

WISE COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2024

Wise County, Texas
Annual Financial Report
September 30, 2024

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FINANCIAL SECTION

SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of the Commissioner's Court
Wise County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wise County, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Wise County, Texas, as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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

As described in Note A to the financial statements, in Fiscal Year 2025, the County adopted new accounting guidance, Government Accounting Standards Board Statement No. 100, Accounting Changes and Error Corrections. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of changes in the net pension liability/(asset) and related ratios, the schedule of employer pension contributions and related ratios, and the schedule of changes in the total OPEB liability and related ratios on pages 5–12 and 46–50 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining financial statements, budgetary comparison schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of expenditures of state awards as required by the Texas Grant Management Standards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements, budgetary comparison schedules, and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 2, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

Snow Garrett Williams

Snow Garrett Williams
April 2, 2025

WISE COUNTY, TEXAS
Management's Discussion And Analysis

Management's discussion and analysis (MD&A) of Wise County's financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2024. The MD&A should be read in conjunction with the accompanying financial statements and the notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded liabilities and deferred inflows of resources at the close of fiscal year 2024 by $75,504,628 (net position). Of this amount, $13,232,026 is restricted for specific purposes, $46,839,067 is the net investment in capital assets and $15,433,535 represents unrestricted net position.
- In contrast to the government-wide statements, the fund statements reported a combined fund balance at year-end of $37,441,717, an increase of $10,641,315 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was $9,117,988, or 19.84% of total general fund expenditures.
- The County's total long-term debt increased by a net amount of $2,348,855 during the current fiscal year primarily because of the issuance of the 2024 tax note.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information. This report also contains other supplementary information in addition to the basic financial statements.

The Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private-sector business. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets and deferred outflows of resources of the County as well as all liabilities (including long-term debt) and deferred inflows of resources. Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables, and receivables.

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year using the full accrual basis of accounting. 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 (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general government, public safety, public transportation, public facilities, health and welfare, judicial, legal, elections, financial administration, culture and recreation and conservation.

The government-wide financial statements can be found on pages 14 and 15 of this report.

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. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be 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. Unlike the government-wide financial statements, however, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The governmental fund financial statements can be found on pages 16 through 18 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate statement of fiduciary net position. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations. The fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The fiduciary fund financial statements can be found on pages 19 and 20 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 through 44 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including budgetary comparison statements for the General Fund, Lateral Road Fund and State and Local Fiscal Recovery Fund, the schedule of changes in net pension liability/(asset) and related ratios, the schedule of employer pension contributions and related ratios, and the schedule of changes in the total OPEB liability and related ratios. The required supplementary information can be found on pages 46 through 50 of this report.

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 liabilities and deferred inflows of resources by $75,504,628 as of September 30, 2024.

A significant portion ($46,839,067) of the County's net position reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, and construction in progress) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional $13,232,026 of the County's net position represents resources that are subject to external restrictions on how they may be used.

	Governmental Activities	
	2024	2023
Current and other assets	$ 65,696,510	$ 58,914,474
Capital assets, net of depreciation	73,914,222	64,343,143
Total assets	139,610,732	123,257,617
Deferred outflows of resources	5,019,448	7,707,705
Long-term liabilities	44,826,717	42,477,862
Other liabilities	7,622,459	11,143,560
Total liabilities	52,449,176	53,621,422
Deferred inflows of resources	16,676,376	18,414,640
Net position:		
Net investment in capital assets	46,839,067	38,435,724
Restricted	13,232,026	9,923,565
Unrestricted	15,433,535	10,569,971
Total net position	$ 75,504,628	$ 58,929,260

Governmental Activities

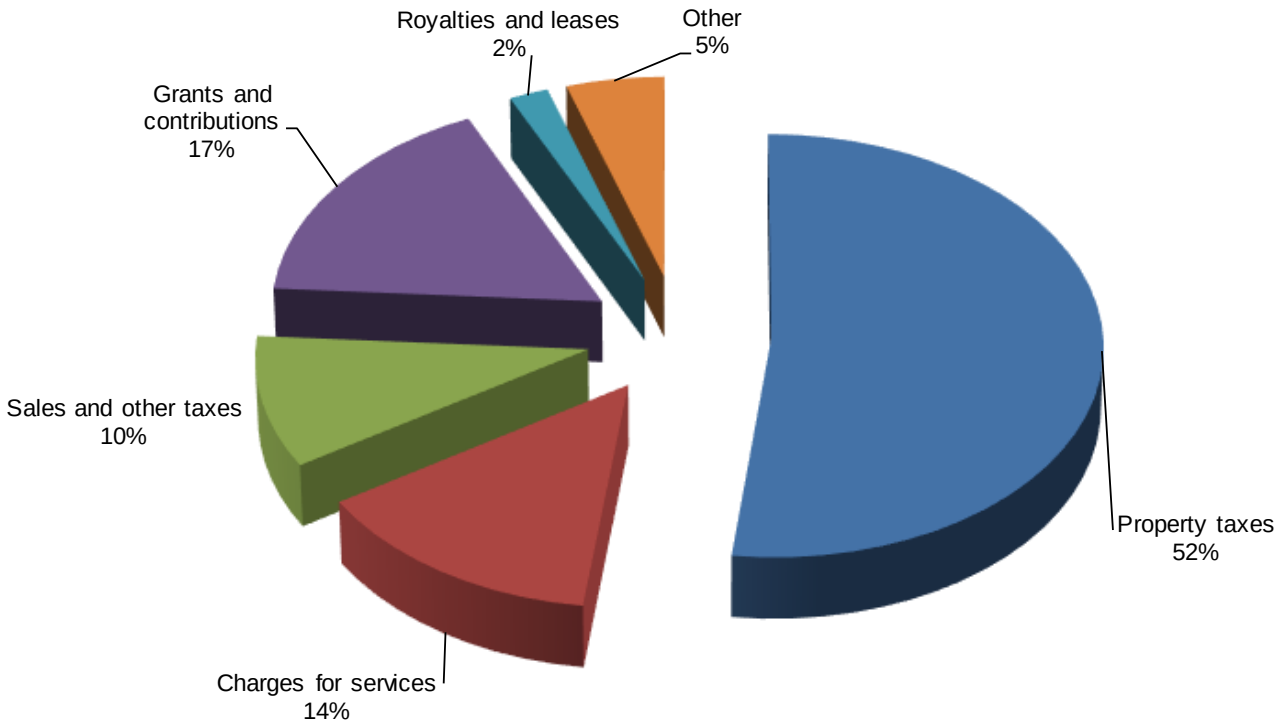
The County's governmental activities net position increased by $16,575,368 during the current fiscal year. The total cost of all governmental activities this year was $63,033,345. The amount that our taxpayers paid for these activities through property taxes was $41,246,603 or 65% of total governmental expenses.

	Governmental Activities	
	2024	2023
Revenues:		
Program revenues:		
Charges for services	$ 10,828,222	$ 8,420,342
Operating grants and contributions	6,918,104	6,026,767
Capital grants and contributions	6,789,778	1,249,022
General revenues:		
Property taxes	41,246,603	37,523,504
Sales and other taxes	7,905,390	8,071,197
Investment earnings	3,318,288	3,037,398
Royalties and leases	1,759,202	1,834,624
Other	843,056	453,244
Total revenues	79,608,643	66,616,098
Expenses:		
General government	8,920,282	8,271,319
Judicial	4,714,734	4,704,628
Legal	3,518,730	2,613,847
Elections	835,514	623,542
Financial administration	3,602,439	3,589,644
Public facilities	4,327,439	4,280,510
Public safety	25,644,276	24,835,906
Public transportation	8,141,613	8,407,073
Health and welfare	1,299,456	1,636,228
Culture and recreation	620,173	682,430
Conservation	314,550	299,674
Interest on long-term debt	1,094,069	890,442
Total expenses	63,033,275	60,835,243
Change in net position	16,575,368	5,780,855
Net position-beginning	58,929,260	53,148,405
Net position-ending	$ 75,504,628	$ 58,929,260

Key elements of the analysis of government-wide revenues, expenses and increases in net position include the following:

- Program revenues of $24,536,104 equaled 39% of government expenses. As expected, general revenues of $55,072,539 provided most of the required support and coverage for expenses;
- Public safety represents 40% of total expenses. Public safety expenses increased $808,370 from the previous year.
- The next largest category of expenses is general government at 14% of total expenses.

Revenues by Source



FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $37,441,717, an increase of $10,641,315 in comparison with the prior year. A portion of fund balance $24,314,282 or 65% is restricted by external resources. $9,117,988 or 24% of the total fund balance represents unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is not available for new spending because it has already been committed for judicial ($307,676), special road projects ($986,105) and for public safety ($16,681), and assigned to fund debt service ($2,300,711) and to fund indigent care ($398,274).

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 $9,117,988, which is 92% of the total general fund fund balance. As a measure of the general fund's liquidity, we compare unassigned fund balance to total fund expenditures. The unassigned fund balance represents 20%, or slightly more than 72 days of total fund expenditures. It is the County's goal to achieve and maintain an unassigned general fund balance equal to 20% of subsequent year's budgeted expenditures. At September 30, 2024, the unassigned general fund balance represented 18.79% of subsequent year's general fund budgeted expenditures.

The fund balance of the County's general fund decreased by $1,647,683 during the current fiscal year. This decrease is primarily due to increases in legal and public safety expenditures.

The debt service fund had an ending fund balance of $4,708,986, which is restricted or assigned for payment of debt requirements. The increase in fund balance during the period in the debt service fund was $632,263.

The lateral road fund has a total fund balance of $4,678,625, all of which is restricted or committed to the maintenance and construction of County roads and bridges. The net increase in fund balance during the current year was $693,962, which is attributable to increased property tax revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

In total, the general fund budget for expenditures increased $1,828,962 from the original to the final budget. Most of these differences resulted from increases in general government, legal, public safety and capital outlay expenditures.

The projected annual revenues increased by $3,572,761 from the original to the final budget. This was primarily due to an increase in projected sales tax revenues.

Actual revenues were $173,728 less than the final budget amounts. Total expenditures for the year were $353,673 less than final budget appropriations primarily due to general government and public safety expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The capital assets of the County are those assets (land, buildings, improvements, roads, bridges, machinery and equipment and construction in progress), which are used in the performance of the County's functions including current year expenditures for infrastructure assets. At September 30, 2024, net capital assets of the governmental activities totaled $73,914,222. Depreciation on capital assets is recognized in the government-wide financial statements. Annual depreciation for buildings and improvements, infrastructure, and machinery and equipment totaled $4,479,876.

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

- Court House restoration.
- Purchase of vehicles and heavy equipment for various departments.

Wise County Capital Assets
(net of depreciation)

	Governmental Activities	
	2024	2023
Land	$ 4,130,921	$ 4,130,921
Construction in progress	9,039,145	5,115,428
Buildings and improvements	31,697,384	33,056,034
Infrastructure	13,334,023	13,357,140
Machinery and equipment	15,712,749	8,683,620
Total	$ 73,914,222	$ 64,343,143

Additional information on the County's capital assets can be found in Note F on page 30 of this report.

Long-term debt. At September 30, 2024, outstanding balances for long term debt of the governmental activities totaled $44,826,717. Amounts for the components of this balance are as follows:

Wise County's Outstanding Debt

	Governmental Activities	
	2024	2023
Direct Borrowings - Tax notes	$ 11,740,000	$ 4,690,000
Lease revenue bonds	18,450,000	19,590,000
Certificates of obligation	1,755,000	1,880,000
Unamortized premium	4,147,804	4,084,966
Overpayment of sales tax	155,528	198,140
Net pension liability	6,063,143	9,796,822
Total OPEB liability	936,611	831,878
Compensated absences	1,578,631	1,406,056
Total	$ 44,826,717	$ 42,477,862

The County's bond rating was upgraded by Standard and Poor's from "AA" to "AA+" during fiscal year 2024. This upgrade reflects the County's continued economic expansion, very strong levels of available reserves, and the adoption of more formalized financial management policies and practices. Additional information on the County's long-term debt can be found in Note G on pages 31 through 32 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The annual budgets and tax rates are developed to provide efficient, effective, and economic uses of the County's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the County Commissioners set the direction of the County, allocate its resources, and establish its priorities.

