



Annual Comprehensive Financial Report

For The Fiscal Year Ended September 30, 2023

Harris County, Texas

**Michael Post, CPA, CIA
Harris County Auditor**

HARRIS COUNTY, TEXAS

**Annual Comprehensive Financial Report
For The Fiscal Year Ended
September 30, 2023**

**Prepared By:
Michael Post, CPA, CIA
County Auditor
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Houston, Texas 77002**

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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
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MICHAEL POST, CPA, CIA
HARRIS COUNTY AUDITOR

March 28, 2024

Honorable District Judges of Harris County, Honorable Members of the Harris County Commissioners Court, and Citizens of Harris County, Texas

The County Auditor's Office (the "Auditor's Office") is pleased to present the Annual Comprehensive Financial Report ("ACFR") of Harris County, Texas (the "County") for the year ended September 30, 2023. This report is submitted in accordance with Section 114.025 of the Texas Local Government Code and was prepared by the staff of Auditor's Office. The ACFR includes all disclosures necessary to enable the reader to gain an understanding of the County's financial activities. The information and data contained herein are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the County in accordance with generally accepted accounting principles in the United States of America ("GAAP").

The ACFR consists of management's representations concerning the finances of the County, and management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

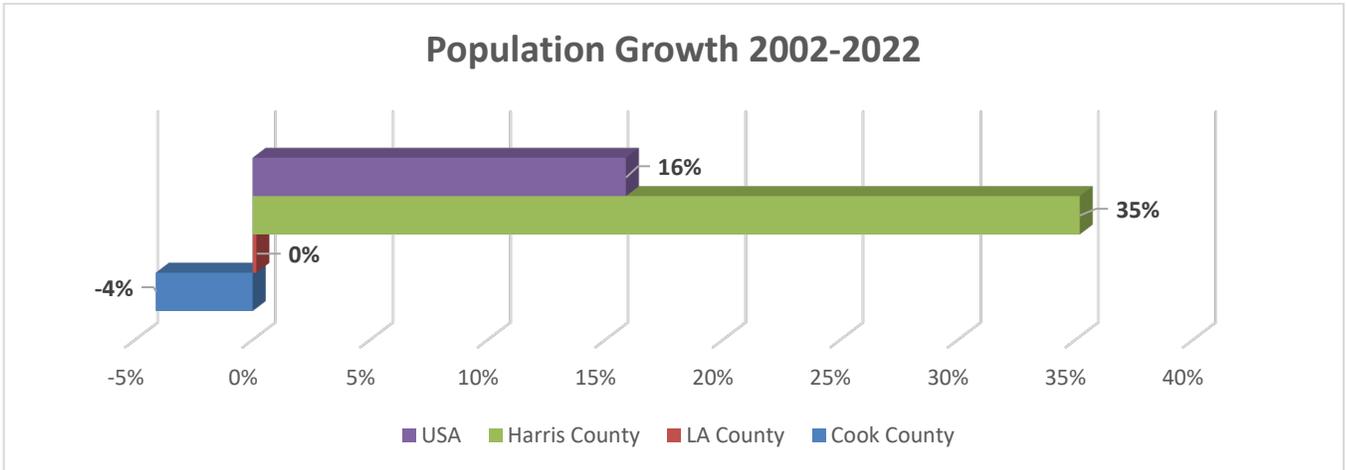
The County's financial statements were audited by Deloitte & Touche LLP, an independent audit firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for year ended September 30, 2023, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements are fairly presented in conformity with GAAP in all material respects. The independent auditor's report is presented as the first component of the financial section of this report. Management's discussion and analysis (MD&A), which immediately follows the independent auditor's report, provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The independent audit of the County's financial statements includes a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the compliance section of this report.

