

**WILBARGER COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

# WILBARGER COUNTY, TEXAS

## ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2025

### TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<b>FINANCIAL SECTION</b>		
Independent Auditor's Report		1-3
Management's Discussion and Analysis (Required Supplementary Information)		4-14
<b>BASIC FINANCIAL STATEMENTS</b>		
Statement of Net Position	A-1	15
Statement of Activities	A-2	16-17
Balance Sheet – Governmental Funds	A-3	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	A-4	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	A-5	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	A-6	21
Statement of Net Position – Enterprise Fund	A-7	22
Statement of Revenues, Expenses and Changes in Fund Net Position - Enterprise Fund	A-8	23
Statement of Cash Flows – Enterprise Fund	A-9	24
Statement of Fiduciary Net Position	A-10	25
Statement of Changes in Fiduciary Net Position	A-11	26
Notes to the Financial Statements		27-54
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>		
Budgetary Comparison Schedule – General Fund	B-1	55-56
Budgetary Comparison Schedule – Road & Bridge Fund	B-2	57
Budgetary Comparison Schedule – Grant Fund	B-3	58
Budgetary Comparison Schedule – ARPA Fund	B-4	59
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Texas County and District Retirement System	B-5	60-61
Schedule of Employer Contributions – Texas County and District Retirement System	B-6	62
Schedule of Changes in Total OPEB Liability and Related Ratios – Wilbarger County Retiree Health Care Plan	B-7	63-64
Notes to Required Supplementary Information		65-66

# WILBARGER COUNTY, TEXAS

## ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2025

### TABLE OF CONTENTS (CONT'D.)

	<u>Exhibit</u>	<u>Page</u>
<b>COMBINING STATEMENTS AND BUDGET COMPARISONS AS SUPPLEMENTARY INFORMATION</b>		
Combining Balance Sheet – Nonmajor Governmental Funds	C-1	67
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	C-2	68
Budgetary Comparison Schedule – Jury Fund	C-3	69
Budgetary Comparison Schedule – Special Services Fund	C-4	70
Budgetary Comparison Schedule – Juvenile Services Fund	C-5	71
Budgetary Comparison Schedule – Capital Projects Fund	C-6	72
Combining Statement of Fiduciary Net Position – Custodial Funds	C-7	73-75
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	C-8	76-78

*FINANCIAL SECTION*



# EDGIN, PARKMAN, FLEMING & FLEMING, PC

CERTIFIED PUBLIC ACCOUNTANTS

1401 HOLLIDAY ST., SUITE 216 ▪ P.O. Box 750  
WICHITA FALLS, TEXAS 76307-0750  
PH. (940) 766-5550 ▪ FAX (940) 766-5778

MICHAEL D. EDGIN, CPA  
DAVID L. PARKMAN, CPA  
A. PAUL FLEMING, CPA  
JOSHUA R. HARMAN, CPA

## Independent Auditor's Report

To The Honorable County Judge and County Commissioners  
Wilbarger County, Texas

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wilbarger County, Texas, as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wilbarger County, Texas as of September 30, 2025, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

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

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the budgetary comparison schedules, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Texas County and District Retirement System, the Schedule of Employer Contributions – Texas County and District Retirement System, and the Schedule of Changes in Total OPEB Liability and Related Ratios – Wilbarger County Retiree Health Care Plan identified in the table of contents as Required Supplementary Information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining 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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued under separate cover our report dated April 8, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Edgin, Parkman, Fleming & Fleming, PC*

EDGIN, PARKMAN, FLEMING & FLEMING, PC

Wichita Falls, Texas  
April 8, 2026

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Wilbarger County, Texas, we offer readers of the County's Annual Financial Report this narrative overview and analysis of the County's financial performance during the fiscal year ended September 30, 2025. Please read it in conjunction with the County's financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2025 by \$18,956,856 (net position). Of this amount, \$7,868,732 (unrestricted net position) may be used to meet the County's obligations.
- During the year, the County's total net position increased by \$3,185,805. The County's expenses, which totaled \$11,259,983, were less than the County's program revenues of \$4,832,354 and general revenues of \$9,811,309. The excess of revenues over expenditures was reduced by an error correction reduction to beginning net position of \$60,214 and a reduction to beginning net position by \$137,661 from a change in accounting principle.
- The General Fund reported a fund balance this year of \$6,881,848, which is an increase of \$1,779,825 in comparison with the prior year amount.
- At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$6,699,303, or 96% of the General Fund expenditures.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers a broad overview of the County's finances in a manner similar to a private-sector business.

All of the County's services are reported in the government-wide financial statements, including general government and airport. Property taxes and sales taxes finance most of the general government activities. User charges finance the airport activities. Additionally, all capital and debt financing activities are reported here.

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

The *statement of activities* details how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, 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 property taxes).

## **Fund Financial Statements**

The County uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the County's most significant *funds* – not the County as a whole. Some funds are required by State law and or bond covenants. Other funds may be established by the County to control and manage money for particular purposes or to evidence appropriate use of certain taxes, grants, and other special revenues.

All the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus on *governmental funds* is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's short-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances. These reconciliations facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintained multiple governmental funds in the current year. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balance for the General Fund, Road and Bridge Fund, Grant Fund, and ARPA Fund, which are considered to be the major funds. Financial data for the other governmental funds are combined into a single, aggregated presentation.

A **proprietary fund** is used to account for operations that are financed similar to those in the private sector. This fund provides both long- and short-term financial information. The County uses this fund to report the activities for airport services.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the County. 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 programs. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The County's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position.

## **Notes to the Basic Financial Statements**

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

## Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* that further explains and supports the information in the financial statements.

## Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. Exhibited below in Table 1 is the County's net position summarized for both *governmental activities* and *business-type activities*.

**Table 1 - County's Net Position**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$10,776,528	\$10,449,826	\$ 148,511	\$ 233,534	\$10,925,039	\$10,683,360
Capital assets, net	9,456,366	7,705,333	826,324	867,057	10,282,690	8,572,390
<b>Total Assets</b>	<b>20,232,894</b>	<b>18,155,159</b>	<b>974,835</b>	<b>1,100,591</b>	<b>21,207,729</b>	<b>19,255,750</b>
<b>Deferred Outflows</b>	<b>398,475</b>	<b>466,113</b>	<b>8,433</b>	<b>10,290</b>	<b>406,908</b>	<b>476,403</b>
Current liabilities	995,655	2,289,155	9,862	61,111	1,005,517	2,350,266
Noncurrent liabilities	877,094	1,219,678	20,054	21,564	897,148	1,241,242
<b>Total Liabilities</b>	<b>1,872,749</b>	<b>3,508,833</b>	<b>29,916</b>	<b>82,675</b>	<b>1,902,665</b>	<b>3,591,508</b>
<b>Deferred Inflows</b>	<b>684,957</b>	<b>330,302</b>	<b>70,159</b>	<b>39,292</b>	<b>755,116</b>	<b>369,594</b>
Net position:						
Net investment in capital assets	8,952,636	7,180,544	826,324	867,057	9,778,960	8,047,601
Restricted	1,294,112	581,795	15,052	-	1,309,164	581,795
Unrestricted	7,826,915	7,019,798	41,817	121,857	7,868,732	7,141,655
<b>Total Net Position</b>	<b>\$18,073,663</b>	<b>\$14,782,137</b>	<b>\$ 883,193</b>	<b>\$ 988,914</b>	<b>\$18,956,856</b>	<b>\$15,771,051</b>

Net investment in capital assets (e.g. land, buildings, furniture, and equipment less any related debt used to acquire those assets that is still outstanding) is \$9,778,960. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's net 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 capital assets themselves cannot be used to liquidate these liabilities.

A portion of the County's net position, \$1,309,164, represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position of \$7,868,732 may be used to meet the County's ongoing obligations.

## Changes in Net Position

The County's total revenues were \$14,643,663. The governmental activities generated revenues of \$14,205,182, or 97%, including 13% from charges for services, 45% from property taxes, and 9% from sales taxes. The remaining 3%, or \$438,481, comes from the business-type activities which was almost entirely charges for services. Table 2 shows the County's revenues for the years ended September 30, 2025 and 2024.

**Table 2 - County's Revenues**

	2025	Percent	2024	Percent
<b>Governmental Activities</b>				
Charges for services	\$ 1,889,669	13%	\$ 1,880,521	15%
Operating grants and contributions	641,397	4%	615,521	5%
Capital grants and contributions	1,879,221	13%	222,893	2%
Property taxes	6,606,117	45%	6,447,237	52%
Sales taxes	1,349,092	9%	950,505	8%
Other taxes	17,636	0%	21,438	0%
Investment earnings	531,724	4%	537,685	4%
Miscellaneous	1,290,326	9%	1,196,117	10%
Total governmental activities	<u>14,205,182</u>	<u>97%</u>	<u>11,871,917</u>	<u>96%</u>
<b>Business-type activities</b>				
Charges for services	404,417	3%	402,868	4%
Operating grants and contributions	17,650	0%	54,126	0%
Investment earnings	4,677	0%	6,785	0%
Miscellaneous	11,737	0%	26,973	0%
Total business-type activities	<u>438,481</u>	<u>3%</u>	<u>490,752</u>	<u>4%</u>
 Total revenues	 <u>\$ 14,643,663</u>	 <u>100%</u>	 <u>\$ 12,362,669</u>	 <u>100%</u>

The total cost of all programs and services was \$11,259,983. The County's expenses cover a range of services with the most significant being 28% related to road and bridge, 18% for public facilities, 14% for general government, 12% for judicial and 13% for public safety. Exhibited below in Table 3 are the County's expenses for the years ended September 30, 2025 and 2024.

**Table 3 - County's Expenses**

	2025	Percent	2024	Percent
<b>Governmental activities</b>				
General government	\$ 1,567,240	14%	\$ 1,683,098	15%
Judicial	1,375,727	12%	1,392,226	13%
Legal	243,500	3%	280,061	3%
Financial	582,682	5%	591,244	5%
Public facilities	2,040,015	18%	1,925,889	17%
Public safety	1,424,607	13%	1,502,614	14%
Health and welfare	115,416	1%	38,413	0%
Conservation	156,708	1%	187,073	2%
Road and bridge	3,195,823	28%	2,871,145	27%
ARPA	-	0%	31,336	0%
Interest and fiscal charges	23,408	0%	19,923	0%
Total governmental activities	<u>10,725,126</u>	<u>95%</u>	<u>10,523,022</u>	<u>96%</u>
<b>Business-type activities</b>				
Airport	534,857	5%	492,779	4%
Total business-type activities	<u>534,857</u>	<u>5%</u>	<u>492,779</u>	<u>4%</u>
 Total expenses	 <u>\$ 11,259,983</u>	 <u>100%</u>	 <u>\$ 11,015,801</u>	 <u>100%</u>

## Governmental and Business-Type Activities

Table 4 presents the various revenue categories and gross costs of each of the County's functional areas for both the current and prior year. Following the table, we provide explanations for the significant or unusual fluctuations between the two years.

**Table 4 - Changes in Net Position**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 1,889,669	\$ 1,880,521	\$ 404,417	\$ 402,868	\$ 2,294,086	\$ 2,283,389
Operating grants and contributions	641,397	615,521	17,650	54,126	659,047	669,647
Capital grants and contributions	1,879,221	222,893	-	-	1,879,221	222,893
General revenues:						
Property taxes	6,606,117	6,447,237	-	-	6,606,117	6,447,237
Sales taxes	1,349,092	950,505	-	-	1,349,092	950,505
Other taxes	17,636	21,438	-	-	17,636	21,438
Investment earnings	531,724	537,685	4,677	6,785	536,401	544,470
Miscellaneous	1,290,326	1,196,117	11,737	26,973	1,302,063	1,223,090
<b>Total revenues</b>	<b>14,205,182</b>	<b>11,871,917</b>	<b>438,481</b>	<b>490,752</b>	<b>14,643,663</b>	<b>12,362,669</b>
<b>Expenses:</b>						
General government	1,567,240	1,683,098	-	-	1,567,240	1,683,098
Judicial	1,375,727	1,392,226	-	-	1,375,727	1,392,226
Legal	243,500	280,061	-	-	243,500	280,061
Financial	582,682	591,244	-	-	582,682	591,244
Public facilities	2,040,015	1,925,889	-	-	2,040,015	1,925,889
Public safety	1,424,607	1,502,614	-	-	1,424,607	1,502,614
Health and welfare	115,416	38,413	-	-	115,416	38,413
Conservation	156,708	187,073	-	-	156,708	187,073
Road and bridge	3,195,823	2,871,145	-	-	3,195,823	2,871,145
ARPA	-	31,336	-	-	-	31,336
Interest and fiscal charges	23,408	19,923	-	-	23,408	19,923
Airport	-	-	534,857	492,779	534,857	492,779
<b>Total expenses</b>	<b>10,725,126</b>	<b>10,523,022</b>	<b>534,857</b>	<b>492,779</b>	<b>11,259,983</b>	<b>11,015,801</b>
<b>Change in net position</b>	<b>\$ 3,480,056</b>	<b>\$ 1,348,895</b>	<b>\$ (96,376)</b>	<b>\$ (2,027)</b>	<b>\$ 3,383,680</b>	<b>\$ 1,346,868</b>
Error correction	\$ (60,214)	\$ -	\$ -	\$ -	\$ (60,214)	\$ -
Change in accounting principle	\$ (128,316)	\$ -	\$ (9,345)	\$ -	\$ (137,661)	\$ -

- Total revenues increased \$2,280,994 over the prior year. The most significant changes were as follows:
  - Capital grants and contributions increased \$1,656,328 mostly due to an increase in ARPA grant funds expended in the current year for the new activity center.
  - Sales taxes increased \$398,587 mostly due to a large payment in the current year from a one-time payment by a company after a state sales tax audit.
- Total expenses increased \$244,182 over the prior year. The most significant fluctuation was as follows:
  - Road and bridge expenses increased \$324,678 due to increased wages and benefits from raises and increased maintenance projects in the current year.
- The beginning net position was reduced \$60,214 from an error correction because the County determined that a receipt received during the year ended September 30, 2024 was recorded as revenue during the year ended September 30, 2024 but was not earned until the year ended September 30,

2025. The beginning net position was reduced \$137,661 from a change in accounting principle due to the implementation of the new accounting pronouncement, GASB 101, *Compensated Absences*.

Table 5 presents the net cost of the County's governmental functions (total cost less fees generated by the activities). The net cost reflects what was funded by local tax dollars and other miscellaneous general revenues.

**Table 5 - Net Cost of Governmental Activities**

	Governmental Activities			
	2025	Percent	2024	Percent
General government	\$ 1,174,234	20%	\$ 1,248,234	16%
Judicial	930,891	15%	1,055,735	14%
Legal	138,976	2%	190,313	2%
Financial	312,314	5%	304,711	4%
Public facilities	243,282	4%	1,865,826	24%
Public safety	598,432	9%	608,795	8%
Health and welfare	85,709	1%	10,300	0%
Conservation	156,708	2%	187,073	2%
Road and bridge	2,650,885	42%	2,330,677	30%
ARPA	-	0%	(17,500)	0%
Interest and fiscal charges	23,408	0%	19,923	0%
Total governmental activities	<u>\$6,314,839</u>	<u>100%</u>	<u>\$ 7,804,087</u>	<u>100%</u>

### Financial Analysis of the County's Funds

As previously stated, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and segregation for particular purposes.

