

**FISHER COUNTY APPRAISAL DISTRICT**

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FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT

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FOR THE YEAR ENDED  
DECEMBER 31, 2024

DRAFT



**Roberts & McGee CPA**

FISHER COUNTY APPRAISAL DISTRICT

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of  
Fisher County Appraisal District:

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Fisher County Appraisal District (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Fisher County Appraisal District, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 District'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 Responsibility 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 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit
- Identify and assess the risk 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 District'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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 information, and pension information on pages 3-7 and 26-29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

*Roberts + McGee, CPA*  
Roberts & McGee, CPA

Abilene, Texas,  
May 20, 2025

**FISHER COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

As management of Fisher County Appraisal District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2024.

**Financial Highlights**

**Financial Statement Highlights**

- The District's total combined net position increased by \$19,986 from current year operations.
- At the end of the current fiscal year, total fund balance for the General Fund was \$306,962. Of this balance \$140,642 is committed for capital reserve, \$140,641 is committed for an operating reserve, \$10,000 is non-spendable, and \$15,679 was unassigned.

**Overview of the Financial Statements**

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

***Government-Wide Financial Statements***

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

The *statement of net position* presents information on all of the District's assets and liabilities, and deferred inflows/outflows of resources with the difference between the two reported as *net position*. *Net position* is equivalent to the equity section of a private-sector balance sheet.

The *statement of activities* presents information showing how the District'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 related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., depreciation).

The government-wide financial statements of the District are principally funded by monies provided by local funding sources (*government activities*). The District does not have any business-type activities.

The government-wide financial statements can be found on pages 8 - 11 of this report.

***Fund Financial Statements***

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District utilizes governmental and fiduciary funds.

**FISHER COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances remaining at year-end are available for spending. These funds are reported using an accounting method called *modified accrual* basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus on governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the general fund with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditure, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District adopts an annual budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 8 - 11 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in this fund are used for their intended purposes. The basic fiduciary fund financial statement can be found on pages 12 and 13 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14-25 of this report.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that is required by the Governmental Accounting Standards Board to be a part of the District's basic financial statements. Required supplementary information can be found on page 26-29 of this report.

***GOVERNMENT-WIDE FINANCIAL ANALYSIS***

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

The *statement of net position* presents information on all of the District's assets and liabilities, and deferred inflows/outflows of resources with the difference between the two reported as *net position*. *Net position* is equivalent to the equity section of a private-sector balance sheet.

The *statement of activities* presents information showing how the District'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 related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., depreciation).

**FISHER COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

A large portion of the District's net position reflects its investment in capital assets (e. g., land, buildings, vehicles, furniture, and equipment). The District uses these capital assets to provide services to the member entities we serve; consequently, these assets are not available for future spending.

Additionally, a portion of the District's net position represents unrestricted financial resources available for future operations.

**Fisher County Appraisal District  
Summary of the Statements of Net Position**

	Governmental Activities	
	12/31/2024	12/31/2023
Current and Other Assets	\$ 325,960	\$ 297,851
Capital Assets, net	202,102	413,419
Total Assets	528,062	711,270
 Deferred outflows of resources	 20,391	 33,470
Current Liabilities	73,241	52,717
Noncurrent Liabilities	63,793	31,136
Total Liabilities	137,034	83,853
 Net Investment on Capital Assets	 89,114	 93,674
Unrestricted	322,305	297,759
Total Net Position	\$ 411,419	\$ 391,433

**FISHER COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

**GOVERNMENTAL ACTIVITIES**

Operating revenues for the Fisher County Appraisal District's governmental activities were \$521,988 while operating expenses were \$457,753. The change in net position from current year operations after the other financing uses of (\$44,249) was an increase of \$19,986. The detail of the District's change in net position for the years ended December 31, 2024 and 2023 are as follows:

**Fisher County Appraisal District  
Changes in Net Position**

	Governmental Activities	
	2024	2023
Revenues		
General Revenues		
Appraisal Income	\$ 325,435	\$ 313,438
Collections Income	187,505	187,502
Interest Income	3,997	3,570
Other Income	5,051	2,460
Total Revenue	<u>521,988</u>	<u>506,970</u>
Expenses		
Appraisal Services	240,023	271,948
Collection Services	167,206	168,202
Interest Expenses	1,862	4,039
Depreciation Expense	48,662	48,105
Total Expenses	<u>457,753</u>	<u>492,294</u>
Increase (decrease) in net position	64,235	14,676
Other Financing Sources (Uses)	<u>(44,249)</u>	<u>4,060</u>
Change in Net Position	19,986	18,736
Beginning Net Position	391,433	372,697
Ending Net Position	<u>\$ 411,419</u>	<u>\$ 391,433</u>

The District's Board approved to commit the 2023 fund balance. During 2024 the District refunded \$81,283 to the taxing authorities.

