MARION COUNTY, TEXAS
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023

MARION COUNTY, TEXAS
TABLE OF CONTENTS

Supplementary Information

Non-Major Governmental Funds:

Trust Funds:

Agency Funds:

RLA

Rod L. Abbott, CPA PLLC
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and
Members of the Commissioners' Court
County of Marion, Texas
Jefferson, Texas

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Marion, Texas (the "County"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Marion, Texas, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am required to be independent of the County, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

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

My 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 my 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 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, I:

- 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 my 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.

I am 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 I 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, pension schedules, and OPEB schedules on pages 4-8 and 42-47 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

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Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Marion Texas's basic financial statements. The combining and individual nonmajor fund financial statements 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 my opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

R L Abbott

Rod L. Abbott, CPA PLLC
Van Alstyne, Texas
August 12, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial Report, we, the commissioners of Marion County, Texas (the "County"), discuss and analyze the County's financial performance for the year ended December 31, 2023. Please read it in conjunction with the independent auditor's report on page 1, and the County's Basic Financial Statements which begin on page 9.

FINANCIAL HIGHLIGHTS

- On the government-wide financial statements, the County had an overall increase in net position of $378,646. This is an 1.9% increase from the prior year net position balance of $20,094,201. The prior year increase in net position was $1,611,700.
- The General Fund's total fund balance of $2,927,336 at December 31, 2023 is a ($27,943) decrease from the prior year balance of $2,955,279.
- The General Fund has a healthy unassigned fund balance of $2,925,346 and is equal to 7.5 months of the General Fund's 2023 expenditures of $4,693,616.
- The Road and Bridge Fund also has a healthy fund balance of $1,069,946 and is equal to 9.4 months of the Road and Bridge Fund's 2023 expenditures of $1,358,269.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 9 and 10). These provide information about the activities of the County as a whole and present a longer-term view of the County's financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting on page 11) report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the County were sold to departments within the County or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside the County.

The notes to the financial statements (starting on page 18) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for non-major funds (starting on page 48) contain even more information about the County's individual funds.

Reporting the County as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the County's overall financial condition and operations begins on page 9. Its primary purpose is to show whether the County is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the County's assets, deferred inflows and outflows of resources, liabilities, and equity at the end of the year. The Statement of Activities includes all the revenues and expenses generated by the County's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The County's revenues are divided into those provided by outside parties who share the costs of some programs and revenues provided by the taxpayers or by other non-grant sources (general revenues). All the County's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the County's net position and changes in them. The County's net position (the difference between assets plus deferred outflows and liabilities plus deferred inflows) provide one measure of the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the County, however, you should consider nonfinancial factors as well, such as changes in the County's property tax base and the condition of the County's capital assets.

In the Statement of Net Position and the Statement of Activities, the County’s activities are presented as:

Governmental activities – the County's basic services are reported here. Property taxes, state and federal grants finance most of these activities.

Business-type activities - The County charges a fee to “customers”. The sheriff’s department runs a commissary to provide supplies for the inmates of the County to purchase.

Reporting the County's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 11 and provide detailed information about the most significant funds–not the County as a whole. Laws and contracts require the County to establish some funds. The County's administration establishes many other funds to help it control and manage money for particular purposes (like roads and bridges, jury, etc.). The County has two kinds of funds – governmental, which uses the modified-accrual basis of accounting, and business-type (proprietary), which uses the accrual basis of accounting.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Governmental funds–most of the County's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the County's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

Proprietary funds—the County reports the activities for which it charges users in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. The County's enterprise fund (one category of proprietary funds) is the business-type activity reported in the government-wide statements but containing more detail and additional information, such as cash flows.

The County as Trustee

Reporting the County's Fiduciary Responsibilities

The County is the trustee, or fiduciary, for money raised by escrow accounts held by the County Clerk and other monies held temporarily such as taxes and fines. We exclude these resources from the County's financial statements because the County cannot use these assets to finance its operations. The County is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIALS ANALYSIS

Our analysis presents both current and prior year data and discusses significant changes in the accounts. Our analysis focuses on the Net Position (Table I) and changes in Net Position (Table II).

Table I Marion County

	Governmental Activities		Business-type Activities		Total	
	FY23	**FY22**	**FY23**	**FY22**	**FY23**	**FY22**
Current and other assets	$ 12,781,642	$ 13,510,566	$ 13,996	$ 10,039	$ 12,795,638	$ 13,520,605
Capital assets	8,370,737	8,365,595	-	-	8,370,737	8,365,595
Total assets	21,152,379	21,876,161	13,996	10,039	21,166,375	21,886,200
Deferred outflows of resources	511,320	445,953	-	-	511,320	445,953
Long-term liabilities	705,789	270,908	-	-	705,789	270,908
Other liabilities	265,756	185,763	-	-	265,756	185,763
Total liabilities	971,545	456,671	-	-	971,545	456,671
Deferred inflows of resources	233,303	1,781,281	-	-	233,303	1,781,281
Net position:						
Net investment in cap. assets	8,370,737	8,365,595	-	-	8,370,737	8,365,595
Restricted	2,868,110	3,231,488	-	-	2,868,110	3,231,488
Unrestricted	9,220,003	8,487,079	13,996	10,039	9,233,999	8,497,118
Total net position	$ 20,458,850	$ 20,084,162	$ 13,996	$ 10,039	$ 20,472,846	$ 20,094,201

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Table II Marion County

	Governmental Activities		Business-type Activities		Total	
	FY23	**FY22**	**FY23**	**FY22**	**FY23**	**FY22**
Revenues:						
Program Revenues:						
Charges for services	$ 941,260	$ 906,185	$ 11,254	$ 7,469	$ 952,514	$ 913,654
Operating grants and contributions	381,345	1,348,794	-	-	381,345	1,348,794
Capital grants and contributions	-	78,865	-	-	-	78,865
General Revenues:						
Property taxes	4,713,431	4,735,030	-	-	4,713,431	4,735,030
Sales and other taxes	1,028,010	641,389	-	-	1,028,010	641,389
Investment income	37,761	25,917	36	18	37,797	25,935
Gain (loss) on disposed assets	60,435	14,250	-	-	60,435	14,250
Other	120,185	96,429	-	-	120,185	96,429
	7,282,427	7,846,859	11,290	7,487	7,293,717	7,854,346
Expenses:						
General government	2,426,538	2,289,955	-	-	2,426,538	2,289,955
Road and bridge	1,478,598	1,376,469	-	-	1,478,598	1,376,469
Corrections	73,583	182,331	-	-	73,583	182,331
Law enforcement	2,012,217	1,558,603	7,333	3,847	2,019,550	1,562,450
Judicial	558,367	502,210	-	-	558,367	502,210
Community services	358,435	329,231	-	-	358,435	329,231
	6,907,738	6,238,799	7,333	3,847	6,915,071	6,242,646
Excess (deficiency) of revenues over expenditures before transfers	374,689	1,608,060	3,957	3,640	378,646	1,611,700
Transfers In (Out)	-	-	-	-	-	-
Increase in net position	374,689	1,608,060	3,957	3,640	378,646	1,611,700
Net position - January 1	20,084,162	18,476,102	10,039	6,399	20,094,201	18,482,501
Prior period adjustments	-	-	-	-	-	-
Net position - December 31	$ 20,458,851	$ 20,084,162	$ 13,996	$ 10,039	$ 20,472,847	$ 20,094,201

CHANGES IN NET POSITION

Net position of the County's governmental activities increased by $374,689 during 2023, for a total of $20,458,851 at December 31, 2023. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was $9,220,003 at December 31, 2023.

THE COUNTY'S FUNDS

As the County completed the year, its governmental funds (as presented in the balance sheet on page 11) reported a combined fund balance of $6,707,098, which is a ($84,399) decrease during 2023. The decrease is due to the budgeted spend down of fund balances for both the General Fund and the Road and Bridge Fund. The County's General Fund experienced a ($27,943) decrease in fund balance. The County's Road and Bridge Fund experienced a decrease in fund balance of ($138,943). This decrease was planned and the Road and Bridge Fund had a positive amended budget versus actual result variance of $31,632 (page 43).

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

COUNTY BUDGET

Over the course of the year, the Commissioners Court revised the County's fiscal year 2023 budget. Many amendments involved moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs. The General Fund's amended budget versus actual results show a positive overall variance of $86,551. General Fund and Road and Bridge Fund budget versus actual results are presented in the *Required Supplementary Information* section.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the County had $8,370,737 invested in a broad range of capital assets, including infrastructure, facilities and equipment, administration, law enforcement, court and maintenance. There was a net increase in capital assets of $5,143 in 2023 that is attributable to capital asset additions being slightly larger than the 2023 depreciation expense of $544,065.

Debt

At year-end, the County had no outstanding long-term debt. Long-term liabilities shown on the Statement of Net Position represent the net pension liability and other post-employment benefits funding obligations with the Texas County and District Retirement System.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected and appointed officials considered many factors when setting the year 2024 County budgets and tax rates. These indicators were taken into account when adopting the General Fund and Road and Bridge Fund budgets for 2024.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors 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 additional financial information, contact the County's business office, at 102 West Austin St., Jefferson, Texas 75657.