#### General Fund

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

At the end of the current fiscal year, the ending fund balance for the General Fund was \$6,699,303, of which \$18,207 was nonspendable related to inventories, \$164,338 was nonspendable related to prepaid expenditures and \$6,699,303 was unassigned. The unassigned fund balance represents 96% of the total General Fund expenditures. The total fund balance increased \$1,779,825 in the current fiscal year.

General Fund revenues totaled \$8,841,709, an increase of \$773,015 or 10% over the preceding year. The most significant changes between years were payments in lieu of taxes which increased \$190,465 or 18%, and sales taxes which increased \$398,587 or 42%. The increase in payment in lieu of taxes is due to the additional payments required under tax abatement agreements in the current year. The increase in sales taxes is due to a large payment in the current year from a one-time payment by a company after a state sales tax audit.

General Fund expenditures totaled \$6,956,670, an increase of \$21,274 or less than 1% from the preceding year. No expenditure functional area had a significant change.

General Fund total other financing sources and uses changed from net other sources of \$33,794 to net other uses of \$45,000 mostly because there were \$14,475 funds transferred from the grant fund, \$60,489

of proceeds from issuance of debt, and \$3,800 of proceeds from the sale of capital assets in the prior year while there were \$45,000 of transfers to other funds in both the current and prior year.

### **Road and Bridge Fund**

The Road and Bridge Fund consists of the revenues and expenditures to maintain the County's road and bridge infrastructure. At the end of the current fiscal year, the ending fund balance for the Road and Bridge Fund was \$923,374, of which \$40,170 was nonspendable related to inventory, \$18,953 was nonspendable related to prepaid expenditures and the remaining \$864,251 was committed for road and bridge activity. The total fund balance decreased \$892,281 in the current fiscal year.

Road and Bridge Fund revenues totaled \$2,597,274, a decrease of \$78,035 or 3% over the preceding year. The only individual revenue categories with significant changes were investment return and miscellaneous revenues. Investment return decreased \$37,009 or 32% due to a decline in funds invested and a decline in interest rates. Miscellaneous revenue decreased \$50,112 or 99% due to insurance proceeds in the prior year.

Road and Bridge Fund expenditures totaled \$3,504,305, an increase of \$197,216 or 6% from the preceding year. The only expenditure functional area with a significant change was debt service: principal expenditures which decreased \$33,028 or 27% due to a decrease in required debt payments in the current year.

Road and Bridge Fund total other financing sources and uses decreased from net other sources of \$19,400 to net other sources of \$14,750 due to similar proceeds from the sale of capital assets in both years.

### **Grant Fund**

The Grant Fund consists of the revenues and expenditures for grants received by the County. At the end of the current fiscal year, the ending fund balance for the Grant Fund was \$37,473, all of which was restricted to the grant requirements. The total fund balance did not change in the current fiscal year.

Grant Fund revenues totaled \$554,226, an increase of \$32,426 or 6% over the preceding year. No individual revenue categories had significant changes.

Grant Fund expenditures totaled \$554,226, a decrease of \$46,289 or 8% from the preceding year. The only expenditure functional areas with significant changes were general government, judicial, and public safety. General government expenditures decreased from \$18,213 to \$0 due to final expenditures of COVID relief grant funds in the prior year. Judicial expenditures increased \$40,418 or 31% due to increased District Attorney State grant funding from Senate Bill 22. Public safety expenditures decreased \$73,494 or 18% due to the decreased Sheriff State grant funding from Senate Bill 22.

Grant Fund total other financing sources and uses changed from net other sources of \$50,682 in the prior year to \$0 in the current year due to transfers of \$14,475 to other funds and \$65,157 of proceeds from new debt issuance in the prior year that did not occur in the current year.

### **ARPA Fund**

The ARPA fund consists of the revenues and expenditures for the COVID-19 relief ARPA grant funding. At the end of the current fiscal year, the ending fund balance for the ARPA fund was \$202,747, all of which was restricted to the ARPA grant requirements. The total fund balance decreased \$4,205 in the current fiscal year.

ARPA Fund revenues totaled \$1,789,957, an increase of \$1,562,464 or 687% over the preceding year. The only individual revenue categories with a significant change were intergovernmental revenues which increased \$1,615,250 or 1,285% and investment return which decreased \$52,786 or 52%.

Intergovernmental revenues increased because the County expended more ARPA funds in the current year. Investment return decreased due to a decline in the funds invested as the funds were expended and a decline in interest rates.

ARPA Fund expenditures totaled \$1,794,162, an increase of \$1,668,448 or 1,327% from the preceding year. The only expenditure functional area with a significant change was ARPA expenditures which increased \$1,685,948 due to an increase in ARPA grant funds expended in the current year.

### **Nonmajor Governmental Funds**

Nonmajor Governmental Funds consist of various special revenue funds and the capital projects fund. The total ending fund balance was \$635,882, an increase of \$36,431 from the previous year. Of the ending fund balance, \$345,534 was restricted for special services, \$6,627 was restricted for jury, \$271,836 was committed for capital projects and \$11,885 was committed for juvenile services.

Nonmajor Governmental Funds revenues totaled \$423,315, an increase of \$21,888 or 6% over the preceding year. The most significant change between years was fees and commissions revenue which increased \$18,663 or 22% due to additional courthouse security and pretrial diversion fees from increased rates and volume.

Nonmajor Governmental Funds expenditures totaled \$557,344, an increase of \$38,743 or 8% from the preceding year. The functional areas with significant changes were general government expenditures which increased \$22,195 or 11% and debt service - principal expenditures which increased from \$0 to \$20,282. General government expenditures increased due to the courthouse security project in the current year. Debt service – principal expenditures increased due to new debt service requirements in the current year from the issuance of a subscription-based information technology agreement (SBITA) liability in the current year.

Nonmajor Governmental Funds total other financing sources and uses only increased from net other sources of \$45,000 in the prior year to net other sources of \$170,460 in the current year due to similar transfers in from the General Fund in the current and prior year but proceeds of \$125,460 from the issuance of a SBITA liability in the current year.

### **General Fund Budgetary Highlights**

Over the course of the year, the County revised its General Fund budget several times. Actual expenditures were \$1,068,565 less than the final budget. The expenditure functional areas with significant budget variances were non-departmental which was \$264,197 below budgeted expenditures, district court which was \$101,866 below budgeted expenditures, jail which was \$262,717 below budgeted expenditures, and sheriff which was \$101,408 below budgeted expenditures, all due to conservative budgeting.

On the other hand, revenues were \$896,556 above the final budgeted amount. The significant variances were sales taxes, payments in lieu of taxes, fees and commissions and investment return. Sales taxes were \$574,092 above budgeted amounts due to a one-time payment from a company after a state sales tax audit that was not budgeted. Payments in lieu of taxes were \$253,244 above budgeted amounts due to larger required tax abatement payments than budgeted. Fees and commissions were \$116,886 below budgeted amounts due to fewer fees charged than anticipated. Investment return was \$167,446 above budgeted amounts due to greater interest earned than anticipated.

The budgeted areas that changed significantly from the original to the final budget were auditorium expenditures which were decreased \$113,202 due to fewer costs than originally budgeted.

### **Road and Bridge Fund Budgetary Highlights**

Over the course of the year, the County revised its Road and Bridge Fund budget. Actual expenditure were \$282,301 below the final budget. The significant budget variances were in precinct number two, precinct number three, and precinct number four functional areas of road and bridge. Precinct number two expenditures were \$42,034 below the budgeted amount, precinct number three expenditures were \$86,833 below the budgeted amount, and precinct number four expenditures were \$131,631 below the budgeted amount. The variances were due to conservative budgeting.

On the other hand, revenues were \$22,089 below the final budgeted amount. No individual categories had a significant variance.

The budgeted areas that changed significantly from the original to the final budget were precinct number one expenditures which were increased \$58,575 due to additional maintenance project costs than originally budgeted and transfers in which increased \$150,327 due to additional funds anticipated to be transferred to the fund.

### **Grant Fund Budgetary Highlights**

The County revised the Grant Fund budget during the year. Actual expenditure were \$222,856 below the final budget. The significant budget variances were in the judicial function and public safety function. The judicial expenditures were \$202,288 below the budgeted amount and the public safety expenditures were \$20,568 below the budgeted amount. The variances were due to conservative budgeting.

Revenues were \$239,279 less than the final budgeted amounts. Most of the variance related to intergovernmental revenues and the County budgeted the entire Senate Bill 22 costs, but not all were expended.

The budgeted areas that changed significantly from the original to the final budget were miscellaneous revenues which were increased \$51,423 due to additional receipts for public facilities projects not in the original budget, public facilities expenditures which were increased \$35,000 due to additional funding for public facilities projects, and debt service – principal expenditures which were increased \$15,117 due to SBITA liability required payments related to a SBITA issued in the prior year not in the original budget.

### **ARPA Fund Budgetary Highlights**

The County revised the ARPA Fund budget during the year. Actual expenditure were \$28,958 below the final budget. The entire budget variance was in the ARPA related function as the County used conservative budgeting.

Revenues were \$1,714,958 above the final budgeted amounts. The significant budget variances were in the areas of intergovernmental revenues and investment return. Intergovernmental revenues were \$1,740,964 above the final budgeted amount because it was not budgeted. Investment return was \$26,006 below the final budgeted amount because the budget was not reduced for fewer funds invested and a lower interest rate.

The budgeted areas that changed significantly from the original to the final budget were ARPA related expenditures which were increased \$538,120 due to additional ARPA project expenditures not in the original budget and transfers out were decreased \$75,000 to \$0 because no transfers to other funds were made.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2025, the County had invested in a broad range of capital assets totaling \$10,282,690, net of accumulated depreciation, including land, buildings and improvements, infrastructure, machinery and equipment, RTU leased equipment, SBITA assets, and construction in progress. See Table 6 below.

**Table 6 - Capital Assets, Net**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	\$ 374,294	\$ 374,294	\$ 33,137	\$ 33,137	\$ 407,431	\$ 407,431
Buildings and improvements	1,663,450	1,671,404	287,191	308,745	1,950,641	1,980,149
Infrastructure	2,463,267	2,591,521	490,278	505,604	2,953,545	3,097,125
Machinery and equipment	3,090,365	2,970,953	15,718	19,571	3,106,083	2,990,524
RTU leased equipment	11,339	15,118	-	-	11,339	15,118
SBITA assets	140,467	82,043	-	-	140,467	82,043
Construction in progress	1,713,184	-	-	-	1,713,184	-
<b>Totals</b>	<b>\$ 9,456,366</b>	<b>\$ 7,705,333</b>	<b>\$ 826,324</b>	<b>\$ 867,057</b>	<b>\$ 10,282,690</b>	<b>\$ 8,572,390</b>

Capital assets, net of accumulated depreciation, increased \$1,710,300 or 20% from the previous year. Additional information about the County's capital assets is presented in the notes to the financial statements.

### Long-term Debt

At September 30, 2025, the County had \$503,630 in long-term debt outstanding as shown in Table 7 below.

**Table 7 - Long-term Debt**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Notes payable	\$ 349,224	\$ 438,266	\$ -	\$ -	\$ 349,224	\$ 438,266
RTU liabilities	11,897	15,484	-	-	11,897	15,484
SBITA liabilities	142,509	71,039	-	-	142,509	71,039
<b>Totals</b>	<b>\$ 503,630</b>	<b>\$ 524,789</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 503,630</b>	<b>\$ 524,789</b>

Total long-term obligations decreased \$21,159 or 4%. Additional information about the County's long-term debt is presented in the notes to the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

### General Fund

Appraised value used for the 2025-26 General Fund budget preparation is \$1,304,949,215, a decrease of \$10,192,567, or less than 1% from the prior year taxable values. The General Fund tax rate adopted is \$0.373130 per \$100 valuation, an increase of \$0.02591 per \$100 valuation.

Revenues in the General Fund's budget are \$8,828,146, a decrease of \$13,563 or less than 1% less than the final 2024-25 actual revenues of \$8,841,709. The small decrease is due to similar budgeted activity as 2024-25.

General Fund expenditures are budgeted at \$8,248,552, an increase of \$1,291,882 or 18% from final 2024-25 expenditures of \$6,956,670. The increase is mostly due to increases in budgeted administrative expenditures for contingency, budgeted county clerk expenditures for wages, budgeted district court expenditures for attorney fees, budgeted juvenile probation for probation costs, budgeted law library

expenditures for law books, budgeted auditorium expenditures for planned capital improvements, budgeted sheriff expenditures for vehicle purchases and wages, and budgeted jail expenditures for wages.

General Fund other sources and uses are budgeted at net other sources of \$632,500 compared to net other uses of \$45,000 in 2024-25. The increase is mostly due to \$625,000 budgeted for net transfers in from other funds than actual \$45,000 net transfers out to other funds during 2024-25.

If these estimates are realized, the fund balance of the County's General Fund will increase \$1,212,094 by September 30, 2026.

#### Road and Bridge Fund

Appraised value used for the 2024-25 Road and Bridge Fund budget preparation is \$1,297,219,495, a decrease of \$10,242,967, or less than 1% from the prior year taxable values. The Road and Bridge Fund tax rate adopted is \$0.1506137 per \$100 valuation, an increase of \$0.0026837 per \$100 valuation.

Revenues in the Road and Bridge Fund's budget are \$2,626,544, an increase of \$29,270 or 1% more than the final 2024-25 actual revenues of \$2,597,274. The increase is mostly due to an increase in budgeted property tax collections.

Road and Bridge Fund expenditures are budgeted at \$3,978,359, an increase of \$474,054 or 13% from final 2024-25 expenditures of \$3,504,305. The increase is due to the budgeted increased purchase of equipment expected in 2025-26 and increased wages to road hands and construction supplies.

Road and Bridge Fund other sources and uses are budgeted at net other sources of \$100,000 compared to net other sources of \$14,750 in 2024-25 mostly due to \$100,000 budgeted proceeds from the sale of capital assets compared to \$14,750 actual proceeds from the sale of capital assets in 2024-25.

If these estimates are realized, the fund balance of the County's Road and Bridge Fund will decrease \$1,251,815 by September 30, 2026.