**FINANCIAL ANALYSIS OF THE DISTRICTS FUNDS**

As previously noted, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's governmental funds are discussed below:

**Governmental funds.** The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the

**FISHER COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024**

District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operation fund of the District. At the end of the fiscal year, the District's general fund reported an ending fund balance of \$306,962.

**General Fund Budgetary Highlights**

The original budget was a balanced budget with \$512,940 of revenues and expenses. The budget was amended during the year. The amended budget reflected a deficit of \$11,940. Operating revenues were \$9,048 more than the final budget, operating expenses were \$43,026 more than budgeted and the other financing sources of \$63,097 were not budgeted. The District experienced an overall favorable budget surplus of \$29,119.

***CAPITAL ASSET AND DEBT ADMINISTRATION***

**Capital Assets.** The District's investment in capital assets for its governmental activities as of December 31, 2024, amounts to \$202,103 (net of accumulated depreciation). This investment in capital assets includes buildings improvements, furniture and equipment, right of use assets and subscription assets.

**Fisher County Appraisal District  
Capital Assets Schedule (net of depreciation)**

	Governmental Activities	
	2024	2023
Building improvements	\$ 152,819	\$ 152,819
Mapping equipment	7,701	7,701
Office equipment	47,415	47,415
Right of use assets	30,749	26,710
Subscription assets	84,853	64,314
Total Depreciable Assets	323,537	298,959
Less: Accumulated Depreciation	118,545	112,267
Less: Accumulated Amortization	2,889	43,273
Total Capital Assets, net	\$ 202,103	\$ 143,419

Additional information on the District's capital assets can be found in Note 6 on page 18 of this report.

**Long-term debt.** At the end of the current fiscal year, the Fisher County Appraisal District had non-current liabilities related to the right of use assets and subscription liabilities. See Note 8 on page 19 related to these liabilities.

**Requests for Information**

This financial report is designed to provide a general overview of the Fisher County Appraisal District's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Fisher County Appraisal District, 107 E. North Street, Roby, Texas 79543.

BASIC FINANCIAL STATEMENTS

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**FISHER COUNTY APPRAISAL DISTRICT**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**DECEMBER 31, 2024**

	General Fund	Adjustments (Note A)	Statement of Net Position
<b>ASSETS</b>			
Cash and cash equivalents	\$ 279,420	\$	\$ 279,420
Prepaid expenses	10,000		10,000
Due from tax collection fund	5,326		5,326
Restitution Receivable	31,214		31,214
Capital assets, net		<u>202,102</u>	<u>202,102</u>
<b>TOTAL ASSETS</b>	<u>325,960</u>	<u>202,102</u>	<u>528,062</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources - pension		<u>20,391</u>	<u>20,391</u>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 325,960</u>	<u>222,493</u>	<u>\$ 548,453</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 18,998		18,998
Noncurrent liabilities			
Net pension liability		5,048	5,048
Right of use liabilities:			
Due within one year		54,243	54,243
Due in more than one year		<u>58,745</u>	<u>58,745</u>
<b>TOTAL LIABILITIES</b>	<u>18,998</u>	<u>118,036</u>	<u>137,034</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows - pension			
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>18,998</u>	<u>118,036</u>	<u>137,034</u>
<b>FUND BALANCE/NET POSITION</b>			
Fund balances			
Nonspendable:			
Prepaid expenses	10,000	(10,000)	
Committed for:			
Capital reserve	140,642	(140,642)	
Operating reserve	140,641	(140,641)	
Unassigned fund balance	<u>15,679</u>	<u>(15,679)</u>	
Total Fund Balance	<u>306,962</u>	<u>(306,962)</u>	
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 325,960</u>		
<b>Net Position</b>			
Net investment in capital assets		89,114	89,114
Unrestricted		<u>322,305</u>	<u>322,305</u>
Total Net Position		<u>\$ 411,419</u>	<u>\$ 411,419</u>

*206,962*

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**Adjustments to the Governmental Fund Balance Sheet**  
**DECEMBER 31, 2024**

Total Fund Balances - Governmental Funds \$ 306,962

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$207,935, and the accumulated depreciation was \$112,267. The net effect of the beginning balances for capital assets (net of depreciation) in the governmental activities is an increase to net position. 95,668

Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$6,278 is to decrease net position. (6,278)

Right of use assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds. Total lease assets in at year end totaled \$30,749. Total amortization recognized against these assets was 2,889. 27,860