Marion County, Texas
Statement of Net Position
December 31, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 6,159,569	$ 12,659	$ 6,172,228
Investments	600,000	-	600,000
Prepaid expenses	32,272	-	32,272
Accounts receivables - net	100,370	1,337	101,707
Due from other governments	80,644	-	80,644
Current property taxes receivable - net	3,836,060	-	3,836,060
Past due property taxes receivable - net	1,972,727	-	1,972,727
Capital assets:			
Non-depreciable capital assets	819,208	-	819,208
Depreciable capital assets (net)	7,551,529	-	7,551,529
Total assets	21,152,379	13,996	21,166,375
Deferred outflows of resources			
Deferred outflows of resources - OPEB	10,826	-	10,826
Deferred outflows of resources - Pension	500,494	-	500,494
Total deferred outflows of resources	511,320	-	511,320
Liabilities			
Accounts payable	164,022	-	164,022
Other accrued liabilities	82,433	-	82,433
Due to other governments	19,301	-	19,301
Non-current liabilities:			
Due within one year	-	-	-
Due in more than one year:			
Total OPEB liability	229,157	-	229,157
Net pension liability	476,632	-	476,632
Total liabilities	971,545	-	971,545
Deferred inflows of resources			
Deferred inflows of resources - OPEB	42,177	-	42,177
Deferred inflows of resources - Pension	191,126	-	191,126
Total deferred inflows of resources	233,303	-	233,303
Net Position			
Net investment in capital assets	8,370,737	-	8,370,737
Restricted	2,868,110	-	2,868,110
Unrestricted	9,220,003	13,996	9,233,999
Total net position	$ 20,458,851	$ 13,996	$ 20,472,847

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

Marion County, Texas
Statement of Activities
For the Year Ended December 31, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position — Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	$ 2,426,538	$ 126,669	$ 246,087	$ -	$ (2,053,782)	$ -	$(2,053,782)
Roads and public works	1,478,598	465,728	16,637	-	(996,233)	-	(996,233)
Corrections	73,583	-	-	-	(73,583)	-	(73,583)
Law enforcement	2,012,217	6,874	33,374	-	(1,971,969)	-	(1,971,969)
Judicial	558,367	301,300	7,328	-	(249,739)	-	(249,739)
Community services	358,435	40,689	77,919	-	(239,827)	-	(239,827)
Total governmental activities	6,907,737	941,260	381,345	-	(5,585,132)	-	(5,585,132)
Business-type activities:							
Sheriff Commissary Fund	7,333	11,254	-	-	-	3,921	3,921
Total business-type activities	7,333	11,254	-	-	-	3,921	3,921
Total primary government	$ 6,915,070	$ 952,514	$ 381,345	$ -	(5,585,132)	3,921	(5,581,211)
General revenues:							
Property taxes					4,713,431	-	4,713,431
Sales taxes					1,028,010	-	1,028,010
Investment interest					37,761	36	37,797
Miscellaneous					120,184	-	120,184
Gain on sold assets					60,435	-	60,435
Total general revenues:					5,959,821	36	5,959,857
Change in net position					374,689	3,957	378,646
Net position - beginning					20,084,162	10,039	20,094,201
Net position - ending					$ 20,458,851	$ 13,996	$20,472,847

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

Marion County, Texas

Balance Sheet - Governmental Type Funds

December 31, 2023

	General Fund	Road and Bridge Fund	Capital Projects Fund (non-major)	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	$ 2,402,333	$ 1,108,180	$ 42,000	$ 1,263,800	$ 1,343,256	$ 6,159,569
Certificates of deposit	600,000	-	-	-	-	600,000
Prepaid expenses	1,990	-	-	-	30,282	32,272
Accounts receivable - net	59,651	4,875	-	-	35,844	100,370
Due from other governments	80,644	-	-	-	-	80,644
Current property taxes receivable - net	3,126,389	709,671	-	-	-	3,836,060
Past due property taxes receivable - net	1,607,773	364,954	-	-	-	1,972,727
Total assets	$ 7,878,780	$ 2,187,680	$ 42,000	$ 1,263,800	$ 1,409,382	$ 12,781,642
Liabilities						
Current liabilities:						
Accounts payable	$ 126,889	$ 22,841	$ -	$ -	$ 14,292	$ 164,022
Other accrued liabilities	71,092	20,267	-	-	(8,926)	82,433
Due to other governments	19,301	-	-	-	-	19,301
Total current liabilities	217,282	43,108	-	-	5,366	265,756
Deferred Inflows of Resources						
Unavailable revenue - Property taxes	4,734,162	1,074,626	-	-	-	5,808,788
Total deferred inflows of resources	4,734,162	1,074,626	-	-	-	5,808,788
Fund Balances						
Non-spendable fund balance	1,990	-	-	-	30,282	32,272
Restricted fund balance	-	1,069,946	-	1,263,800	534,364	2,868,110
Committed fund balance	-	-	-	-	515,367	515,367
Assigned fund balance	-	-	-	-	324,003	324,003
Unassigned	2,925,346	-	42,000	-	-	2,967,346
Total fund balances	2,927,336	1,069,946	42,000	1,263,800	1,404,016	6,707,098
Total liabilities, deferred inflows of resources, and fund balances	$ 7,878,780	$ 2,187,680	$ 42,000	$ 1,263,800	$ 1,409,382	$ 12,781,642

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

Marion County, Texas
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
at December 31, 2023

Fund balances of governmental funds	$	6,707,098
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.		8,370,737
Deferred outflows of resources related to pension and OPEB balances do not provide current financial resources and, therefore, are not reported in the governmental funds.		511,320
Deferred inflows of resources related to pension and OPEB balances do not require the use of current financial resources and, therefore, are not reported in the governmental funds.		(233,303)
The ($476,632) long-term net pension liability and the ($229,157) total OPEB liability are not due and payable in the current period and, therefore, both are not reported in the funds.		(705,789)
Property taxes not received at year-end are shown as deferred income on the fund financial statements, but the amount should not be shown as deferred on the statement of net position.		5,808,788
Net position of governmental activities	$	20,458,851

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

Marion County, Texas
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2023

	General Fund	Road and Bridge Fund	Capital Projects Fund (non-major)	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 4,402,088	$ 519,458	$ -	$ -	$ 462,912	$ 5,384,458
Intergovernmental	212,212	16,637	-	-	152,496	381,345
Charges for services	336,897	465,728	-	-	138,635	941,260
Other revenue	71,786	8,050	-	-	40,348	120,184
Investment earnings	37,757	-	-	-	4	37,761
Total revenues	5,060,740	1,009,873	-	-	794,395	6,865,008
Expenditures						
Current:						
General government	1,853,486	-	-	38,281	191,779	2,083,546
Roads and public works	-	1,324,701	-	-	96,376	1,421,077
Corrections	46,474	-	-	-	-	46,474
Law enforcement	1,958,605	-	-	-	39,953	1,998,558
Judicial	440,129	-	-	-	118,238	558,367
Community services	267,681	-	-	-	84,933	352,614
Capital outlays	127,241	33,568	-	237,143	161,998	559,950
Total expenditures	4,693,616	1,358,269	-	275,424	693,277	7,020,585
Excess (deficiency) of revenues over (under) expenditures	367,124	(348,396)	-	(275,424)	101,118	(155,577)
Other financing sources (uses)						
Proceeds from sold assets	3,500	41,612	-	-	26,067	71,179
Transfers in	36,991	236,841	-	-	267,717	541,549
Transfers (out)	(435,558)	(69,000)	-	-	(36,991)	(541,549)
Total other financing sources (uses)	(395,067)	209,453	-	-	256,793	71,179
Net changes in fund balances	(27,943)	(138,943)	-	(275,424)	357,910	(84,399)
Fund balances - beginning	2,955,279	1,208,889	42,000	1,539,224	1,046,105	6,791,497
Fund balances - ending	$ 2,927,336	$ 1,069,946	$ 42,000	$ 1,263,800	$ 1,404,016	$ 6,707,098

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

Marion County, Texas
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds To the Statement of Activities
For the Year Ended December 31, 2023

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

Net change in fund balances - total governmental funds	$	(84,399)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which $559,950 of capital outlays exceeded the $544,065 of depreciation expense in the current period.		15,885
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This includes recognizing the $356,983 change in deferred property tax revenue, and adjusting asset sale proceeds to the gain on the sale of assets by ($10,743). The net effect of these reclassifications is to decrease net position.		346,240
Modifications are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting for pension and OPEB expenses. The net effect of these adjustments is to increase net position.		96,963
Change in net position of governmental activities:	$	374,689

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

Marion County, Texas
Statement of Net Position - Proprietary Fund
December 31, 2023