PROFILE OF THE COUNTY

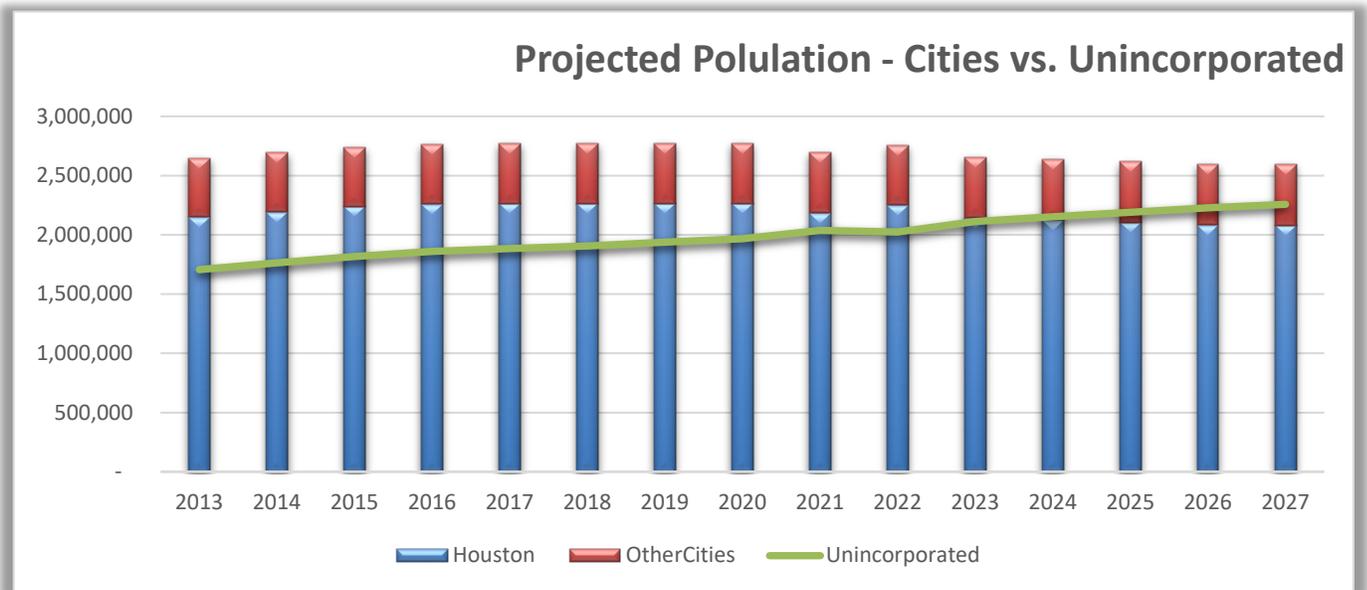
History, Population, and Location

The Battle of San Jacinto, a decisive battle of the Texas Revolution, was fought in April 1836, in present-day Harris County. In 1836, Harrisburg County was established, and in 1839, its name was changed to Harris County. The County was named after an early settler, John Richardson Harris. At the time of the first census in Texas in 1850, Harris County had a population of 4,668, and at the turn of the twentieth century, the County's population was 63,786. Harris County's population has grown to an estimated 4.8 million residents. Harris County continues to be the nation's third largest county in terms of population and one of the fastest growing counties with 35% growth since 2002. Over a 20-year period, Harris County's population has grown more than twice as fast as the nation's population.



Harris County is unique among all counties in the nation for having an unincorporated area population in excess of two million residents. County government is the primary provider of roads, parks, facilities, and law enforcement for the unincorporated areas.

Harris County



Source of graph information – Census Bureau

Harris County has a land area greater than 1,700 square miles and is located in the upper Gulf Coast in Southeast Texas approximately 50 miles from the Gulf of Mexico. The City of Houston is the County seat for Harris County. Harris County has a temperate climate that supports a growing season that averages 300 days and allows the County's residents to enjoy an outdoor lifestyle. Harris County is home to many fine colleges and universities including Rice University, the University of Houston, Baylor College of Medicine, and the University of Texas Medical School. The Texas Medical Center located in Houston is the largest medical complex in the world and is home to both the largest children's hospital and the largest cancer hospital in the world. Harris County offers a large variety of cultural activities including Houston's Museum District, which is one of the largest in America with 20 museums, galleries, cultural centers, and community organizations. Houston also has an impressive theater district that features nine world-renowned performing arts organizations and is one of only five cities with permanent professional resident companies in all of the major performing arts disciplines. The Houston area has six professional major league sports teams: the Houston Astros (baseball), Houston Texans (football), Houston Dynamo (men's soccer), Houston Dash (women's soccer), Houston Rockets (basketball) and Houston SaberCats (Rugby).

County Structure and Services

Harris County is a political subdivision of the State of Texas, and the Commissioners Court is the governing body of the County. It is composed of the County Judge elected from the County at large, and four Commissioners, each elected from a separate precinct, all elected for four-year terms. The County Judge is the presiding officer of the Commissioners Court.

