

OFFICIAL STATEMENT**Dated: July 23, 2024**

In the opinion of Bond Counsel (identified below), assuming continuing compliance by the Issuer (defined below) after the date of initial delivery of the Certificates (defined below) with certain covenants contained in the Order (defined below) and subject to the matters described under "TAX MATTERS" herein, interest on the Certificates under existing statutes, regulations, published rulings, and court decisions (1) will be excludable from the gross income of the owners thereof for federal income tax purposes under Section 103 of the Internal Revenue Code, as amended to the date of initial delivery of the Certificates and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. (See "TAX MATTERS" herein.)

THE CERTIFICATES HAVE BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS**\$9,140,000****RANDALL COUNTY, TEXAS****COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024****Dated Date: August 1, 2024****Due: August 1, as shown on page ii**

The \$9,140,000 Randall County, Texas (the "County" or the "Issuer") Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2024 (the "Certificates") are being issued pursuant to the Constitution and the general laws of the State of Texas (the "State"), including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Local Government Code, Section 361.052, as amended, Texas Local Government Code, and an order (the "Order") adopted by the Commissioners Court on July 23, 2024. (See "THE CERTIFICATES - Authority for Issuance" herein.)

The Certificates constitute direct obligations of the Issuer payable from an annual ad valorem tax levied against all taxable property in the County, within the limits prescribed by law and additionally by a lien on and pledge of the Pledged Revenues (as defined in the Order), being a limited amount of the Net Revenues derived from the operation of the County Jail (the "System") not to exceed \$1,000 during the entire period the Certificates or interest thereon remain outstanding; provided, however, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds (as defined in the Order) or Junior Lien Bonds (as defined in the Order) hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations (as defined in the Order), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise. (See "THE CERTIFICATES - Security for Payment" herein.)

Interest on the Certificates will accrue from August 1, 2024 (the "Dated Date") as shown above and will be payable on each February 1 and August 1, commencing February 1, 2025, until maturity or prior redemption, and will be calculated on the basis of a 360-day year of twelve 30-day months. The definitive Certificates will be issued as fully registered obligations in book-entry form only and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository (the "Securities Depository"). Book-entry interests in the Certificates will be made available for purchase in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of the Certificates ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Certificates purchased. So long as DTC or its nominee is the registered owner of the Certificates, the principal of and interest on the Certificates will be payable by BOKF, NA, Dallas, Texas, as Paying Agent/Registrar, to DTC, which will in turn remit such principal and interest to its Participants, which will in turn remit such principal and interest to the Beneficial Owners of the Certificates. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Proceeds from the sale of the Certificates will be used for the purpose or purposes of paying contractual obligations of the County to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) acquiring, designing, constructing, renovating, repairing, and improving County roads and bridges (including any utilities relocation) and drainage incidental thereto, (ii) constructing, improving, and renovating flood control and storm drainage facilities within the County, including any related road improvements (including utilities repair, replacement and relocation), (iii) acquiring, constructing, purchasing, renovating, equipping, enlarging, and improving a new fire station facility, (iv) purchasing materials, supplies, equipment, information technology, machinery, buildings, land, easements, and rights-of-way for authorized needs and purposes, and (v) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. (See "THE CERTIFICATES - Use of Certificate Proceeds" herein.)

STATED MATURITY SCHEDULE**(On Page ii)**

The Certificates are offered for delivery, when, as and if issued and received by the initial purchasers (the "Purchaser") and subject to the approving opinion of the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel. (See Appendix C – Form of Legal Opinion of Bond Counsel and "OTHER PERTINENT INFORMATION – Legal Opinions and No-Litigation Certificate" herein). It is expected that the Certificates will be available for delivery through DTC on or about August 21, 2024.

STATED MATURITY SCHEDULE
(Due August 1)
Base CUSIP – 752278^(a)

Stated Maturity August 1	Principal Amount	Interest Rate (%)	Initial Yield (%)	CUSIP Suffix ^(a)
2025	\$2,690,000	5.000	3.000	MK4
2026	330,000	5.000	3.000	ML2
2027	345,000	5.000	2.950	MM0
2028	365,000	5.000	2.950	MN8
2029	380,000	5.000	2.930	MP3
2030	400,000	5.000	2.980	MQ1
2031	420,000	5.000	3.000	MR9
2032	440,000	5.000	3.000	MS7
2033	465,000	5.000	3.000	MT5
2034	485,000	5.000	3.000 ^(b)	MU2
2035	510,000	5.000	3.040 ^(b)	MV0
2036	535,000	5.000	3.080 ^(b)	MW8
2037	565,000	5.000	3.130 ^(b)	MX6
2038	590,000	5.000	3.170 ^(b)	MY4
2039	620,000	5.000	3.250 ^(b)	MZ1

(Interest to accrue from the Dated Date)

The Issuer reserves the right to redeem the Certificates maturing on and after August 1, 2034, on August 1, 2033, or any date thereafter, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, at the redemption price of par plus accrued interest as further described herein. (See “THE CERTIFICATES - Redemption Provisions” herein.)

^(a) CUSIP numbers are included solely for the convenience of the owner of the Certificates. CUSIP is a registered trademark of The American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the County, the Financial Advisor, or the Purchaser is responsible for the selection or correctness of the CUSIP numbers set forth herein.

^(b) Yield calculated is based on the assumption that the Certificates denoted and sold at premium will be redeemed on August 1, 2033, the first optional call date for the Certificates, at a redemption price of par plus accrued interest to the date of redemption.

RANDALL COUNTY, TEXAS
501 16th Street, Suite 301
Canyon, Texas 79015

ELECTED OFFICIALS

Name	Title	Date First Elected	Term Expires
Christy Dyer	County Judge	01/01/2013	12/31/2026
Rusty Carnes	Commissioner, Precinct 1	03/10/2021	12/31/2024
Eric Barry	Commissioner, Precinct 2	01/01/2023	12/31/2026
Bob Robinson	Commissioner, Precinct 3	01/01/2013	12/31/2024
Tam Boatler	Commissioner, Precinct 4	01/01/2023	12/31/2026

ADMINISTRATION

Name	Position	Years With The County
Ravonnette Stacey	County Auditor	12
Jami Love	First Assistant Auditor	19
Susan Allen	County Clerk	6
Angie Parker	County Treasurer	13
Christopher Forbis	County Sheriff	32
Robert Love	District Attorney	30

CONSULTANTS AND ADVISORS

Bond Counsel	Norton Rose Fulbright US LLP Austin, Texas
Certified Public Accountants	Doshier, Pickens & Francis, LLC Amarillo, Texas
Financial Advisor	SAMCO Capital Markets, Inc. San Antonio, Texas

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USE OF INFORMATION IN THE OFFICIAL STATEMENT

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

No dealer, broker, salesperson or other person has been authorized to give information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information must not be relied upon.

Certain information set forth herein has been provided by sources other than the County that the County believes to be reliable, but the County makes no representation as to the accuracy of such information. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or other matters described herein since the date hereof. See "CONTINUING DISCLOSURE OF INFORMATION" for a description of the County's undertaking to provide certain information on a continuing basis.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with its responsibilities to the Issuer and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

The agreements of the County and others related to the Certificates are contained solely in the contracts described herein. Neither this Official Statement nor any other statement made in connection with the offer or sale of the Certificates is to be construed as constituting an agreement with the Purchaser of the Certificates. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

NEITHER THE COUNTY NOR ITS FINANCIAL ADVISOR MAKES ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY ("DTC") OR ITS BOOK-ENTRY-ONLY SYSTEM, AS SUCH INFORMATION HAS BEEN PROVIDED BY DTC. THE CERTIFICATES ARE EXEMPT FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE CERTIFICATES IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

TABLE OF CONTENTS

INTRODUCTORY STATEMENT	1	AD VALOREM PROPERTY TAXATION	11
THE CERTIFICATES.....	1	COUNTY APPLICATION OF THE PROPERTY TAX CODE	15
General.....	1	TAX MATTERS	16
Authority for Issuance.....	1	Tax Exemption	16
Security for Payment.....	1	Tax Changes.....	17
Use of Certificate Proceeds	2	Ancillary Tax Consequences	17
Sources and Uses.....	2	Tax Accounting Treatment of Discount on the Certificates	17
Redemption Provisions of the Certificates	2	Qualified Tax-Exempt Obligation for Financial Institutions	18
Selection of Certificates for Redemption	2	CONTINUING DISCLOSURE OF INFORMATION	18
Notice of Redemption.....	3	Annual Reports.....	18
Payment Record	3	Notice of Certain Events	19
Legality.....	3	Availability of Information from MSRB	19
Defeasance.....	3	Limitations and Amendments	19
Amendments.....	4	Compliance with Prior Agreements	20
Default and Remedies.....	4	OTHER PERTINENT INFORMATION	20
REGISTRATION, TRANSFER AND EXCHANGE.....	5	Registration and Qualification of Certificates for Sale ..	20
Paying Agent/Registrar	5	Litigation	20
Record Date.....	5	Future Debt Issuance	20
Future Registration	6	Legal Investments and Eligibility to Secure Public Funds in Texas.....	20
Limitation on Transferability	6	Legal Opinions and No-Litigation Certificate	21
Replacement Certificates	6	Ratings	21
BOOK-ENTRY-ONLY SYSTEM	6	Financial Advisor.....	22
Use of Certain Terms in Other Sections of this Official Statement.....	8	Winning Bidder.....	22
INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE ISSUER	8	Certification of the Official Statement	22
Legal Investments.....	8	Forward-Looking Statements Disclaimer	22
Investment Policies.....	9	Concluding Statement.....	23
Current Investments	10		
EMPLOYMENT BENEFITS	10		

Financial Information of the Issuer
General Information Regarding Randall County, Texas and the City of Amarillo, Texas
Form of Legal Opinion of Bond Counsel
The Issuer's General Purpose Audited Financial Statements for the Year Ended September 30, 2023

Appendix A
Appendix B
Appendix C
Appendix D

The cover page, subsequent pages hereof and appendices attached hereto, are part of this Official Statement.

SELECTED DATA FROM THE OFFICIAL STATEMENT

The selected data is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Certificates to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this page from this Official Statement or to otherwise use it without the entire Official Statement.

The Issuer	Randall County, Texas (the “County” or “Issuer”) was officially formed in 1889. The Issuer is a political subdivision of the State of Texas and operates using a commission form of government under the statutes and the Constitution of the State of Texas. The 2020 census for the County was 140,753. The 2024 estimated population is 150,266. (See “Appendix B - General Information Regarding Randall County and the City of Amarillo, Texas” herein.)
The Certificates	The Certificates are being issued pursuant to the Constitution and general laws of the State of Texas (the “State”), including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Government Code, Section 361.052, as amended, Texas Local Government Code, and an order (the “Order”) adopted by the Commissioners Court on July 23, 2024. (See “THE CERTIFICATES - Authority for Issuance” herein.)
Paying Agent/Registrar	The initial Paying Agent/Registrar for the Certificates is BOKF, NA, Dallas Texas.
Security	The Certificates constitute direct obligations of the Issuer payable from an annual ad valorem tax levied against all taxable property in the County, within the limits prescribed by law and additionally by a lien on and pledge of the Pledged Revenues (as defined in the Order), being a limited amount of the Net Revenues derived from the operation of the County Jail (the “System”) not to exceed \$1,000 during the entire period the Certificates or interest thereon remain outstanding; provided, however, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds (as defined in the Order) or Junior Lien Bonds (as defined in the Order) hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations (as defined in the Order), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise. (See “THE CERTIFICATES - Security for Payment” herein.)
Redemption Provision	The Issuer reserves the right, at its sole option, to redeem Certificates stated to mature on and after August 1, 2034, on August 1, 2033 or any date thereafter, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, at the redemption price of par plus accrued interest to the date fixed for redemption. (See “THE CERTIFICATES - Redemption Provisions” herein.)
Tax Matters	In the opinion of Bond Counsel, the interest on the Certificates will be excludable from gross income for federal tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described herein. (See “TAX MATTERS” for a discussion of the Opinion of Bond Counsel and “APPENDIX C - FORM OF LEGAL OPINION OF BOND COUNSEL” herein.)
Use of Certificate Proceeds	Proceeds from the sale of the Certificates will be used for the purpose or purposes of paying contractual obligations of the County to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) acquiring, designing, constructing, renovating, repairing, and improving County roads and bridges (including any utilities relocation) and drainage incidental thereto, (ii) constructing, improving, and renovating flood control and storm drainage facilities within the County, including any related road improvements (including utilities repair, replacement and relocation), (iii) acquiring, constructing, purchasing, renovating, equipping, enlarging, and improving a new fire station facility, (iv) purchasing materials, supplies, equipment, information technology, machinery, buildings, land, easements, and rights-of-way for authorized needs and purposes, and (v) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. (See “THE CERTIFICATES - Use of Certificate Proceeds” herein.)

Book-Entry-Only System	The Issuer intends to utilize the Book-Entry-Only System of The Depository Trust Company, New York, New York described herein. No physical delivery of the Certificates will be made to the beneficial owners of the Certificates. Such Book-Entry-Only System may affect the method and timing of payments on the Certificates and the manner the Certificates may be transferred. (See “BOOK-ENTRY-ONLY SYSTEM” herein.)
Ratings	S&P Global Ratings (“S&P”) has assigned an unenhanced, underlying rating of “AA+” to the Certificates. (See “OTHER PERTINENT INFORMATION - Rating” herein.)
Qualified Tax-Exempt Obligations	The County has designated the Certificates as “Qualified Tax-Exempt Obligations” for financial institutions. (See “TAX MATTERS – Qualified Tax-Exempt Obligations” herein.)
Issuance of Additional Debt	The County does not anticipate the issuance of additional general obligation debt during the next twelve (12) months.
Payment Record	The County has never defaulted on the payment of its tax-supported indebtedness.
Delivery	When issued, anticipated on or about August 21, 2024.
Legality	Delivery of the Certificates is subject to the approval by the Attorney General of the State of Texas and the rendering of an opinion as to legality by Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel.

INTRODUCTORY STATEMENT

This Official Statement provides certain information in connection with the issuance by Randall County, Texas (the "County" or the "Issuer") of its \$9,140,000 Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2024 (the "Certificates") identified on the cover page hereof.

The Issuer is a political subdivision of the State of Texas (the "State") and operates under the statutes and the Constitution of the State. The Certificates are being issued pursuant to the Constitution and general laws of the State, including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Government Code, Section 361.052, as amended, Texas Local Government Code, and an order (the "Order") adopted by the Commissioners Court on July 23, 2024. (See "THE CERTIFICATES - Authority for Issuance" herein.)

Unless otherwise indicated, capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Order. Included in this Official Statement are descriptions of the Certificates and certain information about the Issuer and its finances. **ALL DESCRIPTIONS OF DOCUMENTS CONTAINED HEREIN ARE SUMMARIES ONLY AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO EACH SUCH DOCUMENT.** Copies of such documents may be obtained from the Issuer or the Financial Advisor noted on page iii hereof.

THE CERTIFICATES

General

The Certificates are dated August 1, 2024 (the "Dated Date"). The Certificates are stated to mature on August 1 in the years and in the principal amounts set forth on page ii hereof. The Certificates shall bear interest from their Dated Date on the unpaid principal amounts, and the amount of interest to be paid with respect to each payment period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Certificates will be payable on each February 1 and August 1, commencing February 1, 2025 until maturity or prior redemption. Principal is payable at the designated offices of the "Paying Agent/Registrar" for the Certificates, initially BOKF, NA, Dallas, Texas. Interest on the Certificates shall be paid to the registered owners whose names appear on the registration books of the Paying Agent/Registrar at the close of business on the Record Date (as hereinafter defined) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk of, the registered owner. If the date for the payment of the principal or interest on the Certificates shall be a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the designated payment/transfer office of the Paying Agent/Registrar is located are authorized to be closed, then the date for such payment shall be the next succeeding day which is not such a day, and payment on such date shall have the same force and effect as if made on the date payment was due.

Initially, the Certificates will be registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described below. No physical delivery of the Certificates will be made to the Beneficial Owners. Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will distribute the amounts received to the appropriate DTC Participants, who shall in turn make payment to the Beneficial Owners of the Certificates. Such Book-Entry-Only System may change the method and timing of payment for the Certificates and the method of transfer. See "BOOK-ENTRY-ONLY SYSTEM" below for a more complete description of such System.

Authority for Issuance

The Certificates are being issued pursuant to the Constitution and general laws of the State, including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Texas Government Code, Section 361.052, as amended, Texas Local Government Code, and the Order.

Security for Payment

Pledge of Ad Valorem Taxes. The Certificates are general obligations of the County, payable from its collection of an ad valorem tax levied annually, within the legal limitations imposed by law, upon all taxable property located in the County (see "AD VALOREM PROPERTY TAXATION" herein.)

Limited Revenue Pledge Benefitting the Certificates. Solely to comply with Texas law allowing the Certificates to be sold for cash, the Certificates are further secured by a lien on and pledge of the Pledged Revenues (being a limited amount of the Net Revenues derived from the operation of the County Jail (the “System”) not to exceed \$1,000 during the entire period the Certificates or interest thereon remain outstanding; provided, however, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of Net Revenues securing payment of any Prior Lien Bonds (as defined in the Order) or Junior Lien Bonds (as defined in the Order) hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations (as defined in the Order), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise.

Even though the County has pledged the Pledged Revenues of the System to further secure the Certificates, the County does not expect that any Net Revenues from such System will actually be utilized to pay the debt service requirements on the Certificates.

Use of Certificate Proceeds

Proceeds from the sale of the Certificates will be used for the purpose or purposes of paying contractual obligations of the County to be incurred for making permanent public improvements and for other public purposes, to-wit: (i) acquiring, designing, constructing, renovating, repairing, and improving County roads and bridges (including any utilities relocation) and drainage incidental thereto, (ii) constructing, improving, and renovating flood control and storm drainage facilities within the County, including any related road improvements (including utilities repair, replacement and relocation), (iii) acquiring, constructing, purchasing, renovating, equipping, enlarging, and improving a new fire station facility, (iv) purchasing materials, supplies, equipment, information technology, machinery, buildings, land, easements, and rights-of-way for authorized needs and purposes, and (v) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects.

Sources and Uses

Sources	
Par Amount of the Certificates	\$ 9,140,000.00
Accrued Interest on the Certificates	25,388.89
Reoffering Premium	<u>857,794.60</u>
Total Sources of Funds	<u>\$ 10,023,183.49</u>
Uses	
Project Fund Deposit	\$ 9,815,000.00
Purchaser’s Discount	44,215.44
Certificate Fund Deposit	25,388.89
Costs of Issuance	<u>138,579.16</u>
Total Uses	<u>\$ 10,023,183.49</u>

Redemption Provisions of the Certificates

The Issuer reserves the right, at its option, to redeem the Certificates maturing on and after August 1, 2034 on August 1, 2033, or any date thereafter, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and, if within a stated maturity, selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date fixed for redemption.

Selection of Certificates for Redemption

The years of maturity of the Certificates called for redemption will be selected by the County. If less than all of the Certificates are redeemed within a stated maturity at any time, the Certificates to be redeemed will be selected by the Paying Agent/Registrar at random and by lot or other customary method in multiples of \$5,000 within any stated maturity.

Notice of Redemption

At least 30 days prior to the date fixed for any redemption of any Certificates or portions thereof prior to stated maturity, the Issuer shall cause notice of such redemption to be sent by United States mail, first-class postage prepaid, to the registered owner of each Certificate or a portion thereof to be redeemed at its address as it appeared on the registration books of the Paying Agent/Registrar on the day such notice of redemption is mailed. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof which are to be so redeemed. If such notice of redemption is given and if due provision for such payment is made, all as provided above, the Certificates or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment.

ANY NOTICE OF REDEMPTION SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN IRRESPECTIVE OF WHETHER ONE OR MORE CERTIFICATEHOLDERS FAILED TO RECEIVE SUCH NOTICE, AND, PROVIDED THAT PROVISION FOR PAYMENT OF THE REDEMPTION PRICE IS MADE AND ANY OTHER CONDITIONS TO REDEMPTION ARE SATISFIED, INTEREST ON THE REDEEMED CERTIFICATES SHALL CEASE TO ACCRUE FROM AND AFTER SUCH REDEMPTION DATE NOTWITHSTANDING THAT A CERTIFICATE HAS NOT BEEN PRESENTED FOR PAYMENT.

Certificates of a denomination larger than \$5,000 may be redeemed in part (\$5,000 or any integral multiple thereof). Any Certificate to be partially redeemed must be surrendered in exchange for one or more new Certificates of the same stated maturity and interest rate for the unredeemed portion of the principal. In the event of redemption of less than all of the Certificates of a particular stated maturity, the Paying Agent/Registrar is required to select the Certificates of such stated maturity to be redeemed by such random method as it deems fair and appropriate and which may provide for the selection for redemption of portions (equal to any authorized denomination) of the Certificates of a denomination larger than \$5,000.

The Paying Agent/Registrar and the Issuer, so long as a Book-Entry-Only System is used for the Certificates, will send any notice of redemption, notice of proposed amendment to the Order or other notices with respect to the Certificates only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the Beneficial Owner, will not affect the validity of the redemption of the Certificates called for redemption or any other action premised on any such notice. Redemption of portions of the Certificates by the Issuer will reduce the outstanding principal amount of such Certificates held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Certificates held for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Certificates from the Beneficial Owners. Any such selection of Certificates to be redeemed will not be governed by the Order and will not be conducted by the Issuer or the Paying Agent/Registrar. Neither the Issuer or the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on Certificates or the providing of notice to DTC participants, indirect participants, or Beneficial Owners of the selection of portions of the Certificates for redemption. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Payment Record

The County has never defaulted on the payment of its tax-supported indebtedness.

Legality

The Certificates are offered when, as and if issued, subject to the approvals of legality by the Attorney General of the State of Texas and Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel. A form of the legal opinion of Bond Counsel appears in Appendix C attached hereto.

Defeasance

The Order provides the Certificates shall be deemed to have been paid when the payment of the principal of and premium, if any, on such Certificates, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption or otherwise) shall have been irrevocably deposited with the Paying Agent/Registrar, or other authorized escrow agent, in trust (i) money sufficient to make such payment; (2) Government Securities to mature as to principal and interest in

such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Certificates; or (3) a combination of both. In the event all or a portion of such deposit consists of Government Securities, an independent accounting firm the County's financial advisor, the Paying Agent/Registrar, or some other qualified financial institution as specified in the Order, shall provide a report or findings which concludes such Government Securities will mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, to pay the full amount due and owed on such Certificates at and prior to their Stated Maturity or redemption date. The term "Government Securities" means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of their acquisition or purchase by the Issuer, are rated as to investment quality by a nationally recognized statistical rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the Issuer, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Certificates under applicable laws of the State of Texas. There is no assurance that the ratings for U.S. Treasury securities acquired to defease any Certificates, or those for any other Government Securities, will be maintained at any particular rating category. Further, there is no assurance that current State law will not be amended in a manner that expands or contracts the list of permissible defeasance securities (such list consisting of these securities identified in clauses (a) through (c) above), or any rating requirement thereon, that may be purchased with defeasance proceeds relating to the Certificates ("Defeasance Proceeds"), though the County has reserved the right to utilize any additional securities for such purpose in the event the aforementioned list is expanded. Because the Order does not contractually limit such permissible defeasance securities and expressly recognizes the ability of the County to use lawfully available Defeasance Proceeds to defease all or any portion of the Certificates, registered owners of Certificates are deemed to have consented to the use of Defeasance Proceeds to purchase such other defeasance securities, notwithstanding the fact that such defeasance securities may not be of the same investment quality as those currently identified under State law as permissible defeasance securities.

Upon such deposit as described above, such Certificates shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment of the Certificates have been made as described above, all rights of the County to initiate proceedings to call the Certificates for redemption or take any other action amending the terms of the Certificates are extinguished; provided, however, the County has the option, to be exercised at the time of the defeasance of the Certificates, to call for redemption at an earlier date those Certificates which have been defeased to their maturity date, if the County (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Certificates for redemption, (ii) gives notice of the reservation of that right to the owners of the Certificates immediately following the making of the firm banking and financial arrangements, and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Amendments

The County may amend the Order without the consent of or notice to any registered owners in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency, or formal defect or omission therein. In addition, the County may, with the written consent of the holders of a majority in aggregate principal amount of the Certificates then Outstanding amend, add to, or rescind any of the provisions of the Order, except that, without the consent of the registered owners of all of the Certificates then outstanding, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal or, premium, if any, and interest on the Certificates, reduce the principal amount thereof, or the rate of interest thereon or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (ii) give any preference to any Certificate over any other Certificate or (iii) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition or rescission.

Default and Remedies

The Order does not specify events of default with respect to the Certificates. If the County defaults in the payment of principal, interest, or redemption price on the Certificates when due, or if it fails to make payments into any fund or funds created in the Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Order, the registered owners may seek a writ of mandamus to compel County officials to carry out their legally imposed duties with

respect to the Certificates if there is no other available remedy at law to compel performance of the Certificates or Order and the County's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles and rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Certificates in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Order does not provide for the appointment of a trustee to represent the interest of the certificateholders upon any failure of the County to perform in accordance with the terms of the Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners.

On June 30, 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia* 197 S.W.3d 325 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas Legislature has effectively waived the County's sovereign immunity from a suit for money damages, certificateholders may not be able to bring such a suit against the County for breach of the Certificates or Order covenants. Even if a judgment against the County could be obtained, it could not be enforced by direct levy and execution against the County's property. Further, the registered owners cannot themselves foreclose on property within the County or sell property within the County to enforce the tax lien on taxable property to pay the principal of and interest on the Certificates. Furthermore, the County is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9 and the pledge of a specific source of revenues, such as the Pledged Revenues, is subject to judicial discretion. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or certificateholders of an entity which has sought protection under Chapter 9. Therefore, should the County avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court), and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Order and the Certificates are qualified with respect to the customary rights of debtors relative to their creditors.

Initially, the only registered owner of the Certificates will be Cede & Co., as nominee of DTC. See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the duties of DTC with regard to ownership of the Certificates.

REGISTRATION, TRANSFER AND EXCHANGE

Paying Agent/Registrar

The initial Paying Agent/Registrar for the Certificates is BOKF, NA, Dallas, Texas. In the Order, the Issuer retains the right to replace the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the Issuer, the new Paying Agent/Registrar shall accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any successor Paying Agent/Registrar, selected at the sole discretion of the Issuer, shall be a bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon a change in the Paying Agent/Registrar for the Certificates, the Issuer agrees to promptly cause written notice thereof to be sent to each registered owner of the Certificates by United States mail, first-class, postage prepaid.

The Certificates will be issued in fully registered form in multiples of \$5,000 for any one stated maturity, and principal and semiannual interest will be paid by the Paying Agent/Registrar. Interest will be paid by check or draft mailed on each interest payment date by the Paying Agent/Registrar to the registered owner at the last known address as it appears on the Paying Agent/Registrar's books or by such other method, acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of the registered owner. Principal will be paid to the registered owner at stated maturity or prior redemption upon presentation to the Paying Agent/Registrar; provided, however, that so long as Cede & Co. (or other DTC nominee) is the registered owner of the Certificates, all payments will be made as described under "Book-Entry-Only System" herein. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the designated payment/transfer office of the Paying Agent/Registrar is located are authorized to close, then the date for such payment shall be the next succeeding day which is not such a day, and payment on such date shall have the same force and effect as if made on the date payment was due.

Record Date

The record date ("Record Date") for determining the party to whom interest is payable on a Certificate on any Interest Payment Date means the fifteenth day of the month next preceding such Interest Payment Date.

In the event of a non-payment of interest on an Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

Future Registration

In the event the Certificates are not in the Book-Entry-Only System, the Certificates will be printed and delivered to the registered owners thereof, and thereafter the Certificates may be transferred, registered, and assigned on the registration books of the Paying Agent/Registrar only upon presentation and surrender thereof to the Paying Agent/Registrar, and such registration and transfer shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration and transfer. A Certificate may be assigned by the execution of an assignment form on the Certificate or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. A new Certificate or Certificates will be delivered by the Paying Agent/Registrar in lieu of the Certificates being transferred or exchanged at the corporate trust office of the Paying Agent/Registrar, or sent by United States mail, first class postage prepaid, to the new registered. New Certificates issued in an exchange or transfer of Certificates will be delivered to the registered owner or assignee of the registered owner in not more than three (3) business days after the receipt of the Certificates to be canceled in the exchange or transfer and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Certificates registered and delivered in an exchange or transfer shall be in denominations of \$5,000 for any one stated maturity or any integral multiple thereof and for a like aggregate principal amount and rate of interest as the Certificate or Certificates surrendered for exchange or transfer. (See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the system initially to be utilized in regard to ownership and transferability of the Certificates.)

Limitation on Transferability

Neither the County nor the Paying Agent/Registrar shall be required to make any such transfer, conversion or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, that such limitation shall not apply to uncalled portions of a Certificate redeemed in part.

Replacement Certificates

The Issuer has agreed to replace mutilated, destroyed, lost, or stolen Certificates upon surrender of the mutilated Certificates to the Paying Agent/Registrar, or receipt of satisfactory evidence of authenticity of ownership thereof and of such destruction, loss, or theft, and receipt by the Issuer and Paying Agent/Registrar of security or indemnity as may be required by either of them to hold them harmless. The Issuer may require payment of taxes, governmental charges, and other expenses in connection with any such replacement.

BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Certificates is to be transferred and how the principal of, premium, if any, and interest on the Certificates are to be paid to and credited by DTC while the Certificates are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The County and the Financial Advisor believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The County cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Certificates, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Certificates), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable

to DTC are on file with the United States Securities and Exchange Commission (the "SEC"), and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Certificates. The Certificates will be issued as fully-registered Certificates registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Certificate will be issued for each maturity of the Certificates, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). Direct Participants and Indirect Participants are jointly referred to as "Participants". DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices for the Certificates shall be sent to DTC. If less than all of the Certificates within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or

voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Certificates held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment on the Certificates to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the County or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Certificates are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Certificates will be printed and delivered.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the County, the Financial Advisor, or the initial purchaser of the Certificates.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Order will be given only to DTC.

INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE ISSUER

The County invests its investable funds in investments authorized by State law and in accordance with investment policies approved and reviewed annually by the Commissioners Court of the County. Both State law and the County's investment policies are subject to change.