#### **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office.

*BASIC FINANCIAL STATEMENTS*

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2025**

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash	\$ 8,126,461	\$ 19,593	\$ 8,146,054
Investments	895,110	-	895,110
Receivables, net:			
Property taxes	260,889	-	260,889
Accounts	-	17,127	17,127
Fines	136,929	-	136,929
Intergovernmental	323,607	-	323,607
Other	13,546	-	13,546
Right-to-use lease receivable	-	53,107	53,107
Due from fiduciaries	76,587	-	76,587
Inventories	58,377	26,456	84,833
Prepaid items	183,291	17,176	200,467
Net pension asset	701,731	15,052	716,783
Capital assets not being depreciated	2,087,478	33,137	2,120,615
Capital assets being depreciated, net	7,368,888	793,187	8,162,075
Total assets	<u>20,232,894</u>	<u>974,835</u>	<u>21,207,729</u>
<b>Deferred outflows of resources</b>			
Pension plan related	393,161	8,433	401,594
OPEB plan related	5,314	-	5,314
Total deferred outflows of resources	<u>398,475</u>	<u>8,433</u>	<u>406,908</u>
<b>Liabilities</b>			
Accounts payable	316,796	1,505	318,301
Salaries payable	203,957	4,379	208,336
Due to others	1,563	-	1,563
Unearned revenue	473,339	3,978	477,317
Long-term liabilities:			
Due within one year	549,032	20,054	569,086
Due in more than one year	226,982	-	226,982
Total OPEB liability	101,080	-	101,080
Total liabilities	<u>1,872,749</u>	<u>29,916</u>	<u>1,902,665</u>
<b>Deferred inflows of resources</b>			
Pension plan related	656,443	14,081	670,524
OPEB plan related	28,514	-	28,514
Right-to-use lease receivable related	-	56,078	56,078
Total deferred inflows of resources	<u>684,957</u>	<u>70,159</u>	<u>755,116</u>
<b>Net Position</b>			
Net investment in capital assets	8,952,636	826,324	9,778,960
Restricted for:			
Jury duty	6,627	-	6,627
Special services	345,534	-	345,534
Grants	240,220	-	240,220
Pension asset	701,731	15,052	716,783
Unrestricted	7,826,915	41,817	7,868,732
Total net position	<u>\$ 18,073,663</u>	<u>\$ 883,193</u>	<u>\$ 18,956,856</u>

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
General government	\$ 1,567,240	\$ 324,656	\$ 68,350	\$ -
Judicial	1,375,727	226,164	218,672	-
Legal	243,500	81,191	23,333	-
Financial	582,682	270,368	-	-
Public facilities	2,040,015	55,769	-	1,740,964
Public safety	1,424,607	405,160	282,758	138,257
Health and welfare	115,416	-	29,707	-
Conservation	156,708	-	-	-
Road and bridge	3,195,823	526,361	18,577	-
Interest and fiscal charges	23,408	-	-	-
Total governmental activities	<u>10,725,126</u>	<u>1,889,669</u>	<u>641,397</u>	<u>1,879,221</u>
Business-type Activities:				
Airport	<u>534,857</u>	<u>404,417</u>	<u>17,650</u>	<u>-</u>
Total primary government	<u>\$ 11,259,983</u>	<u>\$ 2,294,086</u>	<u>\$ 659,047</u>	<u>\$ 1,879,221</u>

General revenues:

- Property taxes, levied for general purposes
- Sales taxes
- Other taxes
- Investment earnings
- Miscellaneous
- Total general revenues

Change in net position

- Net position - beginning, as originally stated
- Error correction
- Change in accounting principle
- Net position - beginning, as restated
- Net position - ending

The accompanying notes are an integral part of this statement

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (1,174,234)	\$ -	\$ (1,174,234)
(930,891)	-	(930,891)
(138,976)	-	(138,976)
(312,314)	-	(312,314)
(243,282)	-	(243,282)
(598,432)	-	(598,432)
(85,709)	-	(85,709)
(156,708)	-	(156,708)
(2,650,885)	-	(2,650,885)
(23,408)	-	(23,408)
<u>(6,314,839)</u>	<u>-</u>	<u>(6,314,839)</u>
-	(112,790)	(112,790)
<u>(6,314,839)</u>	<u>(112,790)</u>	<u>(6,427,629)</u>
6,606,117	-	6,606,117
1,349,092	-	1,349,092
17,636	-	17,636
531,724	4,677	536,401
<u>1,290,326</u>	<u>11,737</u>	<u>1,302,063</u>
<u>9,794,895</u>	<u>16,414</u>	<u>9,811,309</u>
<u>3,480,056</u>	<u>(96,376)</u>	<u>3,383,680</u>
14,782,137	988,914	15,771,051
(60,214)	-	(60,214)
<u>(128,316)</u>	<u>(9,345)</u>	<u>(137,661)</u>
<u>14,593,607</u>	<u>979,569</u>	<u>15,573,176</u>
<u>\$ 18,073,663</u>	<u>\$ 883,193</u>	<u>\$ 18,956,856</u>

**WILBARGER COUNTY, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2025**

	General Fund	Road & Bridge Fund	Grant Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 6,254,105	\$ 497,706	\$ 528,435	\$ 202,747	\$ 643,468	\$ 8,126,461
Investments	479,252	415,858	-	-	-	895,110
Receivables, net:						
Property taxes	177,771	83,118	-	-	-	260,889
Fines	134,171	-	-	-	2,758	136,929
Intergovernmental	252,732	22,511	-	-	48,364	323,607
Other	13,546	-	-	-	-	13,546
Due from other funds	136,500	6,343	-	-	26,739	169,582
Inventories	18,207	40,170	-	-	-	58,377
Prepaid items	164,338	18,953	-	-	-	183,291
Total assets	<u>\$ 7,630,622</u>	<u>\$ 1,084,659</u>	<u>\$ 528,435</u>	<u>\$ 202,747</u>	<u>\$ 721,329</u>	<u>\$ 10,167,792</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
Liabilities:						
Accounts payable	\$ 264,336	\$ 32,095	\$ 12,256	\$ -	\$ 8,109	\$ 316,796
Salaries payable	157,118	46,072	-	-	767	203,957
Due to others	-	-	-	-	1,563	1,563
Due to other funds	638	-	20,107	-	72,250	92,995
Unearned revenue	14,740	-	458,599	-	-	473,339
Total liabilities	<u>436,832</u>	<u>78,167</u>	<u>490,962</u>	<u>-</u>	<u>82,689</u>	<u>1,088,650</u>
Deferred inflows of resources:						
Unavailable revenues	<u>311,942</u>	<u>83,118</u>	<u>-</u>	<u>-</u>	<u>2,758</u>	<u>397,818</u>
Fund balances:						
Nonspendable	182,545	59,123	-	-	-	241,668
Restricted	-	-	37,473	202,747	352,161	592,381
Committed	-	864,251	-	-	283,721	1,147,972
Unassigned	6,699,303	-	-	-	-	6,699,303
Total fund balances	<u>6,881,848</u>	<u>923,374</u>	<u>37,473</u>	<u>202,747</u>	<u>635,882</u>	<u>8,681,324</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,630,622</u>	<u>\$ 1,084,659</u>	<u>\$ 528,435</u>	<u>\$ 202,747</u>	<u>\$ 721,329</u>	<u>\$ 10,167,792</u>

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2025**

Total fund balances - governmental funds (Exhibit A-3) \$ 8,681,324

Amounts reported for *governmental activities* in the Statement of Net Position (Exhibit A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of:

Gross capital assets	\$ 30,357,155	
Related accumulated depreciation	<u>20,900,789</u>	9,456,366

Property tax receivables and fines receivables are not available to pay for current period expenditures and therefore are deferred in the funds.		397,818
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Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Notes payable	349,224	
RTU liabilities	11,997	
SBITA liabilities	142,509	
Compensated absences	<u>272,284</u>	(776,014)

The County's net pension liability and related deferred outflows and inflows related to its participation in the Texas County & District Retirement System and the OPEB liability related to the County-provided retiree medical coverage do not meet the criteria to be reported in the governmental funds financial statements. These items consist of:

Net pension asset	701,731	
Deferred outflows - pension related items	393,161	
Deferred inflows - pension related items	(656,443)	
Total OPEB liability	(101,080)	
Deferred outflows - OPEB related items	5,314	
Deferred inflows - OPEB related items	<u>(28,514)</u>	<u>314,169</u>

Total net position - governmental activities (Exhibit A-1)		<u>\$ 18,073,663</u>
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The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	General Fund	Road & Bridge Fund	Grant Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property taxes	\$ 4,646,280	\$ 1,970,178	\$ -	\$ -	\$ -	\$ 6,616,458
Sales taxes	1,349,092	-	-	-	-	1,349,092
Other taxes	17,636	-	-	-	-	17,636
Payments in lieu of taxes	1,253,244	3,004	-	-	-	1,256,248
Fees and commissions	743,964	526,361	-	-	103,515	1,373,840
Fines and forfeitures	143,711	-	-	-	7,501	151,212
Intergovernmental	223,346	18,577	519,226	1,740,964	267,330	2,769,443
Investment return	367,446	79,093	-	48,993	36,192	531,724
Miscellaneous	96,990	61	35,000	-	8,777	140,828
Total revenues	<u>8,841,709</u>	<u>2,597,274</u>	<u>554,226</u>	<u>1,789,957</u>	<u>423,315</u>	<u>14,206,481</u>
<b>Expenditures</b>						
Current:						
General government	1,426,596	55,456	-	-	217,109	1,699,161
Judicial	1,337,195	-	169,794	-	-	1,506,989
Legal	272,860	-	-	-	10,826	283,686
Financial	636,302	-	-	-	-	636,302
Public facilities	2,044,249	-	35,000	-	-	2,079,249
Public safety	951,262	-	331,932	-	302,729	1,585,923
Health and welfare	107,976	-	-	-	-	107,976
Conservation	156,535	-	-	-	-	156,535
Road and bridge	-	3,346,797	-	-	-	3,346,797
ARPA	-	-	-	1,794,162	-	1,794,162
Debt service:						
Principal	22,178	89,091	15,117	-	20,282	146,668
Interest and fiscal charges	1,517	12,961	2,383	-	6,398	23,259
Total expenditures	<u>6,956,670</u>	<u>3,504,305</u>	<u>554,226</u>	<u>1,794,162</u>	<u>557,344</u>	<u>13,366,707</u>
Excess of revenues over (under) expenditures	<u>1,885,039</u>	<u>(907,031)</u>	<u>-</u>	<u>(4,205)</u>	<u>(134,029)</u>	<u>839,774</u>
Other sources (uses):						
Transfers in	-	-	-	-	45,000	45,000
Transfers out	(45,000)	-	-	-	-	(45,000)
Issuance of subscription liabilities	-	-	-	-	125,460	125,460
Proceeds from sale of capital assets	-	14,750	-	-	-	14,750
Total other sources (uses)	<u>(45,000)</u>	<u>14,750</u>	<u>-</u>	<u>-</u>	<u>170,460</u>	<u>140,210</u>
Net change in fund balances	<u>1,840,039</u>	<u>(892,281)</u>	<u>-</u>	<u>(4,205)</u>	<u>36,431</u>	<u>979,984</u>
Fund balances, beginning of year, as previously presented	5,102,023	1,815,655	37,473	206,952	599,451	7,761,554
Error correction	(60,214)	-	-	-	-	(60,214)
Fund balances, beginning of year, as restated	<u>5,041,809</u>	<u>1,815,655</u>	<u>37,473</u>	<u>206,952</u>	<u>599,451</u>	<u>7,701,340</u>
Fund balances, end of year	<u>\$ 6,881,848</u>	<u>\$ 923,374</u>	<u>\$ 37,473</u>	<u>\$ 202,747</u>	<u>\$ 635,882</u>	<u>\$ 8,681,324</u>

The accompanying notes are an integral part of this statement.

**WILBARGER 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, 2025**

Net change in fund balances - total governmental funds (Exhibit A-5) \$ 979,984

Amounts reported for *governmental activities* in the Statement of Activities (Exhibit A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:

Capital outlay during the year, net of trade ins	\$ 2,658,238	
Depreciation expense for the year	<u>827,079</u>	1,831,159

Proceeds from the sale of capital assets are recorded as revenues when received in the governmental funds. In the Statement of Activities, the difference between the proceeds and the book value of the capital asset is reported as a gain (loss) from sale. (80,126)

Because property tax and fines receivables will not be collected for several months after the County's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Deferred inflows of resources changed by this amount this year. (1,299)

Proceeds from the issuance of debt are recorded as other sources when received in the governmental funds. In the Statement of Net Position, the proceeds are recorded as a liability. The amount of proceeds during the year were as follows:

SBITA liabilities	<u>125,460</u>	(125,460)
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Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. The long-term debt principal paid during the year was as follows:

Notes payable	89,042	
RTU liabilities	3,487	
SBITA liabilities	<u>53,990</u>	146,519

Included in long-term debt are obligations for compensated absences. The changes in this obligation are not included in the governmental fund financial statements, but are included in the government-wide financial statements. The change in this long-term obligation was: (34,750)

The County participates in an employer other post-employment benefit obligation. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, post-employment benefit obligation expenses are recognized on an actuarial basis. The plan contributions exceeded the actuarial expense in the current year. 4,507

The County participates in an agent multiple-employer defined benefit pension plan. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. The plan contributions exceeded the actuarial expense in the current year. 759,522

Change in net position of governmental activities (Exhibit A-2) \$ 3,480,056

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**ENTERPRISE FUND**  
**SEPTEMBER 30, 2025**

	Enterprise Fund <u>Airport</u>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 19,593
Receivables, net:	
Accounts	17,127
Right-to-use leases receivable	53,107
Inventories	26,456
Prepaid items	17,176
Total current assets	<u>133,459</u>
Capital assets:	
Capital assets not being depreciated	33,137
Capital assets being depreciated, net	793,187
Total capital assets, net	<u>826,324</u>
Net pension asset	<u>15,052</u>
Total assets	<u>974,835</u>
<b>Deferred Outflows of Resources</b>	
Pension plan related	<u>8,433</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	1,505
Salaries payable	4,379
Unearned revenues	3,978
Compensated absences - current portion	20,054
Total current liabilities	<u>29,916</u>
Total liabilities	<u>29,916</u>
<b>Deferred Inflows of Resources</b>	
Pension plan related	14,081
Right-to-use leases receivable related	56,078
Total deferred inflows of resources	<u>70,159</u>
<b>Net Position</b>	
Net investment in capital assets	826,324
Restricted	15,052
Unrestricted	41,817
Total net position	<u>\$ 883,193</u>

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN FUND NET POSITION - ENTERPRISE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Enterprise Fund <u>Airport</u>
<b>Operating Revenues</b>	
Sale of fuel	\$ 330,243
Hangar rentals	73,322
Other revenues	852
Total Operating Revenues	<u>404,417</u>
<b>Operating Expenses</b>	
Salaries and related costs	125,819
Other supplies and charges	259,001
Repairs and maintenance	61,416
Insurance	25,478
Utilities	22,410
Depreciation	40,733
Total Operating Expenses	<u>534,857</u>
<b>Operating Loss</b>	<u>(130,440)</u>
<b>Non-Operating Revenues</b>	
Intergovernmental revenue	17,650
Farmland lease	11,737
Interest revenue	4,677
Total Non-operating Revenues	<u>34,064</u>
<b>Change in net position</b>	<u>(96,376)</u>
<b>Net position - beginning, as originally stated</b>	988,914
<b>Change in accounting principle</b>	(9,345)
<b>Net position - beginning, as restated</b>	<u>979,569</u>
<b>Net position - ending</b>	<u>\$ 883,193</u>