Subscription assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds. Subscription assets balance total \$84,852. Total amortization recognized against these assets was zero. 84,852

Long term liabilities are not due and payable in the current period and therefore are not reported in the government funds. The net effect is a decrease in net position related to the right of use liabilities of \$28,137 and the subscription liability of \$84,852 (112,988)

Included in the government-wide financial statements is the recognition of the District's net pension liability of \$5,048, and deferred outflows of resources of \$20,391. 15,343

Net Position of Governmental Activities \$ 411,419

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**Statement of Activities and Governmental Fund Revenues,**  
**Expenditures, and Changes in Fund Balance**  
**Year Ended December 31, 2024**

	General Fund	Adjustments (Note B)	Statement of Activities
<b>REVENUES:</b>			
Appraisal income	\$ 325,435	\$	\$ 325,435
Collections income	187,505		187,505
Interest income	3,997		3,997
Miscellaneous income	5,051		5,051
Total Revenues	<u>521,988</u>		<u>521,988</u>
<b>EXPENDITURES:</b>			
Current:			
Appraisal:			
Payroll costs	89,333	(7,366)	81,967
Office expenditures	18,009		18,009
Professional services	16,302		16,302
Contracted services	117,438		117,438
Other costs	6,307		6,307
Collections:			
Payroll costs	129,601		129,601
Office expenditures	7,331		7,331
Professional services	3,000		3,000
Contracted services	23,801		23,801
Other costs	2,913		2,913
Equipment	560		560
Debt Service	45,965	(44,103)	1,862
Capital Outlay	107,346	(107,346)	
Depreciation and amortization		48,662	48,662
Total Expenditures	<u>567,906</u>	<u>(110,153)</u>	<u>457,753</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(45,918)</b>	<b>110,153</b>	<b>64,235</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Financing proceeds - right of use assets	22,494	(22,494)	
Financing proceeds - subscription assets	84,852	(84,852)	
Restitution collections	37,034		37,034
Refund excess to taxing units	(81,283)		(81,283)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>63,097</u></b>	<b><u>(107,346)</u></b>	<b><u>(44,249)</u></b>
<b>CHANGE IN FUND BALANCE</b>	<b>17,179</b>	<b>(17,179)</b>	
<b>CHANGE IN NET POSITION</b>		<b>19,986</b>	<b>19,986</b>
<b>FUND BALANCE/NET POSITION BEGINNING OF YEAR</b>	<b><u>289,783</u></b>	<b><u>101,650</u></b>	<b><u>391,433</u></b>
<b>FUND BALANCE/NET POSITION END OF YEAR</b>	<b><u>\$ 306,962</u></b>	<b><u>\$ 104,457</u></b>	<b><u>\$ 411,419</u></b>

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**Adjustments to the Governmental Fund Revenues, Expenditures,**  
**and Changes in Fund Balance**  
**Year Ended December 31, 2024**

Net Change in Fund Balances - Governmental Funds \$ 17,179

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

Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. Capital asset purchases including right of use assets and subscription assets totals \$107,346 during the year. 107,346

Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$6,278 is to decrease net position. (6,278)

Amortization expense for right of use assets are not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated amortization. The net effect of the current year amortization expense of is to decrease net position. (10,878)

Long term debt principal payments are expenditures in the fund financial statements, but they should be shown as decreased in long term debt in the government wide financial statements. The net effect of recording the proceeds and the principal payments of the right of use liability is a net decrease in the changes in net position. 11,105

Amortization expense for subscription assets are not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated amortization. The net effect of the current year amortization expense of of \$31,506 is to decrease net position. (31,506)

Long term debt principal payments are expenditures in the fund financial statements, but they should be shown as decreased in long term debt in the government wide financial statements. The net effect of recording the proceeds and the principal payments of the subscription liability is a net decrease in the changes in net position. (74,348)

Certain expenditures for the pension benefits that are recorded to the fund financial statements must be recorded as deferred outflows of resources. The net effect of the changes in net pension liability and the changes in the District's deferred outflows of resources decreased net position \$7,367. 7,366

Change in Net Position of Governmental Activities \$ 19,986

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**Statement of Fiduciary Net Position**  
**December 31, 2024**

	Tax Collections Custodial Accounts
<hr/>	
<b>ASSETS</b>	
Cash and cash equivalents	\$ 43,389
Receivables:	
Inventory tax	<u>1,633</u>
Total Assets	<u>45,022</u>
<b>LIABILITIES</b>	
Due to taxing units - inventory tax	16,780
Due to taxing entities - Royalties	681
Due to taxing entities - Personal Property Penalty	4,556
Due to District Clerk	(50)
Funds held in Escrow	3,280
Due to Fisher CAD	<u>5,327</u>
Total Liabilities	<u>30,574</u>
<b>NET POSITION</b>	
Restricted for other governments	<u>\$ 14,448</u>