In considering the County budget for fiscal year 2025, the County Commissioners and management considered the following factors:

- Although the County fared well economically through the end of September 2024, the fiscal year 2025 budget was prepared conservatively and with strong considerations for realities of inflationary effects that impact local government, businesses, and citizens.
- Economic indicators continue to be positive for Wise County as the county population continues to grow.
- Wise County's proximity to the Dallas-Fort Worth Metroplex- along with its major roads, land availability, and low tax/regulatory burden- make it an attractive location for new residents and businesses.
- Sales tax revenues have demonstrated substantial positive gains as diversified businesses form the tax base in Wise County. Vibrant downtown revitalizations, booming limestone quarries, and the hospital-driven medical sector are great contributors to the local economy.
- A strong local housing market is creating increased property tax revenues, as new home construction and housing developments continue in all areas of the County. Demand for housing- both new and existing- remains high.
- County tourist attractions, including the Caddo/LBJ Grasslands, the Wise County Park and Lake Bridgeport are promoting recreational pursuits for tourist income.
- The County continues to manage and promote the Wise County Fairgrounds and lakeside Wise County Park to create additional revenue opportunities.
- Weatherford College Wise County is a growing local college offering academic and vocational education in a state-of-the-art facility.
- Wise County is home to an increasingly diverse set of attractions and activities that will generate sales tax revenue, including rodeo and roping facilities; wineries and vineyards; multiple museums and veteran's parks; major annual car/automobile/off-road events; and other annual community events.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the County Auditor or County Treasurer at 207 North Church, Decatur, Texas 76234.

BASIC FINANCIAL STATEMENTS

WISE COUNTY, TEXAS
Statement of Net Position
September 30, 2024

	Governmental Activities
Assets	
Current assets	
Cash	$ 3,135,777
Investments	24,710,991
Receivables, taxes (net of allowance for uncollectible of $581,391)	1,364,911
Receivables, accounts (net of allowance for uncollectible of $322,494)	3,343,676
Due from other governments	1,749,619
Non-current assets	
Restricted cash	347,777
Restricted investments	12,593,759
Lease receivable	18,450,000
Capital assets	
Land and construction in progress	13,170,066
Other capital assets, net of depreciation	60,744,156
Total capital assets	73,914,222
Total assets	139,610,732
Deferred Outflows of Resources	
Deferred outflows of resources - pension	4,214,034
Deferred loss on refunding bond	805,414
Total deferred outflows of resources	5,019,448
Liabilities	
Current liabilities	
Accounts payable	4,044,911
Accrued salaries and benefits	1,774,137
Due to other governments	162,693
Deposits held and due to others	340,302
Accrued interest payable	285,274
Unearned revenues	1,015,142
Noncurrent liabilities	
Due within one year	5,022,450
Due in more than one year	39,804,267
Total liabilities	52,449,176
Deferred Inflows of Resources	
Deferred inflows of resources - OPEB	49,452
Deferred inflows - leases	16,626,924
Total deferred inflows of resources	16,676,376
Net Position	
Net investment in capital assets	46,839,067
Restricted for	
Debt service	2,408,275
Capital projects	4,200,409
State and federal programs	981,245
Records management	800,181
Legal	720,113
Public safety	315,334
Culture and recreation	13,060
Roads and bridges	3,692,520
Justice courts technology	100,889
Unrestricted	15,433,535
Total net position	$ 75,504,628

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

WISE COUNTY, TEXAS
Statement of Activities
For the Fiscal Year Ended September 30, 2024

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Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities					
General government	$ 8,920,282	$ 1,423,914	$ 95,564	$ -	$ (7,400,804)
Judicial	4,714,734	847,642	301,626	-	(3,565,466)
Legal	3,518,730	380,181	375,656	-	(2,762,893)
Elections	835,514	50,569	-	-	(784,945)
Financial administration	3,602,439	1,388,134	-	-	(2,214,305)
Public facilities	4,327,439	273,290	-	6,627,652	2,573,503
Public safety	25,644,276	4,623,269	5,986,963	90,742	(14,943,302)
Public transportation	8,141,613	1,671,331	157,040	71,384	(6,241,858)
Health and welfare	1,299,456	33,654	-	-	(1,265,802)
Culture and recreation	620,173	136,238	1,255	-	(482,680)
Conservation	314,550	-	-	-	(314,550)
Interest and fiscal charges	1,094,069	-	-	-	(1,094,069)
Total primary government	$ 63,033,275	$ 10,828,222	$ 6,918,104	$ 6,789,778	(38,497,171)
General revenues:					
Property taxes					41,246,603
Sales and other taxes					7,905,390
Interest income					3,318,288
Royalties and lease revenue					1,759,202
Gain on disposal of assets					277,659
Other					565,397
Total general revenues					55,072,539
Change in net position					16,575,368
Net position, beginning of year					58,929,260
Net position, end of year					$ 75,504,628

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

WISE COUNTY, TEXAS
Balance Sheet
Governmental Funds
September 30, 2024

	General	Lateral Road Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	$ -	$ 1,007,346	$ 6,160	$ 615,960	$ 1,506,311	$ 3,135,777
Investments	14,796,750	3,673,500	470,502	5,509,739	260,500	24,710,991
Receivables						
Property taxes (net of allowances of $581,391)	1,035,926	187,721	-	-	141,264	1,364,911
Accounts	338,644	24,025	973	49,025	28,567	441,234
Due from other funds	46,965	-	-	200,000	2,776,809	3,023,774
Lease receivable	-	-	18,450,000	-	-	18,450,000
Due from other governments	793,068	211,300	-	609,135	136,116	1,749,619
Restricted cash	-	-	347,777	-	-	347,777
Restricted investments	-	-	2,060,498	10,533,261	-	12,593,759
Total assets	$ 17,011,353	$ 5,103,892	$ 21,335,910	$ 17,517,120	$ 4,849,567	$ 65,817,842
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	$ 1,089,946	$ 57,646	$ -	$ 1,288,694	$ 1,608,625	$ 4,044,911
Accrued salaries and benefits	1,617,568	156,569	-	-	-	1,774,137
Due to other funds	2,976,809	-	-	-	46,965	3,023,774
Due to other governments	-	-	-	-	162,693	162,693
Unearned revenue	69,381	-	-	945,761	-	1,015,142
Deposits held and due to others	333,360	-	-	-	6,942	340,302
Total liabilities	6,087,064	214,215	-	2,234,455	1,825,225	10,360,959
Deferred inflows of resources						
Unavailable revenue - property taxes	1,035,926	187,721	-	-	141,264	1,364,911
Leases	-	-	16,626,924	-	-	16,626,924
Unavailable revenue - other	-	23,331	-	-	-	23,331
Total deferred inflows of resources	1,035,926	211,052	16,626,924	-	141,264	18,015,166
Fund balances						
Restricted for						
Debt service	-	-	2,408,275	-	-	2,408,275
Capital projects	-	-	-	15,282,665	-	15,282,665
State and federal programs	-	-	-	-	981,245	981,245
Records management	1,316	-	-	-	798,865	800,181
Legal	5,666	-	-	-	714,447	720,113
Public safety	27,702	-	-	-	287,632	315,334
Culture and recreation	13,060	-	-	-	-	13,060
Roads and bridges	-	3,692,520	-	-	-	3,692,520
Justice courts technology	-	-	-	-	100,889	100,889
Committed to						
Special road projects	-	986,105	-	-	-	986,105
Judicial	307,676	-	-	-	-	307,676
Public safety	16,681	-	-	-	-	16,681
Assigned to						
Indigent care	398,274	-	-	-	-	398,274
Debt service	-	-	2,300,711	-	-	2,300,711
Unassigned	9,117,988	-	-	-	-	9,117,988
Total fund balances	9,888,363	4,678,625	4,708,986	15,282,665	2,883,078	37,441,717
Total liabilities, deferred inflows of resources, and fund balances	$ 17,011,353	$ 5,103,892	$ 21,335,910	$ 17,517,120	$ 4,849,567	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	73,914,222
Property taxes receivable and other receivables, net of allowance are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,388,242
Additional receivables for ambulance services, county clerk, district clerk, and justices of the peace, net of allowance, are not measurable and available in the current period and are not reported in the funds.	2,902,442
Deferred outflows of resources for pension are not financial resources and, therefore, are not reported in the funds.	4,214,034
Deferred loss on refunding bonds is not reported in the funds.	805,414
Deferred intflows of resources for OPEB are not financial resources and, therefore, are not reported in the funds.	(49,452)
Some liabilities including tax notes, bonds, overpayment of sales tax payable, certificates of obligations, premiums on debt, net pension liability, total OPEB liability, compensated absences and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.	(45,111,991)
Net position of governmental activities - statement of net position	$ 75,504,628

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

WISE COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended September 30, 2024

	General	Lateral Road Fund	Debt Service Fund	Formerly Nonmajor Fund Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 30,399,567	$ 6,138,889	$ -	$ -	$ 4,588,530	$ 41,126,986
Sales and other taxes	7,905,390	-	-	-	-	7,905,390
Licenses and permits	-	1,397,486	-	-	-	1,397,486
Intergovernmental	2,537,728	228,424	-	6,627,652	4,307,321	13,701,125
Fees of office	5,903,400	-	-	-	587,139	6,490,539
Fines and forfeitures	482,791	224,520	-	-	-	707,311
Interest income	1,655,454	272,085	1,089,069	287,221	14,459	3,318,288
Royalties and lease revenue	96,510	-	1,662,692	-	-	1,759,202
Solid waste fees	628,650	-	-	-	-	628,650
Miscellaneous revenues and donations	743,000	19,507	-	5,320	95,200	863,027
Total revenues	50,352,490	8,280,911	2,751,761	6,920,193	9,592,649	77,898,004
Expenditures						
Current:						
General government	4,292,772	-	-	83,266	4,588,530	8,964,568
Judicial	4,770,062	-	-	-	37,605	4,807,667
Legal	3,267,630	-	-	-	274,069	3,541,699
Elections	606,678	-	-	-	-	606,678
Financial administration	3,651,133	-	-	-	-	3,651,133
Public facilities	2,885,139	-	-	-	-	2,885,139
Public safety	23,577,499	-	-	1,593	1,321,533	24,900,625
Public transportation	100,124	6,672,667	-	-	-	6,772,791
Health and welfare	1,302,866	-	-	-	-	1,302,866
Culture and recreation	625,197	-	-	-	-	625,197
Conservation	317,872	-	-	-	-	317,872
Capital outlay	510,772	903,114	-	9,407,446	3,160,248	13,981,580
Debt service						
Principal retirement	42,612	-	3,780,000	-	-	3,822,612
Interest, issuance costs and fiscal charges	-	-	1,171,961	146,545	-	1,318,506
Total expenditures	45,950,356	7,575,781	4,951,961	9,638,850	9,381,985	77,498,933
Excess (deficiency) of revenues over (under) expenditures	4,402,134	705,130	(2,200,200)	(2,718,657)	210,664	399,071
Other financing sources (uses)						
Issuance of tax notes	-	-	-	9,565,000	-	9,565,000
Issuance of premiums on tax notes	-	-	-	468,960	-	468,960
Operating transfers in	378,145	-	2,832,463	3,352,768	300,000	6,863,376
Operating transfers out	(6,499,962)	(14,768)	-	(1,093)	(347,553)	(6,863,376)
Sale of assets	72,000	3,600	-	132,684	-	208,284
Total other financing sources (uses)	(6,049,817)	(11,168)	2,832,463	13,518,319	(47,553)	10,242,244
Net change in fund balances	(1,647,683)	693,962	632,263	10,799,662	163,111	10,641,315
Fund balances, beginning of year	11,536,046	3,984,663	4,076,723	0.00	7,202,970	26,800,402
Change within financial reporting entity (nonmajor to major fund)	-	-	-	4,483,003	(4,483,003)	-
Fund balances, beginning of year, restated	11,536,046	3,984,663	4,076,723	4,483,003	2,719,967	26,800,402
Fund balances, end of year	$ 9,888,363	$ 4,678,625	$ 4,708,986	$ 15,282,665	$ 2,883,078	$ 37,441,717

WISE COUNTY, TEXAS
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2024

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

Net change in fund balances - total governmental funds		$ 10,641,315
Governmental funds report all capital outlays as expenditures. However, in the statement of activities the cost of the assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current year.		
Capital outlay expenditures	13,981,580	
Depreciation expense	(4,479,876)	
		9,501,704
The net effect of various miscellaneous transactions involving capital assets (i.e., proceeds from sales, trade-ins, gain on sales, disposals, donations) decreases net position.		69,375
The change in property tax and fee receivables, net of allowance, is reported as revenue in the statement of activities; however, this change does not provide current financial resource and is therefore not reported as revenue in the governmental funds.		1,432,979
Some items reported in the statement of activities do not involve current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Amortization of premium from debt issuances	406,122	
Amortization of deferred loss on refunding bond	(73,220)	
Change in accrued interest payable	(108,465)	
Change in compensated absences payable	(172,575)	
		51,862
Pension expense in the funds is recorded as contributions when made to the retirement plan. Pension expense in governmental activities is recorded as the retirement plan's Pension expense for the measurement period. This is the difference between how pension expense is recorded in the two statements.		1,118,642
OPEB expense in the funds is recorded as contributions when made to the supplemental death benefit plan. OPEB expense in governmental activities is recorded as the plan's OPEB expense for the measurement period. This is the difference between how OPEB expense is recorded in the two statements.		(29,161)
The issuance of long-term debt, including premiums, is reported as other financing sources in the governmental funds and thus, increases fund balance. In the government-wide statements, however issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.		(10,033,960)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		3,822,612
Change in net position of governmental activities		$ 16,575,368

WISE COUNTY, TEXAS
Statement of Fiduciary Net Position
Custodial Funds
September 30, 2024

Assets		
Cash	$	3,615,487
Investments		550,000
Receivables:		
Property taxes - for other governments		7,957,184
Total assets		12,122,671
Liabilities		
Accounts Payable		165,899
Property taxes to be collected - due to other governments		7,957,184
Total liabilities		8,123,083
Net position		
Restricted for individuals, organizations and others		3,999,588
Total net position	$	3,999,588

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

WISE COUNTY, TEXAS
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended September 30, 2024

Additions	
Collected and held for others	$ 32,023,842
Tax collections for other governments	186,059,858
Total additions	218,083,700
Deductions	
Payments to others	34,796,781
Payments to other governments	186,300,963
Total deductions	221,097,744
Net change in fiduciary net position	(3,014,044)
Net position, beginning of year	7,013,632
Net position, end of year	$ 3,999,588

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

Note A – Summary of Significant Accounting Policies

The accounting policies of Wise County, Texas conform to generally accepted accounting principles as applicable to governments. The following are the more significant policies.