The financial statements of the County's reporting entity include Harris County, the primary government, and its component units, which are legally separate entities for which the elected officials of the County are financially accountable, and/or the relationship to the County is such that exclusion would cause the County's financial statements to be misleading. Harris County Flood Control District, the Harris County Sports & Convention Corporation, and the Harris County Redevelopment Authority are included as blended component units, and information from these units is combined with data of the County. Harris Center for Mental Health and IDD (formerly MHMRA) and Harris County Hospital District (dba Harris Health System) are presented in the annual report as major discrete component units. The County also has six non-major discrete component units. Additional information regarding the County's component units has been included in Note 1, Section A, to the Financial Statements.

The County (the primary government) and its component units, solely or in cooperation with other local governmental entities, provide a full range of services as allowed by the Texas Constitution and Statutes including construction and maintenance of roads and bridges, health and housing services, social services, judicial and law enforcement, juvenile and adult justice programs, economic development, a library system, parks, recreation and cultural enrichment, flood control, a sports and entertainment complex, and general administration.

Budget Process

In accordance with Chapter 111 of the Texas Local Government Code, the County prepares and adopts an annual operating budget, which serves as a financial plan for the new fiscal year beginning October 1. The County Auditor is responsible for the preparation of the annual estimate of available resources for the County to be used in the preparation of the annual budget. The County budget may not exceed the available resources of the County funds as determined by the County Auditor. After adoption of the budget by Commissioners Court, the County Auditor is responsible for ensuring expenditures are made in compliance with budgeted appropriations. The level of budgetary control for the General Fund is at the department level; for other funds, budgetary control is implemented at various levels. For example, budgetary control for debt service funds is at the individual bond issue level and budgetary control for special revenue funds is at the fund level. Commissioners Court may also adopt supplemental budgets for the limited purposes of spending grant or aid money, for capital projects through the issuance of bonds, for intergovernmental contracts, and for new sources of revenue not anticipated at the original budget adoption. Encumbrance accounting is utilized to ensure effective budgetary control and accountability. Additional information regarding the County's budget process has been included in Note 1, Section E in the Financial Statements.

INFORMATION USEFUL FOR ASSESSING THE ECONOMIC CONDITION OF THE COUNTY

Local Economy

Economic conditions have a direct impact on the County's revenues and demand for services. Harris County has experienced tremendous growth since the start of the 21st century with an expanding, diversified local economy that has outperformed most of the country. The energy business has played a large part in this growth, along with the relatively low cost of living, affordable housing, and an expanding transportation system.

The Houston region is designated as the Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (MSA), and it comprises Harris County and eight other counties. The U.S. Bureau of Economic Analysis estimates metro Houston's Gross Domestic Product (GDP) at approximately \$633.2 billion. Twenty-Six companies on the 2023 Fortune 500 list are headquartered in the Houston area. No single industry dominates Houston employment.

The current price of West Texas Intermediate (WTI) crude oil as of September 2023 is approximately \$89 per barrel, which is an increase from September 2022 per the U.S. Energy Information Administration. Oil prices increased in the last year due to many factors in the economy.

The preliminary September 2023 unemployment rate for the Houston MSA was 4.4% compared to the national average of 3.9%. The State's preliminary unemployment rate for September 2023 was 4.1%.

The Houston-The Woodlands-Sugar Land, Texas area had a Consumer Price Index (CPI) that was .1% lower than other large urban areas as calculated for September 2023 by the Bureau of Labor Statistics. The Houston area's lower CPI-Urban is due in part to a lower CPI for housing, fuel and utilities than other large urban areas.

Houston has one of the world's busiest ports and an excellent airport system that are integral components of the regional economy. The Port of Houston is one of the largest ports in the world. The Port of Houston includes the Houston ship channel, which connects the Houston area terminals and the Gulf of Mexico, and is the location of one of the world's largest petrochemical complexes. The Houston Airport System includes three airports and has nonstop flights from Houston to more than 190 destinations and six continents. The airport system served over 59.7 million passengers in the 12 months ending November 2023, and is recognized worldwide as a key global gateway with strong connectivity to Latin America.

Per the Multiple Listing Service of the Houston Association of Realtors, sales of single-family homes decreased 10.9% in September of 2023 versus September of 2022. September represented the 18th straight month of negative sales activity due largely to the persistent lack of inventory and inflationary headwinds that include rising interest rates. The supply of homes climbed to 3.5-months supply, the highest level since November 2019 when it was at a 3.6-months supply. Compared to pre-pandemic September 2019 home sales were down 2.3%.

Financial Policies and Long-Term Financial Planning

The County will continue to focus on building a strong balance sheet to maintain both financial stability and current high bond ratings, as well as allocating resources to be prepared for floods, hurricanes, or similar unexpected events. The County has sufficient resources to cover current expenditures.