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**December 31, 2024**

	Tax Collections Custodial Accounts
<hr/>	
<b>ADDITIONS</b>	
Tax and fee collections for other governments	\$ 15,274,945
Interest earnings	6,787
Other Collections	150
	15,281,882
<b>DEDUCTIONS</b>	
Payments of taxes and fees to others	15,274,767
Net Increase (decrease) in fiduciary net position	7,115
<b>BEGINNING NET POSITION</b>	7,333
<b>ENDING NET POSITION</b>	\$ 14,448

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 1: Reporting Entity**

The Fisher County Appraisal District (the District) was organized, created, and established pursuant to rules established by the Texas Property Code (the Code) Section 6.01. The Code established an appraisal district in each county of the State of Texas. The District was created to provide various taxing jurisdictions with appraisals of property subject to ad valorem taxation in Fisher County, Texas. The District's Board of Directors is appointed by the taxing jurisdictions within its boundaries.

The District is a political subdivision of the State of Texas and is considered a primary government. The financial statements of the District consist only of the funds of the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

The financial statements included in the accompanying basic financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the District's Basic Financial Statements.

**Note 2: Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

**Basis of Presentation**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. The effect of interfund activity has been removed from these statements. The government-wide financial statements are combined with the fund financial statements because this is allowed reporting under a special purpose governmental entity.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Appraisal and collections revenues are recognized as soon as they are both measurable and available. Appraisal and collections 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 District 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.

Interest income is considered to be susceptible to accrual and so has been recognized as revenues of the current fiscal period.

The District reports the following major governmental fund:

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 2: Measurement Focus, Basis of Accounting, and Financial Statement Presentation – continued**

Additionally, the District reports the following fund type:

The Custodial Fund is a fiduciary fund type which includes tax collections held for taxing authorities. The fund is purely custodial and does not involve the measurement of the results of operations.

**Note 3: Assets, Liabilities, and Net Position or Fund Balance**

Deposits and Investments

The District’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.

Some statutes authorize the District to invest in certificates of deposit, fully collateralized repurchase agreements, public funds investment pools, obligations of the United States or its agencies, direct obligations of the State of Texas or its agencies, prime domestic bankers acceptances, commercial paper, SEC registered no-load money market mutual funds, other obligations which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities, and obligations of states, agencies, counties, cities and other political subdivisions 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. During the year ended December 31, 2024, the District did not own any types of securities other than those permitted by statute.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the statement of net position. The District defines capital assets with an initial, and individual cost of \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Building improvements	10-30 years
Furniture and Equipment	5-10 years

Compensated Absences

The District maintains a personal and sick leave policy for its full-time staff. The policy provides that full time employees earn 12 days personal leave (20 days after 11 years of service) per year. Personal benefits are lost at the end of the year if not taken, thus, no accumulation is allowed under the plan. Employees also earn sick leave time of 12 days per year accumulated up to a maximum of 60 days. No unused sick leave benefits are paid upon termination of employment for any reason. As such, no liability is maintained for accumulated personal or sick leave benefits.

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 3: Assets, Liabilities, and Net Position or Fund Balance - continued**

Deferred Outflows/Inflows of Resources

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

The District has deferred outflows or inflows of resources based on the actuarial valuations for pension plan from TCDRS. These deferred outflows and inflows of resources include the following items: (1) differences in expected and actual experiences, (2) differences due to changes in actuarial assumptions, (3) difference in projected and actual earnings, and (4) contributions made subsequent to the measurement dates for the pension liabilities.

Pension Liability

The fiduciary net position of the Texas County & District Retirement System (TCDRS) 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 pension 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 or employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Fund Balance

In accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54), the entity has reported the fund balances using the defined classifications for financial reporting purposes. The fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable fund balance* – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain intact such as the principal of an endowment. The District has \$10,000 of nonspendable fund balance at December 31, 2024.
- *Restricted fund balance* – includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by law or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include grant awards and bond proceeds. The District has no restricted fund balance at December 31, 2024.