		Sheriff's Commissary Fund
Assets		
Cash and cash equivalents	$	12,659
Accounts receivable - net		1,337
Total assets		13,996
Liabilities		
Accounts payable		-
Total liabilities		-
Net position		
Unrestricted		13,996
Total net position	$	13,996

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

Marion County, Texas
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund
For the Year Ended December 31, 2023

	Sheriff's Commissary Fund
Operating revenues:	
Inmate sales	$ 8,470
N.C.I.C.	2,784
Total operating revenues	11,254
Operating expenses:	
Equipment and supplies	689
Education and health program	2,273
Recreational	1,921
Other operating expenses	2,450
Total operating expenses	7,333
Operating income	3,921
Non-operating revenues (expenses):	
Interest income	36
Total non-operating revenues (expenses)	36
Income (loss) before contributions and transfers	3,957
Transfers in	-
Capital contributions	-
Change in net position	3,957
Total net position - beginning	10,039
Total net position - ending	$ 13,996

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

Marion County, Texas
Statement of Cash Flows - Proprietary Fund
For the Year Ended December 31, 2023

		Sheriff's Commissary Fund
Operating Activities:		
Receipts from customers and users	$	10,682
Payments to vendors		(7,333)
Net cash provided (used) by operating activities		3,349
Capital and Related Financing Activities:		
Cash paid for acquisition and construction of capital assets		-
Net cash provided (used) by capital and related financing activities		-
Non-capital and Related Financing Activities		
Transfers (to) from other funds		-
Net cash provided (used) by non-capital and related financing activities		-
Investing Activities:		
Interest received		36
Net cash provided (used) by investing activities		36
Net increase (decrease) in cash and cash equivalents		3,385
Cash and cash equivalents, January 1		9,274
Cash and cash equivalents, December 31	$	12,659
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	$	3,921
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Decrease (increase) in accounts receivable		(572)
Net cash provided by operating activities	$	3,349

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

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Marion County (the "County"), is a political subdivision of the State of Texas. The County is governed by an elected four-member Commissioners' Court and an elected County Judge in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: justice, administration, courts, juries, constables, district attorney, clerks, investigators, sheriff, jail, tax collection, road and bridge maintenance, juvenile services and assistance to indigents.

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in Governmental Accounting and Financial Reporting Standards. The financial report has been prepared in accordance with GASB. The most significant accounting and reporting policies of the County are described in the notes to the financial statements as required by GASB Statement Number 34.

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits geographic boundaries of the County and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the County is able to exercise oversight responsibilities. Based upon the application of these criteria, no potential component units met the above criteria; therefore, none were included in the reporting entity.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The County’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Marion County, Texas’ nonfiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes, grants and other intergovernmental revenues.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activities are offset by program revenues. Direct expenses, including depreciation, are those clearly identifiable with a specific function or identifiable activity. Program revenues are directly associated with the function and include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the County. The "grants and contributions" column includes amounts paid by organizations outside the County to help meet the operational or capital requirements of a given function. If a revenue is not a program revenue, it is a general revenue used to support all of the County's functions. Taxes are always general revenues.

Interfund activities between governmental funds appear as due to/due from on the Governmental Funds Balance Sheet and as other resources and other uses on the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances. All interfund transactions between various governmental funds and between governmental funds and internal service funds are eliminated on the government-wide statements.

Fund Financial Statements - The fund financial statements provide reports on the financial condition and results of operations for three fund categories – governmental, fiduciary and business-type. Since the resources in the fiduciary funds cannot be used for County operations, they are not included in the government-wide statements. The County considers some governmental funds major and reports their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are non-operating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are non-operating.

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

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as do fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. All assets and deferred outflows, all liabilities and deferred inflows of resources associated with the operation of the County are included on the Statement of Net Position. The Statement of Activities reports revenues and expenses.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, deferred outflows, current liabilities, deferred inflows of resources, and fund balances are included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance report the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The County considers all revenues available if they are collectible within 60 days after year-end.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

Revenues – Non-exchange Transactions – Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. On the government-wide financial statements, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditures requirements, in which the resources are provided to the County on a reimbursement basis. On modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized in the governmental funds.

Revenues from local sources consist primarily of property taxes. On the fund based financial statements, property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the County to refund all or part of the unused amount.

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The County applies all GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Position. The fund equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

Expenditures/Expenses – On the accrual basis of accounting (government-wide financial statements), expenses are recognized at the time they are incurred. On the modified accrual basis (fund based financial statements), expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

D. FUND ACCOUNTING

The County reports its financial activities through the use of “fund accounting.” The activities of the County are organized on the basis of funds. The operations of each fund are accounted for within a separated set of self-balancing accounts to reflect results of activities. Fund accounting segregate funds according to their intended purpose and is used to assist management in demonstrating compliance with finance-related legal and contractual provisions.

The County reports the following major governmental funds:

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

Road And Bridge Special Revenue Fund – This fund has the primary purpose of allocating revenues to the various precincts of the County where each elected commissioner is responsible for maintenance of County infrastructure.

American Rescue Plan Act Special Revenue Fund – This fund’s primary purpose is recording transactions related to this Federal grant.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Additionally, the County reports the following types of funds:

Fiduciary Funds:

1. **Trust and Agency Funds –** These custodial funds are used to account for organizational activities requiring clearing accounts. Financial resources for the Agency funds are recorded as assets and liabilities; therefore, these funds do not include revenues and expenditures and have no fund equity. If any unused resources are declared surplus, they are transferred to the General Fund with a recommendation to the Commissioners' Court for an appropriate utilization through a budgeted program.

Business Type:

2. **Proprietary Funds**: This fund is used to account for business-type activities of the County. The Sheriff's Commissary Fund is the sole fund Marion County accounts for in this manner.

E. OTHER ACCOUNTING POLICIES

1. Cash Equivalents

The County's Cash Management and Investment Policy requires all deposits to be fully collateralized with depository insurance; obligations of the United States of America or its agencies and instrumentalities (excluding those mortgaged backed securities prohibited by the Public Funds Investments Act); public fund investment pools; or in any manner and amount provided by law for deposits of the County. At all times, such securities are to have a fair value of not less than 110 percent of the amount of the deposits collateralized, adjusted by at amount of applicable depository insurance.

The County considers highly liquid investments to be cash equivalents if they have maturity of three months or less when purchased. All other monetary assets are treated as investments including certificates of deposit, investment pools, money market investments, and other securities defined under the Public Funds Investment Act.

2. Investments

The County applies Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The County's investments are accounted for using the cost amortization method.

3. Receivables

All trade and property tax receivables are reported with an allowance for uncollectible monies, where applicable. The property tax receivable allowance is shown at 10.00 percent of past due property tax receivables at December 31, 2023.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Long-term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

5. Compensated Absences

Vacations are granted to all full-time permanent employees of the County. The number of days range from five (5) to fifteen (15) days, depending upon length of continuous service. No vacation may be carried over at the end of any calendar year, and at termination, all accrued vacation must be used. Therefore, no liability has been accrued in the accompanying general-purpose financial statements.

All full-time permanent employees of the County are eligible to accrue up to a maximum of forty (40) days of compensated sick leave at a rate of six days per year. Employees are not entitled to payment for unused sick leave upon termination. Sick leave is allowed to be accumulated but does not vest. Therefore, a liability for unused sick leave has not been recorded in the accompanying general-purpose financial statements.

6. General Fixed Assets

Capital assets, which include land, buildings, infrastructure, vehicles, furniture and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair 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 assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects when constructed.

Buildings, furniture and equipment of the County are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Infrastructure	20 - 50 years
Vehicles and Equipment	5 - 8 years
Furniture	5 - 8 years
Computer Equipment	3 - 5 years

The County has no restrictions on any capital assets.

7. Due From (To) Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded in all affected funds in the period in which transactions are executed in the normal course of operations.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Fund Equity

Fund equity at the governmental fund reporting level is classified as “fund balance”. Fund equity for all other reporting is classified as “net position”.

Governmental Fund Balance – Generally, governmental fund balances represent the difference between the current assets and deferred outflow of resources, and current liabilities and deferred inflows of resources. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those resources can be spent. Fund balances are classified as follows:

Nonspendable fund balance—amounts that are not in a spendable form (such as inventory or prepaid expenses) or are required to be maintained intact.

Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned fund balance—amounts a government *intends* to use for a specific purpose; intent can be expressed by the governing body.

Unassigned—all other spendable amounts.

Net Position— Net position represents the difference between assets and deferred outflow of resources, and liabilities and deferred inflows of resources. Net investments in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. This net investment in capital assets is also adjusted by any bond issuance deferred amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

9. Deferred Inflows and Outflows of Resources

In addition to assets and liabilities, the statement of financial position will sometimes report a separate section for deferred outflows or a section for deferred inflows of resources. These separate financial statement elements, deferred inflows/outflows of resources, represent the acquisition or consumption of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) or outflow of resources (expenditure) until that time.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The County has one type of deferred inflow of resources that arises only under a modified accrual basis of accounting. Unavailable revenue is reported only on the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The County has pension and OPEB deferred inflows and outflows of resources that are recognized on the accrual basis of accounting. The result is an accrual of pension and other postemployment benefit activities relating to the County's allocation of TCDRS information. Accordingly, these items are reported only in the government-wide statement of net position.