The County is responsible for setting the tax rates for the County, the Flood Control District, the Hospital District, and Port of Houston Authority (debt service only). Tax rates are levied for maintenance and operations and debt service requirements relative to General Obligation Bonds, Certificates of Obligation, Revenue Bonds and Commercial Paper. The respective tax rates, which were adopted in 2022 for the County per \$100 of taxable value are: \$0.30105 for the General Fund and \$0.04268 for debt service, for a total of \$0.34373.

Key elements in maintaining the County's financial strength and high bond rating are the County's management of investments and debt. The County Investment Policy, including investment strategies, is reviewed and approved at

least annually by Commissioners Court. The County has a debt structure that includes road, park, permanent improvement, and flood control bonds that are repaid directly with property taxes. Additional information regarding the County's investment and debt management has been included in Note 2 of the Financial Statements, Deposits and Investments, and Note 8 of the Financial Statements, Long-Term Liabilities.

Risk management and self-insurance with stop-loss policies (as applicable) for medical, workers' compensation, and property continue to be effective. Various actuarial studies are periodically performed to aid in liability calculation, as well as financial planning. Additional information regarding the County's health insurance, workers compensation, and other risk management plans has been included in Note 11 of the Financial Statements.

The County provides retirement for all of its employees (excluding temporary employees) through the Texas County and District Retirement System (TCDRS). The County's net pension liability at September 30, 2023, was \$697,018,073. The County currently provides a postemployment healthcare plan; the Total OPEB liability was \$2,805,716,749 at September 30, 2023. Additional information regarding the County's retirement plan and postemployment healthcare plan is located in Notes 9 and 10 of the Financial Statements.

Major Initiatives

Maintaining and expanding Harris County facilities, transportation systems, and infrastructure, to serve a rapidly growing population is a challenging and essential function of the County. As such, the County provides annual updates to its capital improvement program. Major Initiatives include:

The Authority's conversion of the County's toll road system to an all-electronic tolling implementation is currently underway as approved by Commissioners Court. In January 2023 Commissioners Court approved a Toll Setting Policy to address the Authority's current operational structure, specifically the elimination of cash tolls in the lanes, and approved to lower the proposed tolls by providing a 10% discount for 2-axle EZ Tag account holders, the updated policy with the discount went into effect September 4, 2023. The Authority foresees that the updated Toll Setting Policy and the EZ Tag discount will encourage additional customers to sign up to obtain an EZ Tag and the traffic in the toll road to increase. In addition, the Authority continues to focus on a strategic plan to chart a roadmap for the future of the agency with these main areas of focus: a framework for resiliency and sustainability programming, and long-range capital planning which advances projects in line with Commissioners Court's overall vision for transportation for the County.

On August 25, 2017, Hurricane Harvey made landfall, and a historic number of homes and businesses in Harris County flooded. This was a result of rain from Harvey or the rising water flowing through County reservoirs, bayous, and watersheds, as well as the Brazos and San Jacinto Rivers. A special election held on August 25, 2018 gave approval for the Flood Control District to issue up to \$2.5 billion of bonds to fund capital projects related to Harvey and other projects aimed at reducing the impact of future flood events. Prior to voters approving these bonds, the District was spending approximately \$120 million, divided equally between capital and operating expenditures. Since approval of these bonds, the District is spending nearly \$120 million for maintenance and operating expenditures, as the District has significantly increased its capital expenditures using federal grants and bond funding.

Projects supported by this bond funding includes:

- Channel modifications to improve stormwater conveyance
- Major repairs to flood-damaged drainage infrastructure
- Voluntary buyouts of flood-prone properties
- Property acquisition for preserving the natural floodplains
- Drainage improvements made in partnership with other cities, utility districts, or other local government agencies
- Regional stormwater detention basins
- Removing large amounts of sediment and silt from drainage channels
- Wetland mitigation banks
- Upgrading the Harris County Flood Warning System

Universal Services (IT and Fleet Support) currently has several active capital projects including:

- 311 Implementation
- Computer Replacement
- Cybersecurity
- CAD RMS Replacement
- Detention Control System Upgrade
- Electronic Document Management
- ERP Enhanced Reporting
- Fleet Services and Equipment
- Infrastructure Enhancements Replacements
- Networking Repair Replace
- Security Infrastructure Upgrade
- Radio Replacement Program
- Telephone System Repair Replace
- Application Repair Replace
- Work Order Management
- AFIS Replacement
- Data Center Repair and Replace
- eCitation with Digital Signature
- Fleet vehicle purchases
- Fleet Electric Vehicle Pilot
- Detention Control Radio Coverage
- LENS Data Sharing
- HCLE MDT Replacement

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its ACFR for the period ended September 30, 2022. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The County has received a Certificate of Achievement for the last forty-nine years and the period ended September 30, 2022. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it for review to the GFOA.