Legal Investments

Under State law and subject to certain limitations, the County is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations issued and secured by a federal agency or instrumentality of the United States; (4) other obligations unconditionally guaranteed or insured by the State of Texas or the United States or their respective agencies and instrumentalities; (5) "A" or better rated obligations of states, agencies, counties, cities, and other political subdivisions of any state; (6) bonds issued, assumed, or guaranteed by the State of Israel; (7) federally insured interest-bearing bank deposits, brokered pools of such deposits, and collateralized certificates of deposit and share certificates; (8) fully collateralized United States government securities repurchase agreements; (9) one-year or shorter securities lending agreements secured by obligations described in clauses (1) through (7) above or (11) through (14) below or an irrevocable letter of credit issued by an "A" or better rated state or national bank; (10) 270-day or shorter bankers' acceptances, if the short-term obligations of the accepting bank or its holding company are rated at least "A-1" or "P-1"; (11) commercial paper rated at least "A-1" or "P-1"; (12) SEC-registered no-load money market mutual funds that are subject to SEC Rule 2a-7; (13) SEC-registered no-load mutual funds that have an average weighted maturity of less than two years; (14) "AAA" or "AAAm"-rated investment pools that invest solely in investments described above; (15) aggregate repurchase agreement transactions entered into by an investing entity in conformity with the provisions of subsections (a-1), (f), and (g) of Section 2256.011 of the Public Funds Investment Act; and (16) in the case of bond proceeds, guaranteed investment contracts that are secured by obligations described in clauses (1) through (7) above and, except for debt service funds and reserves, have a term of 5 years or less.

The County may not, however, invest in (1) interest only obligations, or non-interest bearing principal obligations, stripped from mortgage-backed securities; (2) collateralized mortgage obligations that have a remaining term that exceeds 10 years; and (3) collateralized mortgage obligations that bear interest at an index rate that adjusts opposite to the changes in a market index. In addition, the County may not invest more than 15% of its monthly average fund balance (excluding bond proceeds and debt service funds and reserves) in mutual funds described in clause (13) above or make an investment in any mutual fund that exceeds 10% of the fund's total assets.

Except as stated above or inconsistent with its investment policy, the County may invest in obligations of any duration without regard to their credit rating, if any. If an obligation ceases to qualify as an eligible investment after it has been purchased, the County is not required to liquidate the investment unless it no longer carries a required rating, in which case the County is required to take prudent measures to liquidate the investment that are consistent with its investment policy.

Investment Policies

Under State law, the County is required to adopt and annually review written investment policies and must invest its funds in accordance with its policies. The policies must identify eligible investments and address investment diversification, yield, maturity, and the quality and capability of investment management. For investments whose eligibility is rating dependent, the policies must adopt procedures to monitor ratings and liquidate investments if and when required. The policies must require that all investment transactions settle on a delivery versus payment basis. The County is required to adopt a written investment strategy for each fund group to achieve investment objectives in the following order of priority: (1) suitability, (2) preservation and safety of principal, (3) liquidity, (4) marketability, (5) diversification, and (6) yield.

State law requires the County's investments be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment considering the probable safety of capital and the probable income to be derived." The County is required to perform an annual audit of the management controls on investments and compliance with its investment policies and provide regular training for its investment officers.

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Current Investments

State law does not require the Issuer to periodically mark its investments to market price, and the Issuer does not do so, other than annually upon the conclusion of each fiscal year, for the purpose of compliance with applicable accounting policies concerning the contents of the Issuer's audited financial statements. Given the nature of its investments, the Issuer does not believe that the market value of its investments differs materially from book value.

As of May 27, 2024 (unaudited), the Issuer's investable funds were invested as shown below.

<u>Fund and Investment Type</u>	<u>Amount</u>	<u>Percentage of Portfolio</u>
General Fund		
Cash	\$ 1,495,705	1.76%
CD/Securities	\$ 20,653,382	24.29%
Texas Class	\$ 31,690,119	37.27%
TexPool	\$ 124,960	0.15%
Special Revenue Fund		
Cash	\$ 6,474,608	7.62%
CD/Securities	\$ 11,950,000	14.06%
TexPool	\$ 115,283	0.14%
Texas Class	\$ 1,601,430	1.88%
Debt Service Fund		
Cash	\$ 4,365,724	5.14%
Capital Projects Funds		
Cash	\$ 3,361,571	3.95%
CD/Securities	\$ 2,000,000	2.35%
Internal Service Fund		
Cash	\$ 936,003	1.10%
CD/Securities	\$ 250,000	0.29%
Total Investments	<u>\$ 85,018,785</u>	<u>100.00%</u>

As of such date, the market value of such investments (as determined by the County by reference to published quotations, dealer bids, and comparable information) was approximately 100% of their book value. No funds of the County are invested in derivative securities, i.e., securities whose rate of return is determined by reference to some other instrument, index, or commodity.

The Texas State Comptroller of Public Accounts exercises oversight responsibility over the Texas Local Government Investment Pool ("TexPool"). Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed both of participants in TexPool and of the other persons who do not have a business relationship with TexPool. The advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAA by S&P Global Ratings. TexPool operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. As such, TexPool uses amortized cost to report net assets and share prices since that amount approximates fair value.

EMPLOYMENT BENEFITS

Plan Description: The County provides other post-employment benefits (OPEB) to all of its full-time employees through a single-employer self-funded medical plan. The Randall County Healthcare Plan provides that an employee who meets the retirement eligibility requirements of the Texas County and District Retirement System, and who leaves the employ of the County may, upon retirement, elect to remain on the County's group medical and dental plan, as well as to continue existing

spouse and dependent coverage. Coverage ceases for the member, the spouse and dependents upon the member becoming eligible for Medicare at age 65. For more complete information regarding the County's retirement plan and net pension liability, see Note 15, 16 and 17, pages 53-65 of the Notes to the excerpts of the Issuer's Audited Financial Statements contained herein as Appendix D.

AD VALOREM PROPERTY TAXATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors are encouraged to review Title 1 of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

VALUATION OF TAXABLE PROPERTY. . . The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the "Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the County is the responsibility of the Potter-Randall Appraisal District (the "Appraisal District"). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the County, in establishing their tax rolls and tax rates (see "AD VALOREM PROPERTY TAXATION – County and Taxpayer Remedies").

STATE MANDATED HOMESTEAD EXEMPTIONS. . . State law grants, with respect to each taxing unit in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

LOCAL OPTION HOMESTEAD EXEMPTIONS. . . The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than \$5,000) and (2) an additional exemption of at least \$3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may also be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit.

LOCAL OPTION FREEZE FOR THE ELDERLY AND DISABLED. . . The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes.

Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

PERSONAL PROPERTY. . . Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the “production of income” is taxed based on the property’s market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

FREEPORT AND GOODS-IN-TRANSIT EXEMPTIONS. . . Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication (“Freeport Property”) are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods, that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days (“Goods-in-Transit”), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action, after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer’s motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

OTHER EXEMPT PROPERTY. . . Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

TEMPORARY EXEMPTION FOR QUALIFIED PROPERTY DAMAGED BY A DISASTER. . . The Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes, located in an area declared by the Governor (hereinafter defined) to be a disaster area following a disaster and is at least 15 percent damaged by the disaster, as determined by the chief appraiser, to an exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15 percent to 100 percent based upon the damage assessment rating assigned by the chief appraiser. The governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the Governor declares the area to be a disaster area. The Texas Legislature amended Section 11.35, Tax Code to clarify that “damage” for purposes of such statute is limited to “physical damage.” For more information on the exemption, reference is made to Section 11.35 of the Property Tax Code, as amended.

TAX INCREMENT REINVESTMENT ZONES. . . A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones (“TIRZ”) within its boundaries. At the time of the creation of the TIRZ, a “base value” for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the “tax increment”. During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

TAX ABATEMENT AGREEMENTS. . . Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

For a discussion of how the various exemptions described above are applied by the County, see “COUNTY APPLICATION OF PROPERTY TAX CODE” herein.

COUNTY AND TAXPAYER REMEDIES. . . Under certain circumstances, taxpayers and taxing units, including the County, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the County may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value in excess of the current year “minimum eligibility amount”, as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount was set at \$59,562,331 million for the 2024 tax year, and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda that could result in the repeal of certain tax increases (see “AD VALOREM PROPERTY TAXATION – Public Hearing and Maintenance and Operations Tax Rate Limitations”). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

LEVY AND COLLECTION OF TAXES. . . The County is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the County. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the County may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

COUNTY’S RIGHTS IN THE EVENT OF TAX DELINQUENCIES. . . Taxes levied by the County are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the County, having power to tax the property. The County’s tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the County is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the County may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the County must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer’s debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

PUBLIC HEARING AND MAINTENANCE AND OPERATIONS TAX RATE LIMITATIONS. The following terms as used in this section have the meanings provided below:

“de minimis rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted), plus the rate that produces an additional \$500,000 in tax revenue when applied to the current year’s taxable value, plus the debt service tax rate.

“foregone revenue amount” means the greater of zero or the amount expressed in dollars calculated according to the following formula: the voter-approval tax rate less the actual tax rate, then multiplied by the taxing unit’s current total value in the applicable preceding tax year.

“no-new-revenue tax rate” means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year’s total tax levy (adjusted) from the current year’s total taxable values (adjusted).

“preceding total value” means a taxing unit’s current total value in the applicable preceding tax year.

“special taxing unit” means a county for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value.

“unused increment rate” means the greater of (i) zero; or (ii) the sum of the 2020 foregone revenue amount, 2021 foregone revenue amount, and 2022 foregone revenue amount divided by the current total value.

“voter-approval tax rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the unused increment rate.

The County’s tax rate consists of two components: (1) rates for funding of maintenance and operations expenditures in the current year, which may additionally include the Road and Bridge Maintenance Tax and the Farm-to-Market Road and Flood Control Tax, if levied (collectively, the “maintenance and operations tax rate”), and (2) a rate for funding debt service in the current year (the “debt service tax rate”). Under State law, the assessor for the County must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the County to the Commissioners Court by August 1 or as soon as practicable thereafter.

A county must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a county fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the county for the preceding tax year.

As described below, the Property Tax Code provides that if a county adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its de minimis rate, an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A county may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until the county appraisal district has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the county has held a public hearing on the proposed tax increase.

If a county’s adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the county must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a county does not qualify as a special taxing unit, if a county’s adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the county’s voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the county would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any county located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its voter-approval tax rate using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such county’s total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the County's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the County's tax-supported debt obligations, including the Certificates. See "AD VALOREM PROPERTY TAXATION – Debt Tax Rate Limitations" for a description of the debt service tax rate limitations applicable to the Certificates.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

DEBT TAX RATE LIMITATIONS. . . . Article VIII, Section 9 of the Texas Constitution imposes a limit of \$0.80 per \$100 assessed valuation for all purposes of a county's General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, including debt service on bonds or other debt issued against such funds. Administratively, the Attorney General of Texas will not approve limited tax obligations in an amount which produces debt service requirements exceeding that which can be paid from \$0.40 of the foregoing \$0.80 maximum tax rate, as calculated at the time of issuance. **The Certificates are limited tax obligations payable from the County's \$0.80 constitutional tax rate.**

Article III, Section 52 of the Texas Constitution authorizes the County to levy a direct, continuing ad valorem tax on all taxable property within the County, without limit as to rate or amount to pay the principal of and interest on the County's road bonds if approved by the voters in the County. The principal amount of unlimited tax road bonds issued by the County and outstanding at any point in time, aggregated with outstanding unlimited tax debt of certain road districts located within the County cannot exceed 25% of the assessed valuation of all real property located in the County.

Article VIII, Section 9 of the Texas Constitution and State statute authorize the County to levy a special Road and Bridge Fund Tax (the "Road and Bridge Maintenance Tax") in an amount not to exceed \$0.15 per \$100 assessed valuation, no part of which may be used for debt service, if approved by the voters.

Article VIII, Section 1-a of the Texas Constitution and State statute permit the County to levy a tax for Farm-to-Market Road and Flood Control purposes (the "Farm-to-Market Road and Flood Control Tax") in an amount not to exceed \$0.30 per \$100 assessed valuation after the mandatory \$3,000 homestead exemption, if approved by the voters. There is no allocation prescribed by statutes between debt service and maintenance.

Section 1301.003, Texas Government Code, as amended, limits the amount of limited tax obligations of counties issue pursuant to such authority for those certain purposes as follows:

Courthouse	2% of Taxable Assessed Valuation
Jail	1 1/2% of Taxable Assessed Valuation
Courthouse and Jail	3 1/2% of Taxable Assessed Valuation
Bridge	1 1/2% of Taxable Assessed Valuation

However, courthouse, jail, and certain other types of bonds may be issued under the authority of Section 1431.101, Texas Government Code, as amended, which removes the above limitations.

COUNTY APPLICATION OF THE PROPERTY TAX CODE

The County's taxes are collected by the Randall County Tax Assessor-Collector.

The County grants a local optional exemption in the amount of \$8,500 to the market value of the residence homestead of persons over-65 or disabled.

The County does not grant a local optional percentage exemption (up to 20%) of the market value of residence homesteads (minimum exemption of \$5,000).

The County does not tax nonbusiness personal property.

The County does not permit split payments of taxes or discounts.

The County does grant the freeport exemption under Article VIII, Section 1-j.

The County does not tax “goods in transit”.

The County does not participate in a TIF.

The county entered into a tax abatement agreement with Astra Wind, LLC on February 10, 2015. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years. The project was completed in December 2018 and the abatement period will end on December 31, 2028.

The County entered into a payment in lieu of tax agreement with Lone Star Dairy Products LLC on September 8, 2015. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years.

The County entered into a tax abatement agreement with Cacique, LLC on April 13, 2021. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years.

The County entered into a tax abatement agreement with Owens Corning Composite Materials, LLC on July 8, 2021. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years. As of September 30, 2023, the construction on this project has not been completed.

The County entered into a tax abatement agreement with Caviness Development, LTD, and Caviness Beef Packers, LTD on November 23, 2021. The abatement period will commence on January 1st of the calendar year immediately following completion of the construction of the project and will terminate after 10 years.

The County entered into an agreement to participate in a tax abatement between the City of Amarillo, AEDC and A-5 Realty, LLC and A-7 Austin, LLC (Austin Hose) on September 13, 2022. The abatement period will commence on January 1st of the first tax year the recipient files an approved application with the Potter Randall County Appraisal District for each phase. The term of the agreement is 6 years at 60%.

At an election held in November 2006, the voters of the County adopted the tax freeze for citizens who are disabled or are 65 years of age or older, which became a local option and subject to local referendum on January 1, 2004, as described above under “AD VALOREM TAX PROCEDURES – Property Subject to Taxation by the Issuer - *Homestead Tax Limitation*” herein. The County’s freeze was implemented beginning in Tax Year 2007 (base valuations for freeze calculations) and the first freeze loss was realized by the County in the 2008 Tax Year.

TAX MATTERS

Tax Exemption

The delivery of the Certificates is subject to the opinion of Norton Rose Fulbright US LLP, Austin, Texas, Bond Counsel, to the effect that interest on the Certificates for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), of the owners thereof pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. The statute, regulations, rulings, and court decisions on which such opinion is based are subject to change. A form of Bond Counsel’s opinion appears in Appendix C hereto.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the County made in a certificate dated the date of delivery of the Certificates pertaining to the use, expenditure, and investment of the proceeds of the Certificates and will assume continuing compliance by the County with the provisions of the Order subsequent to the issuance of the Certificates. The Order contains covenants by the County with respect to, among other matters, the use of the proceeds of the Certificates and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Certificates are to be invested if required, the calculation and payment to the United States Treasury of any arbitrage “profits”, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Certificates to be includable in the gross income of the owners thereof from the date of the issuance of the Certificates.

Except as described above, Bond Counsel will express no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Certificates. Bond Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the County described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on municipal obligations. If an audit of the Certificates is commenced, under current procedures the IRS is likely to treat the County as the "taxpayer," and the owners of the Certificates would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Certificates, the County may have different or conflicting interests from the owners of the Certificates. Public awareness of any future audit of the Certificates could adversely affect the value and liquidity of the Certificates during the pendency of the audit, regardless of its ultimate outcome.

Tax Changes

Existing law may change to reduce or eliminate the benefit to Registered Owners of the exclusion of interest on the Certificates from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Certificates. Prospective purchasers of the Certificates should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Ancillary Tax Consequences

Prospective purchasers of the Certificates should be aware that the ownership of tax-exempt obligations such as the Certificates may result in collateral federal tax consequences to, among others, financial institutions, property and casualty insurance companies, life insurance companies, corporations subject to the alternative minimum tax on adjusted financial statement income, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, owners of an interest in a financial asset securitization investment trust (FASIT), individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

For taxable years beginning after 2022, the Code imposes a minimum tax of 15 percent of the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than \$1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the taxpayer set forth on the taxpayer's applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Certificates. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential impact of owning the Certificates.

Tax Accounting Treatment of Discount on the Certificates

Each of the Certificates will be deemed to be issued with original issue discount for federal income tax purposes (a "Discount Certificate"), because the initial interest payment date is more than twelve months after the Certificates will be delivered to the initial purchasers. The amount of original issue discount will further vary if the initial public offering price of a Discount Certificate (assuming that a substantial amount of the Discount Certificates of that maturity are sold to the public at such price) differs from the amount payable on such Discount Certificate at its maturity. A portion of the original issue discount allocable to the holding period of such Discount Certificate by the initial purchaser will, upon the disposition of such Discount Certificate (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Certificates described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Certificate, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Certificate and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, corporations subject to the alternative minimum tax on adjusted financial statement income, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Certificate by the initial owner prior to maturity, the amount realized

by such owner in excess of the basis of such Discount Certificate in the hands of such owner (adjusted upward by the portion of the original issue discount and downward for the payments denominated as interest allocable to the period for which such Discount Certificate was held) is includable in gross income.

Owners of Discount Certificates should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Certificates for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Certificates. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Certificates may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

Qualified Tax-Exempt Obligation for Financial Institutions

Section 265 of the Code provides, in general, that interest expense to acquire or carry tax-exempt obligations is not deductible from the gross income of the owner of such obligations. In addition, section 265 of the Code generally disallows 100% of any deduction for interest expense which is incurred by "financial institutions" described in such section and is allocable, as computed in such section, to tax-exempt interest on obligations acquired after August 7, 1986. Section 265(b) of the Code provides an exception to this interest disallowance rule for interest expense allocable to tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which are designated by an issuer as "qualified tax-exempt obligations." An issuer may designate obligations as "qualified tax-exempt obligations" only if the amount of the issue of which they are a part, when added to the amount of all other tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) obligations and other than certain refunding bonds) issued or reasonably anticipated to be issued by the issuer during the same calendar year, does not exceed \$10,000,000.

The County has designated the Certificates as "qualified tax-exempt obligations" and has certified its expectation that the above-described \$10,000,000 ceiling will not be exceeded. Accordingly, it is anticipated that financial institutions which purchase the Certificates will not be subject to the 100% disallowance of interest expense allocable to interest on the Certificates under section 265(b) of the Code. However, the deduction for interest expense incurred by a financial institution which is allocable to the interest on the Certificates will be reduced by 20% pursuant to section 291 of the Code.

CONTINUING DISCLOSURE OF INFORMATION

In the Order, the County has made the following agreement for the benefit of the holders and beneficial owners of the Certificates. The County is required to observe the agreement for so long as it remains obligated to advance funds to pay the Certificates. Under the agreement, the County will be obligated to provide certain updated financial information and operating data annually, and timely notice of certain specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). This information will be available to the public free of charge from the MSRB via the Electronic Municipal Market ("EMMA") system at www.emma.msrb.org, as further described below under "Availability of Information from MSRB".

Annual Reports

Under Texas law, including, but not limited to, Chapter 115, as amended, Texas Local Government Code, the County must keep its fiscal records in accordance with generally accepted accounting principles, must have its financial accounts and records audited by a certified or permitted public accountant and must maintain each audit report with the County Auditor. The County's fiscal records and audit reports are available for public inspection during the regular business hours of the County Auditor. Additionally, upon the filing of these financial statements and the annual audit, these documents are subject to the Texas Public Information Act, as amended, Texas Government Code, Chapter 552. Thereafter, any person may obtain copies of these documents upon submission of a written request to publicinfo@randallcounty.gov, and upon paying the reasonable copying, handling and delivery charges for providing this information.

The Issuer will provide certain updated financial information and operating data to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the County of the general type disclosed in Tables 1, 2, 3, 7, 8, 10, 11, 15 and 16 of Appendix A. The Issuer will update and provide this information within six months after the end of each fiscal year ending in and after 2024. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Issuer will file unaudited financial statements by the required time and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix D or such other accounting principles as the Issuer may be required to employ from time to time pursuant to State law or regulation.

The Issuer's current fiscal year end is September 30. Accordingly, the Issuer must provide updated information included in the above-referenced tables by the last day of March in each year, and audited financial statements for the preceding fiscal year (or unaudited financial statements if the audited financial statements are not yet available) must be provided by September 30

in each year, unless the Issuer changes its fiscal year. If the Issuer changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB.

All financial information, operating data, financial statements and notices required to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB. Financial information and operating data to be provided as set forth above may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the Securities and Exchange Commission (the "SEC"), as permitted by SEC Rule 15c2-12 (the "Rule")

Notice of Certain Events

The County will also provide timely notices of certain events to the MSRB. The County will provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner (but not in excess of ten Business Days after the occurrence of the event): (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates; (7) modifications to rights of holders of the Certificates, if material; (8) Certificate calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Certificates, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership, or similar event of the County, which shall occur as described below; (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a debt obligation or derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation of the County, or a guarantee of any such debt obligation or derivative instrument, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation of the County, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such financial obligation of the County, any of which reflect financial difficulties. In the Order, the County adopted policies and procedures to ensure timely compliance of its continuing disclosure obligations. In addition, the County will provide timely notice of any failure by the County to provide annual financial information in accordance with their agreement described above under "Annual Reports".

For these purposes, (a) any event described in clause (12) of in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County and (b) the County intends the words used in the immediately preceding paragraphs (15) and (16) to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

Availability of Information from MSRB

The Issuer has agreed to provide the foregoing information only as described above. Investors will be able to access continuing disclosure information filed with the MSRB free of charge at www.emma.msrb.org.

Limitations and Amendments

The Issuer has agreed to update information and to provide notices of specified events only as described above. The Issuer has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The Issuer makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Certificates at any future date. The Issuer disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Certificates may seek a writ of mandamus to compel the Issuer to comply with its agreement.

The Issuer may amend its agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, if the agreement, as amended, would have permitted an underwriter to purchase or sell Certificates in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Certificates consent or any person unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the beneficial owners of the Certificates. The Issuer may also repeal or amend its agreement if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but in either case only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the Issuer amends its agreement, it must include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of information and data provided.

Compliance with Prior Agreements

During the past five years, the County has complied in all material respects with its previous continuing disclosure agreements made in accordance with the Rule.

OTHER PERTINENT INFORMATION

Registration and Qualification of Certificates for Sale

The sale of the Certificates has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Certificates have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Certificates been qualified under the securities acts of any jurisdiction. The Issuer assumes no responsibility for qualification of the Certificates under the securities laws of any jurisdiction in which the Certificates may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Certificates shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

It is the obligation of the Purchaser to register or qualify the sale of the Certificates under the securities laws of any jurisdiction which so requires. The County agrees to cooperate, at the Purchaser's written request and sole expense, in registering or qualifying the Certificates or in obtaining an exemption from registration or qualification in any state where such action is necessary; provided, however, that the County shall not be required to qualify as a foreign corporation or to execute a general or special consent to service of process in any jurisdiction.

Litigation

In the opinion of County officials, the County is not a party to any litigation or other proceeding pending or to its knowledge threatened, in any court, agency or other administrative body (either state or federal) which, if decided adversely to the County would have a material adverse effect on the financial condition of the County.

Future Debt Issuance

The County does not anticipate the issuance of additional general obligation debt during the next twelve (12) months.

Legal Investments and Eligibility to Secure Public Funds in Texas

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Certificates are negotiable instruments governed by Chapter 8, Texas Business and Commerce Code, and are real and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State. With respect to investment in the Certificates by municipalities or other political subdivisions or public agencies of the State, the PFIA requires that the Certificates be assigned a rating of not less than "A" or its equivalent as to investment quality by a national rating agency. See "OTHER PERTINENT INFORMATION - Ratings" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Certificates are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Certificates are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivision, and are legal security for those deposits to the extent of their fair market value. No review by the County has been made of the laws in other states to determine whether the Certificates are legal investments for various institutions in those states.

No representation is made that the Certificates will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes. The County has made no investigation of other laws, rules, regulations or investment criteria which might apply to any such persons or entities or which might otherwise limit the suitability of the Certificates for any of the foregoing purposes or limit the authority of such persons or entities to purchase or invest in the Certificates for such purposes.

Additionally, with respect to the Certificates, Section 271.051 of the Texas Local Government Code expressly provides that certificates of obligation approved by the Attorney General of Texas are legal authorized investments for banks, savings banks, trust companies, and savings and loan associations, insurance companies, fiduciaries, trustees, and guardians, and sinking funds of municipalities, counties, school districts, or other political corporations or subdivisions of the State. The Certificates are eligible to secure deposits of any public funds of the State, municipalities, school and other political subdivisions of the State, and are legal security for those deposits to the extent of the market value.

Legal Opinions and No-Litigation Certificate

The Issuer will furnish the Purchaser with a complete transcript of proceedings incident to the authorization and issuance of the Certificates, including the unqualified approving legal opinion of the Attorney General of the State of Texas to the effect that the Certificates are valid and legally binding obligations of the Issuer, and based upon examination of such transcript of proceedings, the approval of certain legal matters by Bond Counsel, to the effect that the Certificates are valid and legally binding obligations of the Issuer and, subject to the qualifications set forth herein under "TAX MATTERS," the interest on the Certificates is excludable from the gross income of the owners thereof for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions existing on the date thereof. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Certificates, or which would affect the provision made for their payment or security, or in any manner questioning the validity of the Certificates will also be furnished. In its capacity as Bond Counsel, Norton Rose Fulbright US LLP, Austin, Texas has reviewed the information under the captions "THE CERTIFICATES" (except for the information contained in the subcaptions "Payment Record" and "Default and Remedies", as to which no opinion is expressed), "TAX MATTERS", "CONTINUING DISCLOSURE OF INFORMATION" (except under the subheading "Compliance with Prior Agreements", as to which no opinion is expressed), "OTHER INFORMATION—Registration and Qualification of Certificates For Sale", "OTHER PERTINENT INFORMATION—Legal Investments and Eligibility to Secure Public Funds in Texas", and "OTHER INFORMATION—Legal Opinions and No-Litigation Certificate" in the Official Statement and such firm is of the opinion that the information relating to the Certificates and the Order contained under such captions is a fair and accurate summary of the information purported to be shown and that the information and descriptions contained under such captions relating to the provisions of applicable state and federal laws are correct as to matters of law. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Certificates in the Official Statement to verify that such description conforms to the provisions of the Order. Such firm has not, however, independently verified any of the factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the Issuer for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon such firm's limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to the accuracy or completeness of any of the information contained herein. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Certificates are contingent on the sale and delivery of the Certificates. The legal opinion of Bond Counsel will accompany the Certificates deposited with DTC or will be printed on the definitive Certificates in the event of the discontinuance of the Book-Entry-Only System.

The various legal opinions to be delivered concurrently with the delivery of the Certificates express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise from the transaction.

Ratings

S&P Global Ratings ("S&P") has assigned an unenhanced, underlying rating of "AA+" to the Certificates. An explanation of the significance of such a rating may be obtained from S&P. The rating of the Certificates by S&P reflects only the view of S&P at the time the rating is given, and the Issuer makes no representations as to the appropriateness of the rating. There is no assurance that the rating will continue for any given period of time, or that the rating will not be revised downward or withdrawn entirely by S&P, if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Certificates.

Financial Advisor

SAMCO Capital Markets, Inc. is employed as the Financial Advisor to the Issuer in connection with the issuance of the Certificates. In this capacity, the Financial Advisor has compiled certain data relating to the Certificates and has assisted in drafting this Official Statement. The Financial Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the Issuer to determine the accuracy or completeness of this Official Statement. Because of its limited participation, the Financial Advisor assumes no responsibility for the accuracy or completeness of any of the information contained herein. The fees for the Financial Advisor are contingent upon the issuance, sale and delivery of the Certificates.

In the normal course of business, the Financial Advisor may also from time to time sell investment securities to the County for the investment of debt proceeds or other funds of the County upon the request of the County.

Winning Bidder

On July 23, 2024, the Certificates were awarded to Hilltop Securities Inc. (the "Purchaser") through a competitive bid process. The initial reoffering yields will be supplied to the County by the Purchaser. The initial reoffering yields shown on page ii of the Official Statement will produce compensation to the Purchaser of \$44,215.44.

Certification of the Official Statement

At the time of payment for and delivery of the Certificates, the Purchaser will be furnished a certificate executed by a proper official of the County acting in his or her official capacity, to the effect that: (a) the descriptions and statements of or pertaining to the County contained in its Official Statement relating to the Certificates, and any addenda, supplement or amendment thereto, on the date of such Official Statement, on the date of the sale of said Certificates, and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the County and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statement therein, in the light of the circumstances under which they were made, not misleading; (c) to the best of his or her knowledge, insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the County and its activities, contained in such Official Statement are concerned, such statements and data have been obtained from sources which the County believes to be reliable and the County has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the County since September 30, 2021, the date of the last audited financial statements of the Issuer, portions of which appear in the Official Statement.

The Official Statement has been approved as to form and content and the use thereof in the offering of the Certificates has been authorized, ratified and approved by the Commissioners Court on the date of sale, and the Purchaser will be furnished, upon request, at the time of payment for and the delivery of the Certificates, a certified copy of such approval, duly executed by the proper officials of the Issuer.

Forward-Looking Statements Disclaimer

The statements contained in this Official Statement, and in any other information provided by the County, that are not purely historical, are forward-looking statements, including statements regarding the County's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the County on the date hereof, and the County assumes no obligation to update any such forward-looking statements. The County's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the County. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

Concluding Statement

The financial data and other information contained in this Official Statement have been obtained from the County's records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and Order contained in this Official Statement are made subject to all of the provisions of such statutes, documents and Order. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

No person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, the Rule.