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 3: Assets, Liabilities, and Net Position or Fund Balance - continued**

- *Committed fund balance* – includes the portion of net resources upon which the Board of Directors has imposed limitations on use. Amounts that can be used only for the specific purposes are determined by formal action of the Board of Directors, the District’s highest level of decision-making authority. Commitments may be changed or lifted only by the Board taking the same formal action that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements. The District reported the following amounts as committed:

Capital reserve	\$ 140,642
Operating reserve	140,641

- *Assigned fund balance* – includes the portion of net resources for which an intended use has been established by the Board of Directors or by an official who has been delegated by official Board action the authority to assign amounts. Assignments of fund balances are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum intended to be used for the purpose of that fund. The District has no assigned fund balance at December 31, 2024.
- *Unassigned fund balance* – includes the amount in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

The District will typically use restricted, committed, and/or assigned fund balances, in that order, prior to using unassigned fund balance, but it reserves the right to deviate from this general strategy when appropriate.

Appraisal and Collections income

The District is supported by assessments from the taxing entities in the District and from a collection fee charged to each entity based on the level of collections. The assessment income is calculated using each entity’s percentage of the District’s operating budget based on each entity’s total appraised levy within the District and is normally billed quarterly for each entity.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reported period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through May 20, 2025, the date the financial statements were available to be issued.

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 4: Stewardship, Compliance and Accountability**

Budgetary Information

The District adopts an annual budget for the general fund. The District is required to present the adopted and final amended budgeted revenue and expenditures for the General Fund. The District compares the final amended budget to actual revenues and expenditures. Appropriations lapse at year end.

**Note 5: Deposits and Investments**

Deposits and Investments

*Custodial credit risk:* Deposits in financial institutions are carried at cost which approximates fair value. At December 31, 2024, the District had cash and cash investments, which represents cash on hand, demand deposits and savings accounts at federally insured local banks. At year end, the District's deposits were fully secured by FDIC coverage.

Statutes authorize the District to invest in obligation of the U.S. Treasury or the State of Texas, certain repurchase agreements, common trust funds, certificates of deposit that are guaranteed or insured by the Federal Deposit Insurance Corporation, and other investments specifically authorized by Chapter 2256 Public Funds Investment Act (PFIA) and Chapter 2257 Collateral for Public Funds of the Texas Government Code. The District is in compliance with the requirements of PFIA.

**Note 6: Capital Assets**

Capital asset activity for the year ended December 31, 2024 is as follows:

	Balance January 1 2024	Additions	Retirements	Balance December 31 2024
Governemental Activities				
Depreciable assets:				
Building improvements	\$ 152,819			\$ 152,819
Mapping equipment	7,701			7,701
Office equipment	47,415			47,415
Right of use assets	26,710	22,494	(18,455)	30,749
Subscription assets	64,314	84,852	(64,313)	84,853
Total Depreciable Assets	<u>298,959</u>	<u>107,346</u>	<u>(82,768)</u>	<u>323,537</u>
Less accumulated depreciation and amortization				
Building improvements	(61,579)	(4,893)		(66,472)
Mapping equipment	(7,701)			(7,701)
Office equipment	(42,987)	(1,385)		(44,372)
Right of use assets	(10,466)	(10,878)	18,455	(2,889)
Subscription assets	(32,807)	(31,506)	64,313	-
Total accumulated depreciation	<u>(155,540)</u>	<u>(48,662)</u>	<u>82,768</u>	<u>(121,434)</u>
Total capital assets, net	<u>\$ 143,419</u>	<u>\$ 58,684</u>	<u>\$ -</u>	<u>\$ 202,103</u>

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 6: Capital Assets – continued**

The District recognized depreciation expense of \$6,278 and amortization expense of \$42,384 during the year ended December 31, 2024.

**Note 7: Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. The District has purchased commercial insurance to insure against these losses. The District workers' compensation, property, liability, and automobile physical damage losses are covered under joint self-funded insurance pools managed by Texas Political Subdivisions and the Texas Municipal League (TML) Intergovernmental Risk Pool, a public entity risk pool for the benefit of 2,800 individual governmental units located within the state of Texas. TML Intergovernmental Risk Pool is considered a self-sustaining risk pool that will provide coverage for its members.

**Note 8: Right of use liabilities and subscription liabilities**

Leases Liabilities

The District is a lessee in noncancelable operating leases for the right to use office equipment. The District has recorded a right to use asset and liability at the lease commencement date based on the present value of the future lease payments over the expected lease terms. The right of use asset is amortized on a straight-line basis over the life of the lease, and the asset is recognized on the statement of net position with the depreciable capital assets. The lease liability is calculated based on the present value of the non-cancelable payments over the term of the lease and is recognized as a right to use liability on the statement of net position.