Financial Reporting Entity

The financial statements of Wise County (the County) are prepared in accordance with accounting principles generally accepted in the United States of America. The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The County is a body corporate and political which performs all local government functions within its jurisdiction. The County is governed by an elected County Judge and four County Commissioners elected from individual precincts. The Judge and four Commissioners form the governing body, the Commissioners' Court. Various branches of the County government are led by duly elected officials who serve in their positions. These other elected officials are responsible only to the voters for their performance and for the operations of their individual offices, but must seek budget approval from the Commissioners' Court.

There are no component units (other governmental entities) over which the County exercises significant control or has oversight responsibility. Consequently, these financial statements include only the financial data of the County.

The accounting and reporting framework and the more significant accounting principles and practices are discussed below. The remainder of the Notes is organized to provide explanations, including required disclosures, of the County's financial activities for the fiscal year ended September 30, 2024.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the County. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes, fees, and intergovernmental revenues.

Separate financial statements are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. These statements present each major fund as a separate column on the fund financial statements, while all nonmajor funds are aggregated and presented in a single column. Detailed statements for nonmajor funds are presented within the Supplementary Information section.

The County reports the following major governmental funds:

General Fund: This fund is the primary operating fund of the County and is always classified as a major fund. It is used to account for all financial transactions and resources except those required to be accounted for in another fund.

Lateral Road Fund: This fund is a special revenue fund used to account for the maintenance and construction of County roads and bridges. Financing is provided primarily by an annual property tax levy. Additional revenue is provided by a charge on each auto registration and from fines levied by the County.

Note A - Summary of Significant Accounting Policies (Continued)

Debt Service Fund: This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital Projects Fund: accounts for the proceeds of certificates of obligation used for the acquisition or construction of major capital improvements as established in bond documents.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements: These statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as program revenues and general revenues. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, investment earnings and various other revenues.

Governmental Fund Financial Statements: The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Property taxes not collected within 60 days after year-end are reported as deferred revenues. Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

Fiduciary Fund Financial Statements: These statements include fiduciary funds which use the economic resources measurement focus and the accrual basis of accounting. The County only has custodial funds which are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and other funds. Custodial funds do not involve a formal trust agreement.

Note A - Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

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

a) In the event the Commissioners' Court increases property taxes, a public hearing is required. If the Court increases taxes more than 3.5%, voters must approve the increase in an election.

b) Public hearings are conducted at the Wise County Courthouse to obtain taxpayer comments.

c) Prior to October 1, the budget is legally enacted through adoption of an order by the Commissioners' Court.

d) Any amendments, which alter total expenditures of any department, must be approved by the Commissioners' Court.

e) Budgets for the various funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception of tax revenues being reported on the cash basis. Budget and actual amounts are recorded on the same basis.

f) Expenditures in excess of appropriations are required by state statutes to be reported down to the departmental classification.

g) The budgeted amounts presented in these statements are as originally adopted, or as amended by, the Commissioners' Court during the year ended September 30, 2024.

Capital Assets

Capital assets, which include land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure assets (e.g. roads and bridges), are reported in the government-wide financial statements. Capital assets are defined as assets with a cost exceeding $5,000. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings and improvements	15 - 40 years
Infrastructure	20 - 30 years
Machinery and equipment	3 - 20 years

Note A - Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Premiums and discounts on certificates of obligation, tax notes, or bonds are deferred and amortized over the life of the debt. Certificates of obligation, tax notes, and bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed when the debt is issued.

In the fund financial statements, governmental fund types recognize debt premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position and balance sheet will sometimes include a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Note A - Summary of Significant Accounting Policies (Continued)

Fund Balances

Governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for governmental funds can consist of the following:

Nonspendable Fund Balance includes amounts that are not in spendable form, or are legally or contractually required to be maintained intact.

Restricted Fund Balance includes amounts that are restricted for specific purposes stipulated by law or external resource providers. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance includes amounts that can only be used for the specific purposes determined by a formal action, an Order of the Commissioner's Court, which is the County's highest level of decision-making authority, and, conjunctively, require the same formal action to remove or revise the enacted constraint limitations.

Assigned Fund Balance includes amounts intended to be used for specific purposes that are neither restricted nor committed. Intent is expressed by the Commissioner's Court of Wise County to which the assigned amounts are to be used for specific purposes. Amounts may be assigned by the County Auditor as communicated by the Commissioner's Court.

Unassigned Fund Balance represents the residual classification of all spendable amounts not contained within the other classifications.

When multiple categories of fund balance are available for expenditure, the County will first spend the most restricted funds before moving down to the next most restrictive category with available funds.

It is the County's goal to achieve and maintain an unassigned General Fund balance equal to 20% of subsequent year's budgeted expenditures. At the end of fiscal year 2024, the unassigned General Fund balance was 18.79% of the subsequent year's budgeted expenditures.

Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets consists of all capital assets net of accumulated depreciation and reduced by outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets.

Restricted net position consists of external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments, enabling legislation, and constitutional provisions.

Unrestricted net position represents net position not restricted for any project or other purpose.

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

The statement of net position includes $5,582,187 of net position that is restricted by enabling legislation.

Note A - Summary of Significant Accounting Policies (Continued)

Pensions

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

Other Post-Employment Benefits (OPEB)

The total OPEB liability has been determined using the economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB; OPEB expense; and information about assets, liabilities, and additions to/deductions from these amounts.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Implementation of New Accounting Standards

In the current fiscal year, the County implemented GASB Statement No. 100, Accounting Changes and Error Corrections. 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 assuming accountability. Implementation is reflected in the financial statements.

Note B - Deposits, Securities and Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the County to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal, maintenance of adequate liquidity, diversification, maximization of interest earnings, and maturity. The investment policy defines what constitutes the legal list of investments allowed under the policy, which excludes certain investment instruments allowed under Chapter 2256 of the Texas Government Code. The County's deposits and investments are invested pursuant to the Investment Policy, which is approved annually by Commissioners' Court. The Investment Policy includes a list of authorized investments and a maximum allowable maturity of any individual investment. In addition, it includes an "Investments Strategy" that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification, yield, and maturity restrictions.

The County is authorized to invest in the following investment instruments provided that they meet the guidelines of the investment policy:

a) Obligations of, or guaranteed by, government entities;

b) Certificates of Deposit and Share Certificates, guaranteed by Federal Deposit Insurance Corporation (FDIC) or fully collateralized;

c) Repurchase agreements, fully collateralized, not to exceed 90 days;

d) Commercial paper, with a stated maturity of 270 days or fewer;

e) No load Money Market Mutual Fund, not to exceed 90 days; and

f) Local Government Investment Pools as approved by Commissioners Court.

Public Funds Investment Pools

TexPool

Texas Local Government Investment Pool (TexPool) is a local government investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate the TexPool portfolios. Administrative and investment services are provided by Federated Hermes, Inc. TexPool has established an advisory board composed equally of participants and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool. TexPool is rated AAAm by Standard and Poor's.

TexPool uses amortized cost to value portfolio assets and follows the criteria established by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The stated objective of the pool is to maintain a stable average of $1.00 per unit net asset value. There are no limitations or restrictions on withdrawals.

Note B - Deposits, Securities and Investments (Continued)

As of September 30, 2024, the County had the following investments:

	Value	% of Total	Weighted Average Maturity
TexPool	$ 446,950	1.20%	26 Days
TexPool Prime	22,040,750	59.08%	39 Days
Ameriprise Financial - Certificates of Deposit	2,231,050	5.98%	< 2 years
First Financial Bank - Certificates of Deposit	10,000,000	26.81%	< 2 years
Financial Northeastern - Certificates of Deposit	2,586,000	6.93%	< 2 years
Total Investments	$ 37,304,750	100%	

Interest Rate Risk – Investments are exposed to interest rate risk if changes in market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity to three years or less; structuring the investment portfolio so that instruments mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act; and investing operating funds primarily in short-term instruments or similar government investment pools.

Credit Risk - State statute requires that investments in Local Government Investment Pools be rated AAA or the equivalent by a nationally recognized credit rating agency. As of September 30, 2024, the TexPool and TexPool Prime investment pools were rated AAAm by Standard & Poor's.

Concentration of Credit Risk - The County does not place a limit on the amount that may be invested in any one issuer. As of September 30, 2024, 60.28% of the County's investments were included in local government investment pools and 39.72% were included in certificates of deposit.

Custodial Credit Risk – Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are collateralized with securities held by the pledging financial institution or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name. As of September 30, 2024, the County's cash was insured or collateralized with securities held by the County or by its agent in the County's name.

The County does not involuntarily participate in an external investment pool. All investment income is recorded and reported in the same fund as the investment.

Note C - Property Tax

Taxes are levied on October 1 and are past due on February 1. Property taxes attach as an enforceable lien on property as of January 1. Wise County Appraisal District appraises property values in the County. The Wise County Tax Assessor-Collector assesses and collects the County's property taxes. The County is permitted by the Municipal Finance Law of the State to levy taxes up to $1.10 per $100 of appraised valuation for general services, permanent improvements, lateral road, jury fund, and purposes other than the payment of principal and interest on long-term debt and unlimited amounts for the payment of principal and interest on long-term debt. There are, however, stringent restrictions on the issuance of such long-term debt. The tax rates for the year ended September 30, 2024 to finance maintenance and operations (M&O) of the County was $.22000, and to finance Lateral Road operations was $.04500 per $100 valuation. During the fiscal year, the County levied $.032500 per $100 of appraised valuation for the Weatherford College Branch Campus Maintenance Tax (WCBCMT) to be used for the operations of the Wise County Branch Campus.

Note D - Property Taxes Receivable

In the governmental funds, taxes are recognized as revenue when received and the remaining balance is recorded as a deferred inflow of resources for unavailable revenue at year end. The following schedule details property taxes receivable by fund at September 30, 2024:

Fund		Property Taxes Receivable (Net)
General- (M&O)	$	1,035,926
Special Revenue- (WCBCMT)		141,264
Lateral Road		187,721
Total	$	1,364,911

Note E - Restricted Assets

Some of the County's assets have certain constraints that have been placed on how they can be used. Restricted assets are non-current cash, investments or other assets whose use in whole or in part is restricted for specific purposes bound by virtue of contractual agreements, legal requirements, or enabling legislation. Cash and investments are restricted for the following:

Debt Service	$	2,408,275
Capital Projects		9,587,500
Grant Funds		945,761
	$	12,941,536

Note F – Capital Assets

Capital asset activity for the year ended September 30, 2024 was as follows:

	Balance 10/1/2023	Adjustments/ Additions	Adjustments/ Deletions	Balance 09/30/2024
Governmental activities				
Capital assets not being depreciated				
Land	$ 4,130,921	$ -	$ -	$ 4,130,921
Construction in progress	5,115,428	9,761,060	5,837,343	9,039,145
Total capital assets not being depreciated	9,246,349	9,761,060	5,837,343	13,170,066
Other capital assets				
Buildings and improvements	59,035,148	150,057	227,511	58,957,694
Infrastructure	79,855,516	810,722	-	80,666,238
Machinery and equipment	36,410,060	9,097,084	760,169	44,746,975
Total other capital assets	175,300,724	10,057,863	987,680	184,370,907
Less accumulated depreciation				
Building and improvements	25,979,114	1,399,094	117,898	27,260,310
Infrastructure	66,498,376	833,839	-	67,332,215
Machinery and equipment	27,726,440	2,246,943	939,157	29,034,226
Total accumulated depreciation	120,203,930	4,479,876	1,057,055	123,626,751
Other capital assets, net	55,096,794	5,577,987	(69,375)	60,744,156
Governmental activities capital assets, net	$ 64,343,143	$ 15,339,047	$ 5,767,968	$ 73,914,222

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

Governmental activities:	
General government	$ 6,089
Judicial	7,944
Legal	20,395
Elections	234,930
Financial administration	18,612
Public facilities	1,481,568
Public safety	1,231,857
Public transportation	1,478,481
Total depreciation for governmental activities	$ 4,479,876

Note G - Long-Term Debt

The principal long-term obligations of the County include tax notes, lease revenue bonds, overpayment of sales taxes liability, certificates of obligation, and the accrued liability for compensated absences.