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Enterprise Fund Airport
<b>Cash Flows from Operating Activities:</b>	
Cash received from customers	\$ 407,520
Cash payments to employees for services	(138,262)
Cash payments to other suppliers for goods and services	(395,808)
Net cash used by operating activities	<u>(126,550)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>	
Intergovernmental grants	17,650
Farmland lease	11,737
Net cash provided by non-capital financing activities	<u>29,387</u>
<b>Cash Flows from Investing Activities:</b>	
Interest on investments	<u>4,677</u>
Net Decrease in Cash and Cash Equivalents	(92,486)
Cash and Cash Equivalents at Beginning of Year	112,079
Cash and Cash Equivalents at End of Year	<u>\$ 19,593</u>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>	
Operating Loss	<u>\$ (130,440)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	40,733
Change in Assets and Liabilities:	
Decrease (Increase):	
Accounts receivables	3,103
Due from other governments	4,422
Right-to-use leases receivable	(18,488)
Inventories	20,387
Prepaid expenses	(1,835)
Deferred outflows of resources - pension plan related	1,857
Net pension asset	(15,052)
Increase (Decrease):	
Accounts payable	(49,192)
Salaries payable	4,030
Unearned revenues	(6,087)
Compensated absences	154
Deferred inflows of resources - pension plan related	7,577
Deferred inflows of resources - right-to-use leases receivable related	23,290
Net pension liability	(11,009)
Total adjustments	<u>3,890</u>
Net cash used by operating activities	<u>\$ (126,550)</u>

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**SEPTEMBER 30, 2025**

	Custodial Funds
<b>Assets</b>	
Cash and cash equivalents	\$ 1,921,518
Investments	242,464
Due from other funds	16,499
Total assets	<u>2,180,481</u>
<b>Liabilities</b>	
Accounts payable	6,365
Due to other funds	93,086
Due to other governments	557,953
Total liabilities	<u>657,404</u>
<b>Net Position</b>	
Restricted for other purposes	1,523,077
Total net position	<u>\$ 1,523,077</u>

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Custodial Funds
<b>Additions</b>	
Juvenile Probation	\$ 1,359,647
Sheriff's Department	172,816
Tax Assessor Collector	33,577,417
County Clerk	64,455
District Clerk	401,509
County and District Attorneys	48,742
Justices of the Peace	194,591
Miscellaneous	407,450
Total additions	<u>36,226,627</u>
<b>Deductions</b>	
Juvenile Probation	1,330,201
Sheriff's Department	150,423
Tax Assessor Collector	33,578,935
County Clerk	45,415
District Clerk	257,567
County and District Attorneys	62,909
Justices of the Peace	195,615
Miscellaneous	392,465
Total deductions	<u>36,013,530</u>
<b>Change in net position</b>	213,097
<b>Net position - beginning</b>	<u>1,309,980</u>
<b>Net position - ending</b>	<u>\$ 1,523,077</u>

The accompanying notes are an integral part of this statement.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

1. Reporting Entity

Wilbarger County, Texas (County), a political subdivision of the State of Texas is governed by an elected judge and four county commissioners which comprise the Commissioners' Court. The County's operational activities include general administrative services, judicial, public safety, the construction and maintenance of roads, health and welfare assistance, permanent records preservation, and conservation.

The accounting policies of the County conform to generally accepted accounting principles issued by the Governmental Accounting Standards Board (GASB) which is the recognized financial accounting standards setting body for governmental entities. The notes to the financial statements are an integral part of the County's basic financial statements.

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statements No. 39 and No. 61, in that the financial statements include all organizations, activities, functions and component units for which the County (the "primary government") is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the County's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the County.

There are no component units which satisfy requirements for blending or discrete presentation within the County's financial statements. Accordingly, the basic financial statements present the County only.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all the non-fiduciary activities of the County. For the most part, the effects of interfund activity have been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational requirements or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fines and permits, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The County reports the following major governmental funds:

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.

The *Road and Bridge Fund* accounts for the activities of the Road and Bridge department.

The *Grant Fund* is a special revenue fund used to account for various individual grants received by Wilbarger County.

The *American Rescue Plan Act (ARPA) Grant Fund* is a special revenue fund used to account for the federal American Rescue Plan Act COVID-19 relief grant funds.

The County reports the following nonmajor governmental funds as 'Nonmajor Governmental Funds':

The *Special Revenue Funds* account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The County reports the following major enterprise fund:

The *Airport Fund* accounts for the operations of the County's airport.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

Additionally, the County reports the following fund types:

*Custodial Funds* are used to report cash and investments and other resources held in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. The assets are held in a trustee or custodial capacity and are not available to support County programs; therefore, these funds are not included in the government-wide financial statements.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Airport enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Assets, Liabilities, and Net Position or Equity

a. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County 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; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor, or secured by obligations that are described above; or (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with third party selected or approved by the County, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

b. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied on October 1 by the County based on the January 1 property values as appraised by the Wilbarger County Appraisal District. Taxes are due without penalty until January 31 of the next calendar year. After January 31 the County has an enforceable lien with respect to both real and personal property. Under state law, property taxes levied on real property constitute a perpetual lien on the real property which cannot be forgiven without specific approval of the State Legislature. Taxes applicable to personal property can be deemed uncollectible by the County.

c. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when 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.

d. Right-to-Use Lease Receivable

The County is the lessor in agreements to lease farmland and airport hangar space. The leases are reported in the Airport enterprise fund and business-type activities. The farmland lease commenced in January 2025 with an initial lease term of three years and an interest rate of 5.00% with a computed present value of \$46,950. The farmland lease payments received during the year totaled \$16,420 including \$0 of interest. The farmland lease receivable at September 30, 2025 was \$30,530. The airport hangar lease commenced in July 2022 with an initial lease term of five years and an interest rate of 5.00% with a computed present value of \$59,615. The hangar space lease payments received during the year totaled \$12,043 including \$1,457 of interest. The hangar space lease receivable at September 30, 2025 was \$22,577. The total lease payments received during the year totaled \$28,463 including \$1,457 of interest. The total lease receivable at September 30, 2025 was \$53,107.

5. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g. roads, bridges, and similar items), and subscription-based information technology arrangements, are reported in the governmental activities 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 two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the time received.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	15 - 40 years
Infrastructure	20 - 35 years
Machinery and Equipment	5 - 15 years
Right-to-Use Leased Equipment	5 years
SBITA Assets	2 - 5 years

6. Right-to-Use Lease Liabilities

The County is a lessee for a non-cancellable lease of equipment. The County recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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

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

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease.

Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that the County is reasonably certain to exercise, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The County monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

7. Subscription-Based Information Technology Agreements (SBITAs)

The County has noncancellable contracts with SBITA vendors for the right-to-use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The County recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The County recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

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

Key estimates and judgments related to SBITAs include how the County determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

The subscription term includes the noncancellable period of the SBITA.

Subscription payments included in the measurement of the subscription liability is composed of fixed payments and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The County monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

**8. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The amounts reported by the County in this category related to the County's participation in the Texas County and District Retirement System (TCDRS).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has items that qualify for reporting in this category. The amounts reported by the County in this category include amounts related to the County's participation in TCDRS and its right-to-use leases receivable as well as property taxes receivable and fines and fees receivable that are unavailable and therefore cannot be recognized as revenue in the governmental funds until they are received.

The following is a summary of the deferred outflows/inflows of resources at September 30, 2025:

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

	Statement of Net Position – Governmental Activities	Statement of Net Position – Business-type Activities & Enterprise Fund	Balance Sheet – Governmental Funds
Deferred outflows of resources:			
Pension plan related	\$393,161	\$ 8,433	\$ -
OPEB plan related	<u>5,314</u>	<u>-</u>	<u>-</u>
	<u>\$398,475</u>	<u>\$ 8,433</u>	<u>\$ -</u>
Deferred inflows of resources:			
Pension plan related	\$656,443	\$14,081	\$ -
OPEB plan related	28,514	-	-
Lease receivable	-	56,078	-
Unavailable revenues:			
Property taxes	-	-	260,889
Fines and fees	<u>-</u>	<u>-</u>	<u>136,929</u>
	<u>\$684,957</u>	<u>\$70,159</u>	<u>\$397,818</u>

9. Compensated Absences

County policy permits employees to accumulate a limited amount of earned, but unused vacation, comp time, and sick leave based upon their type of employment. The entire balance as limited by County policy of vacation and comp time leave is recognized as a liability at year end. Sick leave is recognized as a liability if it is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability for such leave is reported as incurred.

10. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Premiums and discounts on long-term obligations are deferred and amortized over the life of the debt using the straight-line method which approximates the effective interest method. Long-term obligations payable is reported net of the applicable premium or discount. Issuance costs are expensed in the period the debt is issued.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as 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, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the County's Commissioners' Court. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the General Fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

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

12. Transactions Between Funds

Outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or non-routine transfers of equity between funds are accounted for as transfers.

13. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

14. Concentration Risk

The County's top three taxpayers' taxable values equal \$354,621,544, or approximately 27% of the total taxable value for 2024-25. A significant decline in taxable values from one or both of those entities could have a material adverse effect on the County's operations.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

15. Pensions

The fiduciary net position of the TCDRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting, the same basis as is reported by TCDRS in their Annual Comprehensive Financial Report. This includes for purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCDRS's fiduciary net position. 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.

16. Other Post-Employment Benefits

The fiduciary net position of the County's Retiree Health Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the County's Retiree Health Care Plan fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go-plan and all cash is held in a cash account.

**B. COMPLIANCE AND ACCOUNTABILITY**

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", there were no violations of finance-related legal and contractual provisions required to be reported, except for over-expending its budget in the General Fund in six areas ranging from \$809 to \$18,591.

2. Deficit Fund Balance or Fund Net Position of Individual Funds

The County has no funds with a deficit fund balance or net position at September 30, 2025.

**C. DEPOSITS AND INVESTMENTS**

1. Deposits

Deposits, except for those held in trust by the County Clerk, District Clerk, and others, were held with the contracted depository banks in interest-bearing accounts which were secured at the balance sheet date by FDIC coverage and by pledged government securities in the name of the depository banks. At September 30, 2025, the carrying amount of the County's deposits was \$9,041,164 and the balance per the bank was \$9,527,240. Included in the carrying amount and bank balance are money market savings accounts (recorded as investments) totaling \$895,110.

The County Clerk, District Clerk, and others hold deposit accounts and investments as trustees under court orders in various banks. The accounts are styled for the benefit of the individual beneficiaries and do not actually belong to the County. The investments consist of interest-bearing demand deposits and certificates of deposit whose carrying value and market value are the same. The carrying amounts of custodial funds held by the County at September 30, 2025 were \$2,163,982 and the balance per the bank was \$2,230,818. All deposits and investments were secured by FDIC coverage.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

2. Investments

The County is required by Government Code Chapter 2256, The Public Funds Investment Act (Act) to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, maturity and the quality and capability of investment management; 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.

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

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

The County's investments at September 30, 2025 are shown below:

<u>Investment or Investment Type</u>	<u>Weighted Maturity (Days)</u>	<u>Fair Value</u>
Money Market Savings Accounts	N/A	<u>\$895,110</u>

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

The County values its money market savings accounts using Level 2 inputs (statements from the County's depository).

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the County was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the County's name.

At year end, the County was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the County was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the County was exposed to interest rate risk due to the long-term nature of some of its investments.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the County was not exposed to foreign currency risk.

Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate charges. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

**D. PROPERTY TAXES**

Property taxes attach as an enforceable lien on property as of January 1 of the prior year. Taxes are levied on October 1 and do not begin to accrue interest until February 1. The County is permitted by the Municipal Finance Law of the State of Texas to levy taxes (exclusive of those amounts levied to service long-term debt) up to \$.80 per \$100 of assessed valuation for general services, permanent improvements, road and bridge and jury fund purposes. The combined tax rate to finance general government (exclusive of long-term debt service and Special Road & Bridge) for the year ended September 30, 2025, was \$0.34722 per \$100 valuation.

An additional ad valorem tax may be levied and collected for further maintenance of public roads, provided that a majority of the qualified property taxpaying voters shall vote such tax, not to exceed fifteen cents (.15) per \$100 valuation. Wilbarger County has such a tax and the levy for fiscal year 2025 was \$0.02212. The total tax rate for Wilbarger County for fiscal year 2025 also includes a Farm to Market Right of Way with a tax rate of \$0.12581. The total tax rate for Wilbarger County for fiscal year 2025 was \$0.49515.

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

At September 30, 2025, net property taxes receivable is calculated as follows:

Gross property taxes receivable	\$453,042
Allowance for uncollectible taxes	<u>( 192,153)</u>
Net property taxes receivable	<u>\$260,889</u>

Of the \$260,889 net property taxes receivable at September 30, 2025, the County expects to collect approximately \$75,000 within a year. This is similar to the delinquent taxes received in previous years.

**E. FINES RECEIVABLE**

Fines receivable represent amounts due to the County for outstanding citations.

The allowance for uncollectible fines receivable within the funds is based upon historical experience collecting fines. Uncollectible fines are periodically written off.

At September 30, 2025, net fines receivable is calculated as follows:

Gross fines receivable	\$1,632,970
Allowance for uncollectible fines	<u>( 1,496,041)</u>
Net fines receivable	<u>\$ 136,929</u>

Of the \$136,929 net fines receivable at September 30, 2025, the County expects to collect approximately \$40,000 within a year. This is similar to the delinquent fines receivable collected in the current year.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

**F. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2025 was as follows:

**Governmental Activities:**

	Balance 10/1/2024	Additions	Retirements	Transfers	Balance 9/30/2025
<b>Capital assets not being depreciated:</b>					
Land	\$ 374,294	\$ -	\$ -	\$ -	\$ 374,294
Construction in progress	-	1,713,184	-	-	1,713,184
Total capital assets not being depreciated	<u>374,294</u>	<u>1,713,184</u>	<u>-</u>	<u>-</u>	<u>2,087,478</u>
<b>Capital assets being depreciated:</b>					
Buildings and improvements	4,636,086	90,247	-	-	4,726,333
Infrastructure	14,273,098	-	-	-	14,273,098
Machinery and equipment	8,577,973	729,347	288,179	-	9,019,141
Right-to-use leased equipment	18,897	-	-	-	18,897
SBITA assets	156,788	125,460	50,040	-	232,208
Total capital assets being depreciated	<u>27,662,842</u>	<u>945,054</u>	<u>338,219</u>	<u>-</u>	<u>28,269,677</u>
<b>Less accumulated depreciation for:</b>					
Buildings and improvements	2,964,682	98,201	-	-	3,062,883
Infrastructure	11,681,577	128,254	-	-	11,809,831
Machinery and equipment	5,607,020	529,809	208,053	-	5,928,776
Right-to-use leased equipment	3,779	3,779	-	-	7,558
SBITA assets	74,745	67,036	50,040	-	91,741
Total accumulated depreciation	<u>20,331,803</u>	<u>827,079</u>	<u>258,093</u>	<u>-</u>	<u>20,900,789</u>
Total capital assets being depreciated, net	<u>7,331,039</u>	<u>117,975</u>	<u>( 80,126)</u>	<u>-</u>	<u>7,368,888</u>
Governmental activities capital assets, net	<u>\$ 7,705,333</u>	<u>\$ 1,831,159</u>	<u>(\$ 80,126)</u>	<u>\$ -</u>	<u>\$ 9,456,366</u>

At September 30, 2025, machinery and equipment with a cost of \$938,289 and accumulated depreciation of \$420,887 is financed under notes payable.