The details of the lease agreements are as follows:

Description	Beginning Lease Date	Payment Terms	Payment Amount	Imputed Interest Rate	Balance at Decemeber 31, 2024
Canon Copier	4/14/2023	60 months	\$ 160	6.00%	\$ 5,642
Computer Equipment	12/31/2024	24 monhts	\$ 2,938	3.93%	22,494
					<u>\$ 28,136</u>

Subscription Liabilities

The District entered into long-term agreements to utilize software. The software agreements met the requirements from Governmental Accounting Standards Board (GASB) No. 96, *Subscription-Based Technology Arrangements*. The District has recorded a subscription asset and a subscription liability at the lease commencement date based on the present value of the future payments over the expected agreement terms. The subscription asset is amortized on a straight-line basis over the life of the lease, and the asset is recognized on the statement of net position with the depreciable capital assets. The subscription liability is calculated based on the present value of the non-cancelable payments over the term of the agreements and is recognized as a subscription liability on the statement of net position.

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 8: Right of use liabilities and subscription liabilities – continued**

The details of the subscription-based technology arrangements are as follows:

Description	Beginning Lease Date	Payment Terms	Payment Amount	Imputed Interest Rate	Balance at Decemeber 31, 2024
Various Software	12/31/2024	24 Months	\$ 9,550	3.93%	\$ 73,130
GIS Mapping Software	10/1/2022	24 Months	\$ 1,532	3.99%	11,722
					\$ 84,852

Annual requirements to amortize the lease liability and subscription liability are as follows:

Year Ending December 31	Principal	Interest	Total
2025	\$ 54,242	\$ 3,463	\$ 57,705
2026	56,445	1,547	57,992
2027	1,827	89	1,916
2028	474	5	479
	\$ 112,988	\$ 5,104	\$ 118,092

**Note 9: Commitments and Contingencies**

In the normal course of operations, the District could be named as a defendant in various lawsuits regarding appraised values. The District’s exposure is limited to attorney fees for the parties contesting their appraised value.

**Note 10: Retirement Plan**

Plan Description

The District provides retirement benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (the TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of nearly 800 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

Benefits Provided

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing the TCDRS (TCDRS Act). Members can retire at age 60 and above with ten or more years of service, with 30 years of service, regardless of age, or when the sum of their age and years of service equals 80 or more. Members are vested after ten years of employment but must leave their accumulated contributions in the plan to receive any employer-financed benefits. Members who withdraw their personal contributions in a lump-sum are not entitled to any amounts contributed by their employer.

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 10: Retirement Plan - continued**

Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing board of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer’s commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee’s accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. There are no automatic post-employment benefit changes; including automatic COLA’s. Ad hoc post-employment benefit changes, including ad hoc COLA’s, can be granted by the District’s Board within certain guidelines.

Membership

District membership in the TCDRS plan at December 31, 2024 consisted of the following:

Inactive Employees Receiving Benefits	0
Inactive Employees Not Yet Receiving Benefits	<u>0</u>
Total	0
 Active Employee Accounts	 3

Contributions

The District has elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the District based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the District is actuarially determined annually. The employee contribution rate and the employer contribution rate may be changed by the governing body of the District within the options available in the TCDRS Act.

The rate the District contributed for the months of the accounting year in 2023 and 2024 were:

	Contribution Rates and Amounts	
	2024	2023
Member	6.00%	6.00%
Employer	10.39%	10.39%
 Employer Contributions	 \$ 17,258	 \$ 31,486
Employee Contributions	\$ 9,966	\$ 9,520

For calendar year 2023, the Board allocated an additional contribution to the retirement plan above the calculated required contribution. During calendar 2023, this additional payment was \$15,000 and is included in the employer contributions noted above.

Actuarial Assumptions

The total pension liability at the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 10: Retirement Plan - continued**

Valuation Timing	Actuarially determined contributions rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method:	Straight line amortization over Expected Working Life
Remaining Amortization Period	14 years
Asset Valuation Method	5 year smoothed market
Discount Rate	7.60%
Inflation	2.50%
Salary Increases	4.70% average
Investment Rate of Return	7.50%
Payroll Growth Rate	1.50%

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

Refer to the most recent ACFR issued by TCDRS for a complete discussion of all assumptions.

Discount Rate

In order to determine the discount rate to be used, we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. This alternative method reflects the funding requirements under our funding policy and the legal requirements under the TCDRS Act:

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

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

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 10: Retirement Plan - continued**

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses. Therefore, we have used a discount rate of 7.60%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by .10% to be gross of administrative expenses.

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 provided by TCDRS's investment consultant, Cliffwater LLC. The numbers shown are based on January 2024 information for a 10 year time horizon.

Note that the valuation assumptions 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 assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. The actuary relies on the expertise of Cliffwater LLC in this assessment.