The Order authorizing the issuance of the Certificates approved the form and content of this Official Statement and any addenda, supplement or amendment thereto and authorized its further use in the reoffering of the Certificates by the Purchaser.

This Official Statement has been approved by the Commissioners Court of the Issuer for distribution in accordance with the provisions of the Rule.

RANDALL COUNTY, TEXAS

ATTEST:

/s/ Susan Allen
County Clerk
Randall County, Texas
Susan Allen

/s/ Christy Dyer
County Judge
Randall County, Texas
Christy Dyer

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APPENDIX A

FINANCIAL INFORMATION OF THE ISSUER

(This appendix contains quantitative financial information and operating data with respect to the Issuer. The information is only a partial representation and does not purport to be complete. For further and more complete information, reference should be made to the original documents, which can be obtained from various sources, as noted.)

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FINANCIAL INFORMATION OF THE ISSUER

ASSESSED VALUATION

TABLE 1

2024 Actual Market Value of Taxable Property (100% of Actual)		\$ 20,817,780,681
Less Exemptions:		
Optional Over-65 and/or Disabled	\$ 116,705,041	
Disabled and Deceased Veterans Exemption	300,843,939	
Freeport Exemption	76,768,249	
Pollution Exemption	8,122,829	
Loss to Agricultural Use	539,729,970	
10% Homestead Cap Loss	529,610,949	
Abatement/Community Housing	362,494,810	
Totally Exempt Property	<u>1,752,760,796</u>	<u>3,687,036,583</u>
2024 Certified Net Taxable Assessed Valuation		<u>\$ 17,130,744,098</u>

Source: Potter-Randall Appraisal District

GENERAL OBLIGATION BONDED DEBT

TABLE 2

General Obligation Debt Principal Outstanding: (As of July 1, 2024)		
General Obligation Refunding Bonds, Series 2013	\$	1,385,000
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2013		1,380,000
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2016		6,140,000
General Obligation Refunding Bonds, Series 2017		8,610,000
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2018		2,040,000
General Obligation Refunding Bonds, Series 2020		4,755,000
Tax Notes, Series 2020		2,060,000
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2022		<u>9,475,000</u>
Total General Obligation Debt Principal Outstanding:	\$	35,845,000
Current Issue General Obligation Debt Principal		
Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2024 (the "Certificates")	\$	<u>9,140,000</u>
Total General Obligation Debt Principal Outstanding Following Issuance of the Certificates:	\$	<u>44,985,000</u>
General Obligation Interest and Sinking Fund Balance as of May 27, 2024 (unaudited)	\$	4,365,724
Ratio of General Obligation Debt Principal to 2023 Net Taxable Assessed Valuation		0.26%
2024 Net Taxable Assessed Valuation ^(a)		\$ 17,130,744,098
Population: 1990 - 89,673; 2000 - 104,312; 2010 - 120,725; 2020 - 140,753; Current Estimate -		150,266
Per Capita 2024 Net Taxable Assessed Valuation -		\$114,003
Per Capita General Obligation Debt Principal -		\$299

^(a) See "AD VALOREM TAX PROCEDURES" and "COUNTY APPLICATION OF THE PROPERTY TAX CODE" in the Official Statement for a description of the Issuer's taxation procedures.

Sources: Texas Municipal Reports, U.S. Census Website and information received from the Issuer.

OTHER OBLIGATIONS**TABLE 3****SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

The County has entered into multiple subscription-based information technology arrangements (SBITAs) primarily for use in the Sheriff's Department. For the year ended September 30, 2023 liability payments amounted to \$448,086. The SBITAs have interest rates ranging from .446% - 3.610% with various term lengths through April 30, 2026.

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS**TABLE 4**

Fiscal Year 30-Sep	Currently Outstanding Debt Service	The Certificates			Combined Debt Service
		Principal	Interest	Total	
2024	\$ 5,473,318				\$ 5,473,318
2025	5,457,868	\$ 2,690,000	\$ 457,000	\$ 3,147,000	8,604,868
2026	5,487,086	330,000	322,500	652,500	6,139,586
2027	4,776,758	345,000	306,000	651,000	5,427,758
2028	4,702,041	365,000	288,750	653,750	5,355,791
2029	3,899,768	380,000	270,500	650,500	4,550,268
2030	1,263,718	400,000	251,500	651,500	1,915,218
2031	1,261,605	420,000	231,500	651,500	1,913,105
2032	1,263,578	440,000	210,500	650,500	1,914,078
2033	1,264,535	465,000	188,500	653,500	1,918,035
2034	1,264,478	485,000	165,250	650,250	1,914,728
2035	1,268,405	510,000	141,000	651,000	1,919,405
2036	1,266,210	535,000	115,500	650,500	1,916,710
2037	713,000	565,000	88,750	653,750	1,366,750
2038	710,600	590,000	60,500	650,500	1,361,100
2039	712,300	620,000	31,000	651,000	1,363,300
2040	713,000	-	-	-	713,000
2041	712,700	-	-	-	712,700
2042	711,400	-	-	-	711,400
2043	714,000	-	-	-	714,000
	<u>\$ 43,636,365</u>	<u>\$ 9,140,000</u>	<u>\$ 3,128,750</u>	<u>\$ 12,268,750</u>	<u>\$ 55,905,115</u>

TAX ADEQUACY**TABLE 5**

2024 Net Taxable Assessed Valuation	\$ 17,130,744,098
Maximum Annual Debt Service Requirements (Fiscal Year Ending September 30, 2025*)	\$ 8,604,868 *
Indicated Maximum Interest and Sinking Fund Tax Rate at 98% Collections	\$ 0.05126 *

* Includes the Certificates.

Note: Above computation is exclusive of investment earnings, delinquent tax collections and penalties and interest on delinquent tax collections.

Fiscal Year Ending 9/30	Principal Repayment Schedule			Bonds Unpaid at End of Year	Percent of Principal Retired (%)
	Principal Outstanding	The Certificates	Total		
2024	\$ 3,660,000		\$ 3,660,000	\$ 41,325,000	8%
2025	4,560,000	\$ 2,690,000	7,250,000	34,075,000	24%
2026	4,710,000	330,000	5,040,000	29,035,000	35%
2027	4,120,000	345,000	4,465,000	24,570,000	45%
2028	4,155,000	365,000	4,520,000	20,050,000	55%
2029	3,450,000	380,000	3,830,000	16,220,000	64%
2030	890,000	400,000	1,290,000	14,930,000	67%
2031	915,000	420,000	1,335,000	13,595,000	70%
2032	945,000	440,000	1,385,000	12,210,000	73%
2033	975,000	465,000	1,440,000	10,770,000	76%
2034	1,005,000	485,000	1,490,000	9,280,000	79%
2035	1,040,000	510,000	1,550,000	7,730,000	83%
2036	1,070,000	535,000	1,605,000	6,125,000	86%
2037	550,000	565,000	1,115,000	5,010,000	89%
2038	570,000	590,000	1,160,000	3,850,000	91%
2039	595,000	620,000	1,215,000	2,635,000	94%
2040	620,000	-	620,000	2,015,000	96%
2041	645,000	-	645,000	1,370,000	97%
2042	670,000	-	670,000	700,000	98%
2043	700,000	-	700,000	-	100%
	<u>\$ 35,845,000</u>	<u>\$ 9,140,000</u>	<u>\$ 44,985,000</u>		

PROPERTY TAX RATES AND COLLECTIONS

TABLE 7

Tax Year	Certified Net Taxable Assessed Valuation	Tax Rate	Total Tax Levy	% Collections		Fiscal Year Ending
				Current	Total	
2014	\$ 8,368,226,162	\$ 0.39914	\$ 33,400,938	98.89%	100.66%	9-30-2015
2015	8,803,842,991	0.40605	35,748,004	98.86%	100.59%	9-30-2016
2016	9,224,857,792	0.41473	38,258,253	99.53%	100.60%	9-30-2017
2017	10,074,310,780	0.41473	41,781,189	99.57%	100.65%	9-30-2018
2018	10,379,604,826	0.43126	44,763,084	99.58%	100.49%	9-30-2019
2019	10,789,043,104	0.44126	47,607,732	99.54%	100.47%	9-30-2020
2020	11,265,786,641	0.44421	50,043,751	99.61%	100.60%	9-30-2021
2021	11,899,415,773	0.44421	52,858,395	99.57%	100.47%	9-30-2022
2022	13,806,176,174	0.41713	57,589,703	99.75%	100.80%	9-30-2023
2023	15,513,156,497	0.40148	62,282,221	(In Process of Collection)		9-30-2024
2024	17,130,744,098					

Source: Texas Comptroller of Public Accounts, The Potter-Randall Appraisal District, Issuer's 2024 Annual Comprehensive Financial Report and other information from the Issuer.

TAX RATE DISTRIBUTION
TABLE 8

Fund	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>	<u>2019-2020</u>
Maintenance & Operations Fund	\$0.35620	\$0.36763	\$0.39650	\$0.39482	\$0.39091
Interest & Sinking Fund	<u>0.04528</u>	<u>0.04950</u>	<u>0.04771</u>	<u>0.04939</u>	<u>0.05035</u>
TOTAL	\$0.40148	\$0.41713	\$0.44421	\$0.44421	\$0.44126

Source: Potter-Randall Appraisal District and the Issuer.

TAXABLE ASSESSED VALUATION FOR TAX YEARS 2014-2024
TABLE 9

Tax	Certified	Change From Preceding Year	
<u>Year</u>	<u>Net Taxable</u>	<u>Amount (\$)</u>	<u>Percent</u>
	<u>Assessed Valuation</u>		
2014	8,368,226,162	371,739,769	4.65%
2015	8,803,842,991	435,616,829	5.21%
2016	9,224,857,792	421,014,801	4.78%
2017	10,074,310,780	849,452,988	9.21%
2018	10,379,604,826	305,294,046	3.03%
2019	10,789,043,104	409,438,278	3.94%
2020	11,265,786,641	476,743,537	4.42%
2021	11,899,415,773	633,629,132	5.62%
2022	13,806,176,174	1,906,760,401	16.02%
2023	15,513,156,497	1,706,980,323	12.36%
2024	17,130,744,098	1,617,587,601	10.43%

Source: Issuer's Annual Comprehensive Financial Reports, Potter-Randall Appraisal District and other information from the Issuer.

PRINCIPAL TAXPAYERS 2024
TABLE 10

<u>Name</u>	<u>Type of Property</u>	2024	% of Total 2024
		<u>Taxable</u>	<u>Net Taxable</u>
		<u>Assessed Valuation</u>	<u>Assessed Valuation</u>
Southwestern Public Service	Electric Utility	\$ 221,380,935	1.29%
BNSF Railway Company	Railroad	94,336,800	0.55%
Atmos Energy/Wes-Tex Division	Gas Utility	92,152,640	0.54%
Affiliated Foods, Inc.	Food Distributor	72,402,390	0.42%
Owens Corning Composite Materials	Industrial	59,194,300	0.35%
Texas Residences at Town Square	Apartment Complexes	53,996,488	0.32%
Wal Mart Real Estate Bus Trust	Retail Stores	43,554,622	0.25%
Affiliated Foods, Inc.	Food Distributor	42,791,160	0.25%
Fort KL SFR 2021-1 Borrower LLC	Various Residential	41,634,587	0.24%
Alborz LLC	Bitcoin mining facility	40,393,550	0.24%
	Total	\$ 761,837,472	4.45%

Based on a 2024 Net Taxable Assessed Valuation of \$17,130,744,098

Source: Potter-Randall Appraisal District and the Issuer.

CLASSIFICATION OF ASSESSED VALUATION

TABLE 11

Category	2024-2025	% of Total	2023-2024	% of Total	2022-2023	% of Total	2021-2022	% of Total	2020-2021	% of Total
Real, Residential, Single-Family	\$ 13,797,344,048	66.28%	\$ 12,935,571,596	67.52%	\$ 11,596,851,807	68.38%	\$ 9,180,181,859	65.05%	\$ 8,585,978,921	63.82%
Real, Residential, Multi-Family	628,549,787	3.02%	560,782,473	2.93%	494,361,186	2.91%	409,985,921	2.91%	401,654,897	2.99%
Real, Vacant Lots/Tracts	164,891,417	0.79%	159,904,622	0.83%	150,054,733	0.88%	138,652,940	0.98%	153,912,819	1.14%
Real, Acreage (Land Only)	588,200,118	2.83%	586,365,408	3.06%	589,590,285	3.48%	590,298,145	4.18%	590,896,737	4.39%
Farm & Ranch Improvements	163,132,851	0.78%	104,618,179	0.55%	98,364,795	0.58%	74,451,481	0.53%	58,688,286	0.44%
Real, Commercial	1,587,180,160	7.62%	1,350,394,515	7.05%	1,208,277,374	7.12%	1,132,020,337	8.02%	1,104,098,578	8.21%
Real, Industrial	243,246,078	1.17%	216,335,717	1.13%	169,677,397	1.00%	161,390,751	1.14%	185,245,445	1.38%
Real & Tangible, Personal Utilities	484,093,171	2.33%	465,774,386	2.43%	384,739,909	2.27%	347,164,522	2.46%	322,254,299	2.40%
Tangible Personal, Commercial	800,533,381	3.85%	695,100,853	3.63%	631,681,376	3.72%	615,374,194	4.36%	619,989,052	4.61%
Tangible Personal, Industrial	472,875,967	2.27%	337,546,994	1.76%	304,557,452	1.80%	189,686,030	1.34%	192,715,902	1.43%
Tangible Personal/Mobile Homes	36,152,404	0.17%	35,778,514	0.19%	35,190,499	0.21%	28,850,053	0.20%	28,236,819	0.21%
Residential Inventory	19,143,310	0.09%	16,186,873	0.08%	20,335,990	0.12%	32,080,593	0.23%	18,000,445	0.13%
Special Inventory	76,857,982	0.37%	69,037,379	0.36%	67,840,721	0.40%	57,924,880	0.41%	56,166,587	0.42%
Totally Exempt Property	1,755,580,007	8.43%	1,623,799,651	8.48%	1,209,021,269	7.13%	1,153,996,509	8.18%	1,135,197,923	8.44%
Total Appraised Value	\$ 20,817,780,681	100.00%	\$ 19,157,197,160	100.00%	\$ 16,960,544,793	100.00%	\$ 14,112,058,215	100.00%	\$ 13,453,036,710	100.00%
Less Exemptions:										
Over-65/Disabled	\$ 116,705,041		\$ 113,753,569		\$ 110,437,828		\$ 107,070,211		\$ 107,258,874	
Veteran's Exemptions	300,843,939		237,022,000		179,303,506		136,843,452		113,904,720	
Freeport	76,768,249		67,657,472		67,573,255		61,021,207		51,825,399	
Pollution Exemption	8,122,829		2,761,779		7,163,411		2,975,853		2,429,781	
Productivity Value Loss	539,729,970		545,562,957		561,540,164		556,835,141		556,894,288	
10% Homestead Cap Loss	529,610,949		766,280,061		805,631,626		10,375,928		6,244,545	
Abatement/Community Housing	362,494,810		284,824,610		208,558,872		181,066,065		213,754,994	
Totally Exempt Property/Other	1,752,760,796		1,626,178,215		1,214,159,957		1,156,454,585		1,134,937,468	
Total Exemptions	\$ 3,687,036,583		\$ 3,644,040,663		\$ 3,154,368,619		\$ 2,212,642,442		\$ 2,187,250,069	
Net Taxable Assessed Valuation	\$ 17,130,744,098		\$ 15,513,156,497		\$ 13,806,176,174		\$ 11,899,415,773		\$ 11,265,786,641	

Source: Potter-Randall Appraisal District and the Issuer.

Note: Taxable Assessed Valuations are subject to change during the year due to various supplements and protests. Valuations shown in other tables of this Official Statement may not match these certified valuations.

OVERLAPPING DEBT DATA AND INFORMATION

TABLE 12

<u>Taxing Body</u>	<u>Gross Debt Principal</u>	<u>As of</u>	<u>% Overlapping</u>	<u>Amount Overlapping</u>
Amarillo Independent School District	\$ 200,280,000	7/1/2024	48.31%	\$ 96,755,268
Amarillo Junior College District	100,830,000	7/1/2024	42.44%	42,792,252
Amarillo, City of	193,793,000	7/1/2024	54.39%	105,404,013
Bushland Independent School District	90,160,000	7/1/2024	12.90%	11,630,640
Canyon Independent School District	212,335,000	7/1/2024	100.00%	212,335,000
Canyon, City	16,690,000	7/1/2024	100.00%	16,690,000
Happy Independent School District	-	7/1/2024	27.80%	-
Wildorado Independent School District	9,205,000	7/1/2024	1.50%	138,075
Total Gross Overlapping Debt Principal				\$ 485,745,248
Randall County	44,985,000 ^(a)		100.00%	44,985,000 ^(a)
Total Direct and Overlapping Debt Principal				\$ 530,730,248 ^(a)
Ratio of Direct and Overlapping Debt to 2024 Net Taxable Assessed Valuation				3.10% ^(a)
Ratio of Direct and Overlapping Debt to 2024 Actual Market Value				2.55% ^(a)
Per Capita Direct and Overlapping Debt				\$3,531.94 ^(a)

^(a) Includes the Certificates.

Source: Municipal Advisory Council of Texas

ASSESSED VALUATION AND TAX RATE OF OVERLAPPING ENTITIES

TABLE 13

<u>Governmental Entity</u>	<u>Net Taxable Assessed Valuation</u>	<u>AV Year</u>	<u>% of Actual</u>	<u>Tax Rate</u>
Amarillo Independent School District	\$ 9,489,857,584	2023	100.00%	\$0.92580
Amarillo Junior College District	18,660,792,705	2023	100.00%	0.22031
Amarillo, City of	18,410,096,102	2023	100.00%	0.39195
Bushland Independent School District	390,715,391	2023	100.00%	1.06737
Canyon Independent School District	6,860,684,126	2023	100.00%	0.96000
Canyon, City of	1,194,469,459	2023	100.00%	0.39286
Happy Independent School District	106,060,341	2023	100.00%	0.81730
Happy, City of	25,321,317	2023	100.00%	0.45900
Wildorado Independent School District	225,090,767	2023	100.00%	1.37800

Source: Municipal Advisory Council of Texas and individual Appraisal Districts.

**AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS OF
DIRECT AND OVERLAPPING GOVERNMENTAL ENTITIES**

TABLE 14

<u>Taxing Body</u>	<u>Date of Authorization</u>
Amarillo Independent School District	None
Amarillo JCD	None
Amarillo, City of	None
Boatwright-Trew Road District	None
Bushland Independent School District	None
Canyon Independent School District	None
Canyon, City of	None
Happy Independent School District	None
Happy, City of	None
Wildorado Independent School District	None
Randall County	None

Source: Municipal Advisory Council of Texas.

FUND BALANCES

TABLE 15

	<u>As of 09/30/2023</u>	<u>Unaudited As of 5/27/24</u>
General Fund	\$ 34,296,771	\$ 53,602,331
Special Revenue Funds	19,561,210	19,771,781
Debt Service Fund	156,031	4,365,724
Capital Projects Fund	10,569,913	5,042,854
Internal Service Fund	767,165	1,080,482
Total	<u>\$ 65,351,090</u>	<u>\$ 83,863,172</u>

Source: Issuer

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

TABLE 16

	Fiscal Year Ended September 30				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
REVENUES:					
Taxes	\$ 48,668,713	\$ 45,322,718	\$ 42,748,873	\$ 40,515,315	\$ 37,967,051
Sales and Miscellaneous Taxes	2,749,604	2,687,523	2,347,788	2,176,418	2,133,235
Licenses and Fees	4,542,478	4,691,911	4,857,603	4,523,695	4,732,589
Fines and Forfeitures	904,733	1,049,442	1,239,690	1,236,442	1,550,165
Intergovernmental	7,738,430	9,241,457	7,576,430	6,971,309	6,490,258
Interest	1,571,301	397,000	293,120	566,040	744,524
Miscellaneous	349,893	2,789,774	1,208,345	1,319,292	1,474,802
Total Revenues	<u>\$ 66,525,152</u>	<u>\$ 66,179,825</u>	<u>\$ 60,271,849</u>	<u>\$ 57,308,511</u>	<u>\$ 55,092,624</u>
EXPENDITURES (Current):					
Administrative	\$ 8,057,413	\$ 8,244,460	\$ 6,823,480	\$ 6,386,673	\$ 5,656,440
Judicial	9,629,799	8,910,233	8,298,772	8,055,604	8,276,481
Elections	536,691	550,768	475,987	434,093	403,860
Financial Administration	2,981,318	2,878,098	2,756,885	2,669,669	2,581,491
Public Facilities	1,079,476	1,093,564	899,705	874,572	854,610
Public Safety	27,578,056	26,238,697	24,755,615	23,216,521	22,472,213
Road & Bridge	4,464,473	4,188,039	3,509,119	3,021,568	2,770,078
Public Services	253,998	220,759	212,477	182,607	219,941
Environmental Protection	2,000	2,000	2,000	1,500	1,500
Extension Service	428,636	431,328	397,361	404,412	406,557
Capital Outlay	4,462,115	7,953,234	5,137,480	5,337,446	4,197,287
Debt Service (Prin & Int)	458,361	130,657	130,656	201,907	542,027
Total Expenditures	<u>\$ 59,932,336</u>	<u>\$ 60,841,837</u>	<u>\$ 53,399,537</u>	<u>\$ 50,786,572</u>	<u>\$ 48,382,485</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 6,592,816</u>	<u>\$ 5,337,988</u>	<u>\$ 6,872,312</u>	<u>\$ 6,521,939</u>	<u>\$ 6,710,139</u>
Other Financing Sources (Uses)					
Proceeds from sales of assets	\$ 257,741	\$ 232,446	\$ 469,387	\$ 1,502,304	\$ 117,300
Proceeds from capital leases	1,400,266	-	-	-	189,809
Operating Transfers In	22,905	1,248	278	51,914	15,925
Operating Transfers Out	(3,304,307)	(3,340,821)	(3,181,979)	(3,457,774)	(3,424,353)
Total Other Financing Sources (Uses)	<u>\$ (1,623,395)</u>	<u>\$ (3,107,127)</u>	<u>\$ (2,712,314)</u>	<u>\$ (1,903,556)</u>	<u>\$ (3,101,319)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>4,969,421</u>	<u>2,230,861</u>	<u>4,159,998</u>	<u>4,618,383</u>	<u>3,608,820</u>
Fund Balances at Beginning of Year	<u>29,327,350</u>	<u>27,096,489</u>	<u>22,936,491</u>	<u>18,318,108</u>	<u>14,709,288</u>
Fund Balances at End of Year	<u>\$ 34,296,771</u>	<u>\$ 29,327,350</u>	<u>\$ 27,096,489</u>	<u>\$ 22,936,491</u>	<u>\$ 18,318,108</u>

Source: The Issuer's Annual Comprehensive Financial Reports.

Estimated General Fund Balance as of September 30, 2024 is \$33,759,154. (Unaudited).

The reduction in fund balance for 2024 is due to the construction of a County owned Youth Center.

APPENDIX B

**GENERAL INFORMATION REGARDING RANDALL COUNTY, TEXAS
AND THE CITY OF AMARILLO, TEXAS**

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GENERAL INFORMATION REGARDING RANDALL COUNTY, TEXAS

General Information:

Randall County (the "County") is located in the south central part of the Texas Panhandle. The County was officially formed in 1889 and consists of approximately 933 square miles with an estimated 750 miles of roads. It is traversed by Interstate Highway 27 and U.S. Highways 60 and 87. Significant cities are Amarillo and Canyon, the county seat of Randall County.

The County is home to West Texas A&M University, Amarillo College, Buffalo Lake Wildlife Refuge, Palo Duro Canyon State Park, which attracts 4.5 million visitors annually and is the second largest canyon in the United States. The biggest museum in the State of Texas, Panhandle Plains Historical Museum, is located on the West Texas A&M University campus and has more than 80,000 visitors annually.

Map of Texas Counties showing location of Randall County



Population Trends

<u>Year</u>	<u>Randall County</u>	<u>Amarillo Metropolitan Statistical Area</u>
Current Estimate	150,266	273,395
2020 Census	140,753	268,691
2010 Census	120,725	249,881
2000 Census	104,312	226,522
1990 Census	89,673	N/A

Sources: U.S. Census Bureau and the Issuer

Principal Employers in the County

<u>Employer</u>	<u>Type of Business</u>	<u>Estimated Number of Employees 2023</u>
Canyon Independent School District	Public Education	2,030
Affiliated Foods, Inc.	Retail Grocery	1,600
Wal-Mart	Retail Sales	1,000
United Supermarkets	Retail Grocery	910
West Texas A&M University	Public University	816
Randall County	County Government	557
Owens Corning	Fiberglass Manufacturer	450
Texas Department of Transportation	State Government	386
Atmos Energy	Electric Utility	330
Region 16 Education Service Center	Educational Solutions	300

Source: Randall County, Texas 2023 Annual Comprehensive Financial Report.

Labor Force Statistics

	<u>Randall County</u>		<u>Amarillo MSA</u>	
	<u>April 2024</u>	<u>April 2023</u>	<u>April 2024</u>	<u>April 2023</u>
Civilian Labor Force	78,037	77,253	139,432	137,898
Total Employed	76,071	75,212	135,788	134,179
Total Unemployed	1,966	2,041	3,644	3,719
% Unemployed	2.5	2.6	2.6	2.7
% Unemployed (Texas)	3.5	3.5		
% Unemployed (United States)	3.5	3.1		

Source: Texas Workforce Commission, Labor Market Information Department.

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APPENDIX C

FORM OF LEGAL OPINION OF BOND COUNSEL

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August 21, 2024



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FINAL

IN REGARD to the authorization and issuance of the “Randall County, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2024” (the *Certificates*), dated August 1, 2024 in the aggregate principal amount of \$9,140,000, we have reviewed the legality and validity of the issuance thereof by the Commissioners Court of Randall County, Texas (the *Issuer*). The Certificates are issuable in fully registered form only, in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity), and have Stated Maturities of August 1 in each of the years 2025 through 2039, unless redeemed prior to Stated Maturity in accordance with the terms stated on the face of the Certificates. Interest on the Certificates accrues from the dates, at the rates, in the manner, and is payable on the dates, all as provided in the order (the *Order*) authorizing the issuance of the Certificates. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Order.

WE HAVE SERVED AS BOND COUNSEL for the Issuer solely to pass upon the legality and validity of the issuance of the Certificates under the laws of the State of Texas and with respect to the exclusion of the interest on the Certificates from the gross income of the owners thereof for federal income tax purposes and for no other purpose. We have not been requested to investigate or verify, and have not independently investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the Issuer or the Issuer’s jail system (the *System*) and have not assumed any responsibility with respect to the financial condition or capabilities of the Issuer or the disclosure thereof in connection with the sale of the Certificates. We express no opinion and make no comment with respect to the sufficiency of the security for or the marketability of the Certificates. Our role in connection with the Issuer’s Official Statement prepared for use in connection with the sale of the Certificates has been limited as described therein.

WE HAVE EXAMINED, the applicable and pertinent laws of the State of Texas and the United States of America. In rendering the opinions herein we rely upon (1) original or certified copies of the proceedings of the Commissioners Court of the Issuer in connection with the issuance of the Certificates, including the Order; (2) customary certifications and opinions of officials of the Issuer; (3) certificates executed by officers of the Issuer relating to the expected use and investment of proceeds of the Certificates and certain other funds of the Issuer and to certain other facts solely within the knowledge and control of the Issuer; and (4) such other documentation, including an examination of the Certificate executed and delivered initially by the Issuer and such matters of law as we deem relevant to the matters discussed below. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements and information contained in such certificates. We express no opinion

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Legal Opinion of Norton Rose Fulbright US LLP, Austin, Texas, in connection with the authorization and issuance of “RANDALL COUNTY, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024”

concerning any effect on the following opinions which may result from changes in law effected after the date hereof.

BASED ON OUR EXAMINATION, IT IS OUR OPINION that the Certificates have been duly authorized and issued in conformity with the laws of the State of Texas now in force and that the Certificates are valid and legally binding obligations of the Issuer enforceable in accordance with the terms and conditions described therein, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with general principles of equity. The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the Issuer and are further payable from and secured by a lien on and pledge of the Pledged Revenues, being a limited amount of the Net Revenues derived from the operation of the System, such lien on and pledge of the limited amount of Net Revenues, being subordinate and inferior to the lien on and pledge of such Net Revenues securing the payment of any Prior Lien Bonds or Junior Lien Bonds hereafter issued by the Issuer. In the Order, the Issuer retains the right to issue Prior Lien Bonds, Junior Lien Bonds, and Additional Parity Obligations without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise.