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

<b>Governmental activities:</b>	
General government	\$ 69,290
Judicial	13,797
Financial	23,078
Public facilities	102,985
Public safety	83,002
Health and welfare	14,078
Conservation	8,807
Road and bridge	<u>512,042</u>
Total governmental depreciation	<u>\$827,079</u>

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

<b>Business-Type Activities:</b>	<u>Balance</u> <u>10/1/2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>9/30/2025</u>
Capital assets not being depreciated:					
Land	\$ 33,137	\$ -	\$ -	\$ -	\$ 33,137
Capital assets being depreciated:					
Buildings and improvements	1,077,614	-	-	-	1,077,614
Infrastructure	2,506,875	-	-	-	2,506,875
Machinery and equipment	<u>365,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>365,756</u>
Total capital assets being depreciated	<u>3,950,245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,950,245</u>
Less accumulated depreciation for:					
Buildings and improvements	768,871	21,552	-	-	790,423
Infrastructure	2,001,271	15,326	-	-	2,016,597
Machinery and equipment	<u>346,183</u>	<u>3,855</u>	<u>-</u>	<u>-</u>	<u>350,038</u>
Total accumulated depreciation	<u>3,116,325</u>	<u>40,733</u>	<u>-</u>	<u>-</u>	<u>3,157,058</u>
Total capital assets being depreciated, net	<u>833,920</u>	<u>( 40,733)</u>	<u>-</u>	<u>-</u>	<u>793,187</u>
Business-type activities capital assets, net	<u>\$ 867,057</u>	<u>(\$40,733)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 826,324</u>

**G. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Balances due to and from other funds at September 30, 2025 were as follows:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Payable</u>	<u>Reason</u>
General Fund	General Fund	\$ 638	Short-term loan
General Fund	Grant Fund	20,107	Short-term loan
Custodial Funds	Nonmajor Governmental Funds	16,499	Short-term loan
Road and Bridge Fund	Custodial Funds	6,343	Short-term loan
General Fund	Custodial Funds	86,743	Short-term loan
General Fund	Nonmajor Governmental Funds	29,012	Short-term loan
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>26,739</u>	Short-term loan
	Total	<u>\$186,081</u>	

All of the above amounts are expected to be repaid within one year.

Interfund transfers during the year ended September 30, 2025 were as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Nonmajor Governmental Funds	<u>\$45,000</u>	Supplement other resources

**H. LONG-TERM LIABILITIES**

The County issues notes payable to provide funds for the acquisition and construction of major capital facilities. These issues are direct obligations and pledge the full faith and credit of the County.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

**Governmental Activities**

Changes in long-term liabilities for the year ended September 30, 2025 were as follows:

Governmental Activities:	Restated Balance <u>10/1/2024</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>9/30/2025</u>	Due Within <u>One Year</u>
Notes payable	\$438,266	\$ -	\$89,042	\$349,224	\$349,224
Right-to-use lease liabilities	15,484	-	3,487	11,997	3,770
SBITA liabilities	71,039	125,460	53,990	142,509	44,097
Compensated absences*	<u>237,534</u>	<u>34,750</u>	<u>-</u>	<u>272,284</u>	<u>151,941</u>
Total long-term liabilities – governmental activities	<u>\$762,323</u>	<u>\$160,210</u>	<u>\$146,519</u>	<u>\$776,014</u>	<u>\$549,032</u>

\* The beginning balance was restated pursuant to the implementation of GASB 101 by an increase of \$128,316. The activity is reported as either net additions or retirements.

Debt service requirements on long-term debt at September 30, 2025 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$397,091	\$18,187	\$415,278
2027	45,507	5,394	50,901
2028	30,677	2,724	33,401
2029	28,042	1,064	29,106
2030	<u>2,413</u>	<u>2,413</u>	<u>4,826</u>
Totals	<u>\$503,730</u>	<u>\$29,782</u>	<u>\$533,512</u>

**Notes Payable**

Obligations under notes payable at September 30, 2025 are as follows:

<u>Purpose</u>	<u>Original Amount</u>	<u>Date of Obligation</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2025</u>
2021 JD 672 Motor Grader – Precinct #3	190,396	12/18/20	12/18/25	2.95%	\$109,364
2021 JD 672 Motor Grader – Precinct #3	199,802	12/18/20	12/18/25	2.95%	119,930
2021 JD 672 Motor Grader – Precinct #3	199,802	12/18/20	12/18/25	2.95%	<u>119,930</u>
Total Notes Payable					<u>\$349,224</u>

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

Notes payable debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	<u>\$349,224</u>	<u>\$10,302</u>	<u>\$359,526</u>
Totals	<u>\$349,224</u>	<u>\$10,302</u>	<u>\$359,526</u>

Right-to-Use Lease Liabilities

In October 2023, the County leased a postage machine with a future value of \$21,475 and an initial computed value of \$18,897. Twenty quarterly payments of \$1,074 are due each quarter beginning in December 2023. The lease is computed at the County's incremental borrowing rate of 5.00%. The balance at September 30, 2025 is \$11,997.

The right-to-use leased assets and related accumulated amortization at September 30, 2025 are included in right-to-use leased equipment in Note F.

Right-to-use lease liabilities debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	<u>\$ 3,770</u>	<u>\$525</u>	<u>\$ 4,295</u>
2027	<u>3,962</u>	<u>333</u>	<u>4,295</u>
2028	<u>4,265</u>	<u>30</u>	<u>4,295</u>
Totals	<u>\$11,997</u>	<u>\$888</u>	<u>\$12,885</u>

SBITA Liabilities

In October 2023, the County entered into a SBITA for tax software with a future value of \$43,650 and an initial computed value of \$41,592. Nine quarterly payments of \$4,850 are due each quarter beginning October 2023. The SBITA is computed at the County's incremental borrowing rate of 5.00%. The balance at September 30, 2025 is \$4,791.

In February 2024, the County entered into a SBITA for sheriff software with a future value of \$70,000 and an initial computed value of \$65,157. Four annual payments of \$17,500 are due each year beginning February 2024. The SBITA is computed at the County's incremental borrowing rate of 5.00%. The balance at September 30, 2025 is \$32,540.

In October 2024, the County entered into a SBITA for county clerk software with a future value of \$145,530 and an initial computed value of \$125,460. Sixty monthly payments of \$2,425 are due each year beginning November 2024. The SBITA is computed at the County's incremental borrowing rate of 6.00%. The balance at September 30, 2025 is \$105,178.

The combined balance of the SBITAs at September 30, 2025 is \$142,509.

The SBITA assets and related accumulated amortization at September 30, 2025 are included in SBITA assets in Note F.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

SBITA liabilities debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 44,097	\$ 7,360	\$ 51,457
2027	41,545	5,061	46,606
2028	26,412	2,694	29,106
2029	28,042	1,064	29,106
2030	<u>2,413</u>	<u>2,413</u>	<u>4,826</u>
Totals	<u>\$142,509</u>	<u>\$18,592</u>	<u>\$161,101</u>

**Business-Type Activities**

Changes in long-term liabilities for the year ended September 30, 2025 were as follows:

	<u>Restated Balance 10/1/2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 9/30/2025</u>	<u>Due Within One Year</u>
Compensated absences*	<u>\$19,900</u>	<u>\$154</u>	<u>\$ -</u>	<u>\$20,054</u>	<u>\$11,191</u>

\* The beginning balance was restated pursuant to the implementation of GASB 101 by an increase of \$9,345. The activity is reported as either net additions or retirements.

**I. RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. The County participates in the Texas Association of Counties Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool which retains the risk of loss beyond the County's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

**J. CONTINGENT LIABILITIES AND COMMITMENTS**

**Federal and State Grants**

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

**Litigation**

The County periodically is a defendant in various lawsuits. At September 30, 2025, the County is not aware of any pending litigation.

**Trust Funds**

The District Clerk has invested trust funds at various financial institutions in accordance with court orders. The County has a fiduciary responsibility over these funds until their final disposition.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

**K. DEFINED BENEFIT PENSION PLAN**

1. 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 TCDRS. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of over 800 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis that is publicly available at [www.tcdrs.org](http://www.tcdrs.org).

The plan provisions are adopted by the governing body of the County, 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 or with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 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.

2. Benefits Provided

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and the County-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 County'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 County-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

*Employees Covered by Benefit Terms*

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	82
Inactive employees entitled to but not yet receiving benefits	62
Active employees	82

3. 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 employer is actuarially determined annually. The County contributed using the actuarially determined rate of 12.03% for the months of the accounting year in 2024, and 11.51% for the months of the accounting year in 2025.

The contribution rate payable by the employee members for calendar year 2024 is the rate of 7% as adopted by the Commissioners' Court of the County. The employee contribution rate and the County contribution rate may be changed by the Commissioners' Court of the County within the options available in the TCDRS Act.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

4. Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2024, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation.

*Actuarial Assumptions*

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over 2017-2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pension liability as of December 31, 2024. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Real rate of return	5.00% per year
Inflation	2.50% per year
Long-term investment return	7.50% per year, net of pension plan investments expenses
Growth in membership	0.00% per year
Payroll growth	3.00% per year

Salary increases were based on a service-related table. The mortality rates for active members were based on 135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. The mortality rate for service retirees, beneficiaries, and non-depositing members was based on 135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. The mortality rates for disabled retirees were based on 160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

The 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 shown below are based on January 2025 information for a 10-year time horizon.

The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting.

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

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

<u>Asset Class</u>	<u>Benchmark</u>	<u>Target Allocation <sup>(1)</sup></u>	<u>Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup></u>
US Equities	Dow Jones U.S. Total Stock Market Index	13.00%	5.35%
Global Equities	MSCI World (net) Index	4.00%	5.15%
International Equities – Developed Markets	MSCI World Ex USA (net) Index	6.00%	4.75%
International Equities – Emerging Markets	MSCI Emerging Markets (net) Index	0.00%	4.75%
Investment-Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.00%	2.55%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.70%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.85%
Distressed Debt	Cambridge Associates Distressed Securities Index <sup>(3)</sup>	4.00%	6.80%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.95%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	4.95%
Commodities	Bloomberg Commodities Index	2.00%	1.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	6.00%	5.75%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(5)</sup>	25.00%	8.15%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	3.60%
Cash Equivalents	90-Day U.S. Treasury	2.00%	1.10%

<sup>(1)</sup> Target asset allocation adopted at the March 2025 TCDRS Board Meeting.

<sup>(2)</sup> Geometric real rates of return equal the expected return minus the assumed inflation of 2.35%, per Cliffwater's 2025 capital market assumptions

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

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

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

**Discount Rate**

The projected fiduciary net position was determined to be sufficient compared to projected benefit payments. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be sufficient to pay projected benefit payments in all future years. Therefore, 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 (7.60%).

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

*Changes in Net Pension Liability / (Asset)*

	Increase (Decrease)		
	Total Pension Liability <u>(a)</u>	Fiduciary Net Position <u>(b)</u>	Net Pension Liability / (Asset) <u>(a) – (b)</u>
Balances as of December 31, 2023	\$27,133,717	\$26,633,304	\$ 500,413
Changes for the year:			
Service cost	554,336	-	554,336
Interest on total pension liability	2,044,083	-	2,044,083
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	( 293,919)	-	( 293,919)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	( 81,459)	( 81,459)	-
Benefit payments	( 1,532,555)	( 1,532,555)	-
Administrative expenses	-	( 15,536)	15,536
Member contributions	-	320,449	( 320,449)
Net investment income	-	2,699,067	( 2,699,067)
Employer contributions	-	550,716	( 550,716)
Other changes	-	( 33,000)	33,000
Balances as of December 31, 2024	<u>\$27,824,203</u>	<u>\$28,540,986</u>	<u>(\$ 716,783)</u>

*Sensitivity Analysis*

The following presents the net pension liability (asset) 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 <u>6.60%</u>	Current Discount Rate <u>7.60%</u>	1% Increase <u>8.60%</u>
Net pension liability (asset)	<u>\$2,522,718</u>	<u>(\$716,783)</u>	<u>(\$3,463,220)</u>

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

Pension Expense

	<u>January 1, 2024 to December 31, 2024</u>
Service cost	\$ 554,336
Interest on total pension liability <sup>(1)</sup>	2,044,083
Effect of plan changes	-
Administrative expenses	15,536
Member contributions	( 320,449)
Expected investment return net of investment expenses	( 1,994,609)
Recognition of deferred inflows/outflows of resources:	
Recognition of economic/demographic gains or losses	( 204,491)
Recognition of assumption changes or inputs	( 15,056)
Recognition of investment gains or losses	( 339,158)
Other <sup>(2)</sup>	<u>33,000</u>
 Pension expense	 <u>(\$ 226,808)</u>

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

<sup>(2)</sup> Relates to allocation of system-wide items.

Deferred Outflows / Inflows of Resources

As of September 30, 2025, the deferred outflows and inflows of resources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$370,015
Change in assumptions	-	-
Net difference between projected and actual earnings	-	300,509
Contributions made subsequent to measurement date	<u>401,594</u>	<u>-</u>
 Total	 <u>\$401,594</u>	 <u>\$670,524</u>

\$401,594 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as an addition to the net pension asset for the plan year ending December 31, 2025. Other amounts of the County's deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	
2025	(\$425,921)
2026	281,910
2027	( 385,623)
2028	( 140,890)

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

**L. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN**

The County administers the Wilbarger County Retiree Health Care Plan for retired employees.

1. *Plan Description*

Any 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. The retired employee may continue coverage for dependents as well. Premiums for the retired employee and any dependents are paid by the retired employee. Premiums are determined annually by estimating the amount needed to cover projected claims. The benefit is subject to annual appropriations by the Commissioners' Court.

2. *Demographic Information*

<u>Status</u>	<u>9/30/24</u>	<u>9/30/25</u>
Active – Employee Only	46	46
Active – Employee and Dependent	26	26
Retired – Employee Only	1	2
Retired – Employee and Dependent	0	0

3. *Actuarial Methods and Assumptions Used for GASB Calculations*

GASB accounting methodology were used to determine the post-retirement medical benefit obligations.