10. 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; injuries to employees; and natural disasters. During fiscal year 2023, the County purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year, and there are no settlements exceeding insurance coverage for each of the past three fiscal years.

11. Estimates and Assumptions

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

12. Application of Restricted or Unrestricted Resources

During the budgeting process, allocation of expenses are determined as to whether they originated following specific guidelines related to restricted assets retained in the fund or whether for other purposes (non-restricted). Restricted assets will be used before unrestricted assets when payments are budgeted for an expenditure, which meets the specific guidelines, set forth by the granting agency.

NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY DATA

The Commissioner's Court adopts an "appropriated budget" for the General Fund, the Road and Bridge Fund, and many other County funds. The County compares the final amended budgeted to actual revenues and expenditures. The General Fund and all major special revenue funds for which a budget was legally adopted present budget versus actual results in the *Required Supplementary Information* section.

NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - CONTINUED

The following procedures are followed in establishing the budgetary data reflected in the general-purpose financial statements:

1. Prior to September 30th, the County prepares a budget for the next succeeding fiscal year beginning January 1st. The operating budget includes proposed expenditures and the means of financing them.

2. A meeting of the Court is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must be given.

3. Prior to January 1, the Court legally enacts the budget through passage of a resolution. Once a budget is approved, it can only be amended at the fund level by approval of a majority of the members of the Court. Amendments are presented to the Court at its regular meetings. Each amendment must have Court approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Court, and are not made after fiscal year end. Because the County has a policy of careful budgetary control, budget amendments were necessary during the year.

4. Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Court. All budget appropriations lapse at year-end.

5. The County does not employ encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase order and contracts. An encumbrance represents a commitment of Court appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources.

NOTE III. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The funds of the County must be deposited and invested under terms of a contract, contents of which are set out in the *Depository Contract Law*. The depository bank, VeraBank, places approved pledged securities for safekeeping and trust in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank’s dollar amount of Federal Deposit Insurance Corporation (“FDIC”) insurance.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

At December 31, 2023, the County's primary government deposits, (cash, certificates of deposit, and interest-bearing savings accounts) are as follows:

Summary of deposits with financial institutions:		
Primary government cash and investments	$	6,772,228
Less: petty cash		(50)
Deposits with financial institutions (carrying balances)	$	6,772,178
At-risk deposits with financial institutions		
Primary government cash and investments (bank balances)	$	6,936,502
Deposits insured by the F.D.I.C		500,000
Securities pledged by the bank depository		6,436,502
Bank deposits at-risk at December 31, 2023:	$	-

The County's combined deposits were fully insured at all times by federal depository insurance or collateralized with securities pledged to the County and held by the County's agent.

County Policies Governing Deposits and Investments

Custodial Credit Risk for Deposits - State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the County complies with this law, it has no custodial credit risk for deposits.

Foreign Currency Risk - The County does not invest in securities relating to foreign currencies.

Investments

Compliance with the *Public Funds Investment Act*

The *Public Funds Investment Act* (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas and its agencies; (2) guaranteed or secured certificates of deposit issued by state and national banks domiciled in Texas; (3) obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality not less than an "A"; (4) no load money market funds with a weighted average maturity of 90 days or less; (5) fully collateralized repurchase agreements; (6) commercial paper having a stated maturity of 270 days or less from the date of issuance and is not rated less than A-1 or P-1 by two nationally recognized credit rating agencies OR one nationally recognized credit agency and is fully secured by an irrevocable letter of credit; (7) secured corporate bonds rated not lower than "AA-" or the equivalent; (8) public funds investment pools; and (9) guaranteed investment contracts for bond proceeds investments only, with a defined termination date and secured by U.S. Government direct or agency obligations approved by the Texas Public Funds Investment Act in an amount equal to the bond proceeds. The Act also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act.

Additional policies and contractual provisions governing investments for the County are specified below:

Credit Risk - To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the County limits investments to those allowed by the *Public Funds Investment Act* (Government Code Chapter 2256).

Custodial Credit Risk for Investments - To limit the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in possession of an outside party the County requires counterparties to register the securities in the name of the County and hand them over to the County or its designated agent. This includes securities in securities lending transactions. All of the securities are in the County's name and held by the County or its agent.

Concentration of Credit Risk - To limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the County diversifies its investments. The County further limits investments in a single issuer when they would cause investment risks to be significantly greater in the governmental and business-type activities, individual major funds, aggregate non-major funds and fiduciary fund types than they are in the primary government. Usually, this limitation is 20%.

Interest Rate Risk - To limit the risk that changes in interest rates will adversely affect the fair value of investments, the County shall use final and weighted-average-maturity limits and diversification. The County monitors interest rate risk using weighted-average-maturity and specific identification.

Foreign Currency Risk for Investments - The County does not engage in any deposit or investment in transactions involving foreign currency.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

The County categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Investments are defined according to GASB 72 as a security or other asset that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash. An asset initially reported as a capital asset and later held for sale would not subsequently be reclassified as an investment.

As of December 31, 2023, all County investments were in certificates of deposits with VeraBank. Certificates of deposit are considered Level 2 investments in the fair value hierarchy.

B. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The County levies its taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus a 15% - 20% delinquent collection fee for attorney costs.

The tax rates assessed (approved August 2022) for the year ended December 31, 2023, to finance General Fund operations were $0.4836936 per $100 valuation, and Road and Bridge assessments totaled $0.0607338 per $100 valuation, for a total of $0.5444274 per $100 valuation.

Allowances for uncollectible taxes within the General Fund and Road and Bridge Fund are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

C. INTERFUND PAYABLES AND RECEIVABLES AND TRANSFERS

There were no interfund receivable and payable balances at December 31, 2023.

All interfund transfers out to other funds were made to support the respective operations of each receiving fund. Interfund transfers at December 31, 2023, consisted of the following individual funds:

Fund	Transfers to Other Funds	Transfers from Other Funds
General Fund	$ 435,558	$ 36,991
Capital Projects Fund	-	-
Special Revenue Funds:		
Road and Bridge	69,000	236,841
Jury	-	5,000
Airport	36,991	-
Self Insurance		69,000
Law Library	-	30,000
Technology	-	93,250
Kelly Park	-	20,000
Walcott Building	-	10,000
Justice Assistance Grant	-	5,467
Court Security	-	35,000
	$ 541,549	$ 541,549

D. DISAGGREGATION OF RECEIVABLES

Receivables at December 31, 2023, were as follows:

	Primary Government				
	General Fund	Road and Bridge Fund	Capital Projects Fund	Non-major Special Revenue Funds	Proprietary Fund
Property tax - current	$ 3,126,389	$ 709,671	$ -	$ -	$ -
Property tax - delinquent	1,786,414	405,505	-	-	-
Intergovernmental	80,644	-	-	-	-
Other receivables	59,651	4,875	-	35,844	1,337
Gross receivables	5,053,098	1,120,051	-	35,844	1,337
Less: Allowance for uncollectable property taxes	(178,641)	(40,551)	-	-	-
Net receivables	$ 4,874,457	$ 1,079,500	$ -	$ 35,844	$ 1,337

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

E. CAPITAL ASSET ACTIVITY

A summary of fiscal year 2023 changes in governmental-type fixed assets is as follows:

	Beginning Balance	Additions	Retirements and Reclasses	Ending Balance
Nondepreciable assets:				
Land	$ 565,409	$ -	$ -	$ 565,409
Construction in progress	8,225	245,574	-	253,799
Depreciable assets:				
Buildings and infrastructure	11,165,859	44,958	-	11,210,817
Machinery and equipment	2,728,693	279,127	(138,890)	2,868,930
Total assets being depreciated	13,894,552	324,085	(138,890)	14,079,747
Less accumulated depreciation for:				
Buildings and infrastructure	3,979,337	340,199	-	4,319,536
Machinery and equipment	2,123,255	203,866	(118,438)	2,208,683
Total accumulated depreciation:	6,102,592	544,065	(118,438)	6,528,219
Net assets being depreciated	7,791,960	(219,980)	(20,452)	7,551,528
Total governmental capital assets, net	$ 8,365,594	$ 25,594	$ (20,452)	$ 8,370,737

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
General government	$ 362,384
Road and Bridge	76,913
Corrections	27,109
Community Service	5,821
Law Enforcement	71,838
Total depreciation expense - governmental activities	$ 544,065

F. LITIGATION AND CONTINGENCIES

In the opinion of the County, any lawsuits where the County is a defendant do not pose a substantial risk of exposure or liability. The Texas Association of Counties pays for the County's defense in all such lawsuits.