BASED ON OUR EXAMINATION, IT IS FURTHER OUR OPINION that, assuming continuing compliance after the date hereof by the Issuer with the provisions of the Order and in reliance upon the representations and certifications of the Issuer made in a certificate of even date herewith pertaining to the use, expenditure, and investment of the proceeds of the Certificates, under existing statutes, regulations, published rulings, and court decisions (1) interest on the Certificates will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date hereof (the *Code*), of the owners thereof for federal income tax purposes, pursuant to section 103 of the *Code*, and (2) interest on the Certificates will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

WE EXPRESS NO OTHER OPINION with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Certificates. Ownership of tax-exempt obligations such as the Certificates may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, corporations subject to the alternative minimum tax on adjusted financial statement income, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

OUR OPINIONS ARE BASED on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or

Legal Opinion of Norton Rose Fulbright US LLP, Austin, Texas, in connection with the authorization and issuance of “RANDALL COUNTY, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024”

supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Norton Rose Fulbright US LLP

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APPENDIX D

EXCERPTS FROM RANDALL COUNTY'S AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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RANDALL COUNTY, TEXAS

**Annual Comprehensive
Financial Report**

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

PREPARED BY: OFFICE OF COUNTY AUDITOR

RANDALL COUNTY, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

Letter of Transmittal	iv
GFOA Certificate of Achievement	ix
Organization Chart.....	x
List of Principal County Officials.....	xi

FINANCIAL SECTION

Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	4

Basic Financial Statements

Statement of Net Position	18
Statement of Activities.....	20
Balance Sheet – Governmental Funds	21
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	22
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	24
Statement of Net Position – Proprietary Fund	25
Statement of Revenues, Expenditures and Changes in Fund Net Position – Proprietary Fund	26
Statement of Cash Flows – Proprietary Fund.....	27
Statement of Fiduciary Net Position	28
Statement of Changes in Fiduciary Net Position	29
Notes to Financial Statements.....	30

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	68
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Youth Center of the High Plains	69
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – ARPA Grant Fund.....	70
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Radio Communications Project Fund.....	71
Schedule of Changes in Net Pension Liability and Related Ratios - TCDRS	72
Schedule of Employer Contributions - TCDRS.....	73
Schedule of Changes in Total OPEB Liability - The Randall County Healthcare Plan.....	75

Other Supplementary Information

Schedule of Revenues – Budget to Actual – General Fund	76
Schedule of Expenditures – Budget to Actual – General Fund.....	78
Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual – Proprietary Fund	85

Combining and Individual Fund Statements and Schedules

Governmental Funds

Combining Balance Sheet – Non-major Governmental Funds	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	90

RANDALL COUNTY, TEXAS

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR YEAR ENDED SEPTEMBER 30, 2023**

TABLE OF CONTENTS

PAGE

Combining and Individual Fund Statements and Schedules – Continuation

Schedule of Revenues, Expenditures and Changes in Fund Balances –

Budget and Actual:

County Clerk Archive	94
County Clerk Preservation	95
County Clerk Records Management	96
County Clerk Technology	97
County Records Management	98
Criminal District Attorney Check Collection/Disbursement	99
Criminal District Attorney Forfeiture.....	100
Criminal District Attorney State Deposits.....	101
District Clerk AGC IV – D.....	102
District Clerk Archive	103
District Clerk Preservation	104
District Clerk Records Management	105
District Clerk Technology	106
Election.....	107
Jail Commissary	108
Justice Center & Courthouse Security.....	109
Justice of the Peace Security	110
Justice of the Peace 1 Technology	111
Justice of the Peace 4 Technology	112
Juvenile Probation Department	113
Law Library.....	114
Pre-Trial Diversion Program	115
Sheriff's Forfeiture.....	116
Tax Assessor/Collector Motor Vehicle Inventory Tax	117
Unclaimed Property.....	118
1909 Courthouse Restoration	119
Juvenile Center Improvement	120
Debt Service	121
<u>Custodial Funds</u>	
Combining Statement of Fiduciary Net Position	122
Combining Statement of Changes in Fiduciary Net Position.....	123
Statement of Net Position – Component Unit.....	124
Statement of Changes in Net Position – Component Unit	125

STATISTICAL SECTION

Financial Trends

Net Position by Component (Table 1)	126
Changes in Net Position (Table 2)	127
Fund Balances of Governmental Funds (Table 3)	128
Changes in Fund Balance of Governmental Funds (Table 4)	129

RANDALL COUNTY, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS

	PAGE
STATISTICAL SECTION (UNAUDITED) – Continuation	
Revenue Capacity	
Property Tax Rates and Tax Levies Direct and Overlapping Governments (Table 5)	130
Assessed and Estimated Actual Value of Taxable Property (Table 6).....	131
Principal Taxpayers (Table 7).....	132
Property Tax Levies and Collections (Table 8)	133
Debt Capacity	
Ratios of Outstanding Debt by Type (Table 9).....	134
Legal Debt Margin Information (Table 10).....	135
Ratio of General Bonded Debt Outstanding to Assessed Value and Net Bonded Debt Per Capita (Table 11)	136
Computation of Direct and Overlapping Debt (Table 12)	137
Demographic and Economic Information	
Demographic and Economic Statistics (Table 13).....	138
Principal Employers (Table 14)	139
Operating Information	
Full-Time Equivalent County Government Employees by Function/Activity (Table 15).....	140
Operating Indicators by Function/Activity (Table 16).....	141
Capital Asset Statistics by Function/Activity (Table 17).....	143
COMPLIANCE	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	144

FINANCIAL SECTION



To The Honorable County Judge and
Commissioners Comprising the
Commissioners' Court of
Randall County, Texas

INDEPENDENT AUDITORS' REPORT

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

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 Randall County, Texas's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 – 17), the budgetary comparison schedules for the major governmental funds, the Schedule of Changes in Net Pension Liability and Related Ratios; the Schedule of Employer Contributions, and the Schedule of Changes in Total OPEB Liability and Related Ratios (pages 68 – 75) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Randall County, Texas's basic financial statements. The accompanying 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 our 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.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2024, on our consideration of Randall County, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Randall County, Texas's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Randall County, Texas's internal control over financial reporting and compliance.

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC
Amarillo, Texas
February 16, 2024

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

As management of Randall County, Texas (County), we offer readers this narrative overview and analysis of the financial activities of the County for the fiscal years ended September 30, 2023, and 2022. In accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the County has presented comparative data in this narrative.

We encourage the readers of these financial statements to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iv – viii of this report.

Financial Highlights

These financial highlights summarize the County's financial position and operations as presented in more detail in the rest of the Basic Financial Statements, as listed in the accompanying table of contents.

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately \$121 million (*net position*). Of this amount, approximately \$37 million (*unrestricted net position*) could be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by approximately \$4.8 million. Charges for services in all activities increased from the prior year by approximately \$300 thousand. Total operating and capital grants decreased by approximately \$18 million. General revenues increased by approximately \$5 million due to an increase in property tax revenues. General property tax increased by approximately \$3.4 million and debt property tax increased by \$1 million due to an increase in property values. Miscellaneous revenues decreased \$1.8 million over the prior year.
- Total assets for the Randall County Assistance District #1 increased by approximately \$2 million from 2022.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of approximately \$64.5 million. Of this total amount, approximately \$25.4 million is the general fund unassigned portion of fund balance, which is available for spending at the County's discretion.

Overview of the Financial Statements

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

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Basic Financial Statements

Government-Wide Financial Statements: The government-wide financial statements contain the *statement of net position* and the *statement of activities*, described below:

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

The *statement of activities* presents a comparison between direct expenses and revenues for each of the County's functions/programs (referred to hereinafter as activities). Direct expenses are those that are specifically associated with an activity and are therefore clearly identifiable with that activity. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not programmatic are presented as general revenues, with certain limited exceptions. The comparison of direct expenses with revenues from activities identifies the extent to which each activity is self-financing or draws from any general revenues the County might generate. The governmental activities (activities that are principally supported by taxes and intergovernmental revenues) of the County include administrative, elections, environmental protection, extension service, financial administration, health and welfare, judicial, public facilities, public safety and road and bridge. Change in net position is reported as soon as the underlying event giving rise to the change occurs (accrual basis), *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, fines, and fees as well as earned but unused vacation leave).

The County includes one separate legal entity, the Randall County Assistance District #1. Although legally separate, this "Component Unit" is important because the County is financially accountable for the entity.

The Government Wide Financial Statements are on pages 18-20 of this report.

Fund financial statements: A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the fund financial statements is on major funds. Major funds are those that meet minimum criteria (a percentage of assets, liabilities, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), or those that the County wishes to report as major. Non-major funds are aggregated and shown in a single column (combining schedules of non-major funds are included in the ACFR following other supplementary information). The County funds are divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*:

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements (*modified accrual* versus *accrual* basis of accounting, and *current financial resources* versus *economic resources*, respectively), it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances to facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintains thirty-four (34) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Youth Center of the High Plains, ARPA Grant Funds, and Radio Communications Project Fund, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of *combining statements* following other supplementary information in the ACFR. A budgetary comparison statement is provided for the general fund, two major special revenue funds, one major capital projects fund and the debt service fund in the basic financial statements following the statement of changes in revenues, expenditures, and changes in fund balances. The governmental fund financial statements are located on pages 21-24 of this report.

Proprietary fund financial statements: The County maintains one (1) proprietary fund. Proprietary funds are used to account for the government's business type activities. These funds use the economic resource measurement focus and accrual basis of accounting as presented in the government-wide financial statements. There are two types of proprietary funds: (1) *Enterprise Funds* and (2) *Internal Service Funds*. *Enterprise funds*, which the county does not have, are used in situations where a fund provides services primarily to customers other than the government. An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its partially self-funded employee healthcare. The proprietary fund financial statements are located on pages 25-27 of this report.

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Fiduciary fund financial statements: The County maintains nine (9) custodial funds reported as a fiduciary fund type. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Custodial funds are the only type of fiduciary funds included in the County's financial statements. The fiduciary fund financial statements are located on pages 28-29 and individual statements on pages 122-123 of this report.

Notes to Basic Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements and fund financial statements. The Notes to Basic Financial Statements are located on pages 30-67 of this report.

Required Supplementary Information Other Than MD&A- Following the basic financial statements and the accompanying notes are certain required supplementary information (RSI). Presented in the RSI are trend data relating to the County's progress in funding its obligation to provide pension and other post employment benefits to its employees. Required Supplementary Information is located on pages 68-75.

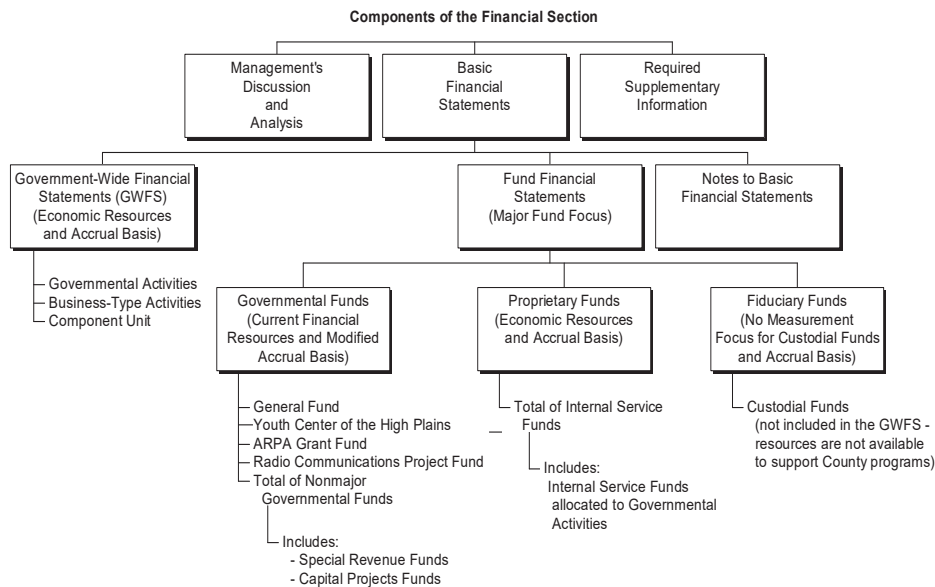
Other Supplementary Information - The Schedule of Revenues – Budget to Actual and the Schedule of Expenditures – Budget to Actual for the General Fund is presented here to compare budget to actual at the category level of compliance. The Health Care Fund, an internal service fund, Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual is presented for information only since its net financial activity is reported in the governmental activities of the government wide statements. Other Supplementary Information is located on pages 76-85.

Combining Statements and Individual Fund Schedules - The combining statements referred to earlier in connection with non-major governmental funds are presented as well as the individual statements and schedules of budgetary comparison. Individual fund schedules compare budget to actual at the legal level of compliance for all other budgeted funds. Also presented are combining statements of fiduciary custodial funds. Combining fund financial statements and individual fund schedules are located on pages 86-123 of the County's ACFR. The Statement of Net Position and Changes in Net Position for the Component Unit can be found on pages 124-125 as well.

Randall County, Texas

Management's Discussion and Analysis

For the Year Ended September 30, 2023



Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by approximately \$121 million (*net position*) at the close of the most recent fiscal year.

Approximately \$53.5 million or 44% of the County's net position are its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding at the close of the fiscal year. The County uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position is approximately \$31 million. Much of this amount is restricted by legislation enabled by the state or federal government to be expended for a specific purpose. These are identified by major category. Approximately \$156 thousand is restricted for debt service.

The remaining balance, approximately \$37 million (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Randall County Net Position
September 30, 2023 and 2022
(in 000's)

	Governmental Activities	
	2023	2022
Capital assets	\$ 101,928	\$ 95,884
Other assets	73,045	78,324
Total assets	174,973	174,208
Deferred outflows of resources	10,312	9,530
Current liabilities	11,056	12,561
Noncurrent liabilities	50,791	34,454
Total liabilities	61,847	47,015
Deferred inflows of resources	2,202	20,287
Net position:		
Net investment in capital assets	53,524	62,177
Restricted	30,935	29,974
Unrestricted	36,776	24,285
Total net position	\$ 121,235	\$ 116,436

At the end of the current fiscal year, the County can report positive balances in all categories of net position, both for the government, as well as for its separate governmental activities. During the current fiscal year, the County's net position increased by approximately \$4.8 million.

Governmental Activities. Governmental activities increased the County's total net position. Governmental expenses increased \$12.1 million from 2022. Administrative expense increased \$1.7 million due to an increase in insurance liability premiums and retention pay for county employees out of the coronavirus relief grant funds. Public Safety increased \$7 million due to an increase in salary and benefits for the Sheriff and Fire Department which includes an increase in the GASB 68 retirement valuation, as well as an increase in depreciation expense due to the SBITA implementation. Judicial expenses increased \$1.6 million due to an increase in misdemeanor and felony court appointed attorney expenses and the addition of the Justice of the Peace #4 Appointed department. Road and Bridge expenses increased \$603 thousand due to an increase in salaries and benefits and vehicle operations. Interest on long-term debt increased by \$394 thousand due to an increase in the debt rate. Program revenues decreased by \$18 million, primarily because the County received the last half of the coronavirus grant funds in 2022. Charges for Services only increased by \$299 thousand due to an increase in civil fines and fees and a decrease in non-court fees and intergovernmental revenue. General revenues for property taxes increased \$3.4 million over the prior year due to a growth in the property tax base and an increase in property values.

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

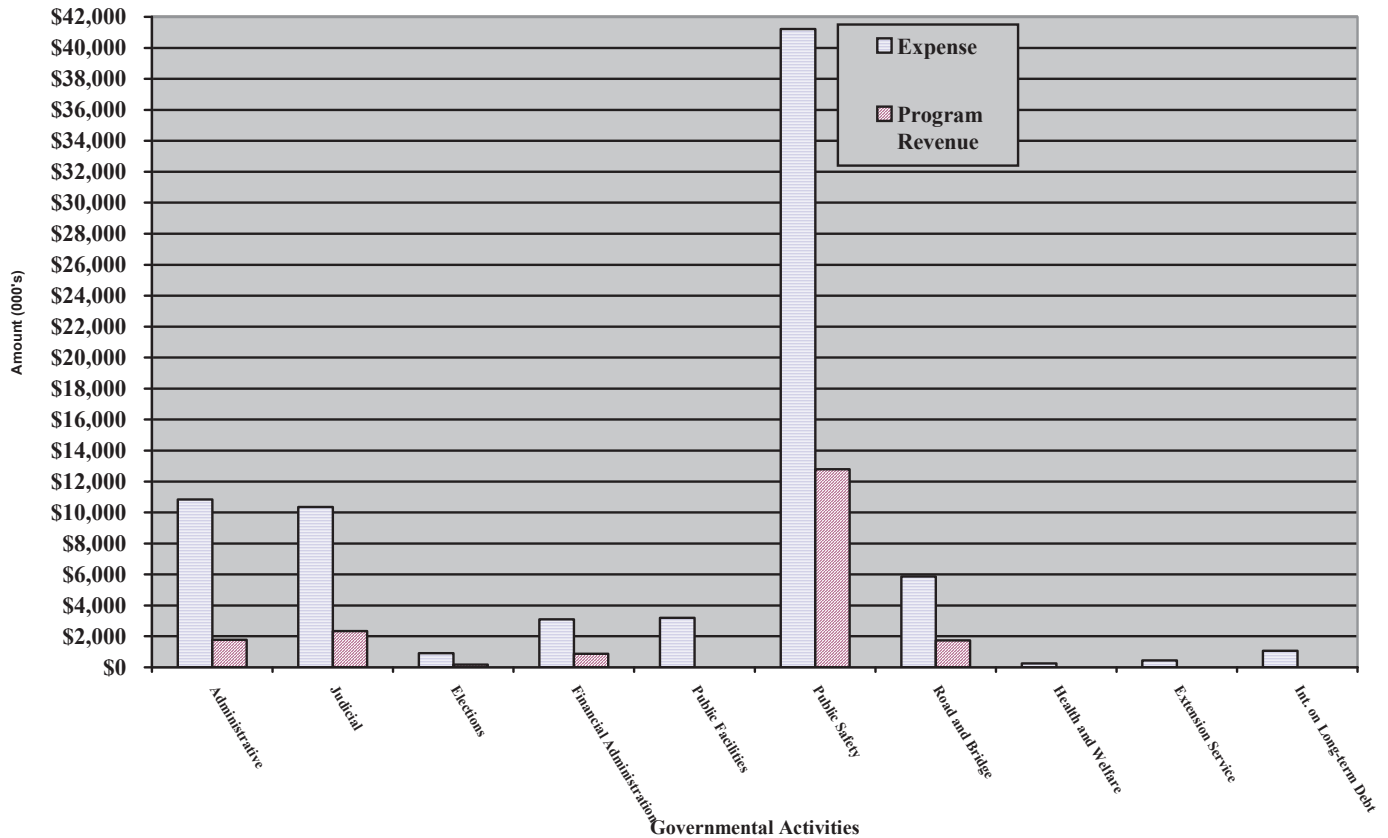
Key elements of the increase are as follows:

Randall County Changes in Net Position
For the Years Ended September 30, 2023 and 2022
(in 000's)

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues		
Charges for services	\$ 16,750	\$ 16,451
Operating grants and contributions	2,684	16,956
Capital grants and contributions	260	3,978
General Revenues		
Property taxes, levied for general purposes	48,728	45,330
Property taxes, levied for debt service	6,493	5,405
Mixed beverage taxes	415	398
Vehicle sales tax	2,335	2,290
Investment earnings	3,306	722
Miscellaneous	1,111	2,972
Gain on disposal of assets	-	154
Transfers	-	-
Total Revenues	<u>82,082</u>	<u>\$ 94,656</u>
Expenses:		
Governmental Activities		
Administrative	10,850	\$ 9,118
Judicial	10,353	8,717
Elections	918	823
Financial administration	3,095	2,702
Public facilities	3,203	2,960
Public safety	41,216	34,230
Road and bridge	5,872	5,268
Health and welfare	257	216
Extension services	446	422
Interest on long term debt	1,073	678
Total Expenses	<u>77,283</u>	<u>65,134</u>
Change in net position	4,799	29,522
Net Position - beginning of year	116,436	86,896
Prior period adjustment	-	18
Net Position - end of year	<u>\$ 121,235</u>	<u>\$ 116,436</u>

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

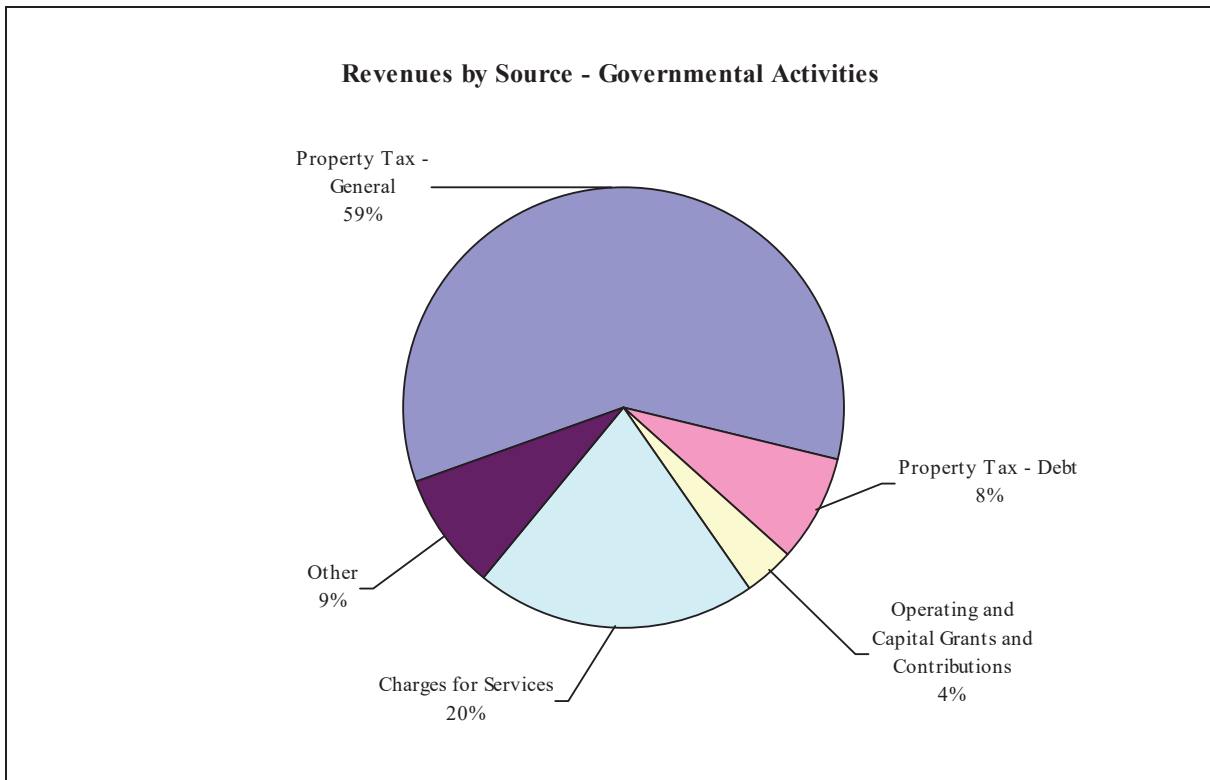
Expenses and Program Revenues - Governmental Activities



The above graph depicts the expenses and program revenues by function/program generated through the County's various governmental activities.

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

The graph below reflects the sources of the revenues and the percentage each source represents to the total.



Financial Analysis of the County's Funds

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances approximating \$64.5 million. Of that amount, \$459 thousand are prepaid items and inventories which are non-spendable. The Texas Legislature has placed restrictions on fees of offices, as well as indigent health care, bail bonds, family protection fees and drug court. Approximately \$7.7 million are assigned funds which have specific purposes authorized by Commissioners' Court and a Juvenile Board. Of that amount, approximately \$920 thousand has been assigned to balance the 2024 General Fund Budget.

The General Fund is the chief operating fund of the County. The General Fund carries out functions assigned by the State of Texas. Property taxes, sales taxes, fees, and fines support

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

general fund operations. Intergovernmental revenues, such as jail bed revenue from federal and local sources reimburse their use of the county jail. Other governmental revenues such as federal grants and state aid provide additional support for law enforcement, fire protection, administrative and court expenditures. At the end of the current fiscal year, unassigned fund balance of the General Fund was approximately \$25.4 million, while total fund balance approximated \$34 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 40% of total actual General Fund expenditures (including transfers out), while total fund balance represents approximately 54% of that same amount. As the demand for services continues to increase, the General Fund Balance has consistently remained stable over the past several years. It has been the policy of management to maintain the County's unassigned general fund balance at a level equaling 2 - 3 months' expenditures or 15% - 25% of annual budgeted expenditures.

Total revenues, including other financing sources for the General Fund increased from the prior year by \$1.8 million. Property taxes increased by approximately \$3.3 million from the result of growth in the tax base and an increase in property values. Sales and miscellaneous taxes increased by only \$62 thousand and revenues from licenses and fees decreased by \$149 thousand. Intergovernmental revenue decreased by \$1.5 million due to a significant decrease in the transfer from the County Assistance District #1. Interest increased by \$1.1 million due to an unanticipated increase in interest rates during the year. Miscellaneous revenues decreased by \$2.4 million due to a decrease in donated receipts; no new roads were accepted by the County during the year.

General Fund expenditures decreased approximately \$909 thousand from the prior year. Public Safety expenditures increased by approximately \$1.3 million. Three new positions were added to the Sheriff's Office, as well as one new position for the Fire Department. An increase in vehicle operations, offender food, offender supplies and inmate medical expenses were also contributing factors. Judicial expenses increased by \$719 thousand due to an increase in felony and misdemeanor court appointed attorney expense. The Road Department had an increase in expenditures of \$276 thousand due to the addition of two new employees. Public facilities only decreased by \$14 thousand. There was a decrease of \$187 thousand in Administration and an increase of \$103 thousand in Financial Administration from prior year. Transfers from the General Fund decreased by only \$36 thousand. Capital Outlay decreased \$3.5 million largely due to a decrease in donated roads from the prior year.

The Youth Center of the High Plains is a detention facility utilized by both Randall County and Potter County. Beds are available to surrounding counties as they become available. The cost of operating the Youth Center is supported by the General Fund and Potter County on a 50% basis of expenditures less revenues; other counties are billed on a daily rate basis. This fund maintains a reserve of \$125,000 for unforeseen events.

General Fund Budgetary Highlights

The Commissioners' Court approved Budget Amendments authorizing \$696,489 in revenues or expenditures for the following events:

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

- \$176,176 increase in expense for capital assets previously budgeted yet not received in FY22 due to supply chain issues
- \$28,500 increase in expense for a compensation study budgeted but not completed in FY22
- \$54,324 increase in expense for the purchase of a replacement vehicle for the Sheriff's Office
- \$7,908 increase in revenue and expense for insurance proceeds received for the repair of a vehicle damaged in a fire training exercise
- \$133,693 increase in revenue and expense for insurance proceeds received for three totaled Sheriff's Office vehicles and other vehicles sold at auction
- \$9,658 increase in revenue and expense for reimbursement of overtime from the Drug Enforcement Administration for the Sheriff Office SOU division
- \$12,165 increase in revenue and expense for the receipt of a 2017 Polaris Razor ATV taken into possession by the Panhandle Auto Burglary and Theft Unit of the Sheriff's Office
- \$92,585 increase in revenue and expense for grant funds received from the Office of the Governor for the Bullet-Resistant Shield Grant Program for the purchase of training shields for the Sheriff's Office
- \$90,260 increase in donated receipts for recycled asphalt product donated by the Texas Department of Transportation
- \$3,120 increase in donated receipts from the United Way for the reimbursement of services rendered for the removal of flood waters on county roads
- \$88,100 increase in revenue and expense for the reimbursement of labor costs for Fire Department employees deployed to fight fires during the summer from the Texas Division of Emergency Management

General fund actual revenues exceeded budget by approximately \$873 thousand. Revenues from property taxes, vehicle sales and beverage taxes came in under budget by \$408 thousand. Licenses/fees fell short of estimates by \$182 thousand. Revenues from fines and forfeitures also fell short of estimates by \$180 thousand. Intergovernmental revenue exceeded budget by approximately \$461 thousand. Revenues from interest exceeded budget by approximately \$1.3 million while miscellaneous revenue fell short of budget by approximately \$79 thousand.

General Fund expenditures came in under budget by approximately \$3.3 million. General fund expenditures were approximately 95% of amended budget primarily due to conscientious budget monitoring and cost saving strategies.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities as of September 30, 2023, was approximately \$101.9 million (net of accumulated depreciation).

This investment in capital assets includes land, buildings and improvements, equipment, construction in progress, and other improvements.

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Major capital assets constructed, purchased, and donated during the current fiscal year were:

\$ 312,000 - for improvements to county roads
\$ 285,972 - for buildings and improvements other than buildings
\$ 342,956 - for network upgrades and equipment for Information Technology
\$ 153,013 - for a prosecutor records storage and sharing system
\$ 755,853 - for vehicles and equipment for the Road Department
\$ 159,905 - for vehicles and equipment for the Fire Department
\$2,298,166 - for vehicles and equipment for the Sheriff's Department
\$ 34,345 - for a vehicle for Juvenile Probation
\$9,109,870 - for a rewire and network refresh for the Justice Center, digital forensics lab and e-citation software system for the Sheriff's Office, underground fiber optic cables, HVAC ventilation systems for county buildings, and professional services and construction for the county jail expansion and the Youth Center of the High Plains project.

The table below compares capital assets net of depreciation to prior year and reflects the continuing construction in progress as Randall County expands and renovates its facilities.

Randall County's Capital Assets
September 30, 2023 and 2022
(net of depreciation)
(in 000's)

	Governmental Activities	
	2023	2022
Land	\$ 3,818	\$ 3,818
Roads and bridges	10,263	10,598
Buildings and building improvements	51,556	53,433
Improvements other than buildings	1,716	1,751
Vehicles	3,936	4,178
Furniture and equipment	16,255	17,480
Subscription asset	989	-
Construction in Progress	13,241	4,473
Intangible assets	153	153
Total	<u>\$ 101,927</u>	<u>\$ 95,884</u>

Additional information on Randall County's capital assets is in the Notes to Financial Statements, Note 7 on pages 45-46.

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Long-term debt. At the end of the current fiscal year, the County's total long-term debt outstanding was as follows:

Randall County's Outstanding Debt
General Obligation and Revenue Bonds
September 30, 2023 and 2022
(in 000's)

	Governmental Activities	
	2023	2022
Certificates of Obligation, Series 2013	1,385	2,050
General Obligation Refunding, Series 2013	2,480	3,815
Certificates of Obligation, Series 2016	6,140	6,530
General Obligation Refunding, Series 2017	8,610	8,845
Certificates of Obligation, Series 2018	2,505	3,595
General Obligation Refunding, Series 2019	-	600
General Obligation Refunding, Series 2020	4,755	5,495
Tax Notes, Series 2020	2,060	2,725
Certificates of Obligation, Series 2022	9,550	-
Deferred Premium	813	533
Subscription Liability	952	-
Estimated Liability for Compensated Absences	2,185	1,932
Net Pension Liability	11,556	-
Total Other Post Employment Benefit Liability	2,735	3,172
Total	\$ 55,726	\$ 39,292

State statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its total assessed valuation. The current debt limitation for Randall County is approximately \$691 million, which significantly exceeds Randall County's outstanding general obligation debt of \$38 million.

Randall County received its most recent rating of 'AA' from Standard & Poor's Rating Service in December 2022, for the combination tax and limited-pledged revenue Certificates of Obligation, Series 2022. The County also has a rating of "Aa3" from Moody's Investors Service from May 2010 when Certificates of Obligation, Series 2010 were issued.

Additional information on Randall County's long-term debt is in the Notes to the Financial Statements, Note 10 and 11 on pages 47-51 of this report.