Actuarial Method	Individual Entry Age Normal Cost Method – Level Percentage of Projected Salary
Service Cost	Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each participant's service between date of hire and date expected termination.
Total OPEB Liability	The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.
Discount Rate	4.06% (1.56% real rate of return plus 2.50% inflation)
Average Per Capita Claim Cost	The medical claim cost ranges from \$14,162 at age 50 to \$20,010 at age 64.
Health Care Cost Trend	Level 4.50%
Mortality	RPH-2014 Total Table with Projection MP-2021

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

Turnover	Rates varying based on gender, age and select and ultimate at 15 years. Rates are based on the TCDRS actuarial assumptions from the 2017 retirement plan valuation report. The rates vary by entry age, gender and years. For males the rates range from 2.4% to 33.4% and for females the rates range from 2.7% to 36.2%.
Disability	None assumed
Retirement Rates	The retirement rates were developed from the assumption used in the 2017 actuarial report for the TCDRS retirement plans. The rates are unisex and range from 10% at age 50 to 25% at age 65.
Retiree Contributions	The retiree pays the full contribution rate for the medical and dental coverage.
Salary Scale	3.50%
Data Assumptions - Coverage	100% of all retirees who currently have healthcare coverage will continue with the same coverage until eligibility for Medicare. 25% of all actives who currently have healthcare coverage will continue with coverage upon retirement. For those with family coverage 25% will elect to continue with coverage including the spouse and the remainder will elect individual coverage. It is assumed that coverage is not continued beyond eligibility for Medicare.
Valuation Date	September 30, 2025
Measurement Date	September 30, 2025

4. *Changes in Total OPEB Liability*

	<u>Changes in Total OPEB Liability</u>
Balances as of September 30, 2024	\$ 96,267
Changes for the year:	
Service cost	7,273
Interest cost	4,071
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	-
Other changes	-
Contributions-employer	-
Net investment income	-
Benefit payments	( 6,531)
Administrative expense	<u>-</u>
Balance as of September 30, 2025	<u>\$101,080</u>

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

5. *Sensitivity Analysis of the Discount and Trend Rate*

Discount Rate

The following presents the total OPEB liability of the County, calculated using the discount rate of 4.06%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.06%) or 1 percentage point higher (5.06%) than the current rate.

	1% Decrease <u>3.06%</u>	Current Discount Rate <u>4.06%</u>	1% Increase <u>5.06%</u>
Total OPEB liability	<u>\$110,984</u>	<u>\$101,080</u>	<u>\$91,975</u>

Trend Rate

The following presents the total OPEB liability of the County, calculated using the healthcare cost trend rate of 4.50%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.50%) or 1 percentage point higher (5.50%) than the current rate.

	1% Decrease <u>3.50%</u>	Current Health Care Trend Rate <u>4.50%</u>	1% Increase <u>5.50%</u>
Total OPEB liability	<u>\$88,531</u>	<u>\$101,080</u>	<u>\$115,883</u>

6. *OPEB Expense*

	<u>October 1, 2024 to September 30, 2025</u>
Service cost at October 1, 2024	\$7,273
Interest cost (including interest on Service Cost)	4,071
Changes of benefit terms	-
Current recognized deferred outflows (inflows)	-
Difference between expected and actual experience	( 8,898)
Changes in assumptions or other inputs	( 422)
Other changes, if significant	-
Difference of projected investment earnings	<u>-</u>
Total OPEB expense as of September 30, 2025	<u>\$2,024</u>

7. *Deferred Outflows / Inflows of Resources*

As of September 30, 2025, the deferred outflows and inflows of resources are as follows:

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$21,052
Changes of assumptions/inputs	5,314	7,462
Net difference between projected and actual investments	-	-
Contributions made subsequent to measurement date	<u>-</u>	<u>-</u>
Total	<u>\$5,314</u>	<u>\$28,514</u>

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

<u>Year Ended September 30:</u>	
2026	(\$9,482)
2027	( 9,540)
2028	( 1,820)
2029	( 1,820)
2030	( 538)

**M. FUND BALANCES**

The Governmental Funds' fund balances consisted of the following at September 30, 2025:

	<u>General Fund</u>	<u>Road &amp; Bridge</u>	<u>Grant Fund</u>	<u>ARPA Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:						
Inventories	\$ 18,207	\$ 40,170	\$ -	\$ -	\$ -	\$ 58,377
Prepaid items	<u>164,338</u>	<u>18,953</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>183,291</u>
Total nonspendable	<u>182,545</u>	<u>59,123</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>241,668</u>
Restricted:						
Jury	-	-	-	-	6,627	6,627
Special services	-	-	-	-	345,534	345,534
Grants	<u>-</u>	<u>-</u>	<u>37,473</u>	<u>202,747</u>	<u>-</u>	<u>240,220</u>
Total restricted	<u>-</u>	<u>-</u>	<u>37,473</u>	<u>202,747</u>	<u>352,161</u>	<u>592,381</u>
Committed:						
Road and bridge	-	864,251	-	-	-	864,251
Juvenile probation	-	-	-	-	11,885	11,885
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>271,836</u>	<u>271,836</u>
Total committed	<u>-</u>	<u>864,251</u>	<u>-</u>	<u>-</u>	<u>283,721</u>	<u>1,147,972</u>
Unassigned	<u>6,699,303</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,699,303</u>
Total fund balances	<u>\$6,881,848</u>	<u>\$923,374</u>	<u>\$ 37,473</u>	<u>\$202,747</u>	<u>\$635,882</u>	<u>\$8,681,324</u>

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

**N. TAX ABATEMENT AGREEMENTS**

The County has approved five tax abatement agreements. The first agreement is with Electra Wind LLC dated May 11, 2015, the second agreement is with Lockett Wind, LLC dated November 13, 2017, the third agreement is with Blue Summit II Wind LLC dated December 18, 2018, the fourth agreement is with Tyson Refrigerated Processed Foods dated January 11, 2021, and the fifth agreement is with Western Trail Wind LLC dated January 1, 2022. All agreements were issued pursuant to the Property Redevelopment and Tax Abatement Act, as amended, in V.T.C.A. Tax Code, Chapter 313. It was noted that one other agreement will come on-line in future years.

The Electra Wind LLC agreement is a ten-year abatement of taxable real and personal property for 100% all years, with payments in lieu of taxes of \$345,000 due in years 1 through 7 and \$460,000 due in years 8 through 10. This is the eighth year of the agreement, and the total value loss was \$125,991,592. The reduction in maintenance and operations (M&O) taxes was \$437,468 and road and bridge (R&B) taxes was \$186,379.

The Lockett Wind, LLC agreement is a ten-year abatement of taxable real and personal property for 100% all years, with payments in lieu of taxes of \$225,000 due in years 1 through 4, \$262,500 due in years 5 through 7 and \$300,000 due in years 8 through 10. This is the fifth year of the agreement and the total value loss was \$146,608,506. The reduction in M&O taxes was \$509,054 and R&B taxes was \$216,878.

The Blue Summit II Wind LLC agreement is a ten-year abatement of taxable real and personal property for 100% all years, with payments in lieu of taxes of \$93,600 due in years 1 through 5 and \$117,000 due in years 6 through 10. This is the sixth year of the agreement and the total value loss was \$30,027,072. The reduction in M&O taxes was \$104,260 and R&B taxes was \$44,419.

The Tyson Refrigerated Processed Foods agreement is a five-year abatement of taxable real and personal property for 100% in the first year, 80% in the second year, 60% in the third year, 40% in the fourth year, and 20% in the fifth year, with no payments in lieu of taxes in any of the five years. This is the fourth year of the agreement and the total value loss was \$15,812,802. The reduction in M&O taxes was \$54,905 and R&B taxes was \$23,392.

The Western Trail Wind LLC agreement is a ten-year abatement of taxable real and personal property for 100% all years, with payments in lieu of taxes of \$342,630 due in years 1 through 4, \$399,735 due in years 5 through 7, and \$456,840 due in years 8 through 10. This is the third year of the agreement and the total value loss was \$179,326,241. The reduction in M&O taxes was \$622,657 and R&B taxes was \$265,277.

All of the agreements have early termination/default clauses that without the consent of the County or in the event that the company or its successor-in-interest fails to comply in any material respect with the terms of the agreement or to meet any material obligation under the agreement, then the County shall be entitled to the recapture of all ad valorem tax revenue lost as a result of the agreement together with the payment of 10% interest on that recaptured ad valorem tax revenue.

**O. ERROR CORRECTION**

The County determined that a receipt received during the year ended September 30, 2024 was recorded as revenue during the year ended September 30, 2024 but was not earned until the year ended September 30, 2025. An adjustment was recorded in the General Fund in governmental funds that decreased beginning fund balance and increased intergovernmental revenue by \$60,214. The correction of the error also decreased beginning net position – Governmental Activities and charges for services – Governmental Activities to increase by \$60,214.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2025**

**P. CHANGE IN ACCOUNTING PRINCIPLE**

During the year ended September 30, 2025, the County adopted GASB Statement No. 101, *Compensated Absences*. This adoption led to an adjustment to the liability recognized for unused leave that is estimated to be payable in the future. This change in accounting principle resulted in decreases in beginning net position of \$128,316 in Governmental Activities and \$9,345 in Business-type Activities and the Airport Fund.

## *REQUIRED SUPPLEMENTARY INFORMATION*

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

**WILBARGER COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 4,657,389	\$ 4,657,389	\$ 4,646,280	\$ (11,109)
Sales taxes	775,000	775,000	1,349,092	574,092
Other taxes	19,000	19,000	17,636	(1,364)
Payments in lieu of taxes	1,000,000	1,000,000	1,253,244	253,244
Fees and commissions	860,850	860,850	743,964	(116,886)
Fines and forfeitures	150,000	150,000	143,711	(6,289)
Intergovernmental	194,414	194,414	223,346	28,932
Investment return	200,000	200,000	367,446	167,446
Miscellaneous	88,500	88,500	96,990	8,490
Total revenues	<u>7,945,153</u>	<u>7,945,153</u>	<u>8,841,709</u>	<u>896,556</u>
<b>Expenditures</b>				
Current:				
General government:				
County Judge	254,816	257,157	255,996	1,161
County Clerk	384,213	384,213	337,940	46,273
Veterans service	11,300	11,439	11,033	406
Non-departmental	1,076,599	1,085,824	821,627	264,197
Total General government	<u>1,726,928</u>	<u>1,738,633</u>	<u>1,426,596</u>	<u>312,037</u>
Judicial:				
Law library	56,721	56,721	716	56,005
Justice of the Peace #1	162,186	174,833	165,754	9,079
Justice of the Peace #2	196,259	196,259	193,108	3,151
District Attorney	363,761	369,810	291,428	78,382
District Clerk	256,602	263,124	268,770	(5,646)
District Court	519,257	519,285	417,419	101,866
Total Judicial	<u>1,554,786</u>	<u>1,580,032</u>	<u>1,337,195</u>	<u>242,837</u>
Legal:				
County Attorney	<u>302,931</u>	<u>305,743</u>	<u>272,860</u>	<u>32,883</u>
Financial:				
Tax Collector	323,996	323,996	300,457	23,539
Treasurer	105,683	105,777	100,412	5,365
County Auditor	233,014	234,553	235,433	(880)
Total Financial	<u>662,693</u>	<u>664,326</u>	<u>636,302</u>	<u>28,024</u>
Public facilities:				
Courthouse	365,441	390,706	386,791	3,915
Jail	1,279,163	1,279,163	1,016,446	262,717
Auditorium	559,432	446,230	423,584	22,646
Arena	207,907	221,648	217,428	4,220
Total Public facilities	<u>2,411,943</u>	<u>2,337,747</u>	<u>2,044,249</u>	<u>293,498</u>

**WILBARGER COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Public Safety:				
Constable #1	92,329	94,938	96,805	(1,867)
Constable #2	88,414	91,020	93,203	(2,183)
Juvenile probation	35,000	45,000	-	45,000
Sheriff	831,693	831,693	730,285	101,408
Civil defense	43,300	43,300	30,175	13,125
Department of Public Safety	1,000	1,000	794	206
Community supervision	-	860	-	860
Total Public Safety	<u>1,091,736</u>	<u>1,107,811</u>	<u>951,262</u>	<u>156,549</u>
Health and Welfare:				
Health and welfare	74,270	74,270	73,099	1,171
Outreach services	29,850	42,279	34,877	7,402
Total Health and Welfare	<u>104,120</u>	<u>116,549</u>	<u>107,976</u>	<u>8,573</u>
Conservation:				
Extension service	<u>170,099</u>	<u>170,099</u>	<u>156,535</u>	<u>13,564</u>
Debt Service:				
Principal	3,587	3,587	22,178	(18,591)
Interest and fiscal charges	708	708	1,517	(809)
Total Debt Service	<u>4,295</u>	<u>4,295</u>	<u>23,695</u>	<u>(19,400)</u>
Total expenditures	<u>8,029,531</u>	<u>8,025,235</u>	<u>6,956,670</u>	<u>1,068,565</u>
Excess of revenues over expenditures	<u>(84,378)</u>	<u>(80,082)</u>	<u>1,885,039</u>	<u>1,965,121</u>
Other sources (uses):				
Transfers in	800,000	800,000	-	(800,000)
Transfers out	(175,000)	(175,000)	(45,000)	130,000
Proceeds from sale of capital assets	7,500	7,500	-	(7,500)
Total other sources (uses)	<u>632,500</u>	<u>632,500</u>	<u>(45,000)</u>	<u>(677,500)</u>
Net change in fund balances	<u>548,122</u>	<u>552,418</u>	<u>1,840,039</u>	<u>1,287,621</u>
Fund balances, beginning of year, as originally stated	5,102,023	5,102,023	5,102,023	-
Error correction	(60,214)	(60,214)	(60,214)	-
Fund balances, beginning of year, as restated	<u>5,041,809</u>	<u>5,041,809</u>	<u>5,041,809</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,589,931</u>	<u>\$ 5,594,227</u>	<u>\$ 6,881,848</u>	<u>\$ 1,287,621</u>