Overpayment of Sales Tax

- The County was overpaid sales tax during the years 2005 – 2008. The overpayment was the result of a business that filed a refund claim for taxes it paid in error and the State Comptroller's office performed an audit assessment and determined that the taxpayer was due a refund. The State refunded the taxpayer, which resulted in a liability of $639,190 from Wise County to the State.
- The County and the State agreed to a payment plan, in which the State will reduce the County's monthly Sales and Use Tax payment by $3,551 a month for 15 years beginning October 1, 2014.
- Outstanding liability balance of $155,528 at September 30, 2024.

Certificates of Obligation – 2019 Series

- Funds are for purchasing, renovating and equipping the County and district court facilities.
- $2,315,000 originally issued.
- Interest rate at 4%.
- Outstanding principal balance of $1,755,000 at September 30, 2024.

Lease Revenue Refunding Bonds – 2021 Series

- Secured by a lien on pledged revenues, including lease payments subject to annual appropriations, payable to the County under the intergovernmental agreement with the Parker County Junior College District.
- To refund the Lease Revenue Bonds, Series 2011.
- $22,615,000 originally issued.
- Interest rate at 5%
- Outstanding principal balance of $18,450,000 at September 30, 2024.

Tax Notes – 2019 Series

- For the remodeling of existing buildings and the purchase of equipment.
- $8,205,000 originally issued.
- Interest rate at 5%.
- Fully repaid as of September 30, 2024

Note G - Long-Term Debt (Continued)

Tax Notes – 2022 Series

- Funds for purchases of capital equipment and vehicles.
- $3,500,000 originally issued.
- Interest rate at 2.91%.
- Outstanding principal balance of $2,175,000 at September 30, 2024.

Tax Notes – 2024 Series

- Funds for purchases of capital equipment and vehicles.
- $9,565,000 originally issued.
- Interest rate at 2.91%.
- Outstanding principal balance of $9,565,000 at September 30, 2024.

The following are changes by type of debt for the year ended September 30, 2024:

	Balance 10/1/2023	Increase	Decrease	Balance 09/30/2024	Amounts Due Within One Year
Direct Borrowings - Tax notes	$ 4,690,000	$ 9,565,000	$ 2,515,000	$ 11,740,000	$ 2,365,000
Lease revenue bonds	19,590,000	-	1,140,000	18,450,000	1,255,000
Certificates of obligation	1,880,000	-	125,000	1,755,000	130,000
Unamortized bond premium	4,084,966	468,960	406,122	4,147,804	441,891
Overpayment of sales tax	198,140	-	42,612	155,528	42,612
Net pension liability (asset)	9,796,822	2,616,677	6,350,356	6,063,143	-
Total OPEB liability	831,878	134,135	29,402	936,611	-
Compensated absences	1,406,056	1,152,715	980,140	1,578,631	787,947
Totals	$ 42,477,862	$ 13,937,487	$ 11,588,632	$ 44,826,717	$ 5,022,450

The annual requirements to amortize long-term debt as of September 30, 2024 are as follows:

	Lease Revenue Bonds		Direct Borrowings - Tax Notes		Certificates of Obligation		Overpayment of Sales Tax	
Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Total
2025	$ 1,255,000	$ 922,500	$ 2,365,000	$ 574,807	$ 130,000	$ 67,600	$ 42,612	$ 5,357,519
2026	1,380,000	859,750	2,555,000	381,729	135,000	62,300	42,612	5,416,391
2027	1,505,000	790,750	2,670,000	266,465	140,000	56,800	42,612	5,471,627
2028	1,630,000	715,500	2,025,000	156,875	145,000	51,100	27,692	4,751,167
2029	1,760,000	634,000	2,125,000	53,125	150,000	45,200	-	4,767,325
2030-2034	10,920,000	1,710,250	-	-	860,000	127,600	-	13,617,850
2035-2039	-	-	-	-	195,000	3,900	-	198,900
Totals	$ 18,450,000	$ 5,632,750	$11,740,000	$ 1,433,001	$ 1,755,000	$ 414,500	$ 155,528	$ 39,580,779

The 2021 Lease Revenue Refunding Bonds required that $2,408,275 be set aside in a debt reserve fund. The County is in compliance with this reserve requirement.

The County did not have any unused lines of credit, assets pledged as collateral for debt, or terms specified in debt agreements related to significant events of default or termination with finance-related consequences, or subjective acceleration clauses as of September 30, 2024.

Note H – Compensated Absences

County policy allows the accrual of vacation, overtime compensation, and sick pay benefits for all employees other than elected and appointed officials. Vacation and overtime compensation are paid upon termination if employees give two weeks' notice or are terminated by the County. Sick pay is not paid upon termination for any reason and is therefore not recorded as a liability. At September 30, 2024, the value of the liability for compensated absences was $1,578,631. General fund revenues are used to liquidate the compensated absences liability.

Note I – Interfund Activity

Due To and From Other Funds

Balances due to and due from other funds at September 30, 2024 consisted of the following:

Due To Fund	Due From Fund	Amount
Capital Projects Fund	General Fund	$ 200,000
General Fund	Nonmajor Governmental Funds	46,965
Nonmajor Governmental Funds	General Fund	2,776,809
		$ 3,023,774

The outstanding balances between funds result mainly from the time lag between the dates that reimbursable expenditures occur, or deposits of revenue are received, the dates the transactions are recorded in the accounting system, and the date the interfund payments are settled. All interfund receivables and payables will be paid within the next fiscal year.

Transfers To and From Other Funds

Interfund transfers during the fiscal year were as follows:

Fund	Transfers In	Transfers Out
General Fund	$ 378,145	$ 6,499,962
Lateral Road Fund	-	14,768
Debt Service Fund	2,832,463	-
SLFR Fund	3,352,768	1,093
Nonmajor Governmental Funds	300,000	347,553
Total transfers	$ 6,863,376	$ 6,863,376

Transfers are generally used (1) to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) to transfer funds from the General Fund to fund various programs and supplement grants and construction projects, and (3) to transfer funds from receipts collected for various fees in special revenue funds to the General Fund to cover County expenditures.

Note J – Defined Benefit Pension Plans

Plan Description

The County participates in the nontraditional defined benefit pension plan administered by the Texas County and District Retirement System (TCDRS). TCDRS was created by the Texas Legislature and is overseen by an independent Board of Trustees, which is responsible for the administration of the System. TCDRS is a statewide, agent multiple-employer, public employee retirement system for county and district employees in the State of Texas. The TCDRS Act places the general administration and management of the System with a nine-member Board of Trustees.

TCDRS in the aggregate issues an annual comprehensive financial report on a calendar year basis. In addition, detailed information about the pension plan's fiduciary net position is available in a separately issued TCDRS financial report. Both reports are available at *www.tcdrs.org*.

Benefits Provided

All full-time 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.

The plan provides retirement, disability, and survivor benefits. TCDRS is a savings-based plan. For the County's plan, 7% of each employee's pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 225%) and is then converted to an annuity. There are no automatic Cost of Living Adjustments (COLAs). Each year the County may elect an ad hoc COLA for its retirees. There are two COLA types, each limited by actual inflation. Benefit terms are established under the TCDRS Act. They may be amended as of January 1 each year by the Commissioners' Court but must remain in conformity with the Act. Plan provisions for the County are as follows:

Employee deposit rate	7%
Employer matching	225%
Years required for vesting	8
Service retirement eligibility (expressed as age/years of service)	60/8, 0/20, 75 total age plus service

Members may choose to receive their retirement benefit in one of seven actuarially equivalent payment options.

Note J – Defined Benefit Pension Plans (Continued)

Employees covered by benefit terms

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	235
Inactive employees entitled to but not yet receiving benefits	438
Active employees	436
Total	1,109

Contributions

The deposit rates for employees in TCDRS can range from 4% to 7% of employee compensation, as adopted by the employer's governing body. Participating employers are required, by law, to contribute at actuarially determined rates, although the employer may elect to contribute at a higher rate to ensure adequate funding for each employer's plan. Employer contribution rates are determined annually and are based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. Pursuant to state law, employers participating in the system must pay 100% of their actuarially determined required contributions on an annual basis.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the County was 12.82% and 12.72% in calendar years 2024 and 2023, respectively. The County's contributions to TCDRS for the fiscal year ended September 30, 2024 were $3,735,319 and were equal to the required contributions.

Net Pension Liability

The County's net pension liability (NPL) was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions

For funding calculations, TCDRS uses an entry-age normal actuarial cost method assuming the current plan provisions had always been in place. The goal of this cost method is 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. Under this approach, benefits are funded in advance as a level percentage of pay. This portion of the contribution rate is called the normal cost rate and generally remains stable from year to year.

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following TCDRS system-wide and employer specific assumptions:

Real rate of return	5.0% per year
Inflation	2.5% per year
Long-term investment rate of return	7.5% net of investment expenses

Note J – Defined Benefit Pension Plans (Continued)

The assumed long-term investment return of 7.5% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 7.5% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.0% (made up of 2.5% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.

Mortality rates for depositing members were based on the Pub-2010 General Employees Amount-Weighted Mortality Table for males and females as appropriate, with adjustments, projected with 100% of the MP-2021 Ultimate scale after 2010. Service retirees, beneficiaries, and non-depositing members were based on the Pub-2010 General Retirees Amount-Weighted Mortality Table for males and females as appropriate, projected with 100% of the MP-2021 Ultimate scale after 2010. Disabled retirees were based on the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and females as appropriate, with adjustments, projected with 100% of the MP-2021 Ultimate scale after 2010.

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017-2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pension liability as of December 31, 2023. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Discount Rate

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

The discount rate used to measure the total pension liability is 7.60%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

The rate is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant. The numbers shown are based on January 2024 information for a 10-year time horizon. The valuation assumption for long-term expected return is reviewed annually for continued compliance with relevant actuarial standards of practice. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting.

Note J – Defined Benefit Pension Plans (Continued)

The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation [1]	Geometric Real Rate of Return [2]
U.S. Equities	11.50%	4.75%
Global Equities	2.50%	4.75%
International Equities - Developed Markets	5.00%	4.75%
International Equities - Emerging Markets	6.00%	4.75%
Investment-Grade Bonds	3.00%	2.35%
Strategic Credit	9.00%	3.65%
Direct Lending	16.00%	7.25%
Distressed Debt	4.00%	6.90%
REIT Equities	2.00%	4.10%
Master Limited Partnerships (MLPs)	2.00%	5.20%
Private Real Estate Partnerships	6.00%	5.70%
Private Equity	25.00%	7.75%
Hedge Funds	6.00%	3.25%
Cash Equivalents	2.00%	0.60%
Total	100.00%	

[1] Target asset allocation adopted at the March 2024 TCDRS Board meeting.
[2] Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.2%, per Cliffwater's 2024 capital market assumptions.