Randall County, Texas
Management's Discussion and Analysis
For the Year Ended September 30, 2023

Economic Factors and Next Year's Budget and Rates

A large share of the Randall County population is in the Amarillo Metropolitan Statistical Area (AMSA) and benefits from its diverse economy and highly skilled work force. The Amarillo area economy experienced steady growth in the face of higher interest rates and flooding during the summer months. There were 2000 more people working in 2023 and there were higher wages and salaries as well. Commercial construction remained robust despite higher interest rates, however, the higher interest rates did hurt housing and auto sales. Farm commodity prices and yields declined also. Stimulus money received from the Federal government continues to enable the County to fund much needed projects in the areas of technology and jail expansion.

Randall County continues to experience constant growth in housing additions. While taxable property values continue to increase, the unintended consequences of legislative changes, inflation, and a potential recession, could hinder the ability to maintain current service levels with the County's low tax rate. Public safety, county infrastructure and technology advancements continue to be significant concerns as well as maintaining employee staffing levels and competitive wages. After much discussion, the court decided to approve a tax decrease in the Randall County budget for the fiscal year beginning October 1, 2023, and ending September 30, 2024, because of increased property appraised values. Careful consideration was given to maintaining adequate reserves, so that approximately \$920 thousand of the General Fund's balance could be used to balance the 2024 budget.

Requests for Information

This financial report is designed to provide a general overview of Randall County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the Randall County Auditor, 501 16th Street, Suite 301, Canyon, Texas 79015. The County's Annual Comprehensive Financial Report is available on the following website:

<http://randallcounty.gov/auditor/auditfinancial.html>

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities	Component Unit
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 28,052,387	\$ 5,020,028
Investments	39,553,278	-
Receivables (net of allowances for uncollectible):		
Taxes	252,066	-
Accounts	1,730,650	492,226
Due from other governments	1,731,400	-
Leases receivable, current	81,194	-
Inventories	211,226	-
Prepaid items	261,754	1,591
Total current assets	<u>71,873,955</u>	<u>5,513,845</u>
Noncurrent assets:		
Leases receivable	1,171,372	-
Capital assets:		
Land	3,818,512	61,555
Roads and bridges	23,627,890	-
Buildings and improvements	77,578,124	-
Improvements other than buildings	2,383,106	-
Vehicles	11,470,443	-
Furniture and equipment	31,433,431	-
Construction in progress	13,241,177	-
Intangible assets	153,430	-
Subscription asset	1,400,266	-
Total capital assets	165,106,379	61,555
Less accumulated depreciation	<u>(63,178,747)</u>	<u>-</u>
Total noncurrent assets	<u>103,099,004</u>	<u>61,555</u>
Total assets	<u>174,972,959</u>	<u>5,575,400</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred charge on refunding	396,667	-
Pension contributions	3,051,079	-
Pension economic/demographic losses	486,481	-
Pension deficient earnings	3,125,278	-
Pension assumption changes	2,332,518	-
Other postemployment benefit contributions	162,870	-
Other postemployment economic/demographic losses	414,655	-
Other postemployment benefit assumption changes	342,508	-
Total deferred outflows of resources	<u>10,312,056</u>	<u>-</u>

Continued

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

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

Continuation	Governmental Activities	Component Unit
	<u> </u>	<u> </u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 4,132,451	\$ 22,789
Accrued payroll	1,601,586	-
Unearned revenue	85,533	-
Reserve for health claims incurred	50,000	-
Bonds payable, current	4,200,000	-
Subscription liability, current	516,209	-
Compensated absences, current	218,000	-
Accrued interest	252,432	-
	<u>11,056,211</u>	<u>22,789</u>
Total current liabilities		
Noncurrent liabilities:		
Bonds payable and net issuance premiums	34,097,620	-
Subscription liability	435,971	-
Compensated absences	1,966,771	-
Net pension liability	11,556,373	-
Total other post employment benefit liability	2,734,569	-
	<u>50,791,304</u>	<u>-</u>
Total noncurrent liabilities		
Total liabilities	<u>61,847,515</u>	<u>22,789</u>
DEFERRED INFLOWS OF RESOURCES		
Leases	1,197,943	-
Pension economic/demographic gains	150,506	-
Other postemployment benefit economic/demographic gains	79,521	-
Other postemployment benefit assumption changes	774,431	-
	<u>2,202,401</u>	<u>-</u>
Total deferred inflows of resources		
NET POSITION		
Net investment in capital assets	53,524,499	61,555
Restricted for:		
Debt service	156,031	-
By enabling legislation for:		
Special projects	19,387,653	-
Capital projects	10,569,913	-
Indigent health	604,869	-
Bail bonds	57,575	-
Family protection fee	129,405	-
Drug court	29,191	-
Economic Development	-	351,518
Unrestricted	36,775,963	5,139,538
	<u>121,235,099</u>	<u>5,552,611</u>
Total net position		

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit
Primary Government:						
Governmental activities:						
Administrative	\$ 10,849,024	\$ 1,460,050	\$ 276,928	\$ 34,844	\$ (9,077,202)	\$ -
Judicial	10,354,146	1,982,692	359,978	-	(8,011,476)	-
Elections	918,393	163,830	2,189	-	(752,374)	-
Financial administration	3,094,753	878,733	-	-	(2,216,020)	-
Public facilities	3,202,815	-	-	-	(3,202,815)	-
Public safety	41,216,104	10,663,201	2,011,399	119,305	(28,422,199)	-
Road and bridge	5,871,580	1,592,496	33,750	105,545	(4,139,789)	-
Health and welfare	257,432	9,000	-	-	(248,432)	-
Extension services	445,593	-	-	-	(445,593)	-
Interest on long-term debt	1,072,833	-	-	-	(1,072,833)	-
Total governmental activities	77,282,673	16,750,002	2,684,244	259,694	(57,588,733)	-
Total primary government	\$ 77,282,673	\$ 16,750,002	\$ 2,684,244	\$ 259,694	(57,588,733)	-
Component Unit:						
Public safety	\$ 529,597	\$ -	\$ -	\$ -		\$ (529,597)
General revenues:						
Taxes:						
Property taxes, levied for general purposes					48,727,615	-
Property taxes, levied for debt service					6,493,248	-
Mixed beverage taxes					415,203	-
Vehicle sales tax					2,334,401	-
Sales tax					-	2,477,518
Investment earnings					3,305,766	188,604
Miscellaneous					1,111,390	88
Total general revenues					62,387,623	2,666,210
Change in net position					4,798,890	2,136,613
Net position, beginning					116,436,209	3,415,998
Net position, ending					\$ 121,235,099	\$ 5,552,611

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

RANDALL COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General	Youth Center of the High Plains	ARPA Grant
ASSETS			
Cash and cash equivalents	\$ 7,840,722	\$ 538,172	\$ 12,687,970
Investments	27,853,278	-	2,500,000
Taxes receivable, net	252,066	-	-
Due from other funds	625,835	-	-
Due from other governments	930,261	774,263	26,876
Receivables, net	262,913	4,272	-
Inventories	204,892	6,334	-
Prepaid items	237,953	3,946	-
	<u>\$ 38,207,920</u>	<u>\$ 1,326,987</u>	<u>\$ 15,214,846</u>
Total assets			
LIABILITIES			
Accounts payable	\$ 1,902,901	\$ 979,549	\$ 426,348
Due to other funds	-	-	-
Other payables	-	-	52,913
Accrued payroll	1,318,299	212,158	-
Unearned revenue-other	85,533	-	-
	<u>3,306,733</u>	<u>1,191,707</u>	<u>479,261</u>
Total liabilities			
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	604,416	-	-
	<u>604,416</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources			
	<u>604,416</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable:			
Inventories	204,892	6,334	-
Prepaid items	237,953	3,946	-
Restricted for:			
Debt service	-	-	-
Capital projects	-	-	-
Administrative	-	-	14,735,585
Judicial	-	-	-
Elections	-	-	-
Public safety	-	-	-
Indigent health	604,869	-	-
Bail bonds	57,575	-	-
Family protection fee	129,405	-	-
Drug court	29,191	-	-
Assigned to:			
Technology/software	2,250,000	-	-
Juvenile probation	3,411,840	125,000	-
Balance fiscal year 2024 budget	920,394	-	-
Capital construction	1,000,000	-	-
Unassigned	25,450,652	-	-
	<u>34,296,771</u>	<u>135,280</u>	<u>14,735,585</u>
Total fund balances			
	<u>\$ 38,207,920</u>	<u>\$ 1,326,987</u>	<u>\$ 15,214,846</u>
Total liabilities, deferred inflows of resources, and fund balances			
	<u>\$ 38,207,920</u>	<u>\$ 1,326,987</u>	<u>\$ 15,214,846</u>

Radio Communications Project	Other Governmental Funds	Total Governmental Funds
\$ 3,171,128	\$ 3,814,395	\$ 28,052,387
7,500,000	1,350,000	39,203,278
-	-	252,066
-	1,875	627,710
-	-	1,731,400
-	86,451	353,636
-	-	211,226
-	5,962	247,861
<u>\$ 10,671,128</u>	<u>\$ 5,258,683</u>	<u>\$ 70,679,564</u>
\$ 237,323	\$ 288,423	\$ 3,834,544
-	1,875	1,875
-	-	52,913
-	18,216	1,548,673
-	-	85,533
<u>237,323</u>	<u>308,514</u>	<u>5,523,538</u>
-	-	604,416
-	-	604,416
-	-	211,226
-	5,962	247,861
-	156,031	156,031
10,433,805	136,108	10,569,913
-	1,717,805	16,453,390
-	1,056,536	1,056,536
-	119,714	119,714
-	1,758,013	1,758,013
-	-	604,869
-	-	57,575
-	-	129,405
-	-	29,191
-	-	2,250,000
-	-	3,536,840
-	-	920,394
-	-	1,000,000
-	-	25,450,652
<u>10,433,805</u>	<u>4,950,169</u>	<u>64,551,610</u>
<u>\$ 10,671,128</u>	<u>\$ 5,258,683</u>	<u>\$ 70,679,564</u>

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

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

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

Total fund balance, governmental funds	\$ 64,551,610
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	101,927,632
Long-term assets are not due and receivable in the current period and therefore are not reported in the funds.	
Leases receivable	1,252,566
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	604,416
Long-term liabilities, including bonds payable, capital lease payable, subscription liabilities, accrued interest, net pension liability, total other post employment benefit liability, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	(55,581,278)
Pension and OPEB losses, deficit earnings, and assumption changes are shown as deferred outflows of resources in the government-wide financial statements.	6,701,440
Pension and OPEB gains and excess earnings as well as leases are shown as deferred inflows of resources in the government-wide financial statements.	(2,202,401)
Pension and OPEB contributions paid after the measurement date, December 31, 2022, and before September 30, 2023 are expensed in the governmental funds and shown as deferred outflows of resources in the government-wide financial statements.	3,213,949
The internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.	767,165
Net Position of Governmental Activities in the Statement of Net Position	\$ 121,235,099

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

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

	<u>General</u>	<u>Youth Center of the High Plains</u>	<u>ARPA Grant</u>
REVENUES			
Taxes	\$ 48,668,713	\$ -	\$ -
Sales and miscellaneous taxes	2,749,604	-	-
Licenses and fees	4,542,478	-	-
Fines and forfeitures	904,733	-	-
Intergovernmental	7,738,430	3,240,448	126,876
Interest	1,571,301	35,150	765,800
Miscellaneous	349,893	484,828	-
	<u>66,525,152</u>	<u>3,760,426</u>	<u>892,676</u>
Total revenues			
EXPENDITURES			
Current:			
Administrative	8,057,413	-	1,893,016
Judicial	9,629,799	-	35,623
Elections	536,691	-	-
Financial administration	2,981,318	-	-
Public facilities	1,079,476	-	-
Public safety	27,578,056	6,657,169	-
Road and bridge	4,464,473	-	-
Public services	253,998	-	-
Environmental protection	2,000	-	-
Extension service	428,636	-	-
Capital outlay	4,462,115	-	7,649,247
Debt service:			
Principal	448,086	-	-
Interest	10,275	-	-
Bond issuance costs	-	-	-
	<u>59,932,336</u>	<u>6,657,169</u>	<u>9,577,886</u>
Total expenditures			
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>6,592,816</u>	<u>(2,896,743)</u>	<u>(8,685,210)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	257,741	-	-
Bond issuance	-	-	-
Premium on bonds issued	-	-	-
Proceeds from initiation of capital lease	1,400,266	-	-
Transfers in	22,905	2,901,492	-
Transfers out	(3,304,307)	(9,440)	-
	<u>(1,623,395)</u>	<u>2,892,052</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	4,969,421	(4,691)	(8,685,210)
FUND BALANCES - BEGINNING	<u>29,327,350</u>	<u>139,971</u>	<u>23,420,795</u>
FUND BALANCES - ENDING	<u><u>\$ 34,296,771</u></u>	<u><u>\$ 135,280</u></u>	<u><u>\$ 14,735,585</u></u>

Radio Communications Project	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 6,493,248	\$ 55,161,961
-	-	2,749,604
-	1,047,180	5,589,658
-	134,343	1,039,076
-	1,756,842	12,862,596
446,704	391,760	3,210,715
492,033	1	1,326,755
<u>938,737</u>	<u>9,823,374</u>	<u>81,940,365</u>
-	343,216	10,293,645
-	178,500	9,843,922
-	126,114	662,805
-	-	2,981,318
-	34,844	1,114,320
187,687	2,563,623	36,986,535
-	-	4,464,473
-	-	253,998
-	-	2,000
-	-	428,636
1,171,552	169,166	13,452,080
-	5,720,000	6,168,086
-	811,455	821,730
125,417	-	125,417
<u>1,484,656</u>	<u>9,946,918</u>	<u>87,598,965</u>
<u>(545,919)</u>	<u>(123,544)</u>	<u>(5,658,600)</u>
-	17,075	274,816
9,550,000	-	9,550,000
355,417	-	355,417
-	-	1,400,266
-	517,507	3,441,904
-	(128,157)	(3,441,904)
<u>9,905,417</u>	<u>406,425</u>	<u>11,580,499</u>
9,359,498	282,881	5,921,899
1,074,307	4,667,288	58,629,711
<u>\$ 10,433,805</u>	<u>\$ 4,950,169</u>	<u>\$ 64,551,610</u>

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

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

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

Net change in fund balances - total governmental funds	\$ 5,921,899
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 capital outlays exceeded depreciation in the current period.	6,511,865
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net changes in fund balance.	(468,424)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	58,902
Internal service fund is used to account for the health self-insurance program of the County. The net income of certain activities of internal service funds is reported with governmental activities.	(1,099,946)
Net effect of lease transactions	19,832
The issuance of long term debt provides current financial resources to governmental funds, while repayment of long term debt principal consumes current financial resources of governmental funds. Governmental funds report the effect of premiums and discounts when debt is first issued. These amounts are deferred and amortized in the statement of activities. This amount is the net effect of the differences in the treatment of long term debt.	(5,145,609)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(999,629)
Change in net position of governmental activities	\$ <u><u>4,798,890</u></u>

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

**RANDALL COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2023**

	Governmental Activities Internal Service Fund
ASSETS	
Current assets:	
Investments	\$ 350,000
Receivables	1,377,014
Prepaid items	<u>13,893</u>
Total current assets /total assets	<u><u>\$ 1,740,907</u></u>
LIABILITIES	
Current liabilities:	
Accounts payable - claims	\$ 297,907
Due to other funds	625,835
Reserve for claims incurred but not reported	<u>50,000</u>
Total current liabilities/total liabilities	<u>973,742</u>
NET POSITION	
Unrestricted	<u>767,165</u>
Total liabilities and net position	<u><u>\$ 1,740,907</u></u>

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

**RANDALL COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Healthcare contributions	\$ 4,851,167
Miscellaneous revenue	<u>407,314</u>
Total operating revenues	<u>5,258,481</u>
OPERATING EXPENSES	
Operating expenses	<u>6,420,892</u>
Total operating expenses	<u>6,420,892</u>
NET OPERATING INCOME (LOSS)	(1,162,411)
NON-OPERATING REVENUES	
Interest	<u>62,465</u>
CHANGE IN NET POSITION	(1,099,946)
TOTAL NET POSITION - BEGINNING	<u>1,867,111</u>
TOTAL NET POSITION - ENDING	<u><u>\$ 767,165</u></u>

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

**RANDALL COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from internal services provided	\$ 4,746,179
Payments for claims	(5,175,550)
Payments to suppliers	(1,264,924)
	<u>(1,694,295)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Interfund receivables/payables	<u>625,835</u>
	<u>625,835</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest from cash deposits	<u>62,465</u>
	<u>62,465</u>
NET DECREASE IN CASH	(1,005,995)
CASH, BEGINNING	<u>1,005,995</u>
CASH, ENDING	<u><u>\$ -</u></u>
RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Net operating loss	\$ (1,162,411)
Adjustments to reconcile net operating loss to net cash flows provided by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in investments	500,000
(Increase) decrease in accounts receivable	(1,012,302)
(Increase) decrease in prepaid expense	(19)
Increase (decrease) in accounts payable	<u>(19,563)</u>
	<u><u>\$ (1,694,295)</u></u>

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

RANDALL COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
	<hr/>
ASSETS	
Cash and cash equivalents	\$ 5,478,230
Accounts receivable	<hr/> 354
Total assets	<hr/> 5,478,584 <hr/>
LIABILITIES	
Accounts payable	86,789
Due to other governments	<hr/> 2,765,698
Total liabilities	<hr/> 2,852,487 <hr/>
NET POSITION	
Restricted for:	
Other governments	106,318
Individuals	<hr/> 2,519,779
Total net position	<hr/> <u>\$ 2,626,097</u> <hr/>

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

RANDALL COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
ADDITIONS	
Tax and fee collections for other governments	\$ 619,803,989
Receipt of amounts held for benefit of others	3,175,057
Interest	5,448
	<hr/>
Total additions	622,984,494
	<hr/>
DEDUCTIONS	
Payments of taxes and fees to other governments	619,743,418
Payments of amounts held for benefit of others	3,144,195
	<hr/>
Total deductions	622,887,613
	<hr/>
NET INCREASE IN FIDUCIARY NET POSITION	96,881
NET POSITION - BEGINNING	2,529,216
	<hr/>
NET POSITION - ENDING	\$ 2,626,097
	<hr/> <hr/>

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

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Randall County, Texas (County) have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

A. Financial Reporting Entity

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

The County provides a variety of services to advance the welfare, morale, comfort, safety and convenience of the County and its citizens.

The definition of the reporting entity is based primarily on the notion of financial accountability. The elected officials governing the County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity, but also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either, it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the County.

Depending upon the significance of the County's financial and operational relationships with various separate entities, the organizations are classified as blended or discretely presented component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

Discretely Presented Component Unit – The Randall County Assistance District #1 (District) was created in December 2011 by Commissioners' Court and supported in Texas Local Government Code Chapter 387 for the purpose of providing firefighting and fire prevention services and the promotion of economic development encompassing all of the County except for those areas within the corporate boundaries of the City of Amarillo, the City of Canyon and the City of Happy. The District is governed by the same Commissioners' Court as the County. The District receives a sales and use tax of one-half of one percent to support the District's operations. Financial information is reported in a separate column from the financial information presented for the primary government itself and presented on the Statement of Net Position and Statement of Activities. There are no separately issued financial statements for the component unit.

Related Organizations – Where the Commissioners' Court is responsible for appointing a majority of the members of a board of another organization, but the County's accountability does not extend beyond making such appointments, disclosure is made in the form of the relation between the County and such organization. Based on the foregoing criteria, the following entities are not part of the County and are not included in the accompanying financial statements:

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

A. Financial Reporting Entity – Continuation

Potter-Randall Appraisal District – The County Commissioners appoint one member to the Appraisal District Board. Funding is based on the total roll values of the participating entities. The County Commissioners have no control over budgeting or operation of the Appraisal District.

Community Supervision and Corrections Department for Potter, Randall and Armstrong Counties – The Community Supervision and Corrections Board is comprised of five District Judges, four County Court-at-Law Judges, and one County Judge. The Department is funded by the State of Texas and fees from participants. The County Commissioners have no control over budgeting, funding or other operations of this Department.

B. Financial Statement Presentation, Measurement Focus and Basis of Accounting

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-like activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The County has no business-like activities, except the internal service fund.

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

The Statement of Activities demonstrates the degree to which the direct expenses of the County's programs are offset by those programs' revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the program and 2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Taxes and other items not included among program revenue are reported instead as *general revenue*. In miscellaneous general revenues are non-program specific contributions including capital assets contributions.

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

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

B. Financial Statement Presentation, Measurement Focus and Basis of Accounting – Continuation

Fund-level Statements

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

All proprietary funds, including internal service and fiduciary funds, and fiduciary funds, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using an economic resources measurement focus.

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

Funds are classified into three categories: Governmental, Proprietary and Fiduciary.

The County reports the following major governmental funds:

General Fund – The *General Fund* is the County’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Youth Center of the High Plains – The *Youth Center of the High Plains Special Revenue Fund* accounts for billings to other counties for juvenile care services. The revenue is used to operate a juvenile detention center.

ARPA Grant – The *ARPA Grant Fund* accounts for funds received through the various federal agencies passed through the State of Texas. The pass-thru grant was used to reimburse the County for incurred costs as well as purchase qualified equipment related to the COVID-19 pandemic.

Radio Communication Project – The *Radio Communication Project Fund* accounts for proceeds which are to be used for the purchase and construction of new radio communication towers and equipment to be used by first responders within the County.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

B. Financial Statement Presentation, Measurement Focus and Basis of Accounting – Continuation

Additionally, the County reports the following fund types:

Special Revenue Funds – *Special Revenue Funds* account for the proceeds of specific revenue sources (other than fiduciary funds) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds – *Capital Projects Funds* account for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Funds – *Debt Service Funds* account for the accumulation and disbursement of resources associated with the County's debt obligations. Property taxes and interest income provide the resources necessary to pay the annual principal and interest payments.

Internal Service Fund – The *Internal Service Fund* accounts for the financing of services provided by one department to other departments of the County on a cost-reimbursement basis. The Health Self-Insurance program of the County is accounted for as an Internal Service Fund.

Custodial Funds – *Custodial Funds* account for assets received by the governmental unit in its capacity as agent for the County, other governmental entities or individuals. The receipts and disbursements of such funds are governed by the terms of the statutes, ordinances, regulations or other authority.

The County's *Custodial Funds* consist of amounts collected by the individual County fee offices for state court costs, state vehicle registration fees, victim restitution payments, merchant hot check fees, inmate trust funds, and District and County Clerk trust beneficiaries.

All of the County's fiduciary funds are custodial funds and are reported in the custodial fund financial statements. However, because their assets are held in an agent capacity and therefore not available to support County programs, these funds are not included in the government-wide statements.

C. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, government securities, money market funds, and the Texas Local Government Investment Pool. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

The County records investments at fair value in accordance with provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. All investment income is recognized as revenue in the appropriate fund's statement of revenues, expenditures and changes in fund balance. Deposit and Investment Risk Disclosures are in accordance with GASB Statement No. 40.

The County is required by Government Code Chapter 2256, The Public Funds Investment Act ("Act"), to adopt, and publicize an investment policy. That policy must be written, primarily emphasize safety of principal and liquidity, address investment diversification, yield, and maturity and the quality and capability of investment management, and include a list of the types of authorized investments in which the investing entity's funds may be invested, and the maximum allowable stated maturity of any individual investment owned by the entity.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

C. Deposits and Investments – Continuation

The Act requires an annual audit of investment policies. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the area of investment practices, management has established and reports appropriate policies. The County adheres to the requirements of the Act. Additionally, investment practices of the County are in accordance with local policies.

D. Receivables and Payables

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectible. The property tax receivable allowance is equal to 70 percent of outstanding property taxes at September 30, 2023.

Property taxes are levied on October 1 and attach as an enforceable lien on property as of January 1. Statements are mailed on October 1, or as soon thereafter as possible, and are due upon receipt. All unpaid taxes become delinquent if not paid before February 1 of the following year.

Payables consist of vendor obligations for goods and services and funds payable to others when the criteria for their release have been met.

E. Inventories and Prepaid Items

Inventories, which consist of road materials, fuel, and food, are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The County uses the consumption method to record its prepaid items which requires reporting these items as assets and deferring the recognition of expenditures until the period in which prepaid items are used or consumed. In the fund financial statements, they are offset by a designation of non-spendable fund balance which indicates they do not represent “available spendable resources”.

F. Inter-fund Transactions

During the course of normal operations, the County has many transactions between funds. The accompanying fund level financial statements reflect as transfers the resources provided and expenditures used to provide services, construct assets and meet employee health claims in excess of budgeted amounts. Inter-fund services provided and used are not eliminated in the government-wide presentation. The effect of all other inter-fund activity has been eliminated in the government-wide financial statements.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g. roads, bridges, sidewalks and similar items), are reported in the governmental column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

G. Capital Assets – Continuation

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.

Buildings, plant, equipment and infrastructure are depreciated using the straight-line method over the following useful lives:

Assets	Years
Infrastructure (roads and bridges)	20 – 40
Buildings and improvements	10 – 50
Vehicles	6 – 12
Furniture and equipment	5 – 15

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government reports the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Additionally, the government reports deferred amounts related to the pension plan and the other post-employment benefits reported in the government-wide statement of net position. These deferred amounts include pension and OPEB contributions, economic/demographic losses, assumption changes and deficient earnings.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental fund has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Additionally, the government reports deferred amounts related to the pension plan, the other post-employment benefits, and the leases receivable in the government-wide statement of net position. These deferred amounts include economic/demographic gains and assumption changes.

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. Compensated absences are reported in the governmental funds only if they have matured. Vacation and sick leave are accrued when incurred in the government-wide financial statements.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

J. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred. The County has no business-type activities, except the internal service fund.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs withheld from the actual debt proceeds received are reported as debt service expenditures.

K. Pensions and Other Post-Employment Benefits

For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's Texas County and District Retirement System Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the other post-employment benefit (OPEB) asset or liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's Healthcare Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Government-wide Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three categories.

Net Investment in Capital Assets – This amount consists 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, and adding back unspent proceeds.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments, enabling legislation, or constitutional provisions.

Unrestricted Net Position – This amount includes all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

M. Governmental Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for governmental funds can consist of the following:

Non-spendable Fund Balance – includes amounts that are (a) not in spendable forms, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

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

Committed Fund Balance – includes amounts that can be used only for specific purposes determined by a formal action, such as a resolution, of the Commissioners’ Court (the County’s highest level of decision making authority). Committed fund balance amounts may be used for other purposes with appropriate action by the Commissioners’ Court to either modify or rescind the established fund balance commitment.

Assigned Fund Balance – includes amounts intended to be used by the County for specific purposes that are neither restricted nor committed. The Commissioners’ Court has the authority to determine and designate the purpose for fund balance to be assigned.

Unassigned Fund Balance – this classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

N. Fund Balance Policies

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

The County’s highest level of decision-making authority is the Commissioners’ Court. The Court has not yet delegated the authority to assign fund balance amounts to a specific individual nor does it have a policy to authorize the assignment of fund balance outside the Court.

O. Funds Balances Restricted

Restricted Fund Balances:

- 1) Administrative – management, preservation, restoration and technology requirements of public records
- 2) Judicial – management, preservation and technology requirements for district courts and probation records
- 3) Elections – for contracted elections for various municipalities and schools as allowed by the Secretary of State
- 4) Public safety – personnel and equipment for jail and courthouse security
- 5) Indigent Health – County Indigent Health Plan participation in the State reimbursed program for indigents
- 6) Bail Bonds – provide organization and training of the Bail Bond Board
- 7) Family Protection – support for organizations providing services for victims of family violence
- 8) Drug Court – provide programs for certain intoxication offenses

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “long-term liabilities, including bonds payable, capital leases payable, subscription liabilities, accrued interest, net pension liability, total other post-employment benefit liability, and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds payable	\$ (38,297,620)
Subscription liability	(952,180)
Accrued interest payable	(252,432)
Deferred charge on refunding	396,667
Net pension liability	(11,556,373)
Total other post employment benefit liability	(2,734,569)
Compensated absences	<u>(2,184,771)</u>
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	<u><u>\$ (55,581,278)</u></u>

Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 13,452,080
Depreciation expense	<u>(6,940,215)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 6,511,865</u></u>

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS –
Continuation

Another element of that reconciliation states, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net changes in fund balance.” The details of this difference are as follows:

Proceeds from disposal of assets	\$ (274,816)
Loss on disposal of assets	<u>(193,608)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (468,424)</u></u>

Another element of that reconciliation states, “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this are as follows:

Property tax	<u>\$ 58,902</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 58,902</u></u>

Another element of that reconciliation states, “The issuance of long term debt provides current financial resources to governmental funds, while repayment of long term debt principal consumes current financial resources of governmental funds. Governmental funds report the effect of premiums and discounts when debt is first issued, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the differences in the treatment of long term debt.” Neither transaction, however, has any effect on net position. The details of this difference are as follows:

Debt Issued:	
Bonds issued	\$ (9,550,000)
Premium on issuance of bond	(355,417)
Subscription liability initiated	(1,400,266)
Repayment of principal	6,168,086
Amortization of bonds premium	76,143
Amortization of refunding charge	<u>(84,155)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (5,145,609)</u></u>

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS –
Continuation

Another element of that reconciliation states, “Net effect of lease transactions.” The collection of principal payments on the lease receivables and the recognition of deferred lease inflow of resources as rental income. The details of this difference are as follows:

Principal collections on lease receivables	\$ (77,288)
Recognition of lease deferred inflow of resources	<u>97,120</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 19,832</u></u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Change in estimated liability for compensated absences	\$ (253,275)
Change in accrued interest	(117,676)
Change in net pension liability	(11,556,373)
Change in net pension asset	(8,415,423)
Change in deferred outflows of resources - pension contributions	90,925
Change in deferred outflows of resources - pension economic/demographic losses	(34,864)
Change in deferred inflows of resources - pension economic/demographic gains	288,758
Change in deferred outflows of resources - pension deficient earnings	3,125,278
Change in deferred inflows of resources - pension excess earnings	18,277,758
Change in deferred outflows of resources - pension assumption changes	(2,258,124)
Change in net other post employment benefit obligation	437,683
Change in deferred outflows of resources - OPEB contributions	21,698
Change in deferred outflows of resources - OPEB economic/demographic losses	(17,618)
Change in deferred inflows of resources - OPEB economic/demographic gains	14,542
Change in deferred outflows of resources - OPEB assumption changes	(61,423)
Change in deferred inflows of resources - OPEB assumption changes	<u>(541,495)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (999,629)</u></u>

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

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for the General Fund, Youth Center of the High Plains, ARPA Grant, County Clerk Archive, County Clerk Preservation, County Clerk Records Management, County Clerk Technology, County Records Management, Criminal District Attorney Check Collection/Disbursement, Criminal District Attorney Forfeiture, Criminal District Attorney State Deposits, District Clerk AGC IV – D, District Clerk Archive, District Clerk Preservation, District Clerk Records Management, District Clerk Technology, Election, Jail Commissary, Justice Center & Courthouse Security, Justice of the Peace Security, Justice of the Peace #1 Technology, Justice of the Peace #4 Technology, Juvenile Probation Department, Law Library, Pre-Trial Diversion, Sheriff's Forfeiture, Tax Assessor/Collector Motor Vehicle Inventory Tax, Unclaimed Property, 1909 Courthouse Restoration, Juvenile Center Improvement, Radio Communication Project, and Debt Service. All annual appropriations lapse at fiscal year-end.