The County participates in numerous Federal and State grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at December 31, 2023, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the financial statements for such contingencies.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

G. PENSION PLAN OBLIGATION

Plan Description:

The County provides retirement, disability and death benefits for all of its full-time employees through a non-traditional, joint contributory, defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS), administered by TCDRS, an agent multiple-employee public employee retirement system. The system provides service retirement and disability retirement benefits, and death benefits to plan members and their beneficiaries. The System's annual financial report and other required disclosure information is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

The plan provisions are adopted by the governing body of the employer, with the options available in the Texas state statutes governing TCDRS (TCDRS Act).

Benefits:

Plan benefits depend upon the sum of the employee's contributions to the plan, the interest, and the County-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Members can retire, with full benefits, when their age and years of service total 75, at ages 60 and above with 8 or more years of service, or with 30 years of service regardless of age. A member is vested after 8 years, but must leave their accumulated contributions in the plan to receive any employer-financed benefits. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits:	79
Inactive employees entitled, but not yet receiving benefits:	83
Active employees:	75
Total:	237

Contributions:

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

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

Funding Policy:

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both the employee and the employer based on the covered payroll of the employee member. The 2023 contribution rate for the employees is 7% and the County's is 11.96%, both as adopted by the governing body of the County. Under the TCDRS Act, the actuary annually determines the County contribution rate. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The TCDRS Act allows and the employer may elect to make an additional optional contribution to its account during the year, in addition to its regular monthly contributions.

Other Key Actuarial Assumptions:

The required contribution was determined as part of the December 31, 2022 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2022 included (a) 7.5 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 3 percent. Both (a) and (b) included an inflation component of 2.5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis.

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017-2020. They were adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were 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, 2022. The assumptions are reviewed annually by TCDRS for continued compliance with the relevant actuarial standards of practice.

Rate of Return / GASB Discount Rate:

The discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and, (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1) were calculated using the municipal bond rate.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternative methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer, TCDRS used the following method:

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

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. The long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, a discount rate of 7.60% has been used. 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.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

Summary of TCDRS investment allocations:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return
U.S. Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index	4.00%	7.60%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT Index	2.00%	4.15%
Master Limited Partnerships	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

Changes in the Net Pension Liability (Asset)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liab./(Asset) (a) - (b)
Balances at 12/31/2021:	$ 13,366,104	$ 14,447,605	$ (1,081,501)
Changes for the year:			
Service cost	324,699		324,699
Interest	1,010,751		1,010,751
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	(205,594)		(205,594)
Effect of assumptions changes or inputs	-		-
Refund of contributions	(19,775)	(19,775)	-
Benefit payments	(777,720)	(777,720)	-
Administrative expenses		(7,748)	7,748
Member contributions		152,376	(152,376)
Net investment income		(815,984)	815,984
Employer contributions		282,113	(282,113)
Other changes		(39,034)	39,034
Balances at 12/31/2022:	$ 13,698,465	$ 13,221,833	$ 476,632

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

Sensitivity Analysis:

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

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Net pension liability (asset)	$ 1,939,396	$ 476,632	$ (771,680)

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

For the year ended December 31, 2023, the County recognized a pension expense of $181,813.

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Inflows / Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	$ 152,134	$ -
Changes of assumptions	38,992	-
Net difference between projected and actual earnings	-	212,761
Contributions subsequent to the measurement date	N/A	287,733
Totals:	$ 191,126	$ 500,494

$287,733 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year Ending:	
2023	$ (307,610)
2024	(85,738)
2025	35,240
2026	379,743
2027	-
Thereafter	-
	$ 21,635

H. OTHER POST EMPLOYEMENT BENEFITS OBLIGATIONS

General **–** For the Texas County & District Retirement System (TCDRS), the retiree death benefit paid from the Group Term Life (GTL) program is an OPEB benefit. The OPEB program is treated as an unfunded trust, because the GTL trust covers both actives and retirees and is not segregated.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

GASB 75 governs the specifics of reporting public OPEB plan obligations for employers. Note that in general the requirements of GASB 75 are parallel to those of GASB 68 which relates to pensions.

GASB 75 governs the specifics of accounting for public OPEB plan obligations for participating employers. GASB 75 requires a liability for OPEB obligations, known as the Net OPEB Liability (Total OPEB Liability for unfunded plans), to be recognized on the balance sheets of participating employers. Changes in the Net OPEB Liability (Total OPEB Liability for unfunded plans) will be immediately recognized as OPEB Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

The TCDRS Group Term Life program has been determined to be an unfunded OPEB plan as the GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, because the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan. For GASB 75 purposes, the OPEB plan is not a cost sharing plan, so the annual benefit payments are treated as being equal to the employer's actual retiree GTL contributions for the year.

GASB 75 Plan Description for Marion County

A description of the OPEB plan pursuant to Paragraph 50 of GASB Statement No. 75 is as follows:

a. Marion County participates in the retiree Group Term Life program for the Texas County & District Retirement System (TCDRS), which is a statewide, multiple-employer, public employee retirement system.

b. A brief description of benefit terms:
   1) 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 pension plan. Only employers that have elected participation in the retiree Group Term Life program are included in the OPEB plan.
   2) The plan provides a $5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees of employers that have elected participation in the retiree GTL program.
   3) The OPEB benefit is a fixed $5,000 lump-sum benefit.
   4) No future increases are assumed in the $5,000 benefit amount.
   5) Benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of Jan. 1 each year

c. Membership information is shown in the chart below.

d. Contributions made to the retiree GTL Program are held in the GTL Fund. 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.

e. Benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of Jan. 1 each year. The County's contribution rate for the retiree GTL program is calculated annually on an actuarial basis, and is equal to the cost of providing a one-year death benefit equal to $5,000.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Other Key Actuarial Assumptions

All actuarial assumptions that determined the total OPEB liability as of December 31, 2022 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.

See Appendix B of the County's Milliman GASB 75 report (Actuarial Methods and Assumptions Used for GASB Calculations) for a listing of key assumptions used in the calculation of the total OPEB liability and other GASB 75 metrics. Both the GASB 75 valuation dates and measurement dates had December 31, 2021 beginning dates and December 31, 2022 ending dates, while the County's fiscal year for which the GASB 75 information is reported is January 1, 2023 to December 31, 2023.

GASB Discount Rate

The TCDRS GTL program is treated as unfunded OPEB plan because the GTL trust covers both actives and retirees and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 3.72% based on the 20 Year Bond GO Index published by bondbuyer.com is used as of the measurement date of December 31, 2022.

Employees Covered by OPEB Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits:	55
Inactive employees entitled, but not yet receiving benefits:	15
Active employees:	75
Total:	145

2022 Employer OPEB Contributions and Benefit Payments

For GASB 75 purposes, the OPEB plan is not a cost sharing plan as the employer's benefit payments for the year are treated as being equal to its annual retiree GTL contributions. Employers in the TCDRS Group Term Life (GTL) Program make a combined contribution for both the active and retiree coverage; however, only the retiree coverage is considered an OPEB plan and therefore only the contributions associated with the retirees covered are included under GASB 75.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

The following shows a breakdown of the employer's contributions to the GTL program for the calendar year 2022. The contributions for retiree GTL coverage are assigned to the OPEB plan under GASB 75 and are used to determine the benefit payments. The contributions for active coverage are not considered an OPEB benefit under GASB 75, so there should be no change in how these amounts are reported.

Coverage Type	2022 GTL Rate	Amount	Financial Reporting
Active Member GTL Benefit	0.30%	$6,530	No change from prior year
Retiree GTL Benefit	0.33%	$7,183	GASB 75

Employer OPEB Contributions made Subsequent to Measurement Date

Employer OPEB contributions made in the fiscal year, but subsequent to the measurement date of December 31, 2022 should be reflected as a deferred outflow as outlined in Appendix C of the County's Milliman GASB 75 report. As previously noted, only contributions to the GTL program for retiree coverage should be included under GASB 75. Therefore, once the total GTL contributions made subsequent to the measurement date have been determined, this amount should be multiplied by the portion attributable to retiree coverage to determine the OPEB contributions made subsequent to the measurement date that should be reported under GASB 75. This proportion is allocated as follows:

Coverage Type	2023 GTL Rate	Proportion	Financial Reporting
Active Member GTL Benefit	0.23%	51.1%	No change from prior year
Retiree GTL Benefit	0.32%	48.9%	GASB 75

Sensitivity Analysis

The following presents the Total OPEB Liability of the employer, calculated using the discount rate of 3.72%, as well as what the Marion County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.72%) or 1 percentage point higher (4.72%) than the current rate.

	1% Decrease 2.72%	Current Discount Rate 3.72%	1% Increase 4.72%
Total OPEB liability	$ 265,809	$ 229,157	$ 199,685

NOTE III. DETAILED NOTES ON ALL FUNDS – CONTINUED

Changes in the Total OPEB Liability	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a) - (b)
Balances at 12/31/2021:	$ 270,908	$ -	$ 270,908
Changes for the year:			
Service cost	12,972		12,972
Interest	5,774		5,774
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	12,549		12,549
Effect of assumptions changes or inputs	(65,863)		(65,863)
Refund of contributions	-		-
Benefit payments	(7,183)		(7,183)
Administrative expenses		-	-
Member contributions		-	-
Net investment income		-	-
Employer contributions		-	-
Other changes		-	-
Balances at 12/31/2022:	$ 229,157	$ -	$ 229,157

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

For the year ended December 31, 2023, the County recognized an OPEB expense of $13,255.