The preparation of this report would not have been possible without the efficient and dedicated services of the Auditor's Office and the professional services provided by our independent auditor, Deloitte & Touche LLP. I express my sincere gratitude to the Commissioners Court, District Judges, and other County officials and departments for their interest and support in planning and conducting the financial affairs of the County in a responsible and professional manner.

REQUEST FOR INFORMATION

This financial report is designed to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report should be addressed to the County Auditor's Office, 1001 Preston, Suite 800, Houston, Texas 77002. Additional financial information is provided on the County Auditor's webpage, which can be accessed from the County's website, www.co.harris.tx.us.



Michael Post, CPA, CIA
County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Harris County
Texas**

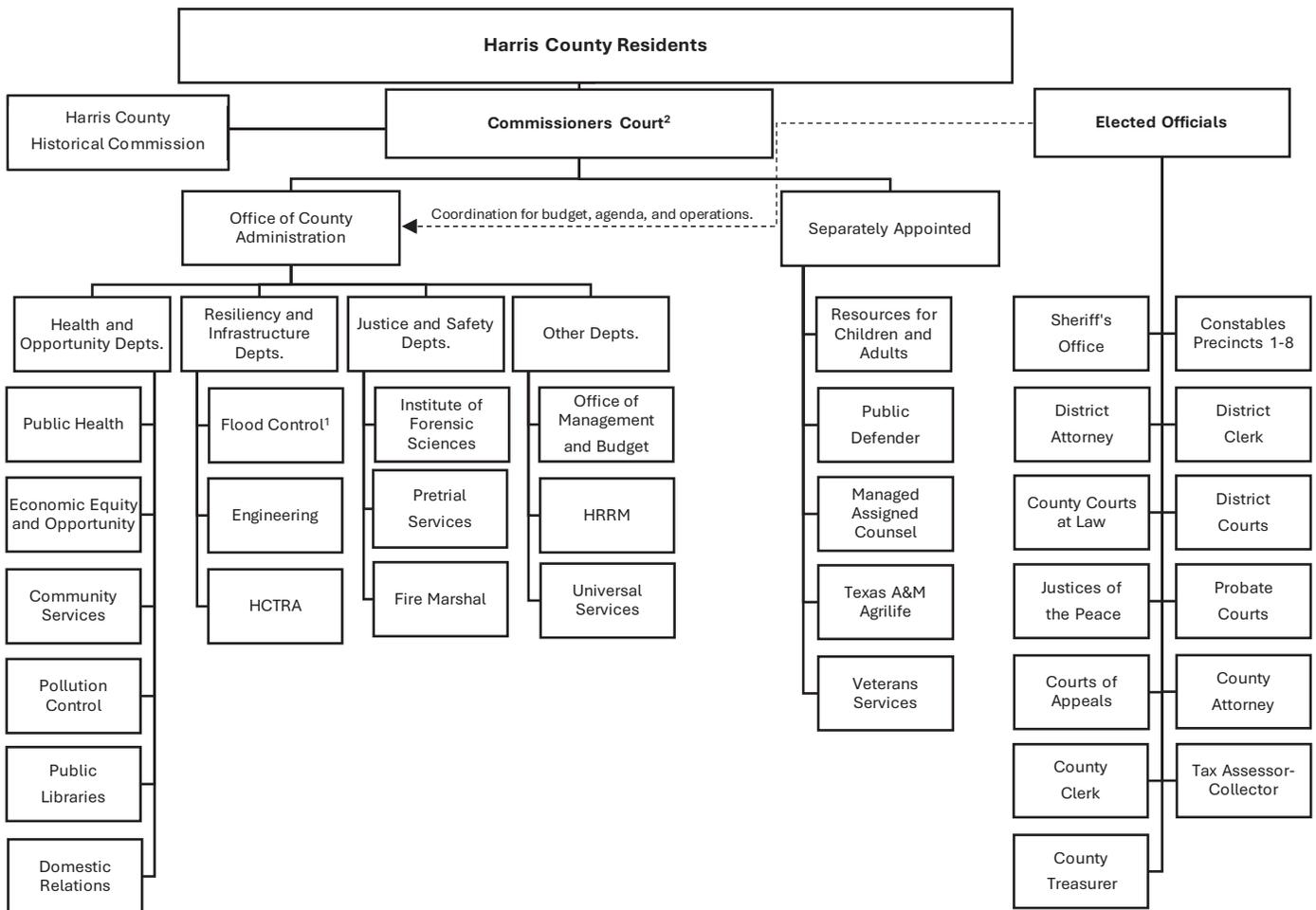
For its Annual Comprehensive
Financial Report
For the Seven Months Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