Prior to the beginning of the fiscal year, the County prepares a budget for the next succeeding fiscal year. The budget includes proposed expenditures and the means of financing them. Meetings of the Commissioners' Court are held to discuss the proposed budget. These meetings are open to public discussion and require at least ten days' notice of the meeting.

The appropriated budget is prepared by fund and department on the category level. Transfers of appropriations between department, fund and category require the approval of the Commissioners' Court. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the category level. Supplemental budgetary appropriations in other funds were not considered material.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. The County had no outstanding encumbrances at year-end.

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 4 – DEPOSITS AND INVESTMENTS

The County's demand deposits and bank certificates of deposit are fully covered by collateral held in the County's name by the County's agents. The County's collateral agreements require the fair value of securities held by its agents to exceed the total amount of cash and investments held at depository banks at all times.

A reconciliation of cash, as shown in the Governmental Funds, Internal Service Fund and Custodial Funds Balance Sheets for the primary government is as follows:

Cash on hand - governmental funds	\$ 15,300
Carrying amount of bank deposits - governmental funds	21,083,864
Carrying amount of TexPool deposits - governmental funds	232,884
Carrying amount of Texas CLASS deposits - governmental funds	<u>6,720,339</u>
Total governmental funds	<u>28,052,387</u>
Carrying amount of bank deposits - internal service funds	<u>-</u>
Total internal service funds	<u>-</u>
Carrying amount of bank deposits - custodial funds	<u>5,478,230</u>
Total custodial funds	<u>5,478,230</u>
Total	<u><u>\$ 33,530,617</u></u>

The County's investment policies are in accordance with the laws of the State of Texas. The policies identify authorized investments and investment terms, collateral requirements and safekeeping requirements for collateral.

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
Governmental activities		
Certificates of deposit (interest rates from .20% - 5.74%)	<u>\$ 39,553,278</u>	
Total fair value	<u><u>\$ 39,553,278</u></u>	
Portfolio weighted average maturity		<u><u>1072</u></u>

Interest Rate Risk

In accordance with its investment policy, the County minimizes the risk of loss due to interest rate fluctuations by limiting the weighted average of its operating fund portfolio to less than 270 days. The maximum allowable maturity shall be no longer than two years.

Continued

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

NOTE 4 – DEPOSITS AND INVESTMENTS – Continuation

Credit Risk

The County is authorized by statute and by depository contract to invest in obligations of the United States of America, direct obligations of the State of Texas, obligations of state agencies, counties, cities, and other political subdivisions of any state having been rated not less than “A” or its equivalent, certificates of deposit issued by state and national banks that are guaranteed insured or secured by obligations described above having a fair value of not less than 110% of the principal amount of the certificates, money market mutual funds regulated by the SEC with a dollar weighted average portfolio maturity of 90 days or less and eligible investment pools organized and operating in compliance with the Public Funds Investment Act that have been approved by the Commissioners’ Court.

As of September 30, 2023 the County had \$232,884 and \$6,720,339 invested with the Texas Treasury Safekeeping Trust Company (TexPool) and the Texas Cooperative Liquid Assets Securities System (Texas CLASS), respectively. The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code, provide for the creation of public funds investment pools, such as TexPool and Texas CLASS, through which political subdivisions and other entities may invest public funds.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure.

Texas CLASS is a local government pool emphasizing safety, liquidity, convenience, and competitive yields. Since 1966, Texas CLASS has provided Texas public entities a safe and competitive investment alternative. The pool is governed by a board of trustees, elected annually by its participants.

Both investment pools use amortized cost to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. TexPool and Texas CLASS do not place any limitations or restrictions such as notice periods or maximum transaction amounts, on withdrawals. Both pools have a credit rating of AAAM from Standard & Poor’s Financial Services. Local government investment pools in this rating category meet the highest standards for credit quality, conservative investment policies, and safety of principle. TexPool and Texas CLASS each invest in a quality portfolio of debt securities investments that are legally permissible for local governments in the state.

Concentrations of Credit Risk

The County’s policy is to limit the investments in obligations of states, agencies, counties, cities, and other political subdivisions of any state to 50% of the County’s portfolio.

Custodial Credit Risk

In accordance with State and County investment policies, County investments are insured, registered, or securities held by the County’s agent are in the name of the County.

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 5 – RECEIVABLES

Receivables as of year-end for the County’s general, other major and non-major governmental and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Other Governmental	Internal Service Fund	Total
Receivables:				
Accounts	\$ 45,163	\$ 87,113	\$ 1,377,014	\$ 1,509,290
Fines and fees	23,855,063	3,610	-	23,858,673
Gross receivables	23,900,226	90,723	1,377,014	25,367,963
Less: allowance for uncollectible	23,637,313	-	-	23,637,313
Net total accounts receivable, net	\$ 262,913	\$ 90,723	\$ 1,377,014	\$ 1,730,650

Governmental funds report *deferred inflows of resources* in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were for delinquent property taxes receivable and miscellaneous unearned revenues.

NOTE 6 – INTER-FUND TRANSFERS

	Inter-fund Transfers In	Inter-fund Transfers Out
General Fund (1)	\$ 22,905	\$ 3,304,307
Special Revenue Funds:		
County Records Management	24,000	-
Courthouse and Justice Center Security	450,000	-
Juvenile Probation Department (2)	-	105,252
Youth Center of the High Plains (2),(3)	2,901,492	9,440
Unclaimed Property	-	7,713
Capital Projects Funds:		
1909 Courthouse Restoration (4)	-	15,192
Juvenile Center Improvement (3)	43,507	-
	\$ 3,441,904	\$ 3,441,904

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 6 – INTER-FUND TRANSFERS – Continuation

Transfers are: 1) the use of property tax revenues in the General Fund to provide supplemental operating support for the County Records Management, Juvenile, Courthouse Security Funds, and Capital Projects Funds, 2) Juvenile Probation revenues from state grants transferred to the County's Youth Center for salaries and operating costs, 3) Youth Center sets aside funds in the Juvenile Center Improvement Fund for future maintenance improvements, and 4) reimburse the General Fund for funds prepaid for Texas Historical Commission master agreement grant.

NOTE 7 – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 3,818,512	\$ -	\$ -	\$ -	\$ 3,818,512
Construction in progress	4,473,360	9,109,870	-	(342,053)	13,241,177
Intangible assets	153,430	-	-	-	153,430
Total capital assets not being depreciated	8,445,302	9,109,870	-	(342,053)	17,213,119
Capital assets, being depreciated:					
Infrastructure (roads and bridges)	23,315,890	312,000	-	-	23,627,890
Buildings and improvements	77,872,112	206,741	(501,696)	967	77,578,124
Improvements other than buildings	2,303,875	79,231	-	-	2,383,106
Vehicles	11,577,321	673,465	(747,164)	(33,179)	11,470,443
Furniture and equipment	30,208,849	1,670,507	(820,190)	374,265	31,433,431
Subscription asset	-	1,400,266	-	-	1,400,266
Total capital assets being depreciated	145,278,047	4,342,210	(2,069,050)	342,053	147,893,260
Less accumulated depreciation:					
Infrastructure (roads and bridges)	(12,717,676)	(647,822)	-	-	(13,365,498)
Buildings and improvements	(24,439,469)	(1,761,601)	178,993	-	(26,022,077)
Improvements other than buildings	(553,139)	(113,854)	-	-	(666,993)
Vehicles	(7,399,592)	(847,089)	712,531	-	(7,534,150)
Furniture and equipment	(12,729,282)	(3,158,582)	709,102	-	(15,178,762)
Subscription asset	-	(411,267)	-	-	(411,267)
Total accumulated depreciation	(57,839,158)	(6,940,215)	1,600,626	-	(63,178,747)
Total capital assets, being depreciated, net	87,438,889	(2,598,005)	(468,424)	342,053	84,714,513
Governmental activities capital assets, net	\$ 95,884,191	\$ 6,511,865	\$ (468,424)	\$ -	\$ 101,927,632

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 7 – CAPITAL ASSETS – Continuation

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

Governmental activities:

Administrative	\$ 329,852
Judicial	164,076
Elections	251,415
Financial administration	7,838
Public facilities	1,894,836
Public safety	3,030,258
Road and bridge	1,259,174
Extension services	2,766
	<u>6,940,215</u>

Total depreciation expense - governmental activities	\$ <u><u>6,940,215</u></u>
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	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Component Unit:					
Capital assets, not being depreciated:					
Land	\$ 61,555	\$ -	\$ -	\$ -	\$ 61,555
Total capital assets not being depreciated	<u>61,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,555</u>
Component Unit capital assets, net	<u><u>\$ 61,555</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 61,555</u></u>

The County has active construction projects as of September 30, 2023. The projects are as follows:

The radio communications agreement began in fiscal year 2018 which included the purchase of mobile and portable radio equipment, construction of new radio towers and dispatch and records management software for the use of first responders within the County. Costs spent to date on this project, net of portions that were placed into service in the current year, total \$1,395,658. Several projects which began in fiscal year 2022 were professional services for the remodel at the Youth Center which totaled \$270,531, a jail expansion project totaling \$1,463,892, and a project with Trane to upgrade the HVAC and ventilation systems at various county buildings totaling \$7,535,035. Several projects that began in fiscal year 2023 were the creation of a digital forensics lab totaling \$56,898, a rewire and network refresh project at the Justice Center totaling, \$116,326 and \$713,836, respectively, the creation and maintenance of dark fiber infrastructure totaling \$1,600,351, and the upgrade of E-citation capabilities totaling \$88,650. Total construction in progress at fiscal year-end totaled \$13,241,177.

NOTE 8 – LEASE INCOME

The County has entered into multiple lease agreements to lease various properties the County owns as well as the right to use County communication towers. For the year ended September 30, 2023 lease revenue amounted to \$97,120. The leases have interest rates ranging from .521% - 3.429% with various term lengths through May 31, 2051.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 8 – LEASE INCOME – Continuation

The following is a schedule of minimum future rentals on non-cancelable leases as of September 30, 2023:

	Balance October 1, 2022	Additions	Retirements	Balance September 30, 2023	Due Within One Year
Lease receivables	\$ 1,277,565	\$ 52,289	\$ (77,288)	\$ 1,252,566	\$ 81,194
Total	<u>\$ 1,277,565</u>	<u>\$ 52,289</u>	<u>\$ (77,288)</u>	<u>\$ 1,252,566</u>	<u>\$ 81,194</u>

Years Ending September 30,	Total	Leases receivable	
		Principal	Interest
2024	\$ 112,768	\$ 81,194	\$ 31,574
2025	104,768	74,854	29,914
2026	89,448	61,152	28,296
2027	74,332	47,557	26,775
2028	67,840	42,192	25,648
2029-2033	344,198	233,618	110,580
2034-2038	255,158	174,066	81,092
2039-2043	241,667	182,814	58,853
2044-2048	253,749	221,117	32,632
2049-2051	182,559	134,002	48,557
Total	<u>\$ 1,726,487</u>	<u>\$ 1,252,566</u>	<u>\$ 473,921</u>

NOTE 9 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The County has entered into multiple subscription-based information technology arrangements (SBITAs) primarily for use in the Sheriff's Department. For the year ended September 30, 2023 liability payments amounted to \$448,086. The SBITAs have interest rates ranging from .446% - 3.610% with various term lengths through April 30, 2026.

NOTE 10 – GENERAL OBLIGATION AND CERTIFICATES OF OBLIGATION BONDS

During the year ended September 30, 2014, the County issued \$5,715,000 of Certificates of Obligation, Series 2013 to provide resources for the purposes of paying contractual obligations incurred for acquiring, renovating, and equipping the Multi-Purpose Building, to acquire land for county parking facilities, and renovate elevators for the Randall County Finance Building. Principal payments on the Certificates of Obligation, Series 2013 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2034. Interest rates range from 2% to 4% on the Certificates of Obligation, Series 2013.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 10 – GENERAL OBLIGATION BONDS – Continuation

During the year ended September 30, 2016, the County issued \$8,685,000 of Certificates of Obligation, Series 2016 to provide resources for the purposes of paying contractual obligations incurred for acquiring, renovating, and equipping the Randall County Justice Center/Annex. Principal payments on the Certificates of Obligation, Series 2016 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2036. Interest rates range from 2% to 4% on the Certificates of Obligation, Series 2016.

During the year ended September 30, 2018, the County issued \$7,590,000 of Certificates of Obligation, Series 2018 to provide resources for the purposes of paying contractual obligations incurred for the acquisition, construction, installation, and equipment of an emergency radio communication system. Principal payments on the Certificates of Obligation, Series 2018 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on February 1, 2028. Interest rates range from 2% to 4% on the Certificates of Obligation, Series 2018.

During the year ended September 30, 2020, the County issued \$4,000,000 of Tax Notes, Series 2020 to provide resources for the purposes of paying contractual obligations incurred for construction of new roads. Principal payments on the Tax Notes, Series 2020 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2026. Interest rate on the Tax Notes, Series 2020 is 1.730%.

During the year ended September 30, 2023, the County issued \$9,550,000 of Certificates of Obligation, Series 2022 to provide resources for the purposes of paying contractual obligations incurred for the designing, constructing, renovating, equipping, enlarging, and improving County facilities, including the expansion and renovation of the County Jail and parking improvements at the Randall County Justice Center and Annex. Principal payments on the Certificates of Obligation, Series 2022 are made annually, each February 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on February 1, 2043. Interest rates range from 4% to 5% on the Certificates of Obligation, Series 2022.

Advance Refunding

During the year ended September 30, 2014, the County issued \$3,615,000 of General Obligation Refunding Bonds, Series 2013 with an interest rate of 2.8%. The proceeds were used to advance refund \$3,255,000 of outstanding Certificates of Obligations, Series 2005 which had interest rates ranging from 3.5% to 5.0%. Principal payments on the General Obligation Refunding Bonds, Series 2013 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2025. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were \$3,558,145, which includes underwriting fees and other issuance costs of \$56,855. price The reacquisition exceeded the net carrying amount of the old debt by \$303,145. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2005 to reduce its total debt service payments over eleven years by \$316,986 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$270,108.

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2013 were deposited in an irrevocable trust with an escrow agent. As a result, \$3,255,000 of the Certificates of Obligation, Series 2005 are deemed to be paid in full and considered defeased. The liability for those bonds has been removed from the statement of net position.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 10 – GENERAL OBLIGATION BONDS – Continuation

During the year ended September 30, 2018, the County issued \$9,300,000 of General Obligation Refunding Bonds, Series 2017 with an interest rate of 2.03%. The proceeds were used to advance refund \$8,755,000 of outstanding Certificates of Obligations, Series 2009 which had interest rates ranging from 2.0% to 4.7%. Principal payments on the General Obligation Refunding Bonds, Series 2017 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2029. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were \$9,415,210, which includes issuance costs of \$106,302, and a County contribution of \$115,210. The reacquisition price exceeded the net carrying amount of the old debt by \$553,908. This amount is being amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2009 to reduce its total debt service payments over twelve years by \$1,725,879 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$1,610,670.

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2017 were deposited in an irrevocable trust with an escrow agent. As a result, \$8,755,000 of the Certificates of Obligation, Series 2009 are deemed to be paid in full and considered defeased. The liability for those bonds has been removed from the statement of net position.

During the year ended September 30, 2019, the County issued \$1,635,000 of General Obligation Refunding Bonds, Series 2019 with an interest rate of 4.00%. The proceeds were used to advance refund \$1,710,000 of outstanding Certificates of Obligations, Series 2009 which had interest rates ranging from 2.00% to 4.70%. Principal payments on the General Obligation Refunding Bonds, Series 2019 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2023. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were \$1,635,000, which includes a premium of \$106,394, and issuance costs of \$31,394. The reacquisition price exceeded the net carrying amount of the old debt by \$553,908. This amount is being amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2009 to reduce its total debt service payments over four years by \$110,740 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$75,303. These refunding bonds were fully repaid during the fiscal year ended September 30, 2023.

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2019 were deposited in an irrevocable trust with an escrow agent. As a result, \$1,710,000 of the Certificates of Obligation, Series 2009 are deemed to be paid in full and considered defeased. The liability for those bonds has been removed from the statement of net position.

During the year ended September 30, 2020, the County issued \$6,000,000 of General Obligation Refunding Bonds, Series 2020 with an interest rate of 1.70%. The proceeds were used to advance refund \$5,915,000 of outstanding Certificates of Obligations, Series 2010 which had interest rates ranging from 2.25% to 4.20%. Principal payments on the General Obligation Refunding Bonds, Series 2020 are made annually each August 1 with interest payments being made semi-annually each February 1 and August 1 until maturity on August 1, 2029. The County will levy ad valorem tax for the payments of the principal and interest. The net proceeds from this issuance were \$6,000,000, which includes issuance costs of \$85,000. The reacquisition price exceeded the net carrying amount of the old debt by \$120,126. This amount is being amortized over the remaining life of the refunded debt. The County advanced refunded the Certificates of Obligation, Series 2010 to reduce its total debt service payments over nine years by \$849,076 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$728,950.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 10 – GENERAL OBLIGATION BONDS – Continuation

The net proceeds from the issuance of the General Obligation Refunding Bonds, Series 2020 were deposited in an irrevocable trust with an escrow agent. As a result, \$5,915,000 of the Certificates of Obligation, Series 2010 are deemed to be paid in full and considered defeased. The liability for the amount refunded on those bonds has been removed from the statement of net position.

The annual requirements to amortize all debt outstanding as of September 30, 2023, are as follows:

Years Ending September 30,	Total	General Obligation Refunding Bonds Series 2013		Certificates of Obligation Series 2013		Certificates of Obligation Series 2016	
		Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 6,024,839	\$ 680,000	\$ 38,780	\$ 270,000	\$ 87,475	\$ 400,000	\$ 150,115
2025	5,804,268	705,000	19,740	280,000	77,350	415,000	138,115
2026	5,633,470	-	-	290,000	67,550	425,000	125,665
2027	4,842,825	-	-	300,000	57,400	440,000	112,915
2028	4,810,541	-	-	310,000	46,900	450,000	99,715
2029-2033	10,058,279	-	-	1,030,000	75,075	2,425,000	328,951
2034-2038	5,222,692	-	-	-	-	1,585,000	68,692
2039-2043	3,563,400	-	-	-	-	-	-
Total	<u>\$ 45,960,314</u>	<u>\$ 1,385,000</u>	<u>\$ 58,520</u>	<u>\$ 2,480,000</u>	<u>\$ 411,750</u>	<u>\$ 6,140,000</u>	<u>\$ 1,024,168</u>

General Obligation Refunding Bonds Series 2017		Certificates of Obligation Series 2018		General Obligation Refunding Bonds Series 2020	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 885,000	\$ 174,783	\$ 465,000	\$ 86,775	\$ 750,000	\$ 80,835
890,000	156,818	480,000	71,100	775,000	68,085
1,660,000	138,750	500,000	52,400	785,000	54,910
1,690,000	105,053	520,000	32,000	805,000	41,565
1,725,000	70,746	540,000	10,800	815,000	27,880
1,760,000	35,728	-	-	825,000	14,025
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,610,000</u>	<u>\$ 681,878</u>	<u>\$ 2,505,000</u>	<u>\$ 253,075</u>	<u>\$ 4,755,000</u>	<u>\$ 287,300</u>

Tax Notes Series 2020		Certificates of Obligation Series 2022		Subscription Liability	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 675,000	\$ 35,638	\$ 75,000	\$ 638,167	\$ 516,209	\$ 16,062
685,000	23,961	330,000	381,200	301,578	6,321
700,000	12,110	350,000	364,200	107,026	859
-	-	365,000	346,325	27,367	200
-	-	385,000	329,500	-	-
-	-	2,165,000	1,399,500	-	-
-	-	2,650,000	919,000	-	-
-	-	3,230,000	333,400	-	-
<u>\$ 2,060,000</u>	<u>\$ 71,709</u>	<u>\$ 9,550,000</u>	<u>\$ 4,711,292</u>	<u>\$ 952,180</u>	<u>\$ 23,442</u>

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 11 – LONG TERM DEBT

Change in long-term debt is summarized below:

	Balance October 1, 2022	Additions	Retirements	Balance September 30, 2023	Due Within One Year
General Obligation Refunding, Series 2013	\$ 2,050,000	\$ -	\$ (665,000)	\$ 1,385,000	\$ 680,000
Certificates of Obligation, Series 2013	3,815,000	-	(1,335,000)	2,480,000	270,000
Certificates of Obligation, Series 2016	6,530,000	-	(390,000)	6,140,000	400,000
General Obligation Refunding, Series 2017	8,845,000	-	(235,000)	8,610,000	885,000
Certificates of Obligation, Series 2018	3,595,000	-	(1,090,000)	2,505,000	465,000
General Obligation Refunding, Series 2019	600,000	-	(600,000)	-	-
General Obligation Refunding, Series 2020	5,495,000	-	(740,000)	4,755,000	750,000
Tax Notes, Series 2020	2,725,000	-	(665,000)	2,060,000	675,000
Certificates of Obligation, Series 2022	-	9,550,000	-	9,550,000	75,000
Deferred issuance premiums	533,346	355,417	(76,143)	812,620	
Total bonds payable	34,188,346	9,905,417	(5,796,143)	38,297,620	4,200,000
Subscription liability	-	1,400,266	(448,086)	952,180	516,209
Estimated liability for compensated absences	1,931,496	2,550,901	(2,297,626)	2,184,771	218,000
Net pension liability	-	11,556,373	-	11,556,373	-
Total other post employment benefit liability	3,172,252	-	(437,683)	2,734,569	-
Total	<u>\$ 39,292,094</u>	<u>\$ 25,412,957</u>	<u>\$ (8,979,538)</u>	<u>\$ 55,725,513</u>	<u>\$ 4,934,209</u>

The County incurred interest expense of \$1,072,833 during the year ended September 30, 2023.

NOTE 12 – RISK MANAGEMENT

The County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, errors and omissions and personnel risks which relate to workers' compensation. The County provides for the management of risks through a combination of self-insurance and traditional insurance. Amounts of coverage for the above types of risk have not been subject to a significant reduction in the past year. The amounts of settlements have not exceeded insurance coverage for the past three fiscal years.

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

NOTE 13 – COMPENSATED ABSENCES

Regular full-time employees are entitled to vacations of up to 32 days per year based on years of service. Vacation time earned, but not taken, of up to one week may be carried beyond one anniversary year and paid at termination. Sick leave is eligible for up to five (5) days buyout annually and any unused balance is forfeited at termination. Those eligible for retirement are eligible to receive 50% of their sick leave balance, at retirement, not to exceed 160 hours. Compensatory time is limited and if not used, it is paid as overtime. Holiday hours are due to be paid within twelve months.

The liability for compensated absences will be liquidated by the General Fund.

NOTE 14 – HEALTH INSURANCE

The County maintains a partially self-insured employee health insurance benefit plan for County employees for the year ended September 30, 2023. The Plan accumulates resources to pay the insured healthcare costs for the County employees and their covered dependents and was established with the intent to provide appropriate healthcare insurance to employees and minimize total health insurance cost to the County.

The Plan activities are carried on and accounted for in the Healthcare Insurance Fund, an Internal Service Fund.

The County provided \$635 per month for each employee to utilize the insurance coverage for the employee. Employees are required to contribute \$25 per month to utilize the employee coverage; however, this contribution is waived if the employee elects wellness testing during the year. Employees may authorize payroll withholding to pay for premium cost for dependent coverage.

The health insurance premiums are paid to the Healthcare Insurance Fund. These inter-fund transactions are treated as operating expenditures by the General Fund as it makes the aggregate premium payments. These premiums are treated as operating revenue by the Healthcare Insurance Fund as they are received or accrued.

A third-party Plan Administrator processes claims and pays bills weekly, gathers experience and cost data, and makes tentative premium calculation using the experience and cost factors it has developed. The administrative fees paid to the Plan Administrator and the services provided by the Administrator are provided by contractual agreement.

Oversight of the Plan is provided by the Healthcare Insurance Committee made up of two of the County Commissioners and various County employees. The Committee makes recommendations to the Commissioners' Court for funding, procedural and coverage changes for the Plan on an annual basis. In 2008, a health care consultant was hired by the Committee to assist with this process.

During the current year, the self-funded Healthcare Insurance Fund had stop-loss coverage in effect for all claims per individual exceeding \$125,000 and for an aggregate loss of \$1,000,000. This stop-loss insurance coverage is provided by HCC Life Insurance Company. HCC is a commercial insurer licensed to do business in Texas in accordance with the Texas Insurance Code. The Plan purchases "15/12 month" insurance, re-insurance, and stop-loss insurance to provide protection for claims, or losses, arising in one insurance period that must be paid in the following insurance period. The provision for unpaid self-insurance health losses at year end is included in claims payable in the internal services fund. It is based upon actual prior claim cost experience and average time lags in settling such claims and actual claims paid after year end. There has been no significant reduction in insurance coverage from coverage in the prior year by major category of risk.

Continued

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

NOTE 14 – HEALTH INSURANCE – Continuation

Changes in the Healthcare Insurance Fund’s claims liability were as follows:

Balance 10/1/2021	Incurred Claims	Claim Payments	Balance 9/30/2022
\$ 100,330	\$ 4,350,363	\$ 4,133,223	\$ 317,470
Balance 10/1/2022	Incurred Claims	Claim Payments	Balance 9/30/2023
\$ 317,470	\$ 5,175,550	\$ 5,195,113	\$ 297,907

NOTE 15 – RETIREMENT PLAN

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS in the aggregate issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 and is available at www.tcdrs.org.

Benefits Provided

The Plan provisions are adopted by the governing body of the County (employer), within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the Plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

Benefit amounts are determined by the sum of the employee’s contributions to the Plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the County 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-financial monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Continued

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

NOTE 15 – RETIREMENT PLAN – Continuation

Employees Covered by Benefit Terms

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	266
Inactive employees entitled to but not yet receiving benefits	543
Active employees	525

Contributions

The County has elected the annually determined contribution rate (ADCR) Plan provisions of the TCDRS Act. The Plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually.

The County contributed using the actuarially determined rate of 11.48% with a supplemental rate of 0.18% for calendar year 2023, and 12.02% for calendar year 2022. The contribution rate payable by the employee members is 7.0% for fiscal year 2023 as adopted by the governing body of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017 – 2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pensions liability as of December 31, 2022. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Continued

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

NOTE 15 – RETIREMENT PLAN – Continuation

TCDRS system-wide economic assumptions:

Real rate of return	5.00%
Inflation	2.50%
Long-term investment return	7.50%

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

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.

Employer-specific economic assumptions:

Growth in membership	0.00%
Payroll growth for funding calculations	3.00%

The payroll growth assumption is for the aggregate covered payroll of an employer.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2023 information for a 10-year time horizon.

Note that the valuation assumption for the long-term expected return is re-assessed in detail at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 15 – RETIREMENT PLAN – Continuation

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

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
International Equities - Developed	MSCI World Ex USA (net) Index	5.00%	4.95%
International Equities - Emerging	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.39%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index (3)	4.00%	7.60%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Funds of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

(1) Target asset allocation adopted at the March 2023 TCDRS Board Meeting.

(2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.3%, per Cliffwater's 2023 capital market assumptions.

(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

(4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

(5) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 15 – RETIREMENT PLAN – Continuation

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), calculated using the municipal bond rate.

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 as 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, alternatives methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. Our alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

1. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a 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 future years.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 15 – RETIREMENT PLAN – Continuation

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. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, we have used a discount rate of 7.60%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Changes in the Net Pension Liability / (Asset)

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2021	\$ 153,668,928	\$ 162,084,351	\$ (8,415,423)
Changes for the year:			
Service cost	4,280,475	-	4,280,475
Interest on total pension liability (1)	11,752,063	-	11,752,063
Effect of plan changes (2)	554,213	-	554,213
Effect of economic/demographic gains or losses	247,131	-	247,131
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(412,385)	(412,385)	-
Benefit payments	(6,345,336)	(6,345,336)	-
Administrative expenses	-	(89,186)	89,186
Member contributions	-	2,333,563	(2,333,563)
Net investment income	-	(9,466,061)	9,466,061
Employer contributions	-	4,007,045	(4,007,045)
Other (3)	-	76,725	(76,725)
Balances as of December 31, 2022	<u>\$ 163,745,089</u>	<u>\$ 152,188,716</u>	<u>\$ 11,556,373</u>

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

(2) No plan changes valued.

(3) Relates to allocation of system-wide items.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 15 – RETIREMENT PLAN – Continuation

Sensitivity of the Net Pension Liability / (Asset) to Changes in the Discount Rate

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

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 187,349,034	\$ 163,745,089	\$ 144,239,381
Fiduciary net position	152,188,716	152,188,716	152,188,716
Net pension liability / (asset)	<u>\$ 35,160,318</u>	<u>\$ 11,556,373</u>	<u>\$ (7,949,335)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report.