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Inflows / Outflows of Resources	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**
Difference between expected and actual experience	$ 12,089	$ 10,039
Changes of assumptions	52,690	12,563
Contributions subsequent to the measurement date	N/A	10,826
Totals:	$ 64,779	$ 33,428

$10,826 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent fiscal year.

NOTE III. DETAILED NOTES ON ALL FUNDS - CONTINUED

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Measurement Year Ending:		
2023	$	(10,428)
2024		(10,424)
2025		(10,663)
2026		(10,662)
2027		-
Thereafter		-
	$	(42,177)

I. SUBSEQUENT EVENTS

As of the August 12, 2024 independent auditor's report date, no reportable subsequent events have been identified by the County.

REQUIRED SUPPLEMENTARY INFORMATION

Marion County, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual - General Fund
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	$ 4,395,245	$ 4,395,245	$ 4,402,088	$ 6,843
Intergovernmental	113,200	113,200	212,212	99,012
Charges for services	413,558	413,558	336,897	(76,661)
Other revenue	34,000	84,360	71,786	(12,574)
Investment earnings	30,000	30,000	37,757	7,757
Total revenues	4,986,003	5,036,363	5,060,740	24,377
Expenditures				
Current:				
General government	1,772,267	1,864,230	1,853,486	10,744
Corrections	120,000	46,847	46,474	373
Law enforcement	1,827,831	1,973,573	1,958,605	14,968
Judicial	487,550	446,135	440,129	6,006
Community services	252,865	276,170	267,681	8,489
Capital outlays	68,248	145,332	127,241	18,091
Total expenditures	4,528,761	4,752,287	4,693,616	58,671
Excess of revenues over (under) expenditures	457,242	284,076	367,124	83,048
Other financing sources (uses)				
Proceeds from sold assets	-	-	3,500	3,500
Transfers in (out)	(386,841)	(398,570)	(398,567)	3
Total other financing sources(uses)	(386,841)	(398,570)	(395,067)	3,503
Net changes in fund balances	70,401	(114,494)	(27,943)	$ 86,551
Fund balances - beginning	2,955,279	2,955,279	2,955,279	
Fund balances - ending	$ 3,025,680	$ 2,840,785	$ 2,927,336	

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

Marion County, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual - Road and Bridge Fund
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	$ 493,159	$ 493,159	$ 519,458	$ 26,299
Intergovernmental	19,500	19,500	16,637	(2,863)
Charges for services	501,600	501,600	465,728	(35,872)
Other revenue	1,000	1,000	8,050	7,050
Investment earnings	1,500	1,500	-	(1,500)
Total revenues	1,016,759	1,016,759	1,009,873	(6,886)
Expenditures				
Current:				
Roads and public works	1,387,000	1,369,387	1,324,701	44,686
Capital outlays	-	27,400	33,568	(6,168)
Total expenditures	1,387,000	1,396,787	1,358,269	38,518
Excess of revenues over (under) expenditures	(370,241)	(380,028)	(348,396)	31,632
Other financing sources (uses)				
Proceeds from sold assets	-	41,612	41,612	-
Transfers in (out)	236,841	167,841	167,841	-
Total other financing sources(uses)	236,841	209,453	209,453	-
Net changes in fund balances	(133,400)	(170,575)	(138,943)	$ 31,632
Fund balances - beginning	1,208,889	1,208,889	1,208,889	
Fund balances - ending	$ 1,075,489	$ 1,038,314	$ 1,069,946	

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

MARION COUNTY, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2023

	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Total Pension Liability									
Service cost	$ 324,699	$ 321,914	$ 287,349	$ 293,414	$ 281,206	$ 270,583	$ 275,738	$ 245,175	$ 255,497
Interest on total pension liability	1,010,751	966,922	951,796	919,954	857,876	815,937	774,047	741,257	708,244
Effect of plan changes	-	227,640	-	-	-	-	-	(20,587)	-
Effect of assumptions changes or inputs	-	(116,978)	606,749	-	-	86,831	-	110,024	-
Effect of economic/demographic (gains) or losses	(205,594)	(45,213)	(196,199)	(163,992)	233,848	(100,110)	(117,566)	(94,044)	(111,984)
Benefit payments/Refund of contributions	(797,495)	(763,864)	(661,597)	(639,229)	(599,038)	(534,422)	(565,875)	(531,088)	(436,718)
Net Change in Total Pension Liability	332,361	590,421	988,098	410,147	773,892	538,819	366,344	450,737	415,039
Total pension liability, beginning	13,366,102	12,775,681	11,787,583	11,377,436	10,603,544	10,064,725	9,698,381	9,247,644	8,832,605
Total pension liability, ending	$ 13,698,463	$ 13,366,102	$ 12,775,681	$ 11,787,583	$ 11,377,436	$ 10,603,544	$ 10,064,725	$ 9,698,381	$ 9,247,644
Fiduciary Net Position									
Employer contributions	282,113	262,664	252,474	220,757	225,356	217,129	204,522	191,034	196,838
Member contributions	152,376	153,733	147,769	146,752	143,019	142,066	135,702	126,393	129,013
Investment income (net of expenses)	(815,984)	2,634,323	1,165,436	1,632,893	(195,993)	1,343,450	653,918	(37,200)	601,722
Benefit payments/Refund of contributions	(797,495)	(763,864)	(661,597)	(639,229)	(599,038)	(534,422)	(565,875)	(531,088)	(436,718)
Administrative expenses	(7,748)	(7,816)	(8,909)	(8,601)	(7,985)	(6,904)	(7,116)	(6,471)	(6,895)
Other	(39,034)	(6,490)	(6,614)	(7,731)	(5,829)	(2,415)	(69,518)	(26,508)	(95,359)
Net Change in Fiduciary Net Position	(1,225,772)	2,272,550	888,559	1,344,841	(440,470)	1,158,904	351,633	(283,840)	388,601
Fiduciary Net Position, beginning	14,447,603	12,175,053	11,286,494	9,941,653	10,382,123	9,223,219	8,871,586	9,155,426	8,766,825
Fiduciary Net Position, ending	13,221,831	14,447,603	12,175,053	11,286,494	9,941,653	10,382,123	9,223,219	8,871,586	9,155,426
Net pension liability / (asset), ending	$ 476,632	$ (1,081,501)	$ 600,628	$ 501,089	$ 1,435,783	$ 221,421	$ 841,506	$ 826,795	$ 92,218
Fiduciary net position as a percentage of total pension liability	96.52%	108.09%	95.30%	95.75%	87.38%	97.91%	91.64%	91.47%	99.00%
Covered-employee payroll	$ 2,176,800	$ 2,196,189	$ 2,110,988	$ 2,096,455	$ 2,043,123	$ 2,010,452	$ 1,938,594	$ 1,805,614	$ 1,843,048
Net pension liability as a percentage of covered payroll	21.90%	-49.24%	28.45%	23.90%	70.27%	11.01%	43.41%	45.79%	5.00%

Note 1 - GASB 68 requires that information on this schedule be presented on the measurement date basis, which is on a calendar year basis. This schedule will also ultimately present the last ten years of information. The measurement year 2014 is the first year for which this information is available.

Note 2 - There was no change in benefit terms, but there was one change in assumptions that affects the measurement of the total pension liability as follows: For the 2020 measurement period, the discount rate for which the pension liability is calculated was reduced from 8.1% to 7.6%.

MARION COUNTY, TEXAS
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	$ 287,733	$ 282,113	$ 262,663	$ 252,474	$ 220,758	$ 225,356	$ 217,129	$ 204,522	$ 191,034
Contributions in relation to the contractually required contributions	287,733	282,113	262,663	252,474	220,758	225,356	217,129	204,522	191,034
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered-employee payroll	$ 2,405,794	$ 2,176,798	$ 2,196,179	$ 2,110,987	$ 2,096,467	$ 2,043,123	$ 2,010,452	$ 1,938,594	$ 1,805,614
Contributions as a percentage of covered employee payroll	11.96%	12.96%	11.96%	11.96%	10.53%	11.03%	10.80%	10.55%	10.58%

GASB 68 requires that information on this schedule be presented on the County's fiscal year basis. This schedule will also ultimately present the last ten years of information. 2015 is the first year for which this information is available.

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

Methods and Assumptions Used to Determine Contribution Rates:
Actuarial Cost Method: Entry Age (level of percent pay)

Amortization Method: Straight-line amortization over expected working life

Asset Valuation Method: 5 Year smoothed market

Inflation 2.5%

Salary Increases: Varies by age and service. 3.0% average over career including inflation

Investment Rate of Return 7.5% (net of investment expenses)

Retirement Age: Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age for recent retirees is 61.