Best estimates of geometric real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus inflation)
US Equities	Dow Jones US Total Stock Market Index	11.50%	4.75%
Global Equities	MSCI World (net) Index	2.50%	4.75%
International Equities – Developed	MSCI Work (net) Index Ex USA	5.00%	4.75%
International Equities – Emerging	MSCI EM Standard (net) index	6.00%	4.75%
Investment Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.35%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.65%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	7.25%
Distressed Debt	Cambridge Associates Distressed Securities Index	4.00%	6.90%
REIT Equities	67% FTSE NAREIT Equity REIT's Index + 33% FRSE EPRA/NAREIT Global Rate Estate Index	2.00%	4.10%
Master Limited Partnerships (MLP's)	Alerian MLP Index	2.00%	5.20%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	25.00%	7.75%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	3.25%
Cash Equivalents	90-Day U.S. treasury	2.00%	0.60%

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 10: Retirement Plan - continued**

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

At December 31, 2024, the District reported a net pension liability of \$5,048 measured at December 31, 2023. For the year ended December 31, 2024, the District recognized pension expense of \$9,894.

There were no changes of the benefit terms that affected measurement of the total pension liability during the measurement period. There were no changes in plan provisions reflected in December 31, 2023 actuarial valuation.

Discount Rate Sensitivity Analysis

The following presents the net pension liability/(asset) of the District calculated using the discount rate of 7.60%, as well as what the District's combined net pension liability 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 in Discount Rate (6.60%)	Discount Rate (7.60%)	1% Increase in Discount Rate (8.60%)
Total Pension Liability	\$ 85,385	\$ 70,914	\$ 59,339
Fiduciary Net Position	65,866	65,866	65,866
Net Pension Liability/ (Asset)	\$ 19,519	\$ 5,048	\$ (6,527)

Changes in the net pension liability for the valuation year ended December 31, 2023 are as follows:

	Increases (Decreases)		
Changes in Net Pension Liability	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset ) (a)-(b)
Balance at December 31, 2022	\$ 45,700	\$ 20,206	\$ 25,494
Changes for the year:			
Service Cost	18,989		18,989
Interest on total pension liability	4,916		4,916
Effect of plan changes	-		-
Effect of economic/demographic gains or	1,309		1,309
Administrative expenses		(34)	34
Member contributions		9,521	(9,521)
Net investment income		2,626	(2,626)
Employer contributions		31,487	(31,487)
Other		2,060	(2,060)
Balance as of December 31, 2023	\$ 70,914	\$ 65,866	\$ 5,048

**FISHER COUNTY APPRAISAL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Note 10: Retirement Plan - continued**

At December 31, 2024, the District reported its share of the TCDRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Recourses	Deferred Inflows of Recourses
Differences between expected and actual economic experience	\$ 1,253	\$ -
Changes in actuarial assumptions	-	-
Differences between projected and actual investment earnings	1,880	-
Contributions subsequent to the measurement	17,258	-
Total	\$ 20,391	\$ -

\$17,258 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2024	\$ 677
2025	677
2026	675
2027	187
2028	84
Thereafter	833
	\$ 3,133

**Note 11: Prior Year Misappropriation of Funds**

During the year ended December 31, 2020, the District determined that cash had been fraudulently taken from the District by an employee. A fraud investigation was conducted by an independent firm who determined that a total of \$168,356 was taken from both the General Fund and the Custodial Funds August 2018 through November 2020.

During the year ended December 31, 2021, the 32<sup>nd</sup> Judicial District Court of Fisher County Texas ruled in favor of the District and has ordered the former employee to make restitution to the District in the amount of \$168,339. The agreement calls for monthly payments of \$1,537 beginning March 15, 2022. The District recorded a receivable for the amount owed by the employee, but also recorded an allowance equal to the receivable due to the uncertainty of collectability of the judgement. During the year ended December 31, 2024, The District received a total of \$37,034 towards the judgment. This amount was recognized as an other financing source on the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

**FISHER COUNTY APPRAISAL DISTRICT**  
Schedule of Revenues, Expenditures and Changes in Fund Balance –  
Budget and Actual – General Fund  
DECEMBER 31, 2024