Pension Expense / (Income)

	January 1, 2022 to December 31, 2022
Service cost	\$ 4,280,475
Interest on total pension liability (1)	11,752,063
Effect of plan changes	554,213
Administrative expenses	89,186
Member contributions	(2,333,563)
Expected investment return net of investment expenses	(12,302,386)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(6,763)
Recognition of assumption changes or inputs	2,258,124
Recognition of investment gains or losses	365,410
Other (2)	<u>(76,725)</u>
Pension expense / (income)	<u>\$ 4,580,034</u>

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

(2) Relates to allocation of system-wide items.

Continued

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

NOTE 15 – RETIREMENT PLAN – Continuation

Deferred Inflows / Outflows of Resources

As of September 30, 2023, the deferred inflows and outflows of resources are as follows:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 150,506	\$ 486,481
Changes of assumptions	-	2,332,518
Net difference between projected and actual earnings	-	3,125,278
Contributions made subsequent to measurement date	N/A	3,051,079

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:

2023	\$ 645,336
2024	205,436
2025	589,309
2026	4,353,690
2027	-
Thereafter	-

NOTE 16 – POSTEMPLOYMENT DEFINED BENEFIT GROUP TERM LIFE INSURANCE PLAN

Plan Description

Randall County, Texas participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by the Texas County & District Retirement System (TCDRS). This plan is referred to as the Group Term Life Fund (GLTF). This optional plan provides group term life insurance coverage to current eligible employees.

The Group Term Life Fund (GTLF) is a separate trust administered by the TCDRS board of trustees. TCDRS issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for the GTLF. This report is available at www.tcdrs.org. TCDRS' ACFR may also be obtained by writing to the Texas County & District System, P.O. Box 2034, Austin, TX 78768-2034, or by calling 800-823-7782.

Funding Policy

Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. Randall County, Texas contributions to the GTLF for the year ended September 30, 2023, 2022, and 2021, were \$40,106, \$44,208, and \$43,690, respectively, which equaled the contractually required contributions each year.

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

NOTE 17 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The County provides other post-employment benefits (OPEB) to all of its full-time employees through a single-employer self-funded medical plan. The Randall County Healthcare Plan provides that an employee who meets the retirement eligibility requirements of the Texas County and District Retirement System, and who leaves the employ of the County may, upon retirement, elect to remain on the County's group medical and dental plan, as well as to continue existing spouse and dependent coverage. Coverage ceases for the member, the spouse and dependents upon the member becoming eligible for Medicare at age 65.

Benefits Provided

An employee who meets the retirement eligibility requirements of the Texas County and District Retirement System (TCDRS), and who leaves the employment of Randall County after eight (8) consecutive years or a total of at least 20 years, with two continuous years of employment with Randall County immediately preceding the date of separation becomes eligible to remain on the County's group medical and dental plan until the retiree reaches age 65 or qualifies for Medicare. The eligible retiring employee may also continue the existing coverage for spouses and dependents.

The retiree pays 100% of the total monthly premium prescribed in the current health plan for active employees and dependents. Premiums are determined annually by estimating the amount needed to cover projected claims. If the retiree is eligible under TCERS, but does not meet the employment requirements outlined above, the premiums for the retiree insurance will be equal to the COBRA rate set at the beginning of each year by the County's third party administrator. Eligible retirees and their spouse and/or dependents covered by the Randall County Health Care group receive the same health and dental care benefits as active employees, as described in the current health manual.

Employees Covered by Benefit Terms

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	11
Inactive employees entitled to but not yet receiving benefits	0
Active employees	490

Total OPEB Liability

The County's total OPEB liability was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

Continued

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

NOTE 17 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation

Actuarial Assumptions

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Individual Entry-Age
Discount rate	4.05% as of December 31, 2022
Inflation	2.50%
Salary increases	0.40% to 5.25%, not including wage inflation of 3.00%
Demographic assumptions	Based on the experience study covering the four year period ending December 31, 2020 as conducted for the Texas County and District Retirement System (TCDRS)
Mortality	For healthy retirees, the Pub-2010 General Retirees Tables for males and females are used with male rates multiplied by 135% and female rates multiplied by 120%. Those rates are projected on a fully generational basis based on 100% of the ultimate rates of mortality improvement scale MP-2021.
Healthcare cost trend rates	Initial rate of 7.00% declining to an ultimate rate of 4.15% after 13 years.
Participation rates	It was assumed that 35% of eligible employees who retire after the age of 49 would participate and no eligible employees who retire before the age of 50 would participate.
Other Information: Notes	The discount rate changed from 1.84% as of December 31, 2021 to 4.05% as of December 31, 2022.

Discount Rate

For plans that do not have formal trust that meets GASB's requirements, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 4.05% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The discount rate was 1.84% as of the prior measurement date.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 17 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation

Plan Assets

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Changes in the Total OPEB Liability

	<u>Changes in Total OPEB Liability</u>
Balances as of December 31, 2021	\$ 3,172,252
Changes for the year:	
Service cost	255,626
Interest on total OPEB liability	59,392
Changes of benefit terms	-
Difference between expected and actual experience	37,742
Changes in assumption	(645,947)
Benefit payments	<u>(144,496)</u>
Balances as of December 31, 2022	<u><u>\$ 2,734,569</u></u>

Changes of assumptions reflect a change in the discount rate from 1.84% as of December 31, 2021 to 4.50% as of December 31, 2022.

The benefit payments during the measurement period were determined as follows:

Retiree claims paid by County	\$ 239,705
Stop-loss and administrative costs for retirees	34,281
Stop-loss reimbursements for retiree claims	-
Retiree contributions	<u>(129,490)</u>
Total benefit payments	<u><u>\$ 144,496</u></u>

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 17 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation

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

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan's total OPEB liability, calculated using a discounted rate of 4.05%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease 3.05%	Current Discount Rate 4.05%	1% Increase 5.05%
Total OPEB liability	\$ 3,008,748	\$ 2,734,569	\$ 2,488,106

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	\$ 2,400,828	\$ 2,734,569	\$ 3,132,781

OPEB Expense / (Income)

	January 1, 2022 to December 31, 2022
Service cost	\$ 255,626
Interest on total OPEB liability	59,392
Current period benefit changes	-
OPEB Plan administrative expense	-
Recognition of current year outflow (inflow) due to liabilities	(70,510)
Amortization of prior year outflow (inflow) due to liabilities	68,300
OPEB expense / (income)	\$ 312,808

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 17 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation

Deferred Inflows / Outflows of Resources

As of September 30, 2023, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 79,521	\$ 414,655
Changes of assumptions	774,431	342,508
Contributions made subsequent to measurement date	N/A	162,870

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:	
2023	\$ (2,210)
2024	(2,210)
2025	(2,210)
2026	(3,684)
2027	(7,738)
Thereafter	(78,737)

NOTE 18 – COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS

The County is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the management of the County the outcome of these lawsuits will not have a material adverse effect on the accompanying basic financial statements and accordingly, no provision for losses has been recorded.

The County participates in numerous state and federal 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, refunds of any money received may be required and the collectability of any related receivable at September 30, 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 accompanying combined financial statements for such contingencies.

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

NOTE 19 – TAX ABATEMENT AGREEMENTS

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Astra Wind, LLC. The Company is to develop a 163.2 megawatt wind powered electric generating facility in Randall County costing approximately \$190,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. During this ten year tax abatement period, the Company will pay the County \$2,000 per megawatt of turbine nameplate capacity. The Chief Appraiser will determine the certified appraised value annually pursuant to the terms of the abatement under this agreement. The amount of the abatement will automatically be deducted from the property owner's tax bill. In the event of default the County shall use the certified appraised values which were abated to determine the taxes due, less any payments made at any time to the County. In addition to the commitments for eligibility the Company has agreed to make payments in lieu of taxes annually in the amount of \$2,000 per megawatt of turbine nameplate capacity during the abatement period. This resulted in payments in lieu of taxes for the year of \$326,400.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Lone Star Dairy Products, LLC. The Company is to develop a new milk powder processing, specialty drying and milk ingredient facility in Randall County costing approximately \$75,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. Starting in the third year of this ten year tax abatement period, the Company will begin to pay the County an amount in lieu of the ad valorem taxes. This amount begins at \$76,200 and increases to \$123,800 in year ten. This resulted in payments in lieu of taxes for the year of \$83,000.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Northdraw Wind, LLC. The Company is to develop a 148 megawatt wind powered electric generating facility in Randall County costing approximately \$165,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. During this ten year tax abatement period, the Company will pay the County \$2,000 per megawatt of turbine nameplate capacity. The Chief Appraiser will determine the certified appraised value annually pursuant to the terms of the abatement under this agreement. The amount of the abatement will automatically be deducted from the property owner's tax bill. In the event of default the County shall use the certified appraised values which were abated to determine the taxes due, less any payments made at any time to the County. In addition to the commitments for eligibility the Company has agreed to make payments in lieu of taxes annually in the amount of \$2,000 per megawatt of turbine nameplate capacity during the abatement period. As of September 30, 2023 the construction on this project has not been completed.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Cacique, LLC. The Company is to develop a new 180,000 square foot dairy product manufacturing facility in Randall County costing approximately \$52,000,000. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the year following completion of the development. As of September 30, 2023 the construction on this project has not been completed.

Continued

RANDALL COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 19 – TAX ABATEMENT AGREEMENTS – Continuation

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Owens Corning Composite Materials, LLC. The Company is to install new automation equipment and rebuild the 10-01 furnace and all related equipment located in Randall County costing approximately \$30,000,000 to \$40,000,000. The County will abate 75% of the ad valorem taxes on this development for a period of five years, and 65% of the ad valorem taxes on this development for the next five years, beginning on January 1 of the year following completion of each project. As of September 30, 2023 the construction on either project has not been completed.

For the fiscal year ended September 30, 2023, Randall County abated property taxes totaling \$800,972 under this program, including the following tax abatement agreement:

- A 100 percent tax abatement to Astra Wind, LLC, and the abatement was \$466,377.
- A 100 percent tax abatement to Lone Star Dairy Products, LLC, and the abatement was \$334,595.

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**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

RANDALL COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 49,346,742	\$ 49,346,742	\$ 48,668,713	\$ (678,029)
Sales and miscellaneous taxes	2,480,000	2,480,000	2,749,604	269,604
Licenses and fees	4,724,481	4,724,481	4,542,478	(182,003)
Fines and forfeitures	1,085,000	1,085,000	904,733	(180,267)
Intergovernmental	7,086,541	7,276,884	7,738,430	461,546
Interest	310,200	310,200	1,571,301	1,261,101
Miscellaneous	315,550	429,003	349,893	(79,110)
Total revenues	65,348,514	65,652,310	66,525,152	872,842
EXPENDITURES				
Current:				
Administrative	8,512,400	8,374,333	8,057,413	316,920
Judicial	10,320,660	10,320,679	9,629,799	690,880
Elections	580,928	580,928	536,691	44,237
Financial administration	3,174,249	3,174,249	2,981,318	192,931
Public facilities	1,215,982	1,215,982	1,079,476	136,506
Public safety	29,543,075	29,823,833	27,578,056	2,245,777
Road and bridge	4,825,740	4,613,500	4,464,473	149,027
Public services	253,226	260,326	253,998	6,328
Environmental protection	2,000	2,000	2,000	-
Extension service	460,420	460,420	428,636	31,784
Capital outlay	3,617,536	4,376,455	4,462,115	(85,660)
Debt service:				
Principal	-	-	448,086	(448,086)
Interest	-	-	10,275	(10,275)
Total expenditures	62,506,216	63,202,705	59,932,336	3,270,369
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,842,298	2,449,605	6,592,816	4,143,211
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	126,500	260,193	257,741	(2,452)
Proceeds from initiation of capital lease	-	-	1,400,266	1,400,266
Transfers in	20,511	(767,320)	22,905	790,225
Transfers out	(6,333,639)	(5,545,808)	(3,304,307)	2,241,501
Total other financing sources (uses)	(6,186,628)	(6,052,935)	(1,623,395)	4,429,540
NET CHANGE IN FUND BALANCES	(3,344,330)	(3,603,330)	4,969,421	8,572,751
FUND BALANCES - BEGINNING	29,327,350	29,327,350	29,327,350	-
FUND BALANCES - ENDING	\$ 25,983,020	\$ 25,724,020	\$ 34,296,771	\$ 8,572,751

RANDALL COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YOUTH CENTER OF THE HIGH PLAINS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental:				
Bed contracts	\$ 200,000	\$ 200,000	\$ 129,590	\$ (70,410)
Grants	104,000	104,000	112,047	8,047
Amarillo ISD	51,263	51,263	51,263	-
Potter County contract	3,669,324	3,669,324	2,947,548	(721,776)
Interest	750	750	35,150	34,400
Miscellaneous	25,600	42,785	484,828	442,043
Total revenues	4,050,937	4,068,122	3,760,426	(307,696)
EXPENDITURES				
Public safety:				
Salaries and fringe benefits	6,591,984	6,591,984	5,552,763	1,039,221
Operating expenses	1,128,277	1,145,462	1,104,406	41,056
Total expenditures	7,720,261	7,737,446	6,657,169	1,080,277
EXCESS OF REVENUES				
OVER / (UNDER) EXPENDITURES	(3,669,324)	(3,669,324)	(2,896,743)	772,581
OTHER FINANCING SOURCES (USES)				
Transfers in	3,689,324	3,689,324	2,901,492	(787,832)
Transfers out	(20,000)	(20,000)	(9,440)	10,560
Total other financing sources (uses)	3,669,324	3,669,324	2,892,052	(777,272)
NET CHANGE IN FUND BALANCES	-	-	(4,691)	(4,691)
FUND BALANCES - BEGINNING	139,971	139,971	139,971	-
FUND BALANCES - ENDING	\$ 139,971	\$ 139,971	\$ 135,280	\$ (4,691)

RANDALL COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ARPA GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	\$ -	\$ 246,135	\$ 126,876	\$ (119,259)
Interest	60,000	60,000	765,800	705,800
Total revenues	60,000	306,135	892,676	586,541
EXPENDITURES				
Administrative				
Salaries and fringe benefits	4,774,231	4,854,231	1,892,993	2,961,238
Operating expenses	95,000	15,000	23	14,977
Total administrative	4,869,231	4,869,231	1,893,016	2,976,215
Judicial				
Salaries and fringe benefits	-	246,135	35,623	210,512
Total judicial	-	246,135	35,623	210,512
Capital outlay	14,735,000	14,735,000	7,649,247	7,085,753
Total expenditures	19,604,231	19,850,366	9,577,886	10,272,480
NET CHANGE IN FUND BALANCES	(19,544,231)	(19,544,231)	(8,685,210)	10,859,021
FUND BALANCES - BEGINNING	23,420,795	23,420,795	23,420,795	-
FUND BALANCES - ENDING	<u>\$ 3,876,564</u>	<u>\$ 3,876,564</u>	<u>\$ 14,735,585</u>	<u>\$ 10,859,021</u>

RANDALL COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RADIO COMMUNICATIONS PROJECT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Interest	\$ 3,500	\$ 3,500	\$ 446,704	\$ 443,204
Miscellaneous	-	492,033	492,033	-
Total revenues	3,500	495,533	938,737	443,204
EXPENDITURES				
Public safety				
Operating expenses	-	310,214	187,687	122,527
Total public safety	-	310,214	187,687	122,527
Capital outlay	1,074,206	11,036,023	1,171,552	9,864,471
Debt service				
Bond issuance costs	-	125,417	125,417	-
Total debt service	-	125,417	125,417	-
Total expenditures	1,074,206	11,471,654	1,484,656	9,986,998
EXCESS OF REVENUES OVER EXPENDITURES	(1,070,706)	(10,976,121)	(545,919)	10,430,202
OTHER FINANCING SOURCES (USES)				
Bond issuance	-	9,550,000	9,550,000	-
Premium on bonds issued	-	355,415	355,417	2
Total other financing sources (uses)	-	9,905,415	9,905,417	2
NET CHANGE IN FUND BALANCES	(1,070,706)	(1,070,706)	9,359,498	10,430,204
FUND BALANCES - BEGINNING	1,074,307	1,074,307	1,074,307	-
FUND BALANCES - ENDING	\$ 3,601	\$ 3,601	\$ 10,433,805	\$ 10,430,204

RANDALL COUNTY, TEXAS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Years (will ultimately be displayed as available)

	Year Ended December 31,			
	2022	2021	2020	2019
Total Pension Liability:				
Service cost	\$ 4,280,475	\$ 4,325,821	\$ 3,760,974	\$ 3,525,643
Interest on total pension liability	11,752,063	11,027,321	10,274,614	9,611,656
Effect of plan changes	554,213	-	-	705,489
Effect of assumption changes or inputs	-	297,572	8,734,925	-
Effect of economic/demographic (gains) or losses	247,131	323,698	557,146	(752,538)
Benefit payments/refunds of contributions	(6,757,720)	(6,041,363)	(5,253,511)	(5,032,604)
Net change in total pension liability	10,076,162	9,933,049	18,074,148	8,057,646
Total pension liability, beginning	153,668,928	143,735,879	125,661,731	117,604,085
Total pension liability, ending (a)	<u>\$ 163,745,090</u>	<u>\$ 153,668,928</u>	<u>\$ 143,735,879</u>	<u>\$ 125,661,731</u>
Fiduciary Net Position:				
Employer contributions	\$ 4,007,045	\$ 3,280,860	\$ 3,247,999	\$ 2,927,849
Member contributions	2,333,563	2,199,822	2,131,336	2,011,282
Investment income net of investment expenses	(9,466,061)	29,250,463	12,492,611	17,081,494
Benefit payments/refunds of contributions	(6,757,720)	(6,041,363)	(5,253,511)	(5,032,604)
Administrative expenses	(89,186)	(87,689)	(97,656)	(92,149)
Other	76,725	20,870	15,706	13,646
Net change in fiduciary net position	(9,895,634)	28,622,963	12,536,485	16,909,518
Fiduciary net position, beginning	162,084,351	133,461,388	120,924,903	104,015,385
Fiduciary net position, ending (b)	<u>\$ 152,188,717</u>	<u>\$ 162,084,351</u>	<u>\$ 133,461,388</u>	<u>\$ 120,924,903</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 11,556,373</u>	<u>\$ (8,415,423)</u>	<u>\$ 10,274,491</u>	<u>\$ 4,736,828</u>
Fiduciary net position as a % of total pension liability	92.94%	105.48%	92.85%	96.23%
Pensionable covered payroll	\$ 33,336,611	\$ 31,426,022	\$ 30,102,096	\$ 28,732,597
Net pension liability as a % of covered payroll	34.67%	-26.78%	34.13%	16.49%

Year Ended December 31,					
2018	2017	2016	2015	2014	2013
\$ 3,520,917	\$ 3,601,991	\$ 3,692,616	\$ 3,139,891	\$ 3,023,898	\$ N/A
9,036,545	8,393,682	7,742,132	7,176,649	6,645,469	N/A
-	-	339,421	(701,092)	-	N/A
-	193,112	-	901,261	-	N/A
(691,246)	39,500	(1,432,030)	(194,224)	84,257	N/A
(4,519,016)	(3,914,026)	(3,932,679)	(3,437,883)	(3,267,149)	N/A
7,347,200	8,314,259	6,409,460	6,884,603	6,486,475	N/A
110,256,885	101,942,626	95,533,166	88,648,564	82,162,089	N/A
<u>\$ 117,604,085</u>	<u>\$ 110,256,885</u>	<u>\$ 101,942,626</u>	<u>\$ 95,533,166</u>	<u>\$ 88,648,564</u>	<u>\$ N/A</u>
\$ 2,805,741	\$ 2,607,992	\$ 2,444,753	\$ 2,463,045	\$ 2,275,729	\$ N/A
1,921,741	1,844,713	1,772,265	1,745,073	1,604,304	N/A
(1,969,509)	13,428,643	6,347,752	(572,462)	5,367,921	N/A
(4,519,016)	(3,914,026)	(3,932,679)	(3,437,883)	(3,267,149)	N/A
(83,546)	(70,389)	(69,153)	(61,754)	(63,628)	N/A
16,843	6,557	(447,679)	139,373	149,984	N/A
(1,827,746)	13,903,490	6,115,259	275,391	6,067,161	N/A
105,843,131	91,939,641	85,824,382	85,548,991	79,481,830	N/A
<u>\$ 104,015,385</u>	<u>\$ 105,843,131</u>	<u>\$ 91,939,641</u>	<u>\$ 85,824,382</u>	<u>\$ 85,548,991</u>	<u>\$ N/A</u>
<u>\$ 13,588,700</u>	<u>\$ 4,413,754</u>	<u>\$ 10,002,985</u>	<u>\$ 9,708,784</u>	<u>\$ 3,099,573</u>	<u>\$ N/A</u>
88.45%	96.00%	90.19%	89.84%	96.50%	N/A
\$ 27,453,444	\$ 26,237,518	\$ 25,281,849	\$ 24,929,621	\$ 22,918,625	\$ N/A
49.50%	16.82%	39.57%	38.94%	13.52%	N/A

RANDALL COUNTY, TEXAS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last 10 Fiscal Years (will ultimately be displayed)

Year Ending September 30:	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ 2,335,185	\$ 2,335,185	\$ -	\$ 23,607,888	9.9%
2016	2,427,457	2,427,457	-	24,955,855	9.7%
2017	2,570,093	2,570,093	-	26,048,921	9.9%
2018	2,751,052	2,751,052	-	27,118,020	10.1%
2019	2,884,799	2,884,799	-	28,287,650	10.2%
2020	3,154,126	3,154,126	-	29,680,693	10.6%
2021	3,287,714	3,287,714	-	31,206,885	10.5%
2022	3,869,395	3,869,395	-	33,336,205	11.6%
2023	4,050,871	4,097,971	(47,100)	34,876,646	11.7%

Last 10 Fiscal Years (will ultimately be displayed)

Notes to Schedule:

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

Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	17.9 years (based on contribution rate calculated in 12/31/2022 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary increases	Varies by age and service. 4.7% average over career including inflation.
Investment rate of return	7.50%, net of administrative and investment expenses, including inflation.
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Tables for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: Employer contributions reflected that a 1% flat COLA was adopted. Also, new Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: Employer contributions reflect that a 1% flat COLA was adopted. 2021: No changes in plan provisions were reflected in the Schedule. 2022: No changes in plan provisions were reflected in the Schedule.

RANDALL COUNTY, TEXAS
THE RANDALL COUNTY HEALTHCARE PLAN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
Last 10 Years (will ultimately be displayed as available)

	Year Ended December 31,			
	2022	2021	2020	2019
Total OPEB Liability:				
Service cost	\$ 255,626	\$ 219,192	\$ 160,672	\$ 105,898
Interest on total OPEB liability	59,392	55,635	67,303	73,188
Changes in benefit terms	-	-	-	-
Difference between expected and actual experience of the total OPEB liability	37,742	483,258	(39,407)	(36,160)
Changes in assumptions	(645,947)	(217,096)	178,956	328,069
Benefit payments	<u>(144,496)</u>	<u>(81,785)</u>	<u>(43,023)</u>	<u>(4,423)</u>
Net change in total OPEB liability	(437,683)	459,204	324,501	466,572
Total OPEB liability, beginning	<u>3,172,252</u>	<u>2,713,048</u>	<u>2,388,547</u>	<u>1,921,975</u>
Total OPEB liability, ending	<u><u>\$ 2,734,569</u></u>	<u><u>\$ 3,172,252</u></u>	<u><u>\$ 2,713,048</u></u>	<u><u>\$ 2,388,547</u></u>
Covered employee payroll	\$ 33,964,773	\$ 31,907,865	\$ 30,267,358	\$ 28,802,693
Total OPEB liability as a % of covered employee payroll	8.05%	9.94%	8.96%	8.29%

Notes to Schedule:

Discount rate	4.05%	1.84%	2.00%	2.75%
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Changes of assumptions reflect the effects of changes in the discount rate each period. The discount rate at the beginning of 2017 was 3.81%

FYE22 - The demographic and salary increase assumptions were updated to reflect the 2021 TCDRS experience study and the period of service used for the allocation of service costs was changed to only reflect service with Randall County.

FYE20 - The two-person coverage assumption was increased and the health care trend rates were updated to reflect the plan's anticipated experience.

Year Ended December 31,					
2018	2017	2016	2015	2014	2013
\$ 108,044	\$ 95,588	\$ N/A	\$ N/A	\$ N/A	\$ N/A
64,016	67,709	N/A	N/A	N/A	N/A
-	-	N/A	N/A	N/A	N/A
(64,539)	-	N/A	N/A	N/A	N/A
(65,396)	78,256	N/A	N/A	N/A	N/A
(278)	(181,552)	N/A	N/A	N/A	N/A
41,847	60,001	N/A	N/A	N/A	N/A
1,880,128	1,820,127	N/A	N/A	N/A	N/A
\$ 1,921,975	\$ 1,880,128	\$ N/A	\$ N/A	\$ N/A	\$ N/A
\$ 27,341,142	\$ 26,252,557	\$ N/A	\$ N/A	\$ N/A	\$ N/A
7.03%	7.16%	N/A	N/A	N/A	N/A
3.71%	3.31%	N/A	N/A	N/A	N/A

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**STATISTICAL SECTION
(UNAUDITED)**

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**RANDALL COUNTY, TEXAS
STATISTICAL SECTION
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

This part of the Randall County, Texas' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
Financial Trends <i>These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	126-129
Revenue Capacity <i>These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	130-133
Debt Capacity <i>These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	134-137
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	138-139
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	140-143

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

RANDALL COUNTY, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

Table 1

	2014	Restated 2015	Restated 2016	2017	2018	Restated 2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 23,716	\$ 27,077	\$ 22,390	\$ 31,258	\$ 30,805	\$ 41,509	\$ 45,530	\$ 50,444	\$ 62,177	\$ 53,524
Restricted	4,549	2,127	8,650	4,274	8,788	3,330	3,505	17,394	29,974	30,935
Unrestricted	9,769	11,879	13,524	8,943	10,567	12,204	15,096	19,076	24,285	36,776
Total governmental activities net position	<u>\$ 38,034</u>	<u>\$ 41,083</u>	<u>\$ 44,564</u>	<u>\$ 44,475</u>	<u>\$ 50,160</u>	<u>\$ 57,043</u>	<u>\$ 64,131</u>	<u>\$ 86,914</u>	<u>\$ 116,436</u>	<u>\$ 121,235</u>

**RANDALL COUNTY, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)**

Table 2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Administrative										
Judicial	\$ 4,146	\$ 4,092	\$ 4,305	\$ 4,726	\$ 5,026	\$ 6,221	\$ 7,123	\$ 7,767	\$ 9,118	\$ 10,850
Elections	6,798	6,829	7,007	8,116	8,452	8,942	8,635	8,537	8,717	10,353
Financial administration	471	415	464	523	647	655	742	773	823	918
Public facilities	2,327	2,321	2,458	2,656	2,623	2,757	2,800	2,795	2,702	3,095
Public safety	2,067	2,089	2,210	2,310	2,577	2,509	2,711	2,726	2,960	3,203
Road and bridge	27,010	27,794	28,552	31,108	32,500	32,829	34,124	34,577	34,230	41,216
Health and welfare	2,793	2,972	2,849	3,337	3,961	3,616	3,896	4,571	5,268	5,872
Extension services	158	139	113	235	214	223	191	212	216	257
Interest on long-term debt	363	343	373	391	404	428	419	393	422	446
Total governmental activities expenses	1,669	1,620	1,391	1,484	1,328	1,388	1,376	1,119	678	1,073
Total governmental activities expenses	47,802	48,614	49,722	54,886	57,732	59,568	62,017	63,470	65,134	77,283
Program Revenues										
Governmental activities:										
Charges for services										
Administrative	1,512	1,395	1,437	1,444	1,519	1,482	1,566	1,988	1,760	1,460
Judicial	2,758	2,753	2,815	2,689	2,885	3,193	2,075	2,327	2,113	1,983
Public Safety	6,937	7,163	6,773	7,628	8,335	8,866	9,682	10,498	9,957	10,663
Road & Bridge	1,444	1,502	1,478	1,456	1,505	1,507	1,534	1,564	1,558	1,592
Other	888	957	947	959	936	971	861	971	1,063	1,052
Operating grants and contributions	1,865	1,752	2,009	1,575	2,447	1,971	3,267	16,112	16,956	2,684
Capital grants and contributions	283	1,046	161	212	819	502	1,300	937	3,978	260
Total governmental activities program revenues	15,687	16,568	15,620	15,963	18,446	18,492	20,285	34,440	37,385	19,694
Net (expense) revenue	(32,115)	(32,046)	(34,102)	(38,923)	(39,286)	(41,076)	(41,732)	(29,030)	(27,749)	(57,589)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes, levied for general purposes	27,500	28,794	31,167	32,807	36,269	38,023	40,575	42,779	45,330	48,728
Property taxes, levied for debt service	3,358	3,891	3,606	4,271	4,023	5,193	5,180	5,311	5,405	6,493
Mixed beverage taxes	208	226	217	240	272	300	275	400	398	415
Vehicle sales tax	1,766	1,767	1,865	1,818	1,797	1,833	1,901	1,948	2,290	2,335
Investment earnings	102	84	180	376	718	1,077	734	377	722	3,306
Gain on disposal of assets	31	126	37	305	-	77	-	333	154	-
Miscellaneous	249	174	511	178	1,892	1,456	154	648	2,972	1,111
Total governmental activities	33,214	35,062	37,583	39,995	44,971	47,959	48,819	51,796	57,271	62,388
Change in Net Position										
Governmental activities	\$ 1,099	\$ 3,016	\$ 3,481	\$ 1,072	\$ 5,685	\$ 6,883	\$ 7,087	\$ 22,766	\$ 29,522	\$ 4,799