Mortality: 130% of the RP-2014 Health Annuitant Mortality Table for males and 110% for the RP-2014 Health Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate Scale after 2014.

Other Information: There were no benefit changes during the year.

MARION COUNTY, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2023

	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Total OPEB Liability						
Service cost	$ 12,972	$ 13,676	$ 10,676	$ 8,069	$ 7,313	$ 7,736
Interest on total pension liability	5,774	6,006	6,850	8,431	7,322	7,774
Effect of plan changes	-	-	-	-	-	-
Effect of economic/demographic (gains) or losses	12,549	(19,881)	(5,373)	(11,135)	3,499	(6,600)
Effect of assumptions changes or inputs	(65,863)	4,913	25,262	43,427	(19,167)	5,779
Benefit payments/Refund of contributions	(7,183)	(6,808)	(7,388)	(6,709)	(7,151)	(7,037)
Net Change in Total OPEB Liability	(41,751)	(2,094)	30,027	42,083	(8,184)	7,652
Total OPEB liability, beginning	270,908	273,002	242,975	200,892	209,076	201,424
Total OPEB liability, ending	$ 229,157	$ 270,908	$ 273,002	$ 242,975	$ 200,892	$ 209,076
Covered payroll	$ 2,176,800	$ 2,196,189	$ 2,110,988	$ 2,096,455	$ 2,043,123	$ 2,010,452
Total OPEB liability as a percentage of covered payroll	10.53%	12.34%	12.93%	11.59%	9.83%	10.40%

Note 1 - GASB 75 requires that information on this schedule be presented on the measurement date basis, which is on a calendar year basis. This schedule will also ultimately present the last ten years of information. The measurement year 2017 is the first year for which this information is available.

Note 2 - There was no change in benefit terms, but there was one change in assumptions that affects the measurement of the total OPEB liability as follows: For the 2020 measurement period, the discount rate for which the OPEB liability is calculated was reduced from 2.74% to 2.12%. For the 2021 measurement period, the discount rate for which the OPEB liability is calculated was reduced from 2.12% to 2.06%. For the 2022 measurement period, the discount rate for which the OPEB liability is calculated was increased from 2.06% to 3.72%.

MARION COUNTY, TEXAS
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022	2021	2020	2019	2018	2017
Contractually required contributions	$ 10,826	$ 13,712	$ 13,448	$ 13,510	$ 12,997	$ 13,689	$ 13,068
Contributions in relation to the contractually required contributions	10,826	13,712	13,448	13,510	12,997	13,689	13,068
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered-employee payroll	$ 2,405,794	$ 2,176,798	$ 2,196,179	$ 2,110,987	$ 2,096,290	$ 2,043,123	$ 2,010,452
Contributions as a percentage of covered employee payroll	0.45%	0.63%	0.61%	0.64%	0.62%	0.67%	0.65%

Note 1 - GASB 75 requires that information on this schedule be presented on the County's fiscal year basis. This schedule will also ultimately present the last ten years of information. 2017 is the first year for which this information is available.

SUPPLEMENTARY INFORMATION

MARION COUNTY, TEXAS
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023 (PAGE 1 OF 3)

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	JURY	CIVIL FEES FUND	RIGHT OF WAY	SELF INSURANCE FUND	LAW LIBRARY FUND	TECHNOLOGY FUND	KELLY PARK	AIRPORT FUND	WALCOTT BUILDING FUND	LAKE PATROL FUND	JUSTICE ASSISTANCE GRANT AND E-GRANT	COUNTY ATTORNEY FORFEITURE FUND
ASSETS:												
Cash	$ 29,650	$ 18,037	$ 1,527	$ 141,340	$ 12,673	$ 3,219	$ 24,014	$ 123,645	$ 18,682	$ 5	$ -	$ 13,284
Certificates of deposit	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	30,282	-	-	-	-	-	-
Accounts receivable	89	509	-	-	2,392	-	-	-	-	-	-	-
Total assets:	$ 29,739	$ 18,546	$ 1,527	$ 141,340	$ 15,065	$ 33,501	$ 24,014	$ 123,645	$ 18,682	$ 5	$ -	$ 13,284
LIABILITIES & FUND BALANCES												
LIABILITIES:												
Accounts payable	$ 95	$ -	$ -	$ -	$ 2,358	$ 812	$ 2,404	$ 477	$ 383	$ 5	$ -	$ 637
Other accrued liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities:	95	-	-	-	2,358	812	2,404	477	383	5	-	637
FUND BALANCES:												
Non-spendable	-	-	-	-	-	30,282	-	-	-	-	-	-
Restricted	-	18,546	-	-	-	-	-	-	-	-	-	12,647
Committed	29,644	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	1,527	141,340	12,707	2,407	21,610	123,168	18,299	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances:	29,644	18,546	1,527	141,340	12,707	32,689	21,610	123,168	18,299	-	-	12,647
Total liabilities and fund balances:	$ 29,739	$ 18,546	$ 1,527	$ 141,340	$ 15,065	$ 33,501	$ 24,014	$ 123,645	$ 18,682	$ 5	$ -	$ 13,284

MARION COUNTY, TEXAS
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023 (PAGE 2 OF 3)

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	COUNTY ATTORNEY HOT CHECK FUND	COUNTY RECORD PRESERV. FUND	SHERIFF DRUG FORFEITURE FUND	PRETRIAL INTERVENTION PROGRAM	COURTHOUSE SECURITY FUND	COURTHOUSE RECORD MANAGEMENT FUND	VITAL STATISTICS	SHERIFF CONSTABLE ATTORNEY LEOSE	SPECIALTY COURT FUND	TIME PAYMENT FUND	TRUANCY PREVENTION FUND
ASSETS:											
Cash	$ 1,817	$ 226,817	$ 3,798	$ 22,473	$ 20,125	$ 2,149	$ 1,137	$ 15,280	$ 3,645	$ 5,754	$ 10,553
Certificates of deposit	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	3,430	-	-	573	120	35	-	126	222	178
Total assets:	$ 1,817	$ 230,247	$ 3,798	$ 22,473	$ 20,698	$ 2,269	$ 1,172	$ 15,280	$ 3,771	$ 5,976	$ 10,731
LIABILITIES & FUND BALANCES											
LIABILITIES:											
Accounts payable	$ -	$ 5,764	$ 271	$ -	$ 868	$ 218	$ -	$ -	$ -	$ -	$ -
Other accrued liabilities	-	-	-	105	(9,031)	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-	-	-	-	-
Total liabilities:	-	5,764	271	105	(8,163)	218	-	-	-	-	-
FUND BALANCES:											
Non-spendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	1,817	224,483	3,527	22,368	28,861	2,051	1,172	15,280	3,771	5,976	10,731
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances:	1,817	224,483	3,527	22,368	28,861	2,051	1,172	15,280	3,771	5,976	10,731
Total liabilities and fund balances:	$ 1,817	$ 230,247	$ 3,798	$ 22,473	$ 20,698	$ 2,269	$ 1,172	$ 15,280	$ 3,771	$ 5,976	$ 10,731

MARION COUNTY, TEXAS
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023 (PAGE 3 OF 3)

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	L.A.T.C.F.	OPIOD SETTLEMENT AND GLO-HMAP	COUNTY & DISTRICT CLERK TECH FUND	JP #1 and #2 TECH FUND	SPECIAL COUNTY ASSISTANCE DISTRICT	HEALTHY COUNTY FUND	TOTALS DECEMBER 31, 2023
ASSETS:							
Cash	$ 168,691	$ 17,180	$ 9,460	$ 4,803	$ 440,553	$ 2,945	$ 1,343,256
Certificates of deposit	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	30,282
Accounts receivable	-	-	22	158	27,990	-	35,844
Total assets:	$ 168,691	$ 17,180	$ 9,482	$ 4,961	$ 468,543	$ 2,945	$ 1,409,382
LIABILITIES & FUND BALANCES							
LIABILITIES:							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,292
Other accrued liabilities	-	-	-	-	-	-	(8,926)
Deferred revenues	-	-	-	-	-	-	-
Total liabilities:	-	-	-	-	-	-	5,366
FUND BALANCES:							
Non-spendable	-	-	-	-	-	-	30,282
Restricted	168,691	-	9,482	4,961	-	-	534,364
Committed	-	17,180	-	-	468,543	-	515,367
Assigned	-	-	-	-	-	2,945	324,003
Unassigned	-	-	-	-	-	-	-
Total fund balances:	168,691	17,180	9,482	4,961	468,543	2,945	1,404,016
Total liabilities and fund balances:	$ 168,691	$ 17,180	$ 9,482	$ 4,961	$ 468,543	$ 2,945	$ 1,409,382

MARION COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023 (PAGE 1 OF 3)