Countywide Organizational Chart



Other Departments

- **County Auditor** appointed by District Judges
- **Purchasing Agent** appointed by the Purchasing Board
- **Juvenile Probation** director appointed by the Juvenile Board
- **Office of Court Management** director appointed by County Criminal Courts at Law Judges
- **District Court Management** director appointed by District Judges
- **Children's Assessment Center** director appointed by a separate board
- **Civil Service Commission** appointed by Commissioners Court, Sheriff, and District Attorney
- **Law Library** director appointed by the County Attorney

Notes

¹County Administrator serves as the Flood Control Manager with the rights and responsibilities set forth in the statute to provide oversight of the Flood Control District. A separate Executive Director would retain the day-to-day operational duties and powers.

²County Judge oversees the Office of Homeland Security and Emergency Management

HARRIS COUNTY, TEXAS
SCHEDULE OF ELECTED AND SELECTED APPOINTED OFFICIALS
September 30, 2023

Commissioners Court

County Judge Hidalgo, Lina
Precinct 1 Ellis, Rodney
Precinct 2 Garcia, Adrian
Precinct 3 Ramsey, Tom S.
Precinct 4 Briones, Lesley

Sheriff

Gonzalez, Ed

District Attorney

Ogg, Kim

County Attorney

Menefee, Christian

Tax Assessor/Collector

Bennett, Ann Harris

District Clerk

Burgess, Marilyn

County Clerk

Hudspeth, Teneshia

County Treasurer

Wyatt, Carla L., Dr.

Justices of the Peace

Precinct 1, Place 1 Carter, Eric W.
Precinct 1, Place 2 Duble, Steve
Precinct 2, Place 1 Delgado, Jo Ann
Precinct 2, Place 2 Lozano, Dolores
Precinct 3, Place 1 Stephens, Joe
Precinct 3, Place 2 Bates, Lucia
Precinct 4, Place 1 Goodwin, Lincoln
Precinct 4, Place 2 Korduba, Laryssa
Precinct 5, Place 1 Garcia, Jr., Israel B.
Precinct 5, Place 2 Wolfe, Bob
Precinct 6, Place 1 Trevino III, Victor
Precinct 6, Place 2 Rodriguez, Angela D.
Precinct 7, Place 1 Adams, Wanda E.
Precinct 7, Place 2 Burney, Sharon M.
Precinct 8, Place 1 Williamson, Holly
Precinct 8, Place 2 Ditta, Louie

Constables

Precinct 1 Rosen, Alan
Precinct 2 Garcia, Jerry
Precinct 3 Eagleton, Sherman
Precinct 4 Herman, Mark
Precinct 5 Heap, Ted
Precinct 6 Trevino, Silvia
Precinct 7 Walker, May
Precinct 8 Sandlin, Phil

District Judges - Civil Courts

11th District Court Hawkins, Kristen Brauchle
55th District Court Payne, Latosha Lewis
61st District Court Phillips, Fredericka
80th District Court Manor, Jeralynn
113th District Court Collier, Rabeca Sultan
125th District Court Carter, Kyle
127th District Court Sandill, Ravi K.
129th District Court Gomez, Michael
133rd District Court McFarland, Jaclanel
151st District Court Engelhart, Mike
152nd District Court Schaffer, Robert
157th District Court Garrison, Tanya
164th District Court Thornton, C. Elliott
165th District Court Hall, Ursula A.
189th District Court Craft-Demming, Tamika
190th District Court Miller, Beau A.
215th District Court Palmer, Elaine H.
234th District Court Reeder, Lauren
269th District Court Sepolio, Cory Don
270th District Court Davis, Dedra
281st District Court Weems, Christine
295th District Court Roth, Donna
333rd District Court Morris, Brittaney
334th District Court Rogers, Dawn
Multi-District Litigation Davidson, Mark
Multi-District Litigation Matthews, Sylvia A.
TAX Master Murray, Kevin
TAX Master Haar, Tory Vonder