**WILBARGER COUNTY, TEXAS**  
**ROAD AND BRIDGE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 1,989,663	\$ 1,989,663	\$ 1,970,178	\$ (19,485)
Payments in lieu of taxes	2,600	2,600	3,004	404
Fees and commissions	530,000	530,000	526,361	(3,639)
Intergovernmental	19,100	19,100	18,577	(523)
Investment return	75,000	75,000	79,093	4,093
Miscellaneous	3,000	3,000	61	(2,939)
Total revenues	<u>2,619,363</u>	<u>2,619,363</u>	<u>2,597,274</u>	<u>(22,089)</u>
<b>Expenditures</b>				
Current:				
General government:				
Road and bridge administration	59,000	59,000	55,456	3,544
Total General government	<u>59,000</u>	<u>59,000</u>	<u>55,456</u>	<u>3,544</u>
Road and Bridge:				
Precinct Number One	808,343	866,918	849,498	17,420
Precinct Number Two	670,414	670,414	628,380	42,034
Precinct Number Three	679,231	679,231	592,398	86,833
Precinct Number Four	1,408,152	1,408,152	1,276,521	131,631
Total Road and Bridge	<u>3,566,140</u>	<u>3,624,715</u>	<u>3,346,797</u>	<u>277,918</u>
Debt service:				
Principal	89,161	89,161	89,091	70
Interest and fiscal charges	13,730	13,730	12,961	769
Total Debt Service	<u>102,891</u>	<u>102,891</u>	<u>102,052</u>	<u>839</u>
Total expenditures	<u>3,728,031</u>	<u>3,786,606</u>	<u>3,504,305</u>	<u>282,301</u>
Excess of revenues over (under) expenditures	<u>(1,108,668)</u>	<u>(1,167,243)</u>	<u>(907,031)</u>	<u>260,212</u>
Other financing sources:				
Transfers in	200,000	350,327	-	(350,327)
Proceeds from sale of capital assets	100,000	100,000	14,750	(85,250)
Total other financing sources	<u>300,000</u>	<u>450,327</u>	<u>14,750</u>	<u>(435,577)</u>
Net change in fund balances	(808,668)	(716,916)	(892,281)	(175,365)
Fund balances - beginning	<u>1,815,655</u>	<u>1,815,655</u>	<u>1,815,655</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,006,987</u>	<u>\$ 1,098,739</u>	<u>\$ 923,374</u>	<u>\$ (175,365)</u>

**WILBARGER COUNTY, TEXAS**  
**GRANT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 742,082	\$ 742,082	\$ 519,226	\$ (222,856)
Miscellaneous	-	51,423	35,000	(16,423)
Total revenues	<u>742,082</u>	<u>793,505</u>	<u>554,226</u>	<u>(239,279)</u>
<b>Expenditures</b>				
Current:				
Judicial	372,082	372,082	169,794	202,288
Public facilities	-	35,000	35,000	-
Public safety	370,000	352,500	331,932	20,568
Debt service:				
Principal	-	15,117	15,117	-
Interest	-	2,383	2,383	-
Total expenditures	<u>742,082</u>	<u>777,082</u>	<u>554,226</u>	<u>222,856</u>
Net change in fund balances	-	16,423	-	(16,423)
Fund balances, beginning of year	<u>37,473</u>	<u>37,473</u>	<u>37,473</u>	<u>-</u>
Fund balances, end of year	<u>\$ 37,473</u>	<u>\$ 53,896</u>	<u>\$ 37,473</u>	<u>\$ (16,423)</u>

**WILBARGER COUNTY, TEXAS**  
**ARPA FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 1,740,964	\$ 1,740,964
Investment return	75,000	75,000	48,993	(26,007)
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>1,789,957</u>	<u>1,714,957</u>
<b>Expenditures</b>				
Current:				
ARPA related	1,285,000	1,823,120	1,794,162	28,958
Total expenditures	<u>1,285,000</u>	<u>1,823,120</u>	<u>1,794,162</u>	<u>28,958</u>
Excess of revenues over (under) expenditures	<u>(1,210,000)</u>	<u>(1,748,120)</u>	<u>(4,205)</u>	<u>1,743,915</u>
Other financing uses:				
Transfers out	(75,000)	-	-	-
Total other financing uses	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,285,000)	(1,748,120)	(4,205)	1,743,915
Fund balances - beginning	<u>206,952</u>	<u>206,952</u>	<u>206,952</u>	<u>-</u>
Fund balances - ending	<u>\$ (1,078,048)</u>	<u>\$ (1,541,168)</u>	<u>\$ 202,747</u>	<u>\$ 1,743,915</u>

**WILBARGER COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**

	2024	2023	2022	2021
<b>Total Pension Liability</b>				
Service cost	\$ 554,336	\$ 531,367	\$ 506,790	\$ 503,896
Interest on total pension liability	2,044,083	1,981,472	1,924,993	1,858,668
Effect of plan changes	-	-	-	-
Effect of assumption changes or inputs	-	-	-	(60,230)
Effect of economic/demographic (gains) or losses	(293,919)	(160,963)	(276,383)	(86,699)
Benefit payments/refunds of contributions	(1,614,014)	(1,490,289)	(1,385,318)	(1,307,751)
Net change in total pension liability	690,486	861,587	770,082	907,884
Total pension liability (asset), beginning	27,133,717	26,272,130	25,502,048	24,594,164
Total pension liability (asset), ending (a)	<u>\$ 27,824,203</u>	<u>\$ 27,133,717</u>	<u>\$ 26,272,130</u>	<u>\$ 25,502,048</u>
<b>Fiduciary Net Position</b>				
Employer contributions	\$ 550,716	\$ 508,727	\$ 522,897	\$ 500,769
Member contributions	320,449	292,370	277,502	271,945
Investment income net of investment expenses	2,699,067	2,703,110	(1,523,565)	4,884,002
Benefit payments/refunds of contributions	(1,614,014)	(1,490,289)	(1,385,317)	(1,307,751)
Administrative expenses	(15,536)	(13,907)	(14,450)	(14,521)
Other	(33,000)	(24,612)	(59,922)	(8,957)
Net change in fiduciary net position	1,907,682	1,975,399	(2,182,855)	4,325,487
Fiduciary net position, beginning	26,633,304	24,657,905	26,840,760	22,515,273
Fiduciary net position, ending (b)	<u>\$ 28,540,986</u>	<u>\$ 26,633,304</u>	<u>\$ 24,657,905</u>	<u>\$ 26,840,760</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ (716,783)</u>	<u>\$ 500,413</u>	<u>\$ 1,614,225</u>	<u>\$ (1,338,712)</u>
Fiduciary net position as a % of total pension liability	<u>102.58%</u>	<u>98.16%</u>	<u>93.86%</u>	<u>105.25%</u>
Pensionable covered payroll	<u>\$ 4,577,838</u>	<u>\$ 4,176,708</u>	<u>\$ 3,964,309</u>	<u>\$ 3,884,929</u>
Net pension liability as a % of covered payroll	<u>-15.66%</u>	<u>11.98%</u>	<u>40.72%</u>	<u>-34.46%</u>

2020	2019	2018	2017	2016	2015
\$ 457,281	\$ 477,872	\$ 455,721	\$ 454,669	\$ 477,053	\$ 473,833
1,781,093	1,686,730	1,611,912	1,529,309	1,423,069	1,364,294
-	97,731	-	-	-	(63,363)
1,315,478	-	-	99,121	-	181,537
111,561	26,810	(173,236)	(135,869)	31,531	(354,534)
<u>(1,182,511)</u>	<u>(1,027,666)</u>	<u>(959,410)</u>	<u>(898,732)</u>	<u>(785,156)</u>	<u>(853,111)</u>
2,482,902	1,261,477	934,987	1,048,498	1,146,497	748,656
22,111,262	20,849,785	19,914,798	18,866,300	17,719,803	16,971,147
<u>\$ 24,594,164</u>	<u>\$ 22,111,262</u>	<u>\$ 20,849,785</u>	<u>\$ 19,914,798</u>	<u>\$ 18,866,300</u>	<u>\$ 17,719,803</u>
\$ 496,626	\$ 464,008	\$ 460,698	\$ 425,505	\$ 442,766	\$ 442,847
280,805	273,173	267,623	259,452	262,915	256,828
2,147,840	2,978,265	(351,635)	2,412,699	1,143,738	(46,804)
(1,182,511)	(1,027,666)	(959,411)	(898,731)	(785,156)	(853,111)
(16,475)	(15,850)	(14,565)	(12,460)	(12,426)	(11,232)
<u>(9,926)</u>	<u>(7,048)</u>	<u>(5,003)</u>	<u>(2,983)</u>	<u>23,444</u>	<u>(101,807)</u>
1,716,359	2,664,882	(602,293)	2,183,482	1,075,281	(313,279)
20,798,914	18,134,032	18,736,325	16,552,843	15,477,562	15,790,841
<u>\$ 22,515,273</u>	<u>\$ 20,798,914</u>	<u>\$ 18,134,032</u>	<u>\$ 18,736,325</u>	<u>\$ 16,552,843</u>	<u>\$ 15,477,562</u>
<u>\$ 2,078,891</u>	<u>\$ 1,312,348</u>	<u>\$ 2,715,753</u>	<u>\$ 1,178,473</u>	<u>\$ 2,313,457</u>	<u>\$ 2,242,241</u>
<u>91.55%</u>	<u>94.06%</u>	<u>86.97%</u>	<u>94.08%</u>	<u>87.74%</u>	<u>87.35%</u>
<u>\$ 4,011,503</u>	<u>\$ 3,902,478</u>	<u>\$ 3,823,186</u>	<u>\$ 3,706,463</u>	<u>\$ 3,733,218</u>	<u>\$ 3,668,973</u>
<u>51.82%</u>	<u>33.63%</u>	<u>71.03%</u>	<u>31.80%</u>	<u>61.97%</u>	<u>61.11%</u>

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

<u>Year Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll (1)</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2016	\$ 442,847	\$ 442,847	\$ -	\$ 3,668,973	12.1%
2017	427,464	427,464	-	3,694,147	11.6%
2018	453,080	453,080	-	3,802,615	11.9%
2019	466,334	466,334	-	3,909,673	11.9%
2020	473,351	473,351	-	3,867,754	12.2%
2021	498,916	498,916	-	3,912,415	12.8%
2022	513,489	513,489	-	3,916,424	13.1%
2023	506,078	506,078	-	4,065,544	12.4%
2024	547,843	547,843	-	4,539,109	12.1%
2025	549,352	549,352	-	4,717,305	11.6%

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

**WILBARGER COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**WILBARGER COUNTY RETIREE HEALTH CARE PLAN**

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 7,273	\$ 6,597	\$ 6,597
Interest cost	4,071	5,053	4,834
Change of benefit terms	-	-	-
Difference between expected and actual experience	-	(17,694)	-
Changes in assumptions	-	6,236	-
Other changes	-	-	-
Contributions-employer	-	-	-
Net investment income	-	-	-
Benefit payments	(6,531)	(6,531)	(7,119)
Administrative expense	-	-	-
Net change in total OPEB liability	<u>4,813</u>	<u>(6,339)</u>	<u>4,312</u>
Total OPEB liability, beginning	96,267	102,606	98,294
Total OPEB liability, ending	<u>\$ 101,080</u>	<u>\$ 96,267</u>	<u>\$ 102,606</u>
Covered payroll	<u>\$ 3,227,905</u>	<u>\$ 3,227,905</u>	<u>\$ 3,032,450</u>
Total OPEB liability as a % of covered payroll	<u>3.13%</u>	<u>2.98%</u>	<u>3.38%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

2022	2021	2020	2019	2018	2017	2016
\$ 9,367	\$ 9,367	\$ 7,568	\$ 7,568	\$ 7,273	N/A	N/A
3,269	3,124	5,170	4,474	4,300	N/A	N/A
-	-	-	-	-	N/A	N/A
(24,254)	-	(13,158)	-	-	N/A	N/A
(22,468)	-	15,096	-	-	N/A	N/A
-	-	-	-	-	N/A	N/A
-	-	-	-	-	N/A	N/A
-	-	-	-	-	N/A	N/A
(7,119)	(4,957)	(4,957)	-	-	N/A	N/A
-	-	-	-	-	N/A	N/A
(41,205)	7,534	9,719	12,042	11,573	N/A	N/A
139,499	131,965	122,246	110,204	98,631	N/A	N/A
<u>\$ 98,294</u>	<u>\$ 139,499</u>	<u>\$ 131,965</u>	<u>\$ 122,246</u>	<u>\$ 110,204</u>	<u>N/A</u>	<u>N/A</u>
<u>\$ 3,032,450</u>	<u>\$ 2,859,072</u>	<u>\$ 2,859,072</u>	<u>\$ 3,045,379</u>	<u>\$ 3,045,379</u>	<u>N/A</u>	<u>N/A</u>
<u>3.24%</u>	<u>4.88%</u>	<u>4.62%</u>	<u>4.01%</u>	<u>3.62%</u>	<u>N/A</u>	<u>N/A</u>

**WILBARGER COUNTY, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED SEPTEMBER 30, 2025**

**A. BUDGETARY INFORMATION**

Annual budgets are adopted on the GAAP basis of accounting for all governmental funds except capital project funds. Project-length budgets were adopted for all capital project funds. All annual appropriations lapse at fiscal year end.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget requests and holds informal hearings when needed. Before October 1, a proposed budget is presented to the Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available fund balance.

Once the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping members of the Commissioners' Court advised of the conditions of the various funds and accounts.

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. No amendments may be made without Commissioners' Court approval to the total budget for each department within a fund. Thus, the legal level of budgetary control is at the department level. No supplemental appropriations were required during the year.

The County over-expended the final amended budget in the following fund and categories:

General Fund:	
District Clerk	\$5,646
County auditor	880
Constable #1	1,867
Constable #2	2,183
Debt service: Principal	18,591
Debt service: Interest and fiscal charges	809

Encumbrance accounting is not employed by the County because it is not considered necessary to assure effective budgetary control.

**WILBARGER COUNTY, TEXAS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONT'D.)**  
**YEAR ENDED SEPTEMBER 30, 2025**

**B. TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	16.0 years (based on contribution rate calculated in 12/31/2024 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were changed.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2020: Employer contributions reflect that a 1% flat COLA was adopted.

**C. WILBARGER COUNTY RETIREE HEALTH CARE PLAN**

There were no changes in the assumptions and methods or plan provisions since the last measurement date.

***COMBINING STATEMENTS AND BUDGET COMPARISONS  
AS SUPPLEMENTARY INFORMATION***

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Jury Fund – This fund is used to account for the cost of providing jury service for county and district courts.

Special Services Fund – This fund is used to account for special fees with specific purposes as set out by state legislation. Funding is provided by those specific fees.

Juvenile Services Fund – This fund is used to account for the services of the 46th Juvenile Justice District and the related reimbursements received from the state.

### **CAPITAL PROJECTS FUND**

Capital Projects Fund – This fund is used to account for the accumulation of resources for, and the payment of capital projects.