Note J – Defined Benefit Pension Plans (Continued)

Sensitivity Analysis

The following presents the net pension liability of the County, calculated using the discount rate of 7.60%, as well as what the Wise County net pension liability would be if it were calculated using a discount rate that is 1% lower (6.60%) or 1% higher (8.60%) than the current rate:

	1% Decrease in Discount Rate (6.60%)	Discount Rate (7.60%)	1% Increase in Discount Rate (8.60%)
County's net pension liability	$ 24,410,098	$ 6,063,143	$ (9,195,061)

Changes in Net Pension Liability/(Asset)

	Increase (Decrease)		
Changes in the NPL	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2022	$ 123,286,886	$ 113,490,064	$ 9,796,822
Changes for the year:			
Service cost	3,501,165	-	3,501,165
Interest on total pension liability	9,443,893	-	9,443,893
Effect of economic/demographic (gains) or losses	1,053,137	-	1,053,137
Effect of assumptions changes or inputs	-	-	-
Employer contributions		3,398,535	(3,398,535)
Member contributions		1,873,467	(1,873,467)
Net investment income	-	12,473,917	(12,473,917)
Refund of contributions	(381,367)	(381,367)	-
Benefit Payments	(4,765,481)	(4,765,481)	-
Administrative expenses	-	(65,832)	65,832
Other	-	51,787	(51,787)
Net changes	8,851,347	12,585,026	(3,733,679)
Balance at 12/31/2023	$ 132,138,233	$ 126,075,090	$ 6,063,143

Note J – Defined Benefit Pension Plans (Continued)

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

For the measurement period ending December 31, 2023, the County recognized pension expense of $2,616,677.

As of September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 851,305	$ -
Net difference between projected and actual earnings	626,513	-
Contributions made subsequent to the measurement date	2,736,216	-
Total	$ 4,214,034	$ -

Contributions made subsequent to the measurement date of $2,736,216 are reported as deferred outflows of resources related to pensions and will be recognized as a change of the net pension liability for the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2024	$ (229,178)
2025	2,442
2026	2,473,461
2027	(768,907)
Total	$ 1,477,818

Note K - Postemployment Benefits Other Than Pensions

Plan Description

The County participates in the retiree Group Term Life program operated by the Texas County and District Retirement System (TCDRS.) This plan is referred to as the Group Term Life (GTL) Fund. This optional plan provides group term life insurance coverage to current eligible employees and to retired employees. The coverage provided to retired employees is a postemployment benefit other than pension benefits (OPEB).

Contributions made to the retiree GTL Program are held in the GTL Fund. No assets are accumulated in a trust; therefore, the GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan.

Benefits Provided

All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year and are eligible for the TCDRS GTL plan.

The plan provides a $5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees of the County. The OPEB benefit is a fixed $5,000 lump-sum benefit. No future increases are assumed in the $5,000 benefit amount. Benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the County may elect to opt out of (or opt into) coverage as of January 1 each year.

Employees covered by benefit terms

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	180
Inactive employees entitled to but not yet receiving benefits	91
Active employees	436
Total	707

Total OPEB Liability

The County's total OPEB liability was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

Note K - Postemployment Benefits Other Than Pensions (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

A discount rate of 3.26% was applied in the measurement of the total OPEB liability. The discount rate is based on the "20-Year Bond GO Index" published by bondbuyer.com as of December 31, 2023.

TCDRS uses an entry-age normal actuarial cost method assuming the current plan provisions have always been in place. The GTL fund uses the straight-line amortization method over the expected working life of members to recognize economic/demographic gains or losses and/or assumptions changes or inputs.

Mortality rates for depositing members were based on the Pub-2010 General Employees Amount-Weighted Mortality Table for males and females as appropriate, with adjustments, projected with 100% of the MP-2021 Ultimate scale after 2010. Service retirees, beneficiaries, and non-depositing members were based on the Pub-2010 General Retirees Amount-Weighted Mortality Table for males and females as appropriate, projected with 100% of the MP-2021 Ultimate scale after 2010. Disabled retirees were based on the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and females as appropriate, with adjustments, projected with 100% of the MP-2021 Ultimate scale after 2010.

All actuarial assumptions that determined the total OPEB liability as of December 31, 2023 were based on the results of an actuarial experience study for the period January 1, 2017 – December 31, 2020, except where required to be different by GASB 75. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2022	$ 831,878
Changes for the year:	
Service cost	26,573
Interest on total OPEB liability	31,590
Change of benefit terms	-
Effect of economic/demographic experience	(10,639)
Effect of assumption changes or inputs	75,912
Benefit payments	(18,703)
Balance at 12/31/2023	$ 936,611

Note K - Postemployment Benefits Other Than Pensions (Continued)

Sensitivity Analysis

The following presents the total OPEB liability of the County, calculated using the discount rate of 3.26%, as well as what the Wise County total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.26%) or 1% higher (4.26%) than the current rate:

	1% Decrease in Discount Rate (2.26%)	Discount Rate (3.26%)	1% Increase in Discount Rate (4.26%)
Total OPEB Liability	1,137,574	$ 936,611	$ 782,354

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

For the measurement period ending December 31, 2023 the County recognized OPEB expense of $47,464.

As of September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,294	$ 22,182
Changes of assumptions	140,121	188,491
Contributions made subsequent to the measurement date	12,806	-
Total	$ 161,221	$ 210,673

Contributions made subsequent to the measurement date of $12,806 are reported as deferred outflows of resources related to OPEB and will be recognized as a reduction of the total OPEB liability for the fiscal year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31st	
2024	$ (238)
2025	(27,395)
2026	(47,680)
2027	13,055
Total	$ (62,258)

Note L – Leases

The County is a lessor for a noncancelable lease of real property. The lease is with Weatherford College of the Parker County Junior College District. The lease commenced in Fiscal Year 2010 with the term ending in 2037. Lease payments vary each year at an interest rate of 5%.

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

The County has $18,450,000 in lease receivables and $16,626,924 in deferred inflows as of September 30, 2024. The County recorded lease revenue of $1,662,292 and interest of $979,500 in the fiscal year.

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

- The County uses the rate implied in the lease agreement as the discount rate for leases.
- The lease term includes the non-cancelable period of the lease and any expected renewals to be made.

The County monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. As of September 30, 2024, expectation of lease receipts through the expiration of all leases is as follows:

Year	Principal Payments	Interest Payments	Total Payments
2025	$ 1,255,000	$ 922,500	$ 2,177,500
2026	1,380,000	859,750	2,239,750
2027	1,505,000	790,750	2,295,750
2028	1,630,000	715,500	2,345,500
2029	1,760,000	634,000	2,394,000
2030-2034	10,920,000	1,710,250	12,630,250
Totals	$ 18,450,000	$ 5,632,750	$ 24,082,750

Note M - Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. To reduce its risk of exposure in these areas, the County is a member of the Texas Association of Counties Risk Pool (the Pool) for liability, property, and workers' compensation. The Pool is a public entity risk pool and was created based on the general objectives of formulating, developing, and administering a program of self-insurance for the membership and obtaining lower costs for coverages. The Pool coverage is offered through interlocal agreements between the Pool and counties. The Pool has the power to establish fees, contributions, and methods for establishing rates. The Pool provides for such services as claims administration and management, underwriting, loss control services and training, and financial reporting for its members. The Pool submits sealed bids to counties during the bid process. The Pool is governed by a Board of Directors made up of employees or officials of counties which are members of the Pool.

Member counties make contributions to the Pool, and the Pool provides insurance coverage and applicable reinsurance or stop loss coverage. The insurance policies carry various deductibles and aggregate maximum loss totals. The by-laws of the Pool are detailed in a separate document which can be obtained from the Texas Association of Counties, 1210 San Antonio Street, Austin, TX 78701.

There have been no significant reductions in coverage from the coverage in the past fiscal year, and there have been no settlements exceeding insurance coverage in the current or past three fiscal years.

Note N – Commitments

The District has a contractual commitment as of September 30, 2024, for construction partially funded by the Texas Courthouse Restoration Project. The total contractual commitment outstanding as of September 30, 2024, was $8,132,995.

Note O - Contingencies

Litigation

The County has been named as a defendant in pending lawsuits. Although the outcome of these lawsuits is presently undeterminable, it is the opinion of the County's attorney that resolution of these matters will not have a material adverse effect on the financial condition of the County.

Grants

The County received grant funds, principally from the state and federal government for various programs. Expenditures from these grants are subject to audit by the grantor, and the County is contingently liable to refund amounts received in excess of allowable expenditures. In the opinion of management, any refunds that may be required as a result of expenditures disallowed by the grantors will not be material to the financial statements.

Note P - Subsequent Events

The County has evaluated subsequent events through April 2, 2025, the date the financial statements were available to be issued, and nothing significant requiring disclosure was noted.

REQUIRED SUPPLEMENTARY INFORMATION

WISE COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	$ 30,668,000	$ 30,399,569	$ 30,399,567	$ (2)
Sales and other taxes	6,914,000	7,905,391	7,905,390	(1)
Intergovernmental	1,207,049	2,800,959	2,537,728	(263,231)
Fees of office	5,747,200	5,903,411	5,903,400	(11)
Fines and forfeitures	462,600	482,795	482,791	(4)
Interest	507,000	1,572,767	1,655,454	82,687
Royalties and lease revenue	230,000	96,511	96,510	(1)
Solid waste fees	635,000	628,652	628,650	(2)
Miscellaneous revenues and donations	582,608	736,163	743,000	6,837
Total revenues	46,953,457	50,526,218	50,352,490	(173,728)
Expenditures				
Current:				
General government	4,091,951	4,388,394	4,292,772	95,622
Judicial	4,840,892	4,770,154	4,770,062	92
Legal	2,538,627	3,267,670	3,267,630	40
Elections	517,731	606,691	606,678	13
Financial administration	3,596,893	3,651,170	3,651,133	37
Public facilities	2,828,754	2,885,168	2,885,139	29
Public safety	23,512,485	23,894,173	23,577,499	316,674
Public transportation	74,000	100,127	100,124	3
Health and welfare	1,352,472	1,302,886	1,302,866	20
Culture and recreation	570,596	624,805	625,197	(392)
Conservation	334,057	317,882	317,872	10
Capital outlay	216,609	452,297	510,772	(58,475)
Debt service				
Principal retirement	-	31,072	42,612	(11,540)
Interest and fiscal charges	-	11,540	-	11,540
Total expenditures	44,475,067	46,304,029	45,950,356	353,673
Excess of revenues over expenditures	2,478,390	4,222,189	4,402,134	179,945
Other financing sources (uses)				
Operating transfers in	387,553	378,146	378,145	(1)
Operating transfers out	(2,871,962)	(6,576,090)	(6,499,962)	76,128
Sale of assets	20,000	104,334	72,000	(32,334)
Total other financing sources (uses)	(2,464,409)	(6,093,610)	(6,049,817)	43,793
Net change in fund balances	$ 13,981	$ (1,871,421)	(1,647,683)	$ 223,738
Fund balances, beginning of year			11,536,046	
Fund balances, end of year			$ 9,888,363	

WISE COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Lateral Road Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	$ 6,257,500	$ 6,138,903	$ 6,138,889	$ (14)
License and permits	1,320,000	1,397,489	1,397,486	(3)
Intergovernmental	163,200	228,428	228,424	(4)
Fines and forfeitures	284,000	224,530	224,520	(10)
Interest income	77,000	272,088	272,085	(3)
Miscellaneous revenues and donations	-	19,506	19,507	1
Total revenues	8,101,700	8,280,944	8,280,911	(33)
Expenditures				
Current:				
Public transportation	7,124,127	6,672,723	6,672,667	56
Capital outlay	851,073	903,114	903,114	-
Total expenditures	7,975,200	7,575,837	7,575,781	56
Excess of revenues over expenditures	126,500	705,107	705,130	23
Other financing sources (uses)				
Operating transfers out	-	(14,768)	(14,768)	-
Sale of assets	-	3,600	3,600	-
Total other financing sources (uses)	-	(11,168)	(11,168)	-
Net change in fund balances	$ 126,500	$ 693,939	693,962	$ 23
Fund balances, beginning of year			3,984,663	
Fund balances, end of year			$ 4,678,625	

WISE COUNTY, TEXAS
Schedule of Changes in the Net Pension Liability/(Asset) and Related Ratios
Last Ten Measurement Years