RANDALL COUNTY, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

Table 3

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Non-spendable	\$ 377	\$ 870	\$ 282	\$ 334	\$ 550	\$ 360	\$ 370	\$ 437	\$ 295	\$ 443
Restricted	215	206	163	223	346	534	583	668	822	821
Assigned-Elections	-	500	1,000	-	-	-	-	-	-	-
Assigned-Technology	-	-	-	-	-	-	750	1,750	2,250	2,250
Assigned-Juvenile Probation	256	441	610	783	1,158	1,576	1,991	1,901	2,181	3,412
Assigned-Budget	750	780	873	-	687	828	1,334	1,051	1,444	920
Assigned-Capital	-	-	-	-	-	-	-	-	500	1,000
Unassigned	9,131	9,523	10,608	10,678	11,968	15,020	17,909	21,289	21,835	25,451
Total General Fund	<u>10,729</u>	<u>12,320</u>	<u>13,536</u>	<u>12,018</u>	<u>14,709</u>	<u>18,318</u>	<u>22,937</u>	<u>27,096</u>	<u>29,327</u>	<u>34,297</u>
All other governmental funds										
Non-spendable										
Inventories	7	5	6	7	4	6	8	7	11	6
Prepays	32	42	1	9	34	13	36	2	14	10
Restricted										
Debt Service Fund	4	134	91	173	84	113	136	100	60	156
Special Revenue Funds	1,762	1,788	2,095	2,094	2,203	2,682	2,771	16,611	17,801	19,388
Capital Projects Funds	2,568	-	6,301	1,783	6,155	1,721	1,534	1,261	11,291	10,570
Assigned										
Special Revenue Funds	151	439	413	191	184	179	125	125	125	125
Capital Projects Funds	201	-	-	230	174	408	387	155	-	-
Unassigned	(4)	(1)	-	-	-	-	-	(1)	-	-
Total all other governmental funds	<u>\$ 4,721</u>	<u>\$ 2,407</u>	<u>\$ 8,907</u>	<u>\$ 4,487</u>	<u>\$ 8,838</u>	<u>\$ 5,122</u>	<u>\$ 4,997</u>	<u>\$ 18,260</u>	<u>\$ 29,302</u>	<u>\$ 30,255</u>

RANDALL COUNTY, TEXAS
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

Table 4

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	\$ 30,861	\$ 32,667	\$ 34,800	\$ 37,119	\$ 40,222	\$ 43,160	\$ 45,696	\$ 48,060	\$ 50,728	\$ 55,162
Licenses and fees	4,935	5,116	5,133	5,124	5,346	5,571	5,327	6,079	5,845	5,590
Fines and forfeitures	1,659	1,565	1,601	1,466	1,653	1,605	1,285	1,348	1,192	1,039
Intergovernmental	8,660	9,601	8,820	9,242	10,704	11,073	12,479	26,413	27,742	12,862
Interest	98	82	172	345	659	992	686	346	664	3,211
Sales and miscellaneous taxes	1,974	1,994	2,082	2,058	2,069	2,133	2,176	2,348	2,687	2,749
Miscellaneous	683	460	577	309	2,416	1,509	1,347	1,247	5,593	1,327
Total revenues	48,870	51,485	53,185	55,663	63,069	66,043	68,996	85,841	94,451	81,940
Expenditures										
Administrative	3,928	3,941	4,177	4,446	4,760	5,914	6,838	7,536	8,961	10,294
Judicial	6,728	6,853	7,166	7,755	8,314	8,518	8,253	8,444	9,083	9,844
Elections	463	413	458	470	482	475	569	605	686	663
Financial administration	2,321	2,335	2,490	2,488	2,541	2,595	2,683	2,771	2,887	2,981
Public facilities	745	785	795	866	1,026	855	895	900	1,094	1,114
Public safety	25,827	26,197	27,764	28,479	30,340	30,054	31,626	33,145	34,542	36,987
Road and Bridge	2,388	2,603	2,531	2,720	3,232	2,770	3,022	3,509	4,188	4,464
Public services	158	141	116	231	212	220	183	213	221	254
Environmental protection	1	1	1	1	1	1	2	2	2	2
Extension service	353	342	372	374	394	407	404	397	431	429
Capital outlay	5,670	5,057	4,554	10,303	8,191	8,898	10,142	5,886	13,731	13,452
Debt Service										
Principal	2,233	2,479	2,777	3,162	12,216	4,334	4,124	4,373	4,637	6,168
Interest	1,600	1,603	1,290	1,458	1,684	1,425	1,147	1,107	947	822
Bond issuance cost	57	80	91	-	106	31	85	-	-	125
Total expenditures	52,472	52,830	54,582	62,753	73,499	66,497	69,973	68,888	81,410	87,599
Excess of revenues over (under) expenditures	(3,602)	(1,345)	(1,397)	(7,090)	(10,430)	(454)	(977)	16,953	13,041	(5,659)
Other financing sources (uses)										
Transfers in	2,579	2,767	2,527	2,621	3,386	3,602	3,659	3,305	3,458	3,442
Transfers out	(2,579)	(2,767)	(2,527)	(2,621)	(3,386)	(3,602)	(3,659)	(3,305)	(3,458)	(3,442)
Sale of assets proceeds	34	215	42	488	30	126	1,505	469	232	275
Capital lease proceeds	-	327	-	665	220	190	-	-	-	1,400
Issuance of debt	5,715	-	8,685	-	7,590	-	4,000	-	-	9,550
Bond premiums	115	-	440	-	333	106	-	-	-	356
Bond discount	-	-	(54)	-	-	-	-	-	-	-
Refunded bond issued	3,615	8,450	-	-	9,300	1,635	6,000	-	-	-
Payment to refunded bonds escrow agent	(3,558)	(8,370)	-	-	-	(1,710)	(6,035)	-	-	-
Total other financing sources (uses)	5,921	622	9,113	1,153	17,473	347	5,470	469	232	11,581
Net change in fund balances	\$ 2,319	\$ (723)	\$ 7,716	\$ (5,937)	\$ 7,043	\$ (107)	\$ 4,493	\$ 17,422	\$ 13,273	\$ 5,922
Debt Service as a percentage of noncapital expenditures	8.31%	8.71%	8.31%	8.81%	21.45%	10.05%	8.95%	8.70%	8.25%	9.60%

**RANDALL COUNTY, TEXAS
PROPERTY TAX RATES AND TAX LEVIES
DIRECT & ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Table 5

Fiscal Year	Roll Year	Operations Rate Randall County	Debt Rate Randall County	Total Direct Rate Randall County	City of Canyon	City of Amarillo	City of Happy	Village of Timbercreek Canyon	Canyon Independent School District
TAX RATES/\$100 ASSESSED VALUATION									
2014	2013	0.34977	0.04264	0.39241	0.37613	0.34009	0.73443	0.20000	1.22800
2015	2014	0.35162	0.04752	0.39914	0.39083	0.34509	0.79369	0.20000	1.21500
2016	2015	0.36405	0.04200	0.40605	0.39083	0.35072	0.81520	0.20000	1.26000
2017	2016	0.36696	0.04777	0.41473	0.46503	0.35072	0.78121	0.20000	1.26000
2018	2017	0.37339	0.04134	0.41473	0.45484	0.36364	0.76850	0.21000	1.26500
2019	2018	0.37898	0.05228	0.43126	0.44758	0.36838	0.76850	0.21000	1.26500
2020	2019	0.39091	0.05035	0.44126	0.43809	0.38851	0.77043	0.20800	1.23000
2021	2020	0.39482	0.04939	0.44421	0.43809	0.39681	0.54540	0.20600	1.28000
2022	2021	0.39650	0.04771	0.44421	0.42618	0.44334	0.52020	0.20600	1.23300
2023	2022	0.36763	0.04950	0.41713	0.40016	0.40628	0.49430	0.19383	1.14000
TAX LEVIES									
2014	2013			30,702,070	2,098,245	18,471,522	6,306	85,733	42,911,863
2015	2014			32,566,349	2,246,421	19,529,368	7,429	86,055	45,455,472
2016	2015			34,670,563	2,368,918	20,736,240	7,709	86,383	48,482,358
2017	2016			36,947,500	2,832,112	21,684,085	7,989	86,598	51,690,295
2018	2017			40,188,872	3,148,070	23,772,251	7,472	90,671	58,316,236
2019	2018			42,780,382	3,476,343	24,773,740	7,572	99,953	62,358,236
2020	2019			45,358,354	3,319,248	26,928,466	7,297	105,717	64,596,137
2021	2020			47,648,292	3,454,709	28,263,201	5,250	108,786	70,506,452
2022	2021			50,189,370	3,664,974	32,272,740	5,778	111,430	72,476,936
2023	2022			54,793,770	4,031,433	34,043,223	6,773	120,096	78,137,765

Source: Randall County Tax Office , Potter Randall Appraisal District, Swisher CAD

Note: Overlapping rates are those that apply to property owners within Randall County. Not all overlapping rates apply to all county property owners; for example, although the county property tax rates apply to all county property owners, the City of Canyon rates apply only to those whose property is located within the city's geographic boundaries.

Fiscal Year	Roll Year	Amarillo Independent School District	Happy Independent School District	Bushland Independent School District	South Randall County Hospital District	Amarillo Junior College District	High Plains Water District	Village of Palisades	Noxious Weed District
TAX RATES/\$100 ASSESSED VALUATION									PER ACRE
2014	2013	1.18900	1.04000	1.29440	0.08022	0.19950	0.00810	0.25000	0.03/ac
2015	2014	1.18900	1.04000	1.29000	0.07921	0.20750	0.00802	0.25000	0.03/ac
2016	2015	1.18900	1.04000	1.26804	0.07587	0.20750	0.00802	0.25000	0.03/ac
2017	2016	1.18900	1.04000	1.25433	0.07446	0.20750	0.00750	0.25000	0.03/ac
2018	2017	1.18900	1.04000	1.23777	0.07000	0.20750	0.00690	0.25000	0.03/ac
2019	2018	1.23900	1.04000	1.23371	0.07000	0.20750	0.00670	0.25000	0.03/ac
2020	2019	1.16900	0.97000	1.16371	0.05200	0.22790	0.00630	0.13921	0.03/ac
2021	2020	1.15540	0.95850	1.16010	0.05000	0.22790	0.00550	0.14244	0.03/ac
2022	2021	1.14960	0.91810	1.15665	0.04812	0.21129	0.00510	0.14530	0.03/ac
2023	2022	1.08470	0.87110	1.34055	0.04193	0.22323	0.00469	0.12878	0.03/ac
TAX LEVIES									
2014	2013	43,298,798	272,537	13,159,315	1,056,699	10,868,873	472,693	24,064	15,558
2015	2014	44,787,948	239,402	14,498,585	1,078,436	11,758,804	489,225	24,654	15,553
2016	2015	44,803,815	248,164	14,017,723	1,095,309	12,330,123	514,898	25,258	15,579
2017	2016	46,559,320	258,189	14,582,133	1,123,008	12,903,943	506,468	25,986	15,538
2018	2017	49,023,666	267,630	15,699,034	1,287,775	13,720,045	504,734	26,061	15,539
2019	2018	52,287,554	243,223	16,058,743	1,296,637	14,141,758	510,821	26,885	15,535
2020	2019	51,174,226	243,223	16,222,671	1,029,768	15,891,122	501,924	15,249	15,533
2021	2020	52,114,617	245,485	16,430,215	1,041,151	16,406,099	456,811	16,037	15,490
2022	2021	53,659,817	246,120	16,648,233	1,082,705	15,970,163	448,025	17,026	15,553
2023	2022	56,464,734	260,973	21,041,353	1,130,915	18,953,255	474,646	17,690	15,563

RANDALL COUNTY, TEXAS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Table 6

Fiscal Year	Roll Year	Real Property Value		Personal Property Value		Total Value		Total Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
		Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual		
2014	2013	7,347,307	7,347,307	876,242	876,242	8,223,549	8,223,549	0.39241	100%
2015	2014	7,677,110	7,677,110	934,832	934,832	8,611,942	8,611,942	0.39914	100%
2016	2015	8,088,001	8,088,001	975,336	975,336	9,063,337	9,063,337	0.40605	100%
2017	2016	9,917,313	9,917,313	1,033,826	1,033,826	10,951,139	10,951,139	0.41473	100%
2018	2017	10,791,832	10,791,832	1,067,450	1,067,450	11,859,282	11,859,282	0.41473	100%
2019	2018	11,264,883	11,264,883	1,135,655	1,135,655	12,400,538	12,400,538	0.43126	100%
2020	2019	11,757,274	11,757,274	1,147,362	1,147,362	12,904,636	12,904,636	0.44126	100%
2021	2020	12,270,399	12,270,399	1,200,470	1,200,470	13,470,869	13,470,869	0.44421	100%
2022	2021	12,839,413	12,839,413	1,291,496	1,291,496	14,130,909	14,130,909	0.44421	100%
2023	2022	15,503,013	15,503,013	1,476,855	1,476,855	16,979,868	16,979,868	0.41713	100%

Source: Potter Randall Appraisal District, Randall County Tax Assessor/Collector

Note: Properties are assessed at actual value. Direct tax rates are per \$100 of assessed value.

Table 7

Source: Potter Randall Appraisal District

**RANDALL COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN TAX ROLL YEARS**

Table 8

Fiscal Year	Roll Year	Original Tax Levy	Adjustments	Adjusted Tax Levy	Collected in the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
					Collected Amount	Percent of Original Levy Collected		Total Collections	Percent of Adjusted Levy Collected
2014	2013	30,702,070	(56,364)	30,645,706	30,291,705	98.66%	330,170	30,621,875	99.92%
2015	2014	32,566,349	(62,548)	32,503,801	32,144,295	98.70%	333,317	32,477,612	99.92%
2016	2015	34,670,563	(28,669)	34,641,894	34,247,287	98.78%	360,789	34,608,076	99.90%
2017	2016	36,947,501	(35,728)	36,911,773	36,738,428	99.43%	140,644	36,879,072	99.91%
2018	2017	40,188,872	(67,965)	40,120,907	39,949,044	99.40%	130,962	40,080,006	99.90%
2019	2018	42,780,382	(59,704)	42,720,678	42,542,525	99.44%	131,856	42,674,381	99.89%
2020	2019	45,358,354	(87,801)	45,270,553	45,061,627	99.35%	155,733	45,217,360	99.88%
2021	2020	47,648,292	(111,452)	47,536,840	47,349,936	99.37%	119,827	47,469,763	99.86%
2022	2021	50,189,370	(66,294)	50,123,076	49,889,204	99.40%	138,029	50,027,233	99.81%
2023	2022	54,793,770	(176,812)	54,616,958	54,479,895	99.43%	-	54,479,895	99.75%

Source: Randall County Tax Assessor/Collector and Randall County Auditor

RANDALL COUNTY, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST 10 FISCAL YEARS
SEPTEMBER 30, 2023

Table 9

	GOVERNMENTAL ACTIVITIES				Total Primary Government	Percentage of Property Value (1)	Percentage of Personal Income (2)	\$ Per Capita (2)
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Capital Lease				
2014	10,535,000	28,980,000	-	1,585,622	41,100,622	0.51%	0.75%	325
2015	11,940,000	25,608,293	-	1,583,940	39,132,233	0.47%	0.73%	305
2016	9,965,000	34,288,602	-	1,167,255	45,420,857	0.52%	0.77%	349
2017	7,955,000	33,488,562	-	1,454,863	42,898,425	0.46%	0.71%	324
2018	15,035,000	31,891,835	-	953,622	47,880,457	0.47%	0.76%	356
2019	15,545,000	27,534,857	-	505,428	43,585,285	0.42%	0.67%	320
2020	20,270,000	18,866,020	4,000,000	250,099	43,386,119	0.40%	0.64%	315
2021	18,915,000	16,502,183	3,375,000	126,882	38,919,065	0.34%	0.53%	277
2022	16,990,000	14,473,346	2,725,000	-	34,188,346	0.29%	0.42%	238
2023	14,750,000	21,487,620	2,060,000	-	38,297,620	0.28%	0.45%	262

Note:

(1) Property values are found in Table 6

(2) Personal income and population are found in Table 13

**RANDALL COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
SEPTEMBER 30, 2023**

Table 10

Taxable assessed value	\$ 13,825,500,288
Debt limit (5% of taxable assessed value)	\$ 691,275,014
Debt applicable to limit:	
General Obligation Bonds and Certificates of Obligation	38,297,620
Less: amount set aside for repayment of debt	(156,031)
Net Indebtedness subject to debt limit	38,141,589
Net debt contracting margin	\$ 653,133,425
Percentage of net debt contraction margin available	94.48 %
Percentage of net debt contracting power exhausted	5.52 %

Last Ten Years			
Fiscal Year	Constitutional Debt Limit	Net Outstanding Indebtedness September 30	Percentage of Net Debt Contracting Margin Available
2014	400,288,143	39,510,556	90.13
2015	418,958,781	37,311,165	91.09
2016	440,868,543	43,679,423	90.09
2017	462,049,876	41,270,160	91.07
2018	504,537,741	46,843,309	90.72
2019	519,861,486	42,966,580	91.73
2020	540,309,060	42,999,931	92.04
2021	564,180,955	38,692,606	93.14
2022	595,913,657	34,127,781	94.27
2023	691,275,014	38,141,589	94.48

RANDALL COUNTY, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Table 11

Fiscal Year	Population	Assessed Value (in Thousands)	General Obligation Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of	
						Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2014	126,474	8,223,549	39,515,000	4,444	39,510,556	4.805%	312
2015	128,220	8,611,942	37,548,293	133,835	37,414,458	4.344%	292
2016	130,269	9,063,337	44,253,602	90,577	44,163,025	4.873%	339
2017	132,501	10,951,140	41,443,562	173,402	41,270,160	3.769%	311
2018	134,442	11,859,282	46,926,835	83,526	46,843,309	3.950%	348
2019	136,271	12,400,537	43,079,857	113,277	42,966,580	3.465%	315
2020	137,713	12,904,636	43,136,020	136,089	42,999,931	3.332%	312
2021	140,753	13,470,869	38,692,606	99,577	38,593,029	2.865%	274
2022	143,854	14,130,909	34,188,346	60,565	34,127,781	2.415%	237
2023	146,140	16,979,868	38,297,620	156,031	38,141,589	2.246%	261

**RANDALL COUNTY, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2023**

Table 12

<u>Governmental Unit</u>	<u>Gross Debt</u>	<u>Estimated Percent Applicable</u>	<u>Randall County Share of Debt</u>
Direct:			
Randall County	\$ 38,297,620	100.00%	<u>\$ 38,297,620</u>
Overlapping:			
Amarillo Independent School District	220,125,226	48.43%	106,606,647
Canyon Independent School District	223,695,000	100.00%	223,695,000
City of Amarillo	146,753,000	54.43%	79,877,658
City of Canyon	4,130,000	100.00%	4,130,000
Amarillo College District	108,360,000	54.11%	58,633,596
Bushland Independent School District	92,440,000	13.73%	12,692,012
Wildorado Independent School District	9,610,000	2.26%	<u>217,186</u>
			<u>485,852,099</u>
Total Direct and Overlapping Debt			<u><u>\$ 524,149,719</u></u>

Source: Randall County Auditor's Office

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Percentages were calculated by determining the portion of the county's total taxable value that is within the entities' boundaries and dividing it by the County's total taxable assessed valuation.

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

Table 13

Fiscal Year	Population	Personal Income (In Thousands)	Per Capita Income	Residents Median Age	Education Level in Years of Formal Schooling	Enrollment	Unemployment Rate
2014	126,474	5,494,530	43,444	35.30	14.6	39,764	4.1%
2015	128,220	5,377,326	41,938	35.30	14.6	41,718	3.4%
2016	130,269	5,891,161	45,223	35.30	14.7	42,928	2.9%
2017	132,501	6,001,493	45,294	35.40	14.7	43,151	2.6%
2018	134,442	6,280,865	46,718	35.80	14.8	44,337	2.6%
2019	136,271	6,536,422	47,966	36.00	14.8	44,398	2.4%
2020	137,713	6,822,849	49,544	36.30	14.9	45,506	4.6%
2021	140,753	7,329,407	52,391	36.30	32.4	37,178	3.2%
2022	143,854	8,110,571	56,381	36.40	30.9	36,368	2.6%
2023	146,140	8,460,921	57,896	36.60	32.2	36,155	3.1%

Source: Population, per capita income, personal income, median age information and enrollment provided by the Bureau of Economic Analysis, Texas Education Association, West Texas A&M University, Amarillo College

Unemployment rates provided by US Dept. of Labor Bureau of Labor Statistics

**RANDALL COUNTY, TEXAS
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO**

Table 14

2023			2014		
Employer	Employees	Rank	Percentage of County		Percentage of County
			Employment (1)	Employment	
Canyon Independent School District	2,030	1	2.6%	1,226	1
Affiliated Foods, Inc.	1,600	2	2.1%	953	2
Wal-Mart	1,000	3	1.3%	818	3
United Supermarkets	910	4	1.2%	730	4
West Texas A&M University	816	5	1.1%	475	5
Randall County	557	6	0.7%	465	6
Owens Corning	450	7	0.6%	400	7
Texas Department of Transportation	386	8	0.5%	340	8
Atmos Energy	330	9	0.4%	330	9
Region 16 Education Service Center	300	10	0.4%	300	10
	<u>8,379</u>		<u>10.9%</u>	<u>6,037</u>	<u>8.3%</u>

Source: Amarillo Chamber of Commerce, Amarillo Economic Development Corp. and Canyon Economic Development Corp.

- (1) Current Randall County total employment force is estimated 76,828.
(2) Randall County total employment force in 2014 was 73,035. Estimated employees data is presented for 9 years ago based on growth factors.

RANDALL COUNTY, TEXAS
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/ACTIVITY
LAST TEN FISCAL YEARS

Table 15

Activity	Full-time Equivalent Employees as of September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative	33	32.5	29	28.5	28.5	30.5	31	31	31	31
Judicial	69.5	70.5	69.5	70	72.5	75.5	75.5	79	79	81
Elections	4.5	4.5	4.5	4.5	4.5	5	4.5	5	5	4.5
Financial Administration	39	39	39	38.5	38.5	39	38	39	39	37.5
Public Facilities	3	4	4	4	4	4	4	4	5	5
Public Safety	317.5	318	318	323	329.5	343.5	346.5	343.5	334.5	355
Road & Bridge	23	24	22	24	26	27	26	31	31	35
Health & Welfare	0.5	0.5	0.5	1	1	1	1	1	1	1
Extension Service	6	6	6	5.5	6.5	6.5	6.5	6.5	6.5	6.5
	<u>496</u>	<u>499</u>	<u>492.5</u>	<u>499</u>	<u>511</u>	<u>532</u>	<u>533</u>	<u>540</u>	<u>532</u>	<u>556.5</u>

Source: Randall County 2014-2023 Budgets

RANDALL COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/ACTIVITY
LAST TEN FISCAL YEARS

Table 16

Activity	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Administrative:										
Collections:										
Collection rate	75.7%	70.0%	66.7%	57.4%	63.7%	69.3%	73.4%	76.0%	62.5%	57.0%
County Clerk:										
Civil cases filed	670	736	737	674	535	429	473	608	640	984
Civil cases disposed	653	717	744	688	545	282	331	433	489	459
Criminal cases filed	1,590	1,330	1,386	1,385	1,420	1,309	1,051	1,003	867	914
Criminal cases disposed	1,660	1,362	1,388	1,419	1,200	1,326	1,064	1,045	908	2,040
Public records filed	20,466	21,604	23,120	22,067	22,000	25,078	28,078	33,986	30,435	24,254
Information Technology:										
Software systems maintained	40	41	41	41	41	35	35	35	36	36
Phone systems maintained	9	10	10	10	9	9	8	8	1	1
Judicial										
Criminal District Attorney:										
Felony cases filed	1,164	802	864	1,036	972	896	893	973	888	831
Felony cases disposed	2,918	1,089	1,922	3,466	1,036	1,086	806	825	805	733
Misdemeanor cases filed	2,064	1,378	1,404	1,430	1,493	1,115	959	913	872	829
Misdemeanor cases disposed	3,452	1,520	2,427	2,524	1,341	1,475	1,047	904	865	787
District Clerk:										
Jury notices mailed	127,055	129,596	130,891	130,650	134,570	138,197	10,785	11,506	22,156	28,300
Civil cases filed	2,957	2,987	2,976	2,918	3,006	2,866	2,030	2,645	1,940	2,025
Civil cases disposed	2,958	2,988	2,860	1,779	1,869	2,650	1,793	2,544	2,341	2,276
Criminal cases filed	1,835	1,817	1,333	1,405	1,447	1,204	885	878	1,156	1,134
Criminal cases disposed	1,529	1,514	1,379	1,367	1,435	1,235	823	904	1,188	1,741
Justice of the Peace (2):										
Cases filed	7,358	8,650	4,211	14,377	8,804	9,156	7,378	8,227	7,902	6,465
Cases disposed	7,266	5,976	3,706	9,385	7,049	7,384	6,320	8,360	7,089	4,986
Domestic Relations Office:										
Cases received	48	45	54	112	79	68	64	58	36	80
Cases disposed	76	54	53	43	100	86	74	57	58	71
Elections										
Votes cast	28,413	17,908	55,359	7,108	48,624	12,259	64,957	12,018	48,103	13,414
Registered Voters	80,167	79,832	85,098	85,025	87,624	87,775	93,286	92,815	95,908	96,121
Financial Administration										
County Auditor:										
Internal audits performed	19	20	14	18	24	23	17	17	22	16
Vendor checks issued	6,799	6,551	6,366	6,490	6,452	6,277	5,540	5,334	5,403	5,398
Scanned images	-	-	-	-	-	-	-	39,481	54,564	56,876
Purchasing:										
Purchase orders	1141	2336	1136	2,116	2,039	2,171	2,233	2,647	1,211	1,231
Purchasing card transactions	6701	6366	7059	5,807	5,322	5,748	5,429	4,874	5,918	6,831
Request for bids/proposals	54	67	54	28	24	30	30	32	22	26
County Treasurer:										
Receipts processed	3,284	3,218	3,101	3,340	3,366	3,233	3,024	2,964	3,113	3,261
HR/Payroll:										
Payroll direct deposits issued	12,588	12,707	14,190	13,471	13,507	14,241	14,144	14,698	16,828	18,324
Employment applications	950	558	869	944	719	823	612	766	605	788
County Tax Assessor/Collector:										
Property tax accounts	63,885	64,748	65,939	67,039	67,750	69,072	70,156	69,932	70,760	71,647
Vehicles registered	131,155	132,029	133,129	136,767	136,758	137,622	136,973	142,941	144,457	146,253

**RANDALL COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/ACTIVITY
LAST TEN FISCAL YEARS**

Table 16

Continuation											
	Activity	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Facilities</u>											
	Buildings maintained	7	8	8	8	8	8	8	8	8	8
<u>Public Safety</u>											
	Fire:										
	Fire and emergency responses	1,306	1,106	1,193	1,292	1,406	1,459	1,625	1,646	1,754	1,765
	Sheriff:										
	Offenses (Part I-Part V)	1,956	1,954	1,947	2,014	2,012	2,042	1,545	1,468	1,680	1,374
	Warrants disposed	4,166	3,688	3,902	3,912	3,921	2,244	2,090	1,981	2,030	1,932
	Calls for service	12,354	12,336	12,341	16,075	17,185	17,514	11,526	11,731	17,014	16,648
	Citations	3,881	4,361	4,323	4,783	5,947	5,284	2,216	3,029	4,728	2,622
	Jail:										
	Average prisoner population	370	358	358	390	390	415	402	400	422	430
	Dispatch:										
	Total calls handled	116,146	112,572	119,247	120,465	121,312	121,241	90,114	100,278	96,403	86,704
	911 calls	15,504	14,681	14,222	13,489	13,534	12,076	14,500	16,113	14,918	14,359
	Juvenile Probation:										
	Average juvenile resident population	64	58	58	55	65	54	43	48	49	45
	Adult probation:										
	Misdemeanor probation	600	389	321	346	416	425	240	184	197	330
	Felony probation	396	375	407	502	437	497	264	237	316	499
<u>Road & Bridge</u>											
	Paved road miles resurfaced	33.00	40.00	20.00	6.00	12.50	23.95	40.30	37.73	37.10	33.00
	Caliche roads miles replated	7.00	8.00	1.00	14.00	21.00	8.05	13.80	12.10	13.60	8.75
<u>Extension Service</u>											
	Educational programs conducted	218	563	575	572	532	562	472	433	450	392
	Educational program attendance	49,671	61,511	102,095	107,472	158,517	81,707	90,446	174,099	176,000	190,580

Source: Randall County Departments

RANDALL COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/ACTIVITY
LAST TEN FISCAL YEARS

Table 17

<u>Activity</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>General Government</u>										
County Clerk										
Records management software	4	4	3	2	2	1	3	3	3	3
Document imaging hardware	6	6	6	6	5	5	6	7	9	6
Information Technology										
Servers	20	20	21	25	33	45	47	50	55	55
Tape drives	4	3	2	1	1	1	1	0	0	0
Phone systems and sub-systems	9	10	10	10	9	9	8	8	1	1
District Clerk										
Case management software	9	8	8	9	2	3	3	3	2	2
Data imaging software/hardware	2	3	3	2	1	1	1	1	1	1
<u>Judicial</u>										
Vehicles	8	8	9	10	10	9	9	8	8	8
Court audio/visual systems	12	12	14	17	16	17	17	15	15	15
Security systems	3	3	3	3	5	5	8	8	10	10
<u>Elections</u>										
Election & voter registration software	3	3	3	5	3	4	6	6	7	7
<u>Financial Administration</u>										
Scanner/imaging system	1	1	1	1	1	1	1	1	1	1
Financial software applications	1	1	1	1	1	1	1	1	1	1
Tax office software applications	0	0	0	0	0	0	0	0	0	2
<u>Facilities</u>										
Buildings	18	18	18	19	19	20	23	24	24	24
Vehicles	5	5	5	6	6	6	6	6	9	7
Heavy equipment	9	9	9	9	9	10	11	11	11	12
<u>Public Safety</u>										
Sheriff & Jail vehicles	80	83	94	102	104	105	114	113	119	115
Juvenile probation vehicles	26	26	28	27	26	24	24	25	26	24
Fire trucks	30	29	31	30	33	32	32	34	37	36
Emergency sirens	14	14	14	14	15	15	15	15	18	18
<u>Road & Bridge</u>										
Vehicles	48	46	49	45	48	44	45	48	50	46
Equipment	93	84	86	87	98	97	105	103	106	111
Roads (paved)	309	312	312	318	323	332	341	346	350	352
Bridges	5	5	5	5	5	5	5	5	5	5
<u>Extension Service</u>										
Stock trailer	1	1	1	1	1	1	1	1	1	1
Video systems	2	2	3	3	3	3	3	2	2	2

COMPLIANCE



To The Honorable County Judge and
Commissioners Comprising the
Commissioners' Court of
Randall County, Texas

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Randall County, Texas (the County), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 16, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC

Amarillo, Texas

February 16, 2024

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Financial Advisory Services
Provided By:

