculture Extension Service	93,226	93,226	91,973	1,253
Total Disbursements	<u>7,612,227</u>	<u>7,612,227</u>	<u>6,263,233</u>	<u>1,348,994</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>-</u>	<u>-</u>	<u>2,946,655</u>	<u>248,667</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers Out	-	-	(153,647)	153,647
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(153,647)</u>	<u>153,647</u>
<b>Net Changes in Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>2,793,008</u>	<u>\$ (2,793,008)</u>
Fund Balances - Beginning			<u>2,318,175</u>	
Fund Balances - Ending			<u>\$ 5,111,183</u>	

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

**FALLS COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - CASH BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Taxes				
Property	\$ 1,269,666	\$ 1,269,666	\$ 1,571,689	\$ 302,023
Licenses and Permits	635,001	635,001	583,563	(51,438)
Miscellaneous	5	5	39,305	39,300
Total Receipts	<u>1,904,672</u>	<u>1,904,672</u>	<u>2,194,557</u>	<u>289,885</u>
<b>DISBURSEMENTS</b>				
Current				
Public Transportation				
Road and Bridge	1,904,672	1,904,672	1,874,366	30,306
Total Disbursements	<u>1,904,672</u>	<u>1,904,672</u>	<u>1,874,366</u>	<u>30,306</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>\$ -</u>	<u>\$ -</u>	\$ 320,191	<u>\$ 320,191</u>
			<u>734,548</u>	
			<u>\$ 1,054,739</u>	

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

**FALLS COUNTY, TEXAS**  
**FARM TO MARKET LATERAL FUND**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - CASH BASIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>RECEIPTS</b>				
Taxes				
Property	\$ 1,398,596	\$ 1,398,596	\$ 1,447,939	\$ 49,343
Licenses and Permits	4,500	4,500	-	(4,500)
Interest	1,500	1,500	50,862	49,362
Miscellaneous	32,002	32,002	-	(32,002)
Total Receipts	<u>1,436,598</u>	<u>1,436,598</u>	<u>1,498,801</u>	<u>62,203</u>
<b>DISBURSEMENTS</b>				
Current				
Public Transportation				
Road and Bridge	2,284,502	2,284,502	1,604,483	680,019
Total Disbursements	<u>2,284,502</u>	<u>2,284,502</u>	<u>1,604,483</u>	<u>680,019</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(847,904)</u>	<u>(847,904)</u>	<u>(105,682)</u>	<u>742,222</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Contingency	847,904	847,904	-	(847,904)
Total Other Financing Sources (Uses)	<u>847,904</u>	<u>847,904</u>	<u>-</u>	<u>(847,904)</u>
Net Changes in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>(105,682)</u>	<u>\$ (105,682)</u>
Fund Balances - Beginning			846,513	
Fund Balances - Ending			<u>\$ 740,831</u>	

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

**FALLS COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION - CASH BASIS**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2023**

	Agency Funds	
	County Officer Accounts	TOTAL
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 243,938	\$ 243,938
Total Assets	\$ 243,938	\$ 243,938
<b>LIABILITIES:</b>		
Due to Others	\$ 243,938	\$ 243,938
Total Liabilities	\$ 243,938	\$ 243,938

Note: The Agency funds were the only fiduciary fund type of the County in the 2023 year.

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

## **NOTES TO FINANCIAL STATEMENTS**

**FALLS COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**NOTE 1:      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The financial statements are presented on a cash basis of accounting, which is a basis of accounting other than accounting principles accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves the reporting of only cash and cash equivalents and the changes therein resulting from cash inflows (cash receipts) and cash outflows (cash disbursements) reported in the period in which they occurred. This cash basis of accounting differs from GAAP primarily because receipts (cash receipts) are recognized when received in cash rather than when earned and susceptible to accrual, and disbursements or expenses (cash disbursements) are recognized when paid rather than when incurred or subject to accrual.

**A. Reporting Entity**

The financial statements of Falls County, Texas are intended to present the financial position - cash basis and the changes in financial position - cash basis of only the portion of governmental activities, each major fund, and the aggregate remaining fund information of the County. They do not purport to, and do not, present fairly the financial position of Falls County, Texas, as of September 30, 2023, and the changes in its financial position - cash basis for the year ended in conformity with accounting principles generally accepted in the United States.

**B. Government-wide Fund Financial Statements**

The Statement of Net Position and Statement of Activities display information about the reporting government. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts, and other non-exchange receipts.

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The County has presented all major funds that met those qualifications.

The County reports the following major governmental funds:

**General Fund** - Is the primary operating fund of Falls County, Texas and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

**Road and Bridge Fund** - Is a Special Revenue Fund used to account for revenue derived from ad valorem taxes, vehicle registration fees and rebates from the State of Texas. Disbursements are for maintenance and construction of County roads and bridges.

**Farm-to-Market Lateral Road Fund** - Is a Special Revenue Fund used to account for revenue derived from ad valorem taxes. Disbursements are for maintenance and construction of County farm-to-market roads.

**American Rescue Plan fund** - Is a Special Revenue Fund used to account for COVID-19 related grant and reimbursement activity.

**Budget Stabilization Fund** - Is a special revenue fund used to account for revenue derived from solar farms.



**FALLS COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**NOTE 1:            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Additionally, Falls County, Texas reports the following fund types:

Fiduciary Funds are used to account for assets held by Falls County, Texas as an agent for individuals and other governments. Agency Funds are custodial in nature and do not include measurements of results of operations.

The government-wide and fund financial statements are presented under the cash basis of accounting. The cash basis of accounting involves the measurement of cash and investments and changes in cash and investments resulting from cash receipt and disbursement transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. As a result of the use of this cash basis of accounting, certain assets, and their related receipts (such as capital assets, accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as long-term debt, accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. If Falls County, Texas utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the government-wide financials would be presented on the accrual basis of accounting.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program receipts include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general revenue includes all taxes.

**Assets, Liabilities, and Net Assets or Equity**

**Deposits and Investments**

The government's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Government and the District to invest in obligations of the U.S. Treasury. Investments for the Government are reported at fair value. For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

**Property Taxes**

Property taxes are levied by October 1st, in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1st of the year in which imposed. On July 1st of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

The County bills and collects property taxes for itself and for certain government entities within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the tax assessor's agency fund. Tax collections deposited for the County are distributed on a periodic basis to the general, road and bridge, and Debt Service Funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners' Court for the tax year for which the collections are made.

**FALLS COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

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**NOTE 1:**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Net Position**

Equity is classified as net position and displayed in two components:

**Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted net position** - net position that does not meet the definition of "restricted."

It is Falls County, Texas' policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Fund Balance**

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:

**Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, 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 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.

**Unassigned:** This classification includes the residual fund balance 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 a disbursement is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When a disbursement is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**FALLS COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The following table present the County’s fund balances at September 30, 2023:

Fund Balances:	
Restricted	
Administration	\$ 1,594,872
Culture and Recreation	2,450
Debt Service	68,510
Elections	50,290
Judicial	519,189
Legal	20,534
Public Safety	75,949
Public Transportation	2,082,629
Committed	
Cemetery	278
Equipment Replacement	317,665
Unassigned	6,421,350
Total Fund Balance	<u>\$ 11,159,216</u>

**Stewardship, Compliance, and Accountability**

**Budgetary Information**

The original budget is adopted by the Commissioner’s Court and filed with the County Clerk. Amendments are made during the year on approval by the Commissioner’s Court.

The final amended budget is used in this report. The budget should not be exceeded in any expenditure category under State law. Unused appropriations lapse at the end of each year. The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by the Commissioner’s Court, the County Auditor prepares an estimate of receipts and a compilation of requested departmental disbursements and submits this data to the Commissioner’s Court.

The Commissioner’s Court invites various department heads to appear for a hearing concerning the departments' budget requests. Before determining the final budget, the Commissioner’s Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the County Auditor's estimate of receipts and available cash. The final budget can be legally amended by the Commissioner’s Court to whatever extent the Court desires if the amended figures do not exceed the County Auditor's estimate of receipts and available cash.

When the Budget has been adopted by the Commissioner’s Court, the County Auditor is responsible for monitoring the disbursements of the various departments of the County to prevent disbursements from exceeding budgeted appropriations and for keeping the members of the Commissioner’s Court advised of the condition of the various funds and accounts. The level of control for each legally adopted annual operating budget is the fund.

Budgets for the 2023 fiscal year were adopted for the General Fund, the Road and Bridge Fund, and the Farm-to-Market Lateral Road Fund.

**FALLS COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

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**NOTE 1:            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Excess of Disbursements over Appropriations**

For the year ended September 30, 2023, disbursements did not exceed appropriations in any fund.

**Deficit fund equity**

The county had the following deficit fund balances as of September 30, 2023: the D.A. State Fund (\$1,410) and the Office of AG-VCLG (\$665).

**NOTE 2:            DEPOSITS AND INVESTMENTS**

**Legal and Contractual Provisions Governing Deposits and Investments**

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) banker's acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

**Policies Governing Deposits and Investments**

In compliance with the Public Funds Investment Act, the County has adopted a deposit and investment policy. That policy does address the following risks:

As of September 30, 2023, the government had investments totaling \$1,808,060.

**Custodial credit risk – Deposits**

This is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government has a deposit policy for custodial credit risk. As of September 30, 2023, the government's bank balance of \$9,595,094 with the Bancorp Bank was not exposed to custodial credit risk because it was fully insured by the U.S. Government and/or the State of Texas and/or is collateralized with securities held by the pledging financial institution's trust department or agent. The book balance of the cash on September 30, 2023, is \$9,351,156.

**FALLS COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

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**NOTE 3:**      **RISK MANAGEMENT**

The government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no instances where settlements exceeded insurance coverage in any of the three previous 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 (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and number of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claim's liability estimate.

**General Liability Insurance**

The County is insured for general, police officers and automobile liability.

The County has joined with other governments in the Texas Association of Counties Risk Management Pool. The County pays an annual premium to Risk Management for auto vehicle insurance coverage. The agreement with Risk Management provides that Risk Management will be self-sustaining through member premiums and will reinsure through commercial companies for claims more than \$100,000 to \$300,000 for each insurance event. The County anticipates no contingent losses. Texas Association of Counties Risk Management Pool has published its own financial report that can be obtained from the Texas Association of Counties Risk Management Pool.

The County carries commercial fidelity bonds for elected officials and for management.

**Property and Casualty Insurance**

Property, casualty, mobile equipment insurance is provided by Texas Association of Counties Risk Management Pool.

**Workers' Compensation Insurance**

The County insures against workers' compensation claims through Texas Association of Counties Risk Management Pool.

**Group Health and Life Insurance**

The County maintains a group health insurance plan for active employees and their eligible dependents. Costs are recorded in the fund from which the employees' compensation is paid.

**Unemployment Compensation Insurance**

The County insures against unemployment compensation claims through an agreement with the Texas Association of Counties.

**FALLS COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

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**NOTE 4:**            **RELATED PARTY TRANSACTIONS**

Jay T. Elliott (County Judge) is Madison Elliott's (Justice of Peace #4) father.

Angel Butler (Assistant Auditor) and Jay Butler Jr. (Contract Juv. Probation Youth Worker) are married. Mr. Butler received compensation from the County in the amount of \$12,453 for FY 2023.

Milton Albright (Commissioner) and Sheryl Pringle (Treasurer) are cousins.

Preble Polk (Justice of the Peace #3) is Kristy Pruitt's (Chief Deputy to TAC) mother.

Laurie Smith (District Clerk) is Lisa Reneau's (tax deputy clerk) sister.

**NOTE 5:**            **SUBSEQUENT EVENTS**

In preparing the financial statements, Falls County has evaluated events and transactions for potential recognition or disclosure through May 30, 2024, the date that the financial statements were available to be issued.

**NOTE 6:**            **CONTINGENT LIABILITIES**

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

**NOTE 7**            **LITIGATION**

At September 30, 2023, the County is involved in various lawsuits pending against the County. These lawsuits involve claims relating to general liability, automobile liability, civil rights actions and various contractual matters. Any settlements arising out of these lawsuits will be paid from the County's insurance. In the opinion of management, any liabilities resulting from such suits would not have a material adverse effect on the County's financial statements.

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

**FALLS COUNTY, TEXAS**  
**COMBINING BALLANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE			
	911 FUND	CHAPTER 19 FUND	CHILD SAFETY FUND	CHILTON WATER/SEWER PROJECT
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 16,113	\$ 1,689	\$ 123,400	\$ -
Total Assets	<u>\$ 16,113</u>	<u>\$ 1,689</u>	<u>\$ 123,400</u>	<u>\$ -</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	123,400	-
Culture and Recreation	-	-	-	-
Debt Service	-	-	-	-
Elections	-	1,689	-	-
Judicial	-	-	-	-
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	16,113	-	-	-
Committed				
Cemetery	-	-	-	-
Equipment Replacement	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance - Cash Basis	<u>16,113</u>	<u>1,689</u>	<u>123,400</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u>\$ 16,113</u>	<u>\$ 1,689</u>	<u>\$ 123,400</u>	<u>\$ -</u>

(continued)

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



**FALLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE FUNDS			
	COURT REPORTER	COST EQUIP	CO & DIST COURT TECH	D.A. - DEPT HUMAN SERVICES
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 20,534	\$ 237,776	\$ 6,244	\$ 85
Total Assets	<u>\$ 20,534</u>	<u>\$ 237,776</u>	<u>\$ 6,244</u>	<u>\$ 85</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service	-	-	-	-
Elections	-	-	-	-
Judicial	-	-	6,244	85
Legal	20,534	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Committed				
Cemetery	-	-	-	-
Equipment Replacement	-	237,776	-	-
Unassigned	-	-	-	-
Total Fund Balance - Cash Basis	<u>20,534</u>	<u>237,776</u>	<u>6,244</u>	<u>85</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u>\$ 20,534</u>	<u>\$ 237,776</u>	<u>\$ 6,244</u>	<u>\$ 85</u>

(continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING BALLANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE FUNDS			
	DISTRICT ATTORNEY	D.A. - STATE FUND	ELECTION SERVICE FUND	ESTRAY FUND
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 5,314	\$ (1,410)	\$ 48,601	\$ 2,509
Total Assets	<u>\$ 5,314</u>	<u>\$ (1,410)</u>	<u>\$ 48,601</u>	<u>\$ 2,509</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service	-	-	-	-
Elections	-	-	48,601	-
Judicial	5,314	-	-	-
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	2,509
Committed				
Cemetery	-	-	-	-
Equipment Replacement	-	-	-	-
Unassigned				
Total Fund Balance - Cash Basis	<u>5,314</u>	<u>(1,410)</u>	<u>48,601</u>	<u>2,509</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u><u>\$ 5,314</u></u>	<u><u>\$ (1,410)</u></u>	<u><u>\$ 48,601</u></u>	<u><u>\$ 2,509</u></u>

(continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE FUNDS			
	FAMILY PROTECTION FUND	GASSAWAY CEMETERY TRUST	INTER GOVERNMENTAL TRANSFERS	JUSTICE COURT TECH
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 10,340	\$ 278	\$ -	\$ 6,617
Total Assets	<u>\$ 10,340</u>	<u>\$ 278</u>	<u>\$ -</u>	<u>\$ 6,617</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service	-	-	-	-
Elections	-	-	-	-
Judicial	-	-	-	6,617
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	10,340	-	-	-
Committed				
Cemetery	-	278	-	-
Equipment Replacement	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance - Cash Basis	<u>10,340</u>	<u>278</u>	<u>-</u>	<u>6,617</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u><u>\$ 10,340</u></u>	<u><u>\$ 278</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,617</u></u>

(continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE FUNDS			
	JUSTICE COURT SECURITY	KEEP FALLS CO BEAUTIFUL	LAW ENFORCEMENT EDUCATION	OFFICE OF AG-VCLG
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 20,375	\$ 2,450	\$ 18,183	\$ (665)
Total Assets	<u>\$ 20,375</u>	<u>\$ 2,450</u>	<u>\$ 18,183</u>	<u>\$ (665)</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	-	-
Culture and Recreation	-	2,450	-	-
Debt Service	-	-	-	-
Elections	-	-	-	-
Judicial	20,375	-	-	-
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	18,183	-
Committed				
Cemetery	-	-	-	-
Equipment Replacement	-	-	-	-
Unassigned	-	-	-	(665)
Total Fund Balance - Cash Basis	<u>20,375</u>	<u>2,450</u>	<u>18,183</u>	<u>(665)</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u><u>\$ 20,375</u></u>	<u><u>\$ 2,450</u></u>	<u><u>\$ 18,183</u></u>	<u><u>\$ (665)</u></u>

(continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE FUNDS			
	SHERIFF			
	PERMANENT IMPROVEMENT	RECORDS MGMT	FORFEITURE FUND	VAWA INVESTIGATOR
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 79,889	\$ 395,940	\$ 17,967	\$ 3,534
Total Assets	<u>\$ 79,889</u>	<u>\$ 395,940</u>	<u>\$ 17,967</u>	<u>\$ 3,534</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service	-	-	-	-
Elections	-	-	-	-
Judicial	-	395,940	-	-
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	17,967	-
Committed				
Cemetery	-	-	-	-
Equipment Replacement	79,889	-	-	-
Unassigned	-	-	-	3,534
Total Fund Balance - Cash Basis	<u>79,889</u>	<u>395,940</u>	<u>17,967</u>	<u>3,534</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u>\$ 79,889</u>	<u>\$ 395,940</u>	<u>\$ 17,967</u>	<u>\$ 3,534</u>

(continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE FUNDS			
	CRIME VICTIM RESTITUTION	Pre-Trial Intervention Program	TWDB Grant	Falls County Grant
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 207	\$ 60,718	\$ 23,896	\$ 98,352
Total Assets	<u>\$ 207</u>	<u>\$ 60,718</u>	<u>\$ 23,896</u>	<u>\$ 98,352</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service	-	-	-	-
Elections	-	-	-	-
Judicial	-	60,718	23,896	-
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Committed				
Cemetery	-	-	-	-
Equipment Replacement	-	-	-	-
Unassigned	207	-	-	98,352
Total Fund Balance - Cash Basis	<u>207</u>	<u>60,718</u>	<u>23,896</u>	<u>98,352</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u><u>\$ 207</u></u>	<u><u>\$ 60,718</u></u>	<u><u>\$ 23,896</u></u>	<u><u>\$ 98,352</u></u>

(continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING BALANCE SHEETS - CASH BASIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**September 30, 2023**

	SPECIAL REVENUE FUNDS			
	Falls on Brazos Park Project	Opioid Abatement	I & S 2010 FUND	TOTAL
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 5,500	\$ 10,837	\$ 68,510	\$ 1,283,783
Total Assets	<u>\$ 5,500</u>	<u>\$ 10,837</u>	<u>\$ 68,510</u>	<u>\$ 1,283,783</u>
<b>FUND BALANCES - CASH BASIS</b>				
Fund Balance - Cash Basis				
Restricted				
Administration	-	-	-	123,400
Culture and Recreation	-	-	-	2,450
Debt Service	-	-	68,510	68,510
Elections	-	-	-	50,290
Judicial	-	-	-	519,189
Legal	-	-	-	20,534
Public Facilities	5,500	-	-	5,500
Public Safety	-	10,837	-	75,949
Committed				
Cemetery	-	-	-	278
Equipment Replacement	-	-	-	317,665
Unassigned				
Unassigned	-	-	-	100,018
Total Fund Balance - Cash Basis	<u>5,500</u>	<u>10,837</u>	<u>68,510</u>	<u>1,283,783</u>
<b>TOTAL LIABILITIES AND FUND BALANCES - CASH BASIS</b>	<u><u>\$ 5,500</u></u>	<u><u>\$ 10,837</u></u>	<u><u>\$ 68,510</u></u>	<u><u>\$ 1,283,783</u></u>

(concluded)

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

**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	911 FUND	CHAPTER 19 FUND	CHILD SAFETY FUND	CHILTON WATER/SEWER PROJECT
<b>RECEIPTS</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	3,300
Charges for Services	-	-	23,705	-
Fine and Forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	21,419	-	-	-
Total Receipts	<u>21,419</u>	<u>-</u>	<u>23,705</u>	<u>3,300</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration	-	-	2,222	-
Judicial	-	-	-	-
Public Facilities	-	-	-	3,300
Public Safety	21,287	-	-	-
Debt Service				
Principal, Interest and Fiscal Charges	-	-	-	-
Total Disbursements	<u>21,287</u>	<u>-</u>	<u>2,222</u>	<u>3,300</u>
Excess (Deficiency) of Receipts				
Over (Under) Disbursements	<u>132</u>	<u>-</u>	<u>21,483</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance - Cash Basis	<u>132</u>	<u>-</u>	<u>21,483</u>	<u>-</u>
Fund Balance - Cash Basis - Beginning	15,981	1,689	101,917	-
Fund Balance - Cash Basis - Ending	<u>\$ 16,113</u>	<u>\$ 1,689</u>	<u>\$ 123,400</u>	<u>\$ -</u>

(Continued)

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



**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	COURT REPORTER	COST EQUIP	CO & DIST COURT TECH	D.A. - DEPT HUMAN SERVICES
<b>RECEIPTS</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	4,065	-	721	-
Fine and Forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	82,111	-	-
Total Receipts	<u>4,065</u>	<u>82,111</u>	<u>721</u>	<u>-</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration	-	-	-	-
Judicial	375	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Debt Service				
Principal, Interest and Fiscal Charges	-	-	-	-
Total Disbursements	<u>375</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Receipts				
Over (Under) Disbursements	<u>3,690</u>	<u>82,111</u>	<u>721</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance - Cash Basis	<u>3,690</u>	<u>82,111</u>	<u>721</u>	<u>-</u>
Fund Balance - Cash Basis - Beginning	16,844	155,665	5,523	85
Fund Balance - Cash Basis - Ending	<u>\$ 20,534</u>	<u>\$ 237,776</u>	<u>\$ 6,244</u>	<u>\$ 85</u>

(Continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	DISTRICT ATTORNEY	D.A. - STATE FUND	ELECTION SERVICE FUND	ESTRAY FUND
<b>RECEIPTS</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	27,102	3,004	4,301
Fine and Forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	7,278	-
Total Receipts	<u>-</u>	<u>27,102</u>	<u>10,282</u>	<u>4,301</u>
<b>DISBURSEMENTS</b>				
Current:		-		
General Administration	-	27,084	13,334	-
Judicial	126	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	5,250
Debt Service				
Principal, Interest and Fiscal Charges	-	-	-	-
Total Disbursements	<u>126</u>	<u>27,084</u>	<u>13,334</u>	<u>5,250</u>
Excess (Deficiency) of Receipts				
Over (Under) Disbursements	<u>(126)</u>	<u>18</u>	<u>(3,052)</u>	<u>(949)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	10,579	-	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>10,579</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance - Cash Basis	<u>(126)</u>	<u>10,597</u>	<u>(3,052)</u>	<u>(949)</u>
Fund Balance - Cash Basis - Beginning	5,440	(12,007)	51,653	3,458
Fund Balance - Cash Basis - Ending	<u>\$ 5,314</u>	<u>\$ (1,410)</u>	<u>\$ 48,601</u>	<u>\$ 2,509</u>

(Continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	FAMILY PROTECTION FUND	GASSAWAY CEMETERY TRUST	INTER GOVERNMENTAL TRANSFERS	JUSTICE COURT TECH
<b>RECEIPTS</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	432
Fine and Forfeitures	-	-	-	-
Interest	-	1	-	-
Miscellaneous	-	-	-	-
Total Receipts	<u>-</u>	<u>1</u>	<u>-</u>	<u>432</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration	-	-	-	-
Judicial	-	-	-	2,635
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Debt Service				
Principal, Interest and Fiscal Charges	-	-	-	-
Total Disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,635</u>
Excess (Deficiency) of Receipts				
Over (Under) Disbursements	<u>-</u>	<u>1</u>	<u>-</u>	<u>(2,203)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	-	505,983	-
Operating Transfers Out	-	-	(505,983)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance - Cash Basis	-	1	-	(2,203)
Fund Balance - Cash Basis - Beginning	10,340	277	-	8,820
Fund Balance - Cash Basis - Ending	<u>\$ 10,340</u>	<u>\$ 278</u>	<u>\$ -</u>	<u>\$ 6,617</u>

(Continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	JUSTICE COURT SECURITY	KEEP FALLS CO BEAUTIFUL	LAW ENFORCEMENT EDUCATION	OFFICE OF AG-VCLG
<b>RECEIPTS</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	99	-	4,383	46,096
Fine and Forfeitures	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total Receipts	<u>99</u>	<u>-</u>	<u>4,383</u>	<u>46,096</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration	-	-	-	61,445
Judicial	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	6,703	-
Debt Service				
Principal, Interest and Fiscal Charges	-	-	-	-
Total Disbursements	<u>-</u>	<u>-</u>	<u>6,703</u>	<u>61,445</u>
Excess (Deficiency) of Receipts				
Over (Under) Disbursements	<u>99</u>	<u>-</u>	<u>(2,320)</u>	<u>(15,349)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	-	-	36,360
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,360</u>
Net Changes in Fund Balance - Cash Basis	<u>99</u>	<u>-</u>	<u>(2,320)</u>	<u>21,011</u>
Fund Balance - Cash Basis - Beginning	20,276	2,450	20,503	(21,676)
Fund Balance - Cash Basis - Ending	<u>\$ 20,375</u>	<u>\$ 2,450</u>	<u>\$ 18,183</u>	<u>\$ (665)</u>

(Continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	PERMANENT IMPROVEMENT	RECORDS MGMT	SHERIFF FORFEITURE FUND	VAWA INVESTIGATOR
<b>RECEIPTS</b>				
Taxes				
Property	\$ 51,167	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	69,580
Charges for Services	-	65,199	-	-
Fine and Forfeitures	-	-	7,561	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total Receipts	<u>51,167</u>	<u>65,199</u>	<u>7,561</u>	<u>69,580</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration	56,938	12,315	-	-
Judicial	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	44,648
Debt Service				
Principal, Interest and Fiscal Charges	-	-	-	-
Total Disbursements	<u>56,938</u>	<u>12,315</u>	<u>-</u>	<u>44,648</u>
Excess (Deficiency) of Receipts				
Over (Under) Disbursements	<u>(5,771)</u>	<u>52,884</u>	<u>7,561</u>	<u>24,932</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	343,056	-	-
Operating Transfers Out	-	(343,056)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance - Cash Basis	<u>(5,771)</u>	<u>52,884</u>	<u>7,561</u>	<u>24,932</u>
Fund Balance - Cash Basis - Beginning	85,660	343,056	10,406	(21,398)
Fund Balance - Cash Basis - Ending	<u>\$ 79,889</u>	<u>\$ 395,940</u>	<u>\$ 17,967</u>	<u>\$ 3,534</u>

(Continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	CRIME VICTIM RESTITUTION	Pre-Trial Intervention Program	TWDB Grant	Falls County Grant
<b>RECEIPTS</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	392,894	18,588
Charges for Services	-	-	-	-
Fine and Forfeitures	-	-	-	-
Interest	206	-	420	-
Miscellaneous	6,715	24,305	-	-
Total Receipts	<u>6,921</u>	<u>24,305</u>	<u>393,314</u>	<u>18,588</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration	9,714	-	444,852	4,585
Judicial	-	19,618	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Debt Service				
Principal, Interest and Fiscal Charges	-	-	-	-
Total Disbursements	<u>9,714</u>	<u>19,618</u>	<u>444,852</u>	<u>4,585</u>
Excess (Deficiency) of Receipts				
Over (Under) Disbursements	<u>(2,793)</u>	<u>4,687</u>	<u>(51,538)</u>	<u>14,003</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	45,208	61,500	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>45,208</u>	<u>61,500</u>	<u>-</u>
Net Changes in Fund Balance - Cash Basis	<u>(2,793)</u>	<u>49,895</u>	<u>9,962</u>	<u>14,003</u>
Fund Balance - Cash Basis - Beginning	3,000	10,823	13,934	84,349
Fund Balance - Cash Basis - Ending	<u>\$ 207</u>	<u>\$ 60,718</u>	<u>\$ 23,896</u>	<u>\$ 98,352</u>

(Continued)

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

**FALLS COUNTY, TEXAS**  
**COMBINING STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SPECIAL REVENUE FUNDS			
	Falls on Brazos Park Project	Opioid Abatement	I & S 2010 FUND	TOTAL
<b>RECEIPTS</b>				
Taxes				
Property	\$ -	\$ -	\$ 300,948	\$ 352,115
Intergovernmental	-	-	-	484,362
Charges for Services	-	-	-	179,107
Fine and Forfeitures	-	-	-	7,561
Interest	-	-	6,203	6,830
Miscellaneous	3,500	10,837	-	156,165
Total Receipts	<u>3,500</u>	<u>10,837</u>	<u>307,151</u>	<u>1,186,140</u>
<b>DISBURSEMENTS</b>				
Current:				
General Administration	-	-	-	632,489
Judicial	-	-	-	22,754
Public Facilities	-	-	-	3,300
Public Safety	-	-	-	77,888
Debt Service				
Principal, Interest and Fiscal Charges	-	-	264,431	264,431
Total Disbursements	<u>-</u>	<u>-</u>	<u>264,431</u>	<u>1,000,862</u>
Excess (Deficiency) of Receipts				-
Over (Under) Disbursements	<u>3,500</u>	<u>10,837</u>	<u>42,720</u>	<u>185,278</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	-	-	-	1,002,686
Operating Transfers Out	-	-	-	(849,039)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,647</u>
Net Changes in Fund Balance - Cash Basis	<u>3,500</u>	<u>10,837</u>	<u>42,720</u>	<u>338,925</u>
Fund Balance - Cash Basis - Beginning	2,000	-	25,790	944,858
Fund Balance - Cash Basis - Ending	<u>\$ 5,500</u>	<u>\$ 10,837</u>	<u>\$ 68,510</u>	<u>\$ 1,283,783</u>

**(Concluded)**

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

**SINGLE AUDIT SECTION**





INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Judge and Commissioners’ Court  
Falls County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Falls County, Texas (the “County”), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated May 30, 2024.

***Internal Control over Financial Reporting***

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

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

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

***Report on Compliance and Other Matters***

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

***Purpose of this Report***

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

*P. Andrew Hall, LLC*

P. Andrew Hall, LLC  
Corpus Christi, Texas  
May 30, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the County Judge and Commissioners' Court  
Falls County, Texas

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

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

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

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

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

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

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

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

*P. Andrew Hall, LLC*

P. Andrew Hall, LLC  
Corpus Christi, Texas  
May 30, 2024

**FALL COUNTY, TEXAS  
SCHEDULE OF FEDERAL AND STATE EXPENDITURES  
SEPTEMBER 30, 2023**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>FEDERAL CFDA NUMBER</b>	<b>OTHER AWARD NUMBER</b>	<b>TOTAL FUND EXPENDITURES</b>
<b><u>Federal Expenditures</u></b>			
<b>U.S. Department of the Treasury</b>			
Passed Through the Texas Division of Emergency Management			
Corona Virus State and Local Fiscal Recovery Funds	21.027	JJUYXQ3LFJJ1	\$ 928,314
Total U.S. Department of the Treasury			<u>928,314</u>
<b>U.S. Department of Housing and Urban Development</b>			
Passed Through the Texas Office of the Governor			
Texas Department of Agriculture			
Community Development Block Grants	14.228	7219141	3,300
Total U.S. Department of Housing and Urban Development			<u>3,300</u>
			<u>\$ 931,614</u>
<b>State Grantor/Pass-Through Grantor/Program Title</b>			
<b><u>State Expenditures</u></b>			
Texas Attorney General (OAG)			
VINE/SAVNS		2218709	\$ 6,581
Texas Attorney General (OAG)			
VCLG		4240501	61,452
Texas Attorney General (OAG)			
VAWA Investigator		4257701	46,717
Total Texas Attorney General (OAG)			<u>114,750</u>
Passed Through:			
Texas Water Development Board (TWDB)			
Flood Control Planning Project No. 40002		G1001409	445,852
Total Texas Water Development Board (TWDB)			<u>445,852</u>
Total State Expenditures			<u>560,602</u>
<b><u>Regional Expenditures</u></b>			
Heart of Texas Council of Governments			
9-1-1 Program			21,287
Total Regional Expenditures			<u>21,287</u>
<b>TOTAL EXPENDITURES OF FEDERAL, STATE AND REGIONAL AWARDS</b>			<u><u>\$ 1,513,503</u></u>

**FALLS COUNTY, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended September 30, 2023**

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I. Summary of Auditor's Results

A. Financial Statements

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?  Yes  No
  - Significant deficiency(ies) identified that are not considered to be material  Yes  None Reported
3. Noncompliance material to financial statements noted?  Yes  No

B. Federal Awards

1. Internal control over major programs:
- Material weakness(es) identified?  Yes  No
  - Significant deficiency(ies) identified that are not considered to be material  Yes  None Reported
2. Type of auditor's report issued on compliance for major programs: Unmodified
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) of the Uniform Guidance?  Yes  No

3. Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
21.027	Corona Virus State and Local Fiscal Recovery Funds
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**FALLS COUNTY, TEXAS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS FOR THE**  
**YEAR ENDED SEPTEMBER 30, 2023**

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**NOTE A-BASIS OF PRESENTATION**

The accompanying schedule of expenditures of state awards (the Schedule) includes the state award activity of the Falls County, Texas under programs of the state government for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of the standards applicable to financial audits contained in Uniform Grant Management Standards promulgated by the Office of the Governor under 34 TAC Part 1, Chapter 20, Subchapter 1 - Comptroller. Because the Schedule presents only a selected portion of the operations of the Falls County, Texas, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Falls County, Texas.

**NOTE B-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Grant Management Standards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE C-INDIRECT COST RATE**

The Falls County, Texas has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Grant Management Standards.

FALLS COUNTY, TEXAS SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**Section II-Financial Statement Findings**

*None*

**Section III-Federal or State Award findings & Questioned Costs**

*None*