District Judges - Criminal Courts

174th District Court Jones, Hazel B.
176th District Court Harmon, Nikita V.
177th District Court Johnson, Robert
178th District Court Johnson, Kelli
179th District Court Martinez, Ana
180th District Court Jones, DaSean
182nd District Court Lacayo, Danilo
183rd District Court Guiney, Kristin M.
184th District Court Thomas, Katherine N.
185th District Court Beall, Andrea
208th District Court Armstrong, Beverly D.
209th District Court Warren, Brian E.
228th District Court Aguilar, Frank
230th District Court Morton, Chris
232nd District Court Hill, Josh
248th District Court Unger, Hilary
262nd District Court Gray, Lori Chambers
263rd District Court Morris, Melissa M.
337th District Court Gaido, Colleen
338th District Court Franklin, Ramona
339th District Court Bell, Te'iva J.
351st District Court Cornelio, Natalia
482nd District Court Nelson, Veronica M.
486th District Court Burdette, Aaron
487th District Court DeAngelo, Lori
488th District Court Peneguy, Matthew

HARRIS COUNTY, TEXAS
SCHEDULE OF ELECTED AND SELECTED APPOINTED OFFICIALS
September 30, 2023

District Judges - Family Courts

| | |
|------------------------|---------------------------|
| 245th District Court | Lancelin, Angela M. |
| 246th District Court | Graves-Harrington, Angela |
| 247th District Court | Berg, Janice |
| 257th District Court | Peake, Sandra |
| 280th District Court | Curvey, Damiane Dianne |
| 308th District Court | Lopez, Gloria E. |
| 309th District Court | Dunson, Linda Marie |
| 310th District Court | Heath, Sonya L. |
| 311th District Court | Tanner, Germaine J. |
| 312th District Court | Waldrop, Teresa J. |
| 507th District Court | Maldonado, Julia |
| Child Protection Court | Griffith, Katrina M. |

District Judges - Juvenile Courts

| | |
|----------------------|------------------------|
| 313th District Court | Oakes, Natalia Cokinos |
| 314th District Court | Moore, Michelle |
| 315th District Court | Shapiro, Leah |

County Courts - Civil

| | |
|--------------------|------------------------|
| Court at Law No. 1 | Lawton-Evans, Audrie |
| Court at Law No. 2 | Kovach, Jim F. |
| Court at Law No. 3 | Williams, LaShawn A. |
| Court at Law No. 4 | Singh, Manpreet Monica |
| Associate Judge | Thomas, Jermaine |

County Courts - Criminal

| | |
|---------------------|-----------------------|
| Court at Law No. 1 | Salgado, Alex |
| Court at Law No. 2 | Goodhart, Paula |
| Court at Law No. 3 | Johnson, Leslie R. |
| Court at Law No. 4 | Baldwin, Shannon |
| Court at Law No. 5 | Fleischer, David M. |
| Court at Law No. 6 | Andrews, Kelley |
| Court at Law No. 7 | Wright, Andrew A. |
| Court at Law No. 8 | Ramirez, Erika |
| Court at Law No. 9 | Finch, Toria J. |
| Court at Law No. 10 | Jackson, Juanita A. |
| Court at Law No. 11 | Walker II, Sedrick T. |
| Court at Law No. 12 | Draper, Genesis E. |
| Court at Law No. 13 | Rodriguez, Raul |
| Court at Law No. 14 | Padilla, Jessica N. |
| Court at Law No. 15 | Jones, Tonya |
| Court at Law No. 16 | Jordan, Darrell |

Probate Courts

| | |
|-------------|--------------------|
| Court No. 1 | Simoneaux, Jerry |
| Court No. 2 | Medina, Pamela |
| Court No. 3 | Cox, Jason |
| Court No. 4 | Horwitz, James |
| Court No. 5 | Stone, Kathleen S. |

Court of Appeals

| | |
|-----------------------|-----------------------------------|
| 1st Court of Appeals | Adams, Terry, Chief Justice |
| 14th Court of Appeals | Christopher, Tracy, Chief Justice |