	JURY	CIVIL FEES FUND	RIGHT OF WAY	SELF INSURANCE FUND	LAW LIBRARY FUND	TECHNOLOGY FUND	KELLY PARK	AIPORT FUND	WALCOTT BUILDING FUND	LAKE PATROL FUND	JUSTICE ASSISTANCE GRANT AND E-GRANT
REVENUES:											
Intergovernmental revenues	$ 7,328	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,945	$ 11,372
Charges for services	1,861	10,538	-	-	6,300	-	6,250	33,864	575	-	-
Sales taxes	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	4	-	-	-
Miscellaneous revenues	-	-	-	-	-	4,900	-	9,009	-	-	-
Total revenue:	9,189	10,538	-	-	6,300	4,900	6,250	42,877	575	19,945	11,372
EXPENDITURES:											
Current:											
General government	-	-	-	-	-	77,181	-	-	-	-	-
Roads and public works	-	-	-	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-	-	19,945	16,839
Judicial	22,641	-	-	-	40,505	-	-	-	-	-	-
Community services	-	-	-	-	-	-	24,500	47,888	12,545	-	-
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	84,700	-	-	-	-	-	-	-
Total expenditures:	22,641	-	-	84,700	40,505	77,181	24,500	47,888	12,545	19,945	16,839
Excess of revenue over (under) expenditures:	(13,452)	10,538	-	(84,700)	(34,205)	(72,281)	(18,250)	(5,011)	(11,970)	-	(5,467)
OTHER FINANCING SOURCES & (USES):											
Proceeds from sold assets	-	-	-	26,067	-	-	-	-	-	-	-
Transfers in	5,000	-	-	69,000	30,000	93,250	20,000	-	10,000	-	5,467
Transfers (out)	-	-	-	-	-	-	-	(36,991)	-	-	-
Total other financing sources (uses)	5,000	-	-	95,067	30,000	93,250	20,000	(36,991)	10,000	-	5,467
Net change in fund balances:	(8,452)	10,538	-	10,367	(4,205)	20,969	1,750	(42,002)	(1,970)	-	-
Fund balances - Beginning of year	38,096	8,008	1,527	130,973	16,912	11,720	19,860	165,170	20,269	-	-
Fund balances - End of year	$ 29,644	$ 18,546	$ 1,527	$ 141,340	$ 12,707	$ 32,689	$ 21,610	$ 123,168	$ 18,299	$ -	$ -

MARION COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023 (PAGE 2 OF 3)

	COUNTY ATTORNEY FORFEITURE FUND	COUNTY ATTORNEY HOT CHECK FUND	RECORD PRESERV. FUND	SHERIFF DRUG FORFEITURE FUND	PRETRIAL INTERVENTION PROGRAM	COURTHOUSE SECURITY FUND	COURTHOUSE RECORD MANAGEMENT FUND	VITAL STATISTICS	SHERIFF CONSTABLE ATTORNEY LEOSE	SPECIALTY COURT FUND	TIME PAYMENT FUND
REVENUES:											
Intergovernmental revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,057	$ -	$ -
Charges for services	3,673	-	51,358	-	500	10,546	1,616	392	-	1,304	2,088
Sales taxes	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	5,483	-	-	3,776	-	-	-	-	-	-	-
Total revenue:	9,156	-	51,358	3,776	500	10,546	1,616	392	2,057	1,304	2,088
EXPENDITURES:											
Current:											
General government	-	-	90,762	-	-	-	4,009	-	-	-	-
Roads and public works	-	-	-	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	272	-	-	-	-	2,897	-	-
Judicial	-	181	-	-	2,970	51,711	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	8,041	-	-	-	-	-	-	-	-
Total expenditures:	-	181	98,803	272	2,970	51,711	4,009	-	2,897	-	-
Excess of revenue over (under) expenditures:	9,156	(181)	(47,445)	3,504	(2,470)	(41,165)	(2,393)	392	(840)	1,304	2,088
OTHER FINANCING SOURCES & (USES):											
Proceeds from sold assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	35,000	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	35,000	-	-	-	-	-
Net change in fund balances:	9,156	(181)	(47,445)	3,504	(2,470)	(6,165)	(2,393)	392	(840)	1,304	2,088
Fund balances - Beginning of year	3,491	1,998	271,928	23	24,838	35,026	4,444	780	16,120	2,467	3,888
Fund balances - End of year	$ 12,647	$ 1,817	$ 224,483	$ 3,527	$ 22,368	$ 28,861	$ 2,051	$ 1,172	$ 15,280	$ 3,771	$ 5,976

MARION COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023 (PAGE 3 OF 3)

	TRUANCY PREVENTION FUND	L.A.T.C.F.	OPIOD SETTLEMENT AND GLO-HMAP	COUNTY & DISTRICT CLERK TECH FUND	JP #1 and #2 TECH FUND	SPECIAL COUNTY ASSISTANCE DISTRICT	HEALTHY COUNTY FUND	TOTALS DECEMBER 31, 2023
REVENUES:								
Intergovernmental revenues	$ -	$ 92,974	$ 18,750	$ -	$ -	$ -	$ 70	$ 152,496
Charges for services	3,917	-	-	538	3,315	-	-	138,635
Sales taxes	-	-	-	-	-	462,912	-	462,912
Investment earnings	-	-	-	-	-	-	-	4
Miscellaneous revenues	-	-	17,180	-	-	-	-	40,348
Total revenue:	3,917	92,974	35,930	538	3,315	462,912	70	794,395
EXPENDITURES:								
Current:								
General government	-	-	18,750	1,077	-	-	-	191,779
Roads and public works	-	-	-	-	-	96,376	-	96,376
Corrections	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	39,953
Judicial	-	-	-	-	230	-	-	118,238
Community services	-	-	-	-	-	-	-	84,933
Debt service:	-							
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay	-	17,257	-	-	-	52,000	-	161,998
Total expenditures:	-	17,257	18,750	1,077	230	148,376	-	693,277
Excess of revenue over (under) expenditures:	3,917	75,717	17,180	(539)	3,085	314,536	70	101,118
OTHER FINANCING SOURCES & (USES):								
Proceeds from sold assets	-	-	-	-	-	-	-	26,067
Transfers in	-	-	-	-	-	-	-	267,717
Transfers (out)	-	-	-	-	-	-	-	(36,991)
Total other financing sources (uses)	-	-	-	-	-	-	-	256,793
Net change in fund balances:	3,917	75,717	17,180	(539)	3,085	314,536	70	357,910
Fund balances - Beginning of year	6,814	92,974	-	10,021	1,876	154,007	2,875	1,046,106
Fund balances - End of year	$ 10,731	$ 168,691	$ 17,180	$ 9,482	$ 4,961	$ 468,543	$ 2,945	$ 1,404,016

MARION COUNTY, TEXAS
COMBINING STATEMENT OF TRUST NET POSITION - TRUST FUNDS
DECEMBER 31, 2023

	MARION CO. HISTORICAL COMMISSION	SEDBERRY CEMETERY	TOTALS DECEMBER 31, 2023
ASSETS:			
Cash	$ 13,355	$ 3,198	$ 16,553
Certificates of deposit	15,000	12,000	27,000
Total assets:	$ 28,355	$ 15,198	$ 43,553
LIABILITIES & NET POSITION			
LIABILITIES:			
Accounts payable	$ -	$ -	$ -
Total liabilities:	-	-	-
NET POSITION:			
Restricted for other purposes	28,355	15,198	43,553
Total net position:	28,355	15,198	43,553
Total liabilities and net position:	$ 28,355	$ 15,198	$ 43,553

MARION COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN TRUST NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	MARION CO. HISTORICAL COMMISSION	SEDBERRY CEMETERY	TOTALS
REVENUES:			
Local revenues	$ 2,000	$ -	$ 2,000
Investment earnings	189	151	340
Total revenues:	2,189	151	2,340
EXPENDITURES:			
Current:			
Community services	1,148	-	1,148
Total deductions:	1,148	-	1,148
Changes in net position:	1,041	151	1,192
Net position, beginning of year:	27,314	15,047	42,361
Net position, end of year:	$ 28,355	$ 15,198	$ 43,553

MARION COUNTY, TEXAS
COMBINING STATEMENT OF TRUST NET POSITION - AGENCY FUNDS
DECEMBER 31, 2023

	COUNTY CLERK	DISTRICT CLERK	DISTRICT ATTORNEY	SHERIFF & SHERIFF'S INMATES	JUSTICE OF THE PEACE #1	TAX ASSESSOR	TOTALS
ASSETS:							
Cash	$ 29,520	$ 344,694	$ 3,588	$ 28,884	$ 12,884	$ 1,428,033	$ 1,847,603
Certificates of deposit	-	95,795	-	-	-	-	95,795
Total assets:	$ 29,520	$ 440,489	$ 3,588	$ 28,884	$ 12,884	$ 1,428,033	$ 1,943,398
LIABILITIES:							
Due to individuals	$ 13,600	$ 95,795	$ -	$ 8,244	$ -	$ 159,095	$ 276,734
Due to other governments	15,920	344,694	3,588	20,640	12,884	1,268,938	1,666,664
Total liabilities:	$ 29,520	$ 440,489	$ 3,588	$ 28,884	$ 12,884	$ 1,428,033	$ 1,943,398