Measurement Date - December 31st: *	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 3,501,165	$ 3,335,973	$ 3,605,900	$ 3,017,009	$ 2,856,561	$ 2,812,410	$ 3,034,626	$ 3,244,855	$ 2,921,560	$ 2,824,612
Interest on total pension liability	9,443,893	8,833,043	8,323,318	7,646,779	7,098,237	6,604,734	6,075,636	5,469,784	5,022,759	4,589,585
Effect of plan changes	-	-	-	-	-	-	-	-	(570,698)	-
Effect of assumption changes or inputs	-	-	160,018	6,470,402	-	-	220,446	-	657,742	-
Effect of economic/demographic (gains) or losses	1,053,137	447,642	(904,559)	1,031,201	(97,176)	(342,484)	51,548	(469,981)	(799,156)	(353,387)
Benefit payments/refunds of contributions	(5,146,848)	(4,356,328)	(4,064,695)	(3,230,075)	(3,261,216)	(2,800,123)	(2,462,383)	(1,964,882)	(1,698,702)	(1,903,707)
Net change in total pension liability	8,851,347	8,260,330	7,119,982	14,935,316	6,596,406	6,274,537	6,919,873	6,279,776	5,533,505	5,157,103
Total pension liability, beginning	123,286,886	115,026,556	107,906,574	92,971,258	86,374,852	80,100,315	73,180,442	66,900,666	61,367,161	56,210,058
Total pension liability, ending (a)	$ 132,138,233	$ 123,286,886	$ 115,026,556	$ 107,906,574	$ 92,971,258	$ 86,374,852	$ 80,100,315	$ 73,180,442	$ 66,900,666	$ 61,367,161
Fiduciary Net Position										
Employer contributions	$ 3,398,535	$ 3,258,505	$ 2,666,462	$ 2,921,474	$ 2,502,476	$ 2,332,388	$ 2,161,062	$ 2,112,642	$ 2,172,311	$ 2,096,387
Member contributions	1,873,467	1,713,714	1,558,034	1,672,144	1,502,344	1,429,660	1,407,204	1,438,571	1,438,620	1,372,754
Investment income net of investment expenses	12,473,917	(7,077,199)	21,573,030	9,061,844	12,267,775	(1,390,620)	9,457,547	4,351,184	(892,941)	3,532,953
Benefit payments/refunds of contributions	(5,146,848)	(4,356,328)	(4,064,695)	(3,230,075)	(3,261,216)	(2,800,123)	(2,462,383)	(1,964,882)	(1,698,702)	(1,903,707)
Administrative expenses	(65,832)	(66,507)	(64,830)	(71,804)	(66,823)	(60,006)	(50,010)	(47,364)	(42,013)	(42,610)
Other	51,787	186,860	31,551	87,731	37,670	(2,492)	14,351	61,301	8,243	(1,387)
Net change in fiduciary net position	12,585,026	(6,340,955)	21,699,552	10,441,314	12,982,226	(491,193)	10,527,771	5,951,452	985,518	5,054,390
Fiduciary net position, beginning	113,490,064	119,831,019	98,131,467	87,690,153	74,707,927	75,199,120	64,671,349	58,719,897	57,734,379	52,679,989
Fiduciary net position, ending (b)	$ 126,075,090	$ 113,490,064	$ 119,831,019	$ 98,131,467	$ 87,690,153	$ 74,707,927	$ 75,199,120	$ 64,671,349	$ 58,719,897	$ 57,734,379
Net Pension Liability/(Asset), ending (a) - (b)	$ 6,063,143	$ 9,796,822	$ (4,804,463)	$ 9,775,107	$ 5,281,105	$ 11,666,925	$ 4,901,195	$ 8,509,093	$ 8,180,769	$ 3,632,782
Fiduciary net position as a percentage of total pension liability	95.41%	92.05%	104.18%	90.94%	94.32%	86.49%	93.88%	88.37%	87.77%	94.08%
Pensionable covered payroll	$ 26,718,042	$ 24,481,632	$ 22,257,630	$ 23,887,770	$ 21,462,059	$ 20,423,716	$ 20,102,919	$ 20,551,020	$ 20,551,716	$ 19,610,771
Net pension liability/(asset) as a percentage of covered payroll	22.69%	40.02%	-21.59%	40.92%	24.61%	57.12%	24.38%	41.40%	39.81%	18.52%

* The amounts presented above are as of the measurement date of the collective net pension liability/(asset).

WISE COUNTY, TEXAS
Schedule of Employer Pension Contributions and Related Ratios
Last Ten Fiscal Years

Year Ended September 30th: *	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 3,735,319	$ 3,360,342	$ 3,086,084	$ 2,731,679	$ 2,700,280	$ 2,466,447	$ 2,270,295	$ 2,142,232	$ 2,142,114	$ 2,158,059
Contributions in relation to the actuarially determined amount	3,735,319	3,360,342	3,086,084	2,731,679	2,700,280	2,466,447	2,270,295	2,142,232	2,142,114	2,158,059
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pensionable Covered payroll	$ 29,197,923	$ 26,082,919	$ 23,843,886	$ 22,656,347	$ 22,331,924	$ 21,260,545	$ 20,171,573	$ 20,146,958	$ 20,692,252	$ 20,360,478
Contributions as a percentage of covered payroll	12.8%	12.9%	12.9%	12.1%	12.1%	11.6%	11.3%	10.6%	10.4%	10.6%

* The amounts presented above are as of the County's fiscal year-end.

Notes to Schedule

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

Methods and Assumptions Used to Determine Contributions Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	17.0 years (based on contribution rate calculated in 12/31/2023 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule. 2022: No changes in plan provisions were reflected in the Schedule. 2023: No changes in plan provisions were reflected in the Schedule.

WISE COUNTY, TEXAS
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Seven Measurement Years **

Measurement Date - December 31st: *	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	$ 26,573	$ 44,887	$ 42,299	$ 37,502	$ 28,037	$ 29,827	$ 27,188
Interest on total OPEB liability	31,590	23,119	22,813	24,727	28,364	25,315	25,391
Effect of plan changes	-	-	-	-	-	-	-
Effect of assumption changes or inputs	75,912	(314,149)	19,592	119,046	191,221	(82,931)	35,268
Effect of economic/demographic (gains) or losses	(10,639)	10,479	(22,394)	6,019	(28,288)	1,190	(13,121)
Benefit payments	(18,703)	(19,583)	(17,806)	(19,110)	(17,170)	(14,297)	(12,062)
Net change in total OPEB liability	104,733	(255,247)	44,504	168,184	202,164	(40,896)	62,664
Total OPEB liability, beginning	831,878	1,087,125	1,042,621	874,437	672,273	713,169	650,505
Total OPEB liability, ending	$ 936,611	$ 831,878	$ 1,087,125	$ 1,042,621	$ 874,437	$ 672,273	$ 713,169
Covered employee - payroll	$ 26,718,042	$ 24,481,632	$ 22,257,630	$ 23,887,770	$ 21,462,059	$ 20,423,716	$ 20,102,919
Total OPEB liability as a percentage of covered employee - payroll	3.51%	3.40%	4.88%	4.36%	4.07%	3.29%	3.55%

* The amounts presented above are as of the December 31st measurement date for the total OPEB liability.
** Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule
See Note K in the notes to the financial statements for additional OPEB plan information.

SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

WISE COUNTY, TEXAS
Combining Balance Sheet
Lateral Road Fund
September 30, 2024

Assets	Right of Way and Fencing	Precinct No. 1	Precinct No. 2	Precinct No. 3	Precinct No. 4	County Thoroughfare	Grants	Inter-Fund Eliminations	**Total Lateral Road Fund**
Cash	$ 8,410	$ 271,597	$ 315,735	$ 265,622	$ 127,877	$ 18,105	$ -	$ -	$ 1,007,346
Investments	1,535,500	327,000	194,000	204,000	445,000	968,000	-	-	3,673,500
Receivables									
Property taxes (net of allowance of $106,002)	20,858	42,200	49,567	35,955	39,141	-	-	-	187,721
Accounts	24,025	-	-	-	-	-	-	-	24,025
Due from other governments	-	34,995	35,240	34,788	34,893	-	71,384	-	211,300
Total assets	$ 1,588,793	$ 675,792	$ 594,542	$ 540,365	$ 646,911	$ 986,105	$ 71,384	$ -	$ 5,103,892
Liabilities, deferred inflows of resources and fund balances									
Liabilities									
Accounts payable	$ -	$ 5,740	$ 17,246	$ 2,846	$ 31,814	$ -	$ -	$ -	$ 57,646
Accrued salaries and benefits	-	38,951	44,611	38,490	34,517	-	-	-	156,569
Total liabilities	-	44,691	61,857	41,336	66,331	-	-	-	214,215
Deferred inflows of resources									
Unavailable revenue - property taxes	20,858	42,200	49,567	35,955	39,141	-	-	-	187,721
Unavailable revenue - other	23,331	-	-	-	-	-	-	-	23,331
Total deferred inflows of resources	44,189	42,200	49,567	35,955	39,141	-	-	-	211,052
Fund balances									
Restricted for									
Roads and bridges	1,544,604	588,901	483,118	463,074	541,439	-	71,384	-	3,692,520
Committed to									
Special road projects	-	-	-	-	-	986,105	-	-	986,105
Total fund balances	1,544,604	588,901	483,118	463,074	541,439	986,105	71,384	-	4,678,625
Total liabilities, deferred inflows of resources, and fund balances	$ 1,588,793	$ 675,792	$ 594,542	$ 540,365	$ 646,911	$ 986,105	$ 71,384	$ -	$ 5,103,892

WISE COUNTY, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Lateral Road Fund
For the Fiscal Year Ended September 30, 2024

	Right of Way and Fencing	Precinct No. 1	Precinct No. 2	Precinct No. 3	Precinct No. 4	County Thoroughfare	Grants	Inter-Fund Eliminations	**Total Lateral Road Fund**
Revenues									
Property taxes	$ 682,155	$ 1,380,276	$ 1,620,965	$ 1,175,300	$ 1,280,193	$ -	$ -	$ -	$ 6,138,889
Licenses and permits	-	349,090	349,090	350,216	349,090	-	-	-	1,397,486
Intergovernmental	-	39,260	39,260	39,260	39,260	-	71,384	-	228,424
Fines and forfeitures	-	56,130	56,130	56,130	56,130	-	-	-	224,520
Interest income	90,675	34,907	40,671	34,197	57,991	13,644	-	-	272,085
Miscellaneous revenues and donations	1,960	-	6,515	11,031	1	-	-	-	19,507
Total revenues	774,790	1,859,663	2,112,631	1,666,134	1,782,665	13,644	71,384	-	8,280,911
Expenditures									
Current:									
Public transportation	253,178	1,486,114	1,811,543	1,485,433	1,537,874	9,295	89,230	-	6,672,667
Capital outlay	598,260	2,515	-	-	302,339	-	-	-	903,114
Total expenditures	851,438	1,488,629	1,811,543	1,485,433	1,840,213	9,295	89,230	-	7,575,781
Excess (deficiency) of revenues over (under) expenditures	(76,648)	371,034	301,088	180,701	(57,548)	4,349	(17,846)	-	705,130
Other financing sources (uses)									
Operating transfers in	-	-	-	-	-	708,212	-	(708,212)	-
Operating transfers out	-	-	-	-	(14,768)	-	(708,212)	708,212	(14,768)
Sale of assets	-	-	-	3,600	-	-	-	-	3,600
Total other financing sources (uses)	-	-	-	3,600	(14,768)	708,212	(708,212)	-	(11,168)
Net change in fund balances	(76,648)	371,034	301,088	184,301	(72,316)	712,561	(726,058)	-	693,962
Fund balances, beginning of year	1,621,252	217,867	182,030	278,773	613,755	273,544	797,442	-	3,984,663
Fund balances, end of year	$ 1,544,604	$ 588,901	$ 483,118	$ 463,074	$ 541,439	$ 986,105	$ 71,384	$ -	$ 4,678,625

WISE COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Interest Income	$ 982,000	$ 1,089,070	$ 1,089,069	$ (1)
Lease Revenue	1,140,000	1,140,400	1,662,692	522,292
Total revenues	2,122,000	2,229,470	2,751,761	522,291
Expenditures				
Debt service:				
Principal retirement	3,780,000	3,780,000	3,780,000	-
Interest and fiscal charges	1,173,962	1,172,362	1,171,961	401
Total expenditures	4,953,962	4,952,362	4,951,961	401
Deficiency of revenues under expenditures	(2,831,962)	(2,722,892)	(2,200,200)	522,692
Other financing sources				
Operating transfers in	2,831,962	2,832,464	2,832,463	(1)
Total other financing sources	2,831,962	2,832,464	2,832,463	(1)
Net change in fund balances	$ -	$ 109,572	632,263	$ 522,691
Fund balance, beginning of year			4,076,723	
Fund balance, end of year			$ 4,708,986	

WISE COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Capital Projects Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	$ 10,529,378	$ 7,940,387	$ 6,627,652	$ (1,312,735)
Interest income	4,000	251,612	287,221	$ 35,609
Miscellaneous revenues and donations	-	5,321	5,320	$ (1)
Total revenues	10,533,378	8,197,320	6,920,193	(1,277,127)
Expenditures				
General government	83,036	83,267	83,266	1
Public safety	1,593	1,593	1,593	-
Capital outlay	14,212,289	18,321,130	9,407,446	8,913,684
Debt service:				
Tax note issuance costs	-	159,961	146,545	13,416
Total expenditures	14,296,918	18,565,951	9,638,850	8,927,101
Deficiency of revenues under expenditures	(3,763,540)	(10,368,631)	(2,718,657)	7,649,974
Other financing sources (uses)				
Issuance of tax notes	-	9,565,000	9,565,000	-
Issuance of premiums on tax notes	-	468,961	468,960	(1)
Operating transfers in	-	3,352,768	3,352,768	-
Operating transfers out	-	(1,095)	(1,093)	2
Sale of assets	-	132,685	132,684	(1)
Total other financing sources (uses)	-	13,518,319	13,518,319	-
Net change in fund balances	$ (3,763,540)	$ 3,149,688	10,799,662	$ 7,649,974
Fund balances, beginning of year			4,483,003	
Fund balances, end of year			$ 15,282,665	