**WILBARGER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2025**

	Special Revenue Funds				Total
	Jury Fund	Special Services Fund	Juvenile Services Fund	Capital Projects Fund	Nonmajor Governmental Funds (See Exhibit A-3)
<b>Assets</b>					
Cash and cash equivalents	\$ 6,543	\$ 340,779	\$ 24,310	\$ 271,836	\$ 643,468
Receivables, net:					
Fines	-	2,758	-	-	2,758
Intergovernmental	-	-	48,364	-	48,364
Due from other funds	-	7,849	18,890	-	26,739
Total assets	<u>\$ 6,543</u>	<u>\$ 351,386</u>	<u>\$ 91,564</u>	<u>\$ 271,836</u>	<u>\$ 721,329</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ (84)	\$ 2,327	\$ 5,866	\$ -	\$ 8,109
Salaries payable	-	767	-	-	767
Due to others	-	-	1,563	-	1,563
Due to other funds	-	-	72,250	-	72,250
Total liabilities	<u>(84)</u>	<u>3,094</u>	<u>79,679</u>	<u>-</u>	<u>82,689</u>
Deferred inflows of resources:					
Unavailable revenues	-	2,758	-	-	2,758
Fund balances:					
Restricted	6,627	345,534	-	-	352,161
Committed	-	-	11,885	271,836	283,721
Total fund balances	<u>6,627</u>	<u>345,534</u>	<u>11,885</u>	<u>271,836</u>	<u>635,882</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,543</u>	<u>\$ 351,386</u>	<u>\$ 91,564</u>	<u>\$ 271,836</u>	<u>\$ 721,329</u>

**WILBARGER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit A-5)
	Jury Fund	Special Services Fund	Juvenile Services Fund		
<b>Revenues</b>					
Fees and commissions	\$ -	\$ 103,015	\$ 500	\$ -	\$ 103,515
Fines and forfeitures	-	7,501	-	-	7,501
Intergovernmental	6,516	-	260,814	-	267,330
Investment return	663	17,474	4,615	13,440	36,192
Miscellaneous	1,414	7,363	-	-	8,777
Total revenues	<u>8,593</u>	<u>135,353</u>	<u>265,929</u>	<u>13,440</u>	<u>423,315</u>
<b>Expenditures</b>					
Current:					
General government	-	217,109	-	-	217,109
Legal	10,826	-	-	-	10,826
Public safety	-	-	302,729	-	302,729
Debt service:					
Principal	-	20,282	-	-	20,282
Interest	-	6,398	-	-	6,398
Total expenditures	<u>10,826</u>	<u>243,789</u>	<u>302,729</u>	<u>-</u>	<u>557,344</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,233)</u>	<u>(108,436)</u>	<u>(36,800)</u>	<u>13,440</u>	<u>(134,029)</u>
Other sources:					
Transfers in	-	-	45,000	-	45,000
Issuance of debt	-	125,460	-	-	125,460
Total other sources	<u>-</u>	<u>125,460</u>	<u>45,000</u>	<u>-</u>	<u>170,460</u>
Net change in fund balances	(2,233)	17,024	8,200	13,440	36,431
Fund balances, beginning of year	<u>8,860</u>	<u>328,510</u>	<u>3,685</u>	<u>258,396</u>	<u>599,451</u>
Fund balances, end of year	<u>\$ 6,627</u>	<u>\$ 345,534</u>	<u>\$ 11,885</u>	<u>\$ 271,836</u>	<u>\$ 635,882</u>

**WILBARGER COUNTY, TEXAS**  
**JURY FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 4,000	\$ 4,000	\$ 6,516	\$ 2,516
Investment return	200	200	663	463
Miscellaneous	-	-	1,414	1,414
Total revenues	<u>4,200</u>	<u>4,200</u>	<u>8,593</u>	<u>4,393</u>
<b>Expenditures</b>				
Current:				
Legal	<u>21,000</u>	<u>21,000</u>	<u>10,826</u>	<u>10,174</u>
Excess (deficiency) of revenues over (under) expenditures	(16,800)	(16,800)	(2,233)	14,567
Other source:				
Transfers in	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Net change in fund balances	3,200	3,200	(2,233)	(5,433)
Fund balances, beginning of year	8,860	8,860	8,860	-
Fund balances, end of year	<u>\$ 12,060</u>	<u>\$ 12,060</u>	<u>\$ 6,627</u>	<u>\$ (5,433)</u>

**WILBARGER COUNTY, TEXAS**  
**SPECIAL SERVICES FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fees and commissions	\$ 139,200	\$ 139,200	\$ 103,015	\$ (36,185)
Fines and forfeitures	40,000	40,000	7,501	(32,499)
Investment return	15,000	15,000	17,474	2,474
Miscellaneous	-	-	7,363	7,363
Total revenues	<u>194,200</u>	<u>194,200</u>	<u>135,353</u>	<u>(58,847)</u>
<b>Expenditures</b>				
Current:				
General government	161,749	161,749	217,109	(55,360)
Debt service:				
Principal	-	20,000	20,282	(282)
Interest	2,000	5,200	6,398	(1,198)
Total expenditures	<u>163,749</u>	<u>186,949</u>	<u>243,789</u>	<u>(56,840)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,451</u>	<u>7,251</u>	<u>(108,436)</u>	<u>(2,007)</u>
Other sources				
Transfers out	-	-	125,460	125,460
Total other sources	<u>-</u>	<u>-</u>	<u>125,460</u>	<u>125,460</u>
Net change in fund balances	30,451	7,251	17,024	9,773
Fund balances, beginning of year	<u>328,510</u>	<u>328,510</u>	<u>328,510</u>	<u>-</u>
Fund balances, end of year	<u>\$ 358,961</u>	<u>\$ 335,761</u>	<u>\$ 345,534</u>	<u>\$ 9,773</u>

**WILBARGER COUNTY, TEXAS**  
**JUVENILE SERVICES FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fees and commissions	\$ -	\$ -	\$ 500	\$ 500
Intergovernmental	314,206	314,206	260,814	(53,392)
Investment return	6,500	6,500	4,615	(1,885)
Total revenues	<u>320,706</u>	<u>320,706</u>	<u>265,929</u>	<u>(54,777)</u>
<b>Expenditures</b>				
Current:				
Public safety	<u>320,706</u>	<u>320,706</u>	<u>302,729</u>	<u>17,977</u>
Total expenditures	<u>320,706</u>	<u>320,706</u>	<u>302,729</u>	<u>17,977</u>
Net change in fund balances	-	-	8,200	8,200
Fund balances, beginning of year	3,685	3,685	3,685	-
Fund balances, end of year	<u>\$ 3,685</u>	<u>\$ 3,685</u>	<u>\$ 11,885</u>	<u>\$ 8,200</u>

**WILBARGER COUNTY, TEXAS**  
**CAPITAL PROJECTS FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Investment return	\$ 10,000	\$ 10,000	\$ 13,440	\$ 3,440
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>13,440</u>	<u>3,440</u>
<b>Expenditures</b>				
Current:				
Public facilities	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	10,000	10,000	13,440	3,440
Fund balances, beginning of year	258,396	258,396	258,396	-
Fund balances, end of year	<u>\$ 268,396</u>	<u>\$ 268,396</u>	<u>\$ 271,836</u>	<u>\$ 3,440</u>

## FIDUCIARY FUNDS

Custodial funds are used to account for assets held by the government as a custodian for individuals, private organizations, or other governments.

Tax Assessor/Collector – This fund is used to account for receipts of the tax assessor/collector pending disposition to individuals and entities, the County and other governments.

County Clerk – This fund is used to account for receipts of the county clerk pending disposition to individuals and entities, the County or other governments.

Sheriff – This fund is used to account for receipts of the sheriff pending disposition to individuals and entities, the County or other governments.

County Attorney – This fund is used to account for receipts of the county attorney pending disposition to individuals and entities, the County or other governments.

District Clerk – This fund is used to account for receipts of the District Clerk pending disposition to individuals and entities, the County or other governments.

District Attorney – This fund is used to account for receipts of the District Attorney pending disposition to individuals and entities, the County or other governments.

Constable #1 – This fund is used to account for training funds of Constable #1 pending disposition to individuals and others.

Constable #2 – This fund is used to account for training funds of Constable #2 pending disposition to individuals and others.

State Tax – This fund is used to account for receipts for state court costs and fees pending disposition to individuals and entities, the County or other governments.

Jail Commissary – This fund is used to account for the activity of the jail commissary.

Christmas Club Account – This fund is used as a savings account for the receipts withheld from employees' regular paychecks and held pending yearly distribution to the employees from which it was withheld.

Probation Account – This fund is used to account for funds held related to adult probation.

Historical Commission Account – This fund is used to account for funds held related to the Historical Commission.

Justices of the Peace – This fund is used to account for receipts of fines and court costs by two justices of the peace pending disposition to individuals and entities, the County or other governments.

**WILBARGER COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**SEPTEMBER 30, 2025**

	<u>Tax Assessor/ Collector</u>	<u>County Clerk</u>	<u>Sheriff</u>	<u>County Attorney</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 520,150	\$ 62,193	\$ 60,594	\$ 43,300
Investments	-	62,943	-	-
Due from other funds	-	-	-	-
Total assets	<u>520,150</u>	<u>125,136</u>	<u>60,594</u>	<u>43,300</u>
<b>Liabilities</b>				
Accounts payable	-	-	-	-
Due to other funds	16,584	28,495	3,932	-
Due to other governments	505,084	-	-	-
Total liabilities	<u>521,668</u>	<u>28,495</u>	<u>3,932</u>	<u>-</u>
<b>Net Position</b>				
Restricted for other purposes	(1,518)	96,641	56,662	43,300
Total net position	<u>\$ (1,518)</u>	<u>\$ 96,641</u>	<u>\$ 56,662</u>	<u>\$ 43,300</u>

District Clerk	District Attorney	Constable #1	Constable #2	State Tax	Jail Commissary
\$ 652,524	\$ 2,830	\$ 6,167	\$ 5,975	\$ 45,235	\$ 25,869
179,521	-	-	-	-	-
-	-	-	-	16,499	-
<u>832,045</u>	<u>2,830</u>	<u>6,167</u>	<u>5,975</u>	<u>61,734</u>	<u>25,869</u>
-	-	-	-	6,365	-
19,013	1,381	-	149	2,500	-
-	-	-	-	52,869	-
<u>19,013</u>	<u>1,381</u>	<u>-</u>	<u>149</u>	<u>61,734</u>	<u>-</u>
813,032	1,449	6,167	5,826	-	25,869
<u>\$ 813,032</u>	<u>\$ 1,449</u>	<u>\$ 6,167</u>	<u>\$ 5,826</u>	<u>\$ -</u>	<u>\$ 25,869</u>

**WILBARGER COUNTY, TEXAS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**SEPTEMBER 30, 2025**

	Christmas Club Account	Probation Account	Historical Commission	Justices of the Peace	Total Custodial Funds (See Exhibit A-10)
<b>Assets</b>					
Cash and cash equivalents	\$ 83,213	\$ 377,577	\$ 16,099	\$ 19,792	\$ 1,921,518
Investments	-	-	-	-	242,464
Due from other funds	-	-	-	-	16,499
Total assets	<u>83,213</u>	<u>377,577</u>	<u>16,099</u>	<u>19,792</u>	<u>2,180,481</u>
<b>Liabilities</b>					
Accounts payable	-	-	-	-	6,365
Due to other funds	-	-	-	21,032	93,086
Due to other governments	-	-	-	-	557,953
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,032</u>	<u>657,404</u>
<b>Net Position</b>					
Restricted for other purposes	83,213	377,577	16,099	(1,240)	1,523,077
Total net position	<u>\$ 83,213</u>	<u>\$ 377,577</u>	<u>\$ 16,099</u>	<u>\$ (1,240)</u>	<u>\$ 1,523,077</u>

**WILBARGER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Tax Assessor/ Collector</u>	<u>County Clerk</u>	<u>Sheriff</u>	<u>County Attorney</u>
<b>Additions</b>				
Juvenile Probation	\$ -	\$ -	\$ -	\$ -
Sheriff's Department	-	-	172,816	-
Tax Assessor Collector	33,577,417	-	-	-
County Clerk	-	64,455	-	-
District Clerk	-	-	-	-
County and District Attorneys	-	-	-	6,814
Justices of the Peace	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total additions</b>	<u>33,577,417</u>	<u>64,455</u>	<u>172,816</u>	<u>6,814</u>
<b>Deductions</b>				
Juvenile Probation	-	-	-	-
Sheriff's Department	-	-	150,423	-
Tax Assessor Collector	33,578,935	-	-	-
County Clerk	-	45,415	-	-
District Clerk	-	-	-	-
County and District Attorneys	-	-	-	11,061
Justice of the Peace	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total deductions</b>	<u>33,578,935</u>	<u>45,415</u>	<u>150,423</u>	<u>11,061</u>
<b>Change in net position</b>	(1,518)	19,040	22,393	(4,247)
<b>Net position - beginning</b>	-	77,601	34,269	47,547
<b>Net position - ending</b>	<u>\$ (1,518)</u>	<u>\$ 96,641</u>	<u>\$ 56,662</u>	<u>\$ 43,300</u>

District Clerk	District Attorney	Constable #1	Constable #2	State Tax	Jail Commissary
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
401,509	-	-	-	-	-
-	41,928	-	-	-	-
-	-	-	-	-	-
-	-	1,462	1,462	259,667	45,732
<u>401,509</u>	<u>41,928</u>	<u>1,462</u>	<u>1,462</u>	<u>259,667</u>	<u>45,732</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
257,567	-	-	-	-	-
-	51,848	-	-	-	-
-	-	-	-	-	-
-	-	225	445	259,667	41,917
<u>257,567</u>	<u>51,848</u>	<u>225</u>	<u>445</u>	<u>259,667</u>	<u>41,917</u>
143,942	(9,920)	1,237	1,017	-	3,815
669,090	11,369	4,930	4,809	-	22,054
<u>\$ 813,032</u>	<u>\$ 1,449</u>	<u>\$ 6,167</u>	<u>\$ 5,826</u>	<u>\$ -</u>	<u>\$ 25,869</u>

**WILBARGER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Christmas Club Account	Probation Account	Historical Commission	Justices of the Peace	Total Custodial Funds (See Exhibit A-11)
<b>Additions</b>					
Juvenile Probation	\$ -	\$ 1,359,647	\$ -	\$ -	\$ 1,359,647
Sheriff's Department	-	-	-	-	172,816
Tax Assessor Collector	-	-	-	-	33,577,417
County Clerk	-	-	-	-	64,455
District Clerk	-	-	-	-	401,509
County and District Attorneys	-	-	-	-	48,742
Justices of the Peace	-	-	-	194,591	194,591
Miscellaneous	97,243	-	1,884	-	407,450
Total additions	<u>97,243</u>	<u>1,359,647</u>	<u>1,884</u>	<u>194,591</u>	<u>36,226,627</u>
<b>Deductions</b>					
Juvenile Probation	-	1,330,201	-	-	1,330,201
Sheriff's Department	-	-	-	-	150,423
Tax Assessor Collector	-	-	-	-	33,578,935
County Clerk	-	-	-	-	45,415
District Clerk	-	-	-	-	257,567
County and District Attorneys	-	-	-	-	62,909
Justice of the Peace	-	-	-	195,615	195,615
Miscellaneous	86,947	-	3,264	-	392,465
Total deductions	<u>86,947</u>	<u>1,330,201</u>	<u>3,264</u>	<u>195,615</u>	<u>36,013,530</u>
<b>Change in net position</b>	10,296	29,446	(1,380)	(1,024)	213,097
<b>Net position - beginning</b>	72,917	348,131	17,479	(216)	1,309,980
<b>Net position - ending</b>	<u>\$ 83,213</u>	<u>\$ 377,577</u>	<u>\$ 16,099</u>	<u>\$ (1,240)</u>	<u>\$ 1,523,077</u>