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Amended Budget	Actual GAAP Basis	
<b>REVENUES:</b>				
Appraisal income	\$ 325,435	\$ 325,435	\$ 325,435	\$ -
Collections income	187,505	187,505	187,505	-
Interest income	-		3,997	3,997
Miscellaneous income	-		5,051	5,051
<b>Total Revenues</b>	<u>512,940</u>	<u>512,940</u>	<u>521,988</u>	<u>9,048</u>
<b>EXPENDITURES:</b>				
Current:				
Appraisal:				
Payroll costs	102,748	102,748	89,333	13,415
Office expenditures	12,085	12,085	18,009	(5,924)
Professional services	59,660	63,635	16,302	47,333
Contracted services	129,295	137,045	117,438	19,607
Other costs	7,700	7,700	6,307	1,393
Collections:				
Payroll costs	142,100	142,100	129,601	12,499
Office expenditures	6,085	6,085	7,331	(1,246)
Professional services	20,250	20,250	3,000	17,250
Contracted services	16,170	16,170	23,801	(7,631)
Other costs	400	400	2,913	(2,513)
Equipment	2,500	2,500	560	1,940
Debt Service			45,965	(45,965)
Capital Outlay	13,947	14,162	107,346	(93,184)
<b>Total Expenditures</b>	<u>512,940</u>	<u>524,880</u>	<u>567,906</u>	<u>(43,026)</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>(11,940)</u>	<u>(45,918)</u>	<u>(33,978)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Financing proceeds - right of use assets			22,494	22,494
Financing proceeds - subscription assets			84,852	84,852
Restitution collections	-	-	37,034	37,034
Refund excess to taxing units			(81,283)	(81,283)
<b>Total other financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>63,097</u>	<u>63,097</u>
<b>CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ (11,940)</u>	<u>\$ 17,179</u>	<u>\$ 29,119</u>

**FISHER COUNTY APPRAISAL DISTRICT**  
 Schedule of Employer Contributions  
 Texas County & District Retirement System  
 For Fiscal Year 2024

Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a Percentage of Covered Payroll
2014	\$	\$	\$ -	\$	
2015			-		
2016			-		
2017			-		
2018			-		
2019			-		
2020			-		
2021			-		
2022	12,143	12,143	-	116,868	10.4%
2023	16,487	31,487	(15,000)	158,678	19.8%
2024	15,148	17,258	(2,110)	166,100	10.4%

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**FISHER COUNTY APPRAISAL DISTRICT**  
Notes to Schedule of Employer Contributions  
For the Year Ended December 31, 2024

**Net Pension Liability - Texas County & District Retirement System**

Assumptions

The following methods and assumptions were used to determine contribution rates:

<b>Valuation date</b>	Actuarially determined contributions rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.
<b>Actuarial cost method</b>	Entry age (level percentage of pay)
<b>Amortization method</b>	Level percentage of payroll, closed
<b>Remaining amortization period</b>	1.9 years (based on contribution rate calculated in 12/31/2023 valuation)
<b>Asset valuation method</b>	5-year smoothed market
<b>Inflation</b>	2.50%
<b>Salary increases</b>	Varies by age and service. 4.7%, average over career, including inflation
<b>Investment rate of return</b>	7.50%, net of administrative and investment expenses, including inflation
<b>Retirement Age</b>	Members who are eligible for service retirement age assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
<b>Mortality</b>	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.
<b>Changes in Assumptions and Methods Reflect in the Schedule of Employer Contributions</b>	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New Inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
<b>Changes in Plan Provisions Reflected in the Schedule of Employer Contributions</b>	2016 to 2021 - Not applicable, prior to TCDRS participation 2022: No changes in plan provisions were reflected in the Schedule 2023: No changes in plan provisions were reflected in the Schedule

\* Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes

**FISHER COUNTY APPRAISAL DISTRICT**  
Schedule of Changes in Net Position Liability and Related Ratios  
Texas County & District Retirement System  
Years Ended December 31,

	2022	2023
<b>Total Pension Liability</b>		
Service cost	\$ 42,444	\$ 18,989
Interest (on the Total Pension Liability)	3,226	4,916
Effect of plan changes	-	-
Effect of assumption changes or inputs	30	1,309
Effect of economic/demographic (gains)losses		
Benefit payments, including refunds of employee contributions		
Net Change in Total Pension Liability	45,700	25,214
Total Pension Liability - Beginning	-	45,700
Total Pension Liability - Ending (a)	\$ 45,700	\$ 70,914
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 12,143	\$ 31,487
Contributions - Employee	7,012	9,521
Net Investment Income	(1,633)	2,626
Benefit payments, including refunds of employee contributions	-	-
Administrative Expense	(12)	(34)
Other	2,696	2,060
Net Change in Plan Fiduciary Net Position	20,206	45,660
Plan Fiduciary Net Position - Beginning	-	20,206
Plan Fiduciary Net Position - Ending (b)	\$ 20,206	\$ 65,866
Net Pension Liability - Ending (a)-(b)	\$ 25,494	\$ 5,048
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	44.21%	92.88%
Covered Employee Payroll	\$ 116,868	\$ 158,678
Net Pension Liability as a Percentage of Covered Employee Payroll	21.81%	3.18%

The District began participation in TDCRS in 2022, therefore, only years from 2022 forward are presented.