NONMAJOR GOVERNMENTAL FUNDS

WISE COUNTY, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024

	Special Revenue Funds					
	County Grants	County Clerk Record Management	Juvenile Probation TJJD 17-249	WC Branch Campus Maintenance Tax	Other Special Revenue	**Total Nonmajor Governmental Funds**
Assets						
Cash	$ 233,586	$ -	$ 340,228	$ -	$ 932,497	$ 1,506,311
Investments	-	-	260,500	-	-	260,500
Receivables						
Property tax (net of allowance of $28,647)	-	-	-	141,264	-	141,264
Accounts	19,267	-	9,300	-	-	28,567
Due from other funds	1,581,327	655,573	-	-	539,909	2,776,809
Due from other governments	16,404	-	119,712	-	-	136,116
Total assets	$ 1,850,584	$ 655,573	$ 729,740	$ 141,264	$ 1,472,406	$ 4,849,567
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	$ 1,592,137	$ 6,597	$ -	$ -	$ 9,891	$ 1,608,625
Due to other funds	-	-	-	-	46,965	46,965
Due to other governments	-	-	-	-	162,693	162,693
Deposits held and due to others	-	-	6,942	-	-	6,942
Total liabilities	1,592,137	6,597	6,942	-	219,549	1,825,225
Deferred inflows of resources						
Unavailable revenue - property taxes	-	-	-	141,264	-	141,264
Fund balances						
Restricted for						
State and federal programs	258,447	-	722,798	-	-	981,245
Records management	-	648,976	-	-	149,889	798,865
Legal	-	-	-	-	714,447	714,447
Public safety	-	-	-	-	287,632	287,632
Justice courts technology	-	-	-	-	100,889	100,889
Total fund balances	258,447	648,976	722,798	-	1,252,857	2,883,078
Total liabilities, deferred inflows of resources, and fund balances	$ 1,850,584	$ 655,573	$ 729,740	$ 141,264	$ 1,472,406	$ 4,849,567

WISE COUNTY, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2024

	Special Revenue Funds						
	County Grants	County Clerk Record Management	Juvenile Probation TJJD 17-249	WC Branch Campus Maintenance Tax	Other Special Revenue	Inter-Fund Eliminations	**Total Nonmajor Governmental Funds**
Revenues							
Property taxes	$ -	$ -	$ -	$ 4,588,530	$ -	$ -	$ 4,588,530
Intergovernmental	3,330,964	-	953,866	-	22,491	-	4,307,321
Fees of office	-	380,181	-	-	206,958	-	587,139
Interest income	-	-	14,459	-	-	-	14,459
Miscellaneous revenues and donations	17,654	-	60	-	77,486	-	95,200
Total revenues	3,348,618	380,181	968,385	4,588,530	306,935	-	9,592,649
Expenditures							
Current:							
General government	-	-	-	4,588,530	-	-	4,588,530
Judicial	-	-	-	-	37,605	-	37,605
Legal	-	223,309	-	-	50,760	-	274,069
Public safety	132,026	-	1,039,766	-	149,741	-	1,321,533
Capital outlay	2,972,264	-	-	-	187,984	-	3,160,248
Total expenditures	3,104,290	223,309	1,039,766	4,588,530	426,090	-	9,381,985
Excess (deficiency) of revenues over (under) expenditures	244,328	156,872	(71,381)	-	(119,155)	-	210,664
Other financing sources (uses)							
Operating transfers in	-	-	250,000	-	51,394	(1,394)	300,000
Operating transfers out	(181,141)	(137,806)	-	-	(30,000)	1,394	(347,553)
Total other financing sources (uses)	(181,141)	(137,806)	250,000	-	21,394	-	(47,553)
Net change in fund balances	63,187	19,066	178,619	-	(97,761)	-	163,111
Fund balances, beginning of year	195,260	629,910	544,179	-	1,350,618	-	2,719,967
Fund balances, end of year	$ 258,447	$ 648,976	$ 722,798	$ -	$ 1,252,857	$ -	$ 2,883,078

WISE COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Nonmajor - Special Revenue Funds
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	$ 4,566,700	$ 4,588,531	$ 4,588,530	$ (1)
Intergovernmental	831,657	1,032,816	4,307,321	3,274,505
Fees of office	556,200	587,145	587,139	(6)
Interest income	6,000	13,251	14,459	1,208
Miscellaneous revenues and donations	55,000	345,203	95,200	(250,003)
Total revenues	6,015,557	6,566,946	9,592,649	3,025,703
Expenditures				
Current:				
General government	4,566,700	4,588,531	4,588,530	1
Judicial	43,500	39,007	37,605	1,402
Legal	492,000	275,465	274,069	1,396
Public safety	1,176,014	1,629,245	1,321,533	307,712
Health and welfare	90,747	17,655	-	17,655
Capital outlay	2,551,867	3,160,251	3,160,248	3
Total expenditures	8,920,828	9,710,154	9,381,985	328,169
Excess (deficiency) of revenues over (under) expenditures	(2,905,271)	(3,143,208)	210,664	3,353,872
Other financing sources (uses)				
Operating transfers in	-	302,790	300,000	(2,790)
Operating transfers out	(5,676,931)	(5,187,086)	(347,553)	4,839,533
	-	-	-	-
Total other financing sources (uses)	(5,676,931)	(4,884,296)	(47,553)	4,836,743
Net change in fund balances	$ (8,582,202)	$ (8,027,504)	163,111	$ 8,190,615
Fund balances, beginning of year			2,719,967	
Fund balances, end of year			$ 2,883,078	

CUSTODIAL FUNDS

WISE COUNTY, TEXAS
Combining Statement of Fiduciary Net Position
All Custodial Funds
September 30, 2024

	District Attorney Criminal Justice	Bond Holding	Jury Fund	Estray Animal	Wise County CSCD	District Attorney Restitution	Sherriff's Department Bond and Fine	Tax A/C Special Inventory	Special Inventory	Inmate Trust Fund
Assets										
Cash	$ 366,067	$ 42,482	$ 32,461	$ 6,443	$ 456,420	$ 1,763	$ 357	$ 399,880	$ 29,849	$ 49,125
Investments	-	-	-	-	550,000	-	-	-	-	-
Receivables:										
Property taxes - for other governments	-	-	-	-	-	-	-	-	-	-
Total assets	$ 366,067	$ 42,482	$ 32,461	$ 6,443	$ 1,006,420	$ 1,763	$ 357	$ 399,880	$ 29,849	$ 49,125
Liabilities										
Accounts Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property taxes to be collected - due to other governments	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	-	-
Net position										
Restricted for individuals, organizations and others	366,067	42,482	32,461	6,443	1,006,420	1,763	357	399,880	29,849	49,125
Total net position	$ 366,067	$ 42,482	$ 32,461	$ 6,443	$ 1,006,420	$ 1,763	$ 357	$ 399,880	$ 29,849	$ 49,125

WISE COUNTY, TEXAS
Combining Statement of Fiduciary Net Position
All Custodial Funds
September 30, 2024

	Tax A/C Auto Registration	County Attorney Forfeiture	District Clerk Trust	Tax Office	Sheriff's Department Commissary	Register Fund Excess Tax Fund	Bail Bond	County Attorney Restitution	Total Fiduciary Funds
Assets									
Cash	$ 300,319	$ 8,363	$ 944,110	$ 248,068	$ 191,173	$ 324,563	$ 211,329	$ 2,715	$ 3,615,487
Investments	-	-	-	-	-	-	-	-	550,000
Receivables:									
Property taxes - for other governments	-	-	-	7,957,184	-	-	-	-	7,957,184
Total assets	$ 300,319	$ 8,363	$ 944,110	$ 8,205,252	$ 191,173	$ 324,563	$ 211,329	$ 2,715	$ 12,122,671
Liabilities									
Accounts Payable	$ -	$ -	$ -	$ -	$ 165,899	$ -	$ -	$ -	$ 165,899
Property taxes to be collected - due to other governments	-	-	-	7,957,184	-	-	-	-	7,957,184
Total liabilities	-	-	-	7,957,184	165,899	-	-	-	8,123,083
Net position									
Restricted for individuals, organizations and others	300,319	8,363	944,110	248,068	25,274	324,563	211,329	2,715	3,999,588
Total net position	$ 300,319	$ 8,363	$ 944,110	$ 248,068	$ 25,274	$ 324,563	$ 211,329	$ 2,715	$ 3,999,588

WISE COUNTY, TEXAS
Combining Statement of Changes in Fiduciary Net Position
All Custodial Funds
For the Fiscal Year Ended September 30, 2024

	District Attorney Criminal Justice	Bond Holding	Jury Fund	Estray Animal	Wise County CSCD	District Attorney Restitution	Sherriff's Department Bond and Fine	Tax A/C Special Inventory	Special Inventory	Inmate Trust Fund
Additions										
Collected and held for others	$ -	$ 382,312	$ 71,470	$ 5,795	$ 2,192,868	$ 163,613	$ 69,081	$ 622,873	$ 5,315	$ 528,850
Tax collections for other governments	-	-	-	-	-	-	-	-	-	-
Total additions	-	382,312	71,470	5,795	2,192,868	163,613	69,081	622,873	5,315	528,850
Deductions										
Payments to others	65,838	412,073	48,176	16,613	2,097,117	166,180	75,701	679,357	75	541,466
Payments to other governments	-	-	-	-	-	-	-	-	-	-
Total deductions	65,838	412,073	48,176	16,613	2,097,117	166,180	75,701	679,357	75	541,466
Net change in fiduciary net position	(65,838)	(29,761)	23,294	(10,818)	95,751	(2,567)	(6,620)	(56,484)	5,240	(12,616)
Net position, beginning of year	431,905	72,243	9,167	17,261	910,669	4,330	6,977	456,364	24,609	61,741
Net position, end of year	$ 366,067	$ 42,482	$ 32,461	$ 6,443	$ 1,006,420	$ 1,763	$ 357	$ 399,880	$ 29,849	$ 49,125

WISE COUNTY, TEXAS
Combining Statement of Changes in Fiduciary Net Position
All Custodial Funds
For the Fiscal Year Ended September 30, 2024

	Tax A/C Auto Registration	County Attorney Forfeiture	District Clerk Trust	Tax Office	Sheriff's Department Commissary	Register Fund Excess Tax Fund	Bail Bond	County Attorney Restitution	Total Fiduciary Funds
Additions									
Collected and held for others	$ 24,799,727	$ -	$ 2,489,859	$ -	$ 328,062	$ 360,138	$ 500	$ 3,379	$ 32,023,842
Tax collections for other governments	-	-	-	186,059,858	-	-	-	-	186,059,858
Total additions	24,799,727	-	2,489,859	186,059,858	328,062	360,138	500	3,379	218,083,700
Deductions									
Payments to others	24,803,910	-	5,488,817	-	203,909	168,968	25,500	3,081	34,796,781
Payments to other governments	-	-	-	186,135,064	165,899	-	-	-	186,300,963
Total deductions	24,803,910	-	5,488,817	186,135,064	369,808	168,968	25,500	3,081	221,097,744
Net change in fiduciary net position	(4,183)	-	(2,998,958)	(75,206)	(41,746)	191,170	(25,000)	298	(3,014,044)
Net position, beginning of year	304,502	8,363	3,943,068	323,274	67,020	133,393	236,329	2,417	7,013,632
Net position, end of year	$ 300,319	$ 8,363	$ 944,110	$ 248,068	$ 25,274	$ 324,563	$ 211,329	$ 2,715	$ 3,999,588

STATISTICAL SECTION

WISE COUNTY, TEXAS
General Governmental Revenues by Source
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Taxes	Intergovernmental		Licenses and Permits	Fees of Office	Fines and Forfeitures	Interest	Royalties and Leases	Solid Waste Fees	Miscellaneous	Total
		Non-Federal Funds	Federal Funds								
2015	$ 36,530,427	$ 1,135,770	$ 1,717,955	$ 1,265,346	$ 5,175,746	$ 999,810	$ 27,989	$ 2,747,878	$ 541,390	$ 935,261	$ 51,077,572
2016	35,736,050	2,394,421	601,309	1,315,140	5,518,721	1,047,566	96,998	2,689,371	622,839	1,441,662	51,464,077
2017	30,168,620	1,963,162	685,373	1,268,352	5,380,726	1,004,533	205,260	2,779,888	633,471	799,050	44,888,435
2018	31,158,489	2,204,347	269,139	1,319,826	5,707,062	893,710	518,869	2,916,556	591,020	586,361	46,165,379
2019	34,262,077	1,520,297	356,027	1,358,229	5,797,385	742,404	788,477	2,861,179	598,874	853,306	49,138,255
2020	36,198,656	1,656,831	3,131,393	1,279,644	5,430,459	617,072	377,489	2,859,363	632,244	886,265	53,069,416
2021	36,758,074	2,472,999	379,506	1,316,816	5,755,070	726,012	99,816	2,538,796	609,995	936,316	51,593,400
2022	39,671,083	3,201,730	2,806,513	1,370,816	6,228,616	702,484	1,412,901	1,917,343	620,761	1,496,795	59,429,042
2023	45,528,214	3,325,421	3,814,545	1,392,200	6,094,008	642,601	3,037,399	1,834,624	599,392	909,598	67,178,002
2024	49,032,376	6,336,555	7,364,570	1,397,486	6,490,539	707,311	3,318,288	1,759,202	628,650	863,027	77,898,004

WISE COUNTY, TEXAS
General Governmental Expenditures by Function
(Excluding Capital Outlay)
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Government	Judicial	Legal	Elections	Financial Administration	Public Facilities	Public Safety	Public Transportation	Health and Welfare	Culture and Recreation	Conservation	Debt Service	Total
2015	$ 7,727,592	$ 3,709,655	$ 2,073,969	$ 307,637	$ 2,151,697	$ 3,119,103	$ 16,893,894	$ 7,128,465	$ 1,183,587	$ 296,809	$ 298,600	$ 5,604,416	$ 50,495,424
2016	6,919,032	3,753,242	2,131,120	394,744	2,194,052	3,007,463	16,977,454	7,178,002	1,418,149	277,686	293,350	5,689,805	50,234,099
2017	6,225,256	3,858,295	2,144,631	379,157	2,119,653	2,699,342	16,010,998	5,320,129	1,246,130	317,363	279,260	5,755,351	46,355,565
2018	6,116,014	3,978,074	2,125,510	393,400	2,358,929	2,487,623	16,410,640	5,127,958	1,205,316	363,989	282,178	5,823,865	46,673,496
2019	6,599,120	4,012,700	2,167,317	374,701	2,502,477	2,453,798	17,850,267	5,538,608	1,304,864	417,608	290,121	6,116,334	49,627,915
2020	7,065,338	4,132,155	2,365,317	399,362	3,018,120	2,497,451	18,746,997	5,437,064	1,254,089	369,659	280,151	4,912,744	50,478,447
2021	7,085,925	4,114,196	2,312,585	402,786	3,071,099	2,507,105	18,481,678	5,848,888	1,365,414	434,918	275,324	4,906,872	50,806,790
2022	7,259,273	4,550,325	2,509,575	440,497	3,347,299	2,538,232	20,029,509	6,518,191	1,460,120	621,624	273,926	4,257,936	53,806,507
2023	8,257,642	4,691,750	2,584,545	388,388	3,533,958	2,734,263	23,774,433	6,960,835	1,636,082	682,169	293,222	4,957,257	60,494,544
2024	8,964,568	4,807,667	3,541,699	606,678	3,651,133	2,885,139	24,900,695	6,772,791	1,302,866	625,197	317,872	5,141,118	63,517,423

WISE COUNTY, TEXAS
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Total Tax Levy (Including Supplements)	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2015	$ 32,251,426	$ 31,797,095	98.59%	$ 300,868	$ 32,097,963	99.52%	$ 1,622,451	5.03%
2016	31,927,411	31,519,519	98.72%	276,830	31,796,349	99.59%	1,784,451	5.59%
2017	26,191,818	25,794,026	98.48%	313,432	26,107,458	99.68%	1,898,653	7.25%
2018	26,843,237	26,369,171	98.23%	278,893	26,648,064	99.27%	2,144,066	7.99%
2019	29,233,044	28,823,123	98.60%	445,818	29,268,941	100.12%	2,253,790	7.71%
2020	30,995,417	30,534,500	98.51%	310,370	30,844,870	99.51%	1,611,065	5.20%
2021	30,760,899	30,391,226	98.80%	441,173	30,832,399	100.23%	1,538,531	5.00%
2022	32,465,227	32,017,631	98.62%	378,841	32,396,472	99.79%	1,691,303	5.21%
2023	37,164,479	36,582,189	98.43%	400,095	36,982,284	99.51%	1,802,771	4.85%
2024	40,833,645	40,203,390	98.46%	406,841	40,610,231	99.45%	1,946,302	4.77%

WISE COUNTY, TEXAS
Computation of Legal Debt Margin
September 30, 2024
(Unaudited)

Assessed valuation:			
Assessed valuation of property			$16,645,485,759
Less: Exemptions and Deductions			(2,759,276,002)
Taxable assessed value			$13,886,209,757
Legal debt margin:			
Debt limit (25% of taxable assessed value)			$3,471,552,439
Debt applicable to limitation:			
Total bonded debt			
Add: Tax notes		11,740,000	
Certificates of obligation		1,755,000	
Less: Amount available for repayment of bonded debt		(2,300,711)	
Total debt applicable to limitation			11,194,289
Legal debt margin			$3,460,358,150

Note: Debt limit 25% of assessed value of real property, Article 3, Section 52, of the Texas Constitution.

WISE COUNTY, TEXAS
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population	Assessed Value	Gross Bonded Debt	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2015	61,638	$ 7,629,062,089	$ 11,770,000	$ 249,649	$ 11,520,351	0.151%	$ 186.90
2016	62,953	7,555,972,652	8,935,000	250,640	8,684,360	0.115%	137.95
2017	64,455	6,240,218,877	6,040,000	252,419	5,787,581	0.093%	89.79
2018	66,181	6,434,419,903	3,075,000	446,292	2,628,708	0.041%	39.72
2019	68,305	7,324,430,291	10,520,000	520,264	9,999,736	0.137%	146.40
2020	69,984	8,019,778,295	9,045,000	545,450	8,499,550	0.106%	121.45
2021	68,632	7,978,506,613	7,355,000	635,809	6,719,191	0.084%	97.90
2022	71,714	8,760,117,832	9,080,000	1,026,122	8,053,878	0.092%	112.31
2023	74,897	11,227,593,484	6,570,000	1,694,700	4,875,300	0.043%	65.09
2024	78,097	13,886,209,757	13,495,000	2,300,711	11,194,289	0.081%	143.34

Overall Compliance and Internal Controls Section

SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

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 Members of the Commissioners' Court
Wise 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, each major fund, and the aggregate remaining fund information of Wise County, Texas (the County), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise County's basic financial statements, and have issued our report thereon dated April 2, 2025.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that were not identified.

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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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.



Snow Garrett Williams
April 2, 2025

WISE COUNTY, TEXAS
Summary Schedule of Prior Audit Findings
September 30, 2024

Finding/Recommendation

There were no prior year findings.

WISE COUNTY, TEXAS
Schedule of Findings and Questioned Costs
September 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	____ Yes	__x__ No	
Significant deficiencies identified that are not considered to be material weaknesses?	____ Yes	__x__ None Reported	
Noncompliance material to financial statements noted?	____ Yes	__x__ No	

Federal and State Awards

Internal control over major programs:			
Material weakness(es) identified?	____ Yes	__x__ No	
Significant deficiencies identified that are not considered to be material weaknesses?	____ Yes	__x__ None Reported	
Type of auditor's report issued on compliance for major programs:	Unmodified		
Version of compliance supplement used in audit:	May 2024		
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200?	____ Yes	__x__ No	
Any audit findings disclosed that are required to be reported in accordance with section 510 of the Texas Grant Management Standards?	____ Yes	__x__ No	

Identification of Major Programs:

Federal Awards
U.S. Department of Treasury:
ALN 21.027 Coronavirus State and Local Fiscal Recovery Funds

State Awards
Texas Historic Courthouse Preservation Program

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000		
Auditee qualified as a low-risk auditee?	__x__ Yes	____ No	

Section II - Financial Statement Findings

None noted.

Section III - Federal and State Award Findings and Questioned Costs

None noted.

WISE COUNTY, TEXAS
Corrective Action Plan
September 30, 2024

A corrective action plan is not needed.

FEDERAL AND STATE AWARDS SECTION

SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Members of the Commissioners' Court
Wise County, Texas

Report on Compliance for Each Major Federal and State Program

Opinions on Each Major Federal and State Program

We have audited Wise County, Texas' (the County), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Texas Grant Management Standards that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2024. The County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Wise County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2024.

Basis for Opinions on Each Major Federal and State Program

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

We are required to be independent of the County 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 opinions on compliance for each major federal and state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

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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 the County's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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



Snow Garrett Williams
April 2, 2025

WISE COUNTY, TEXAS
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal ALN	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Forest Service Schools and Roads Cluster				
U.S. Department of Agriculture				
Schools and Roads - Grants to Counties	10.666		$ 191,128	$ 95,564
Total U.S. Department of Agriculture			191,128	95,564
Total Forest Service Schools and Roads Cluster			191,128	95,564
Other Programs				
U.S. Department of Justice				
State Criminal Alien Assistance Program	16.606		28,510	-
Passed Through North Central Texas Council of Governments				
Edward Byrne Memorial Justice Assistance Program	16.738		29,315	
Total Passed Through North Central Texas Council of Governments			29,315	-
Total U.S. Department of Justice			57,825	-
U.S. Department of Health and Human Services				
Passed Through Texas Department of State Health Services				
Public Health Emergency Preparedness	93.069	HHS001439300007	67,043	-
Total Passed Through Texas Department of State Health Services			67,043	-
U.S. Department of the Treasury				
Coronavirus State And Local Fiscal Recovery Funds (COVID-19)	21.027		7,048,574	-
Total U.S. Department of the Treasury			7,048,574	-
Total Other Programs			7,173,442	-
Total Expenditures of Federal Awards			$ 7,364,570	$ 95,564

The accompanying notes are an integral part of this schedule.

WISE COUNTY, TEXAS
Schedule of Expenditures of State Awards
For the Fiscal Year Ended September 30, 2024

State Grantor/ Pass-Through Grantor/ Program Title	Grant Contract Number	State Expenditures
Texas Department of Transportation		
County Transportation Infrastructure Fund Grant	CTIF-01-249	$ 71,384
Total Texas Department of Transportation		71,384
Texas Office of Court Administration		
Passed through Texas Indigent Defense Commission		
Indigent Defense Formula Grant	212-24-249	45,057
Total Passed through Texas Indigent Defense Commission		45,057
Total Texas Office of Court Administration		45,057
Texas Office of the Attorney General		
Statewide Automated Victim Notification Service (SAVNS)	C-01196	12,694
Total Texas Office of the Attorney General		12,694
Commission on State Emergency Communications		
Passed through North Central Texas Council of Governments		
Texas Rural Addressing Maintenance Project (911 Grant)	N/A	30,800
Total Passed through North Central Texas Council of Governments		30,800
Total Commission on State Emergency Communications		30,800
Texas Secretary of State		
Chapter 19 Funds	N/A	14,557
Total Texas Secretary of State		14,557
Texas Historical Commission		
Texas Historic Courthouse Preservation Program	N/A	2,733,881
Total Texas Historical Commission		2,733,881
Texas Department of State Health Services		
Passed through North Central Texas Regional Advisory Council		
State Trauma Grant	N/A	7,745
Total Passed through North Central Texas Regional Advisory Council		7,745
Total Texas Department of State Health Services		7,745
Texas Comptroller of Public Accounts		
Rural Law Enforcement Grant	1A-0000000042	749,161
Total Texas Comptroller of Public Accounts		749,161
Total Expenditures of State Awards		$ 3,665,279

The accompanying notes are an integral part of this schedule.

WISE COUNTY, TEXAS
Notes to the Schedules of Expenditures of Federal and State Awards
For the Year Ended September 30, 2024

Note 1: Basis of Presentation

The accompanying schedules of expenditures of federal and state awards ("the Schedules") include the federal and state awards of Wise County, Texas. The information in the Schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Texas Grant Management Standards (TxGMS). Because the schedules present only a selected portion of the operations of Wise County, they are not intended to and do not present the financial position or changes in net position of Wise County, Texas.

Note 2: Summary of Significant Accounting Policies

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

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