SELECTED APPOINTED OFFICIALS

| | |
|--|-------------------------------|
| Admin. Offices of The District Courts | Woods, Richard |
| County Criminal Courts at Law Mgmt | Wells, Ed |
| Universal Services | Menon, Sindhu |
| Children's Assessment Center | McCracken, Kerry |
| Harris County Resources | Levine, Joel |
| for Children and Adults | |
| Texas A&M AgriLife Extension Services | Wright, David |
| County Administrator | Ramirez, Diana |
| County Auditor | Post, Michael |
| County Library | Melton, Edward |
| PreTrial Services | Michailides, Natalie |
| Domestic Relations | Simpson, David W. |
| Greater Harris County 9-1-1 Emergency | Rau, Russell |
| Network | |
| Fire and Emergency Services | Christensen, Laurie L. |
| Community Services Department | Costis, Thao |
| Juvenile Probation | Gonzales, Henry |
| Office of Management and Budget | Ramos, Daniel |
| Institute of Forensic Sciences (ME) | Sanchez, Luis A. MD |
| Public Health & Environmental Services | Robinson, Barbie MPP, JD, CHC |
| Public Infrastructure Coordination | |
| County Engineer | Rahman, Milton |
| Flood Control District | Petersen, Tina |
| Toll Road Authority | Trevino, Roberto |
| Purchasing | Dopslauf, DeWight M. |
| Sheriff's Civil Service Commission | Browder, Jutta |

Schedule of elected and selected appointed officials is presented with currently held positions at the time of report filing.

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INDEPENDENT AUDITOR'S REPORT

County Judge Lina Hidalgo
and Members of Commissioners
Court of Harris County, Texas:

Report on the Audit of the Financial Statements

Opinions

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

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

We did not audit the financial statements of Harris County Hospital District, Harris Center for Mental Health and IDD, Harris County Housing Finance Corporation, and Children's Assessment Center Foundation, which represent 99.99%, 99.97%, and 99.99%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of September 30, 2023. We also did not audit the financial statements of Harris County Sports & Convention Corporation and Harris County Redevelopment Authority, which represent 2.1%, 3.2%, and 0.04%, respectively, of the assets, fund balance and net position, and revenues of the aggregate remaining fund information, and 0.3%, 0.4%, and 0.3%, respectively, of the assets, net position, and revenues of the governmental activities as of September 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for Harris County Hospital District, Harris Center for Mental Health and IDD, Harris County Housing Finance Corporation, Children's Assessment Center Foundation, Harris County Sports & Convention Corporation, and Harris County Redevelopment Authority, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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. The financial statements of Harris County Sports & Convention Corporation, Harris County Redevelopment Authority, and the Harris County Housing Finance Corporation were not audited in accordance with *Government Auditing Standards*.

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 GAAS 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 GAAS 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 Management’s Discussion and Analysis, Schedule of Available Resources – Budget and Actual - Budgetary Basis – General and Other Major Funds, the Schedule of Expenditures and Other Uses – Budget and Actual - Budgetary Basis – General and Other Major Funds, Schedule of Changes in Total Other Postemployment Benefit Liability and Related Ratios, Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios, Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios – HCSCC, the Texas County and District Retirement System - Schedule of Employer Contributions, and the related notes to the 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 Combining and Individual Fund Information, Other Supplementary Information, and Schedule of Expenditures of Federal and State Awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of Texas Grant Management Standards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Combining and Individual Fund Information, Other Supplementary Information, and Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

Deloitte & Touche LLP

March 28, 2024

***Harris County, Texas
Management's Discussion and Analysis***

This section of the Harris County, Texas (the "County") Annual Comprehensive Financial Report presents a narrative overview and analysis of the financial activities of the primary government for the fiscal year ended September 30, 2023. Please read it in conjunction with the County's basic financial statements following this section.

In January 2021, Commissioners Court approved changing the fiscal year for Harris County and the Flood Control District from a fiscal year ending February 28/29 to a fiscal year ending September 30, in calendar year 2022. At that time, the financial statements were presented for a seven-month period of March 1, 2022 through September 30, 2022. The terms "prior period" or "previous period" used throughout this report represent the seven-month period ended September 30, 2022.

FINANCIAL HIGHLIGHTS

Government-wide

The total government-wide assets and deferred outflows of resources of the County exceeded the total liabilities and deferred inflows of resources at September 30, 2023 by \$10,760,548,303. This is an increase of \$310,467,036 from the previous period when total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$10,450,081,267.

Total net position of the primary government is comprised of the following:

- (1) Net investment in capital assets of \$11,265,146,698 includes total capital assets, less accumulated depreciation/amortization, less all outstanding principal of capital-related borrowings, capital-related liabilities, plus capital-related deferred outflows and any unspent bond proceeds.
- (2) Net position of \$1,767,828,288 is restricted by constraints imposed from outside the County such as debt obligations, laws, or regulations, including restrictions related to Toll Road and Mobility funds.
- (3) Unrestricted net position of negative \$2,272,426,683 represents the portion available to meet ongoing obligations to citizens and creditors.

Governmental Fund Financial Statements

- As of September 30, 2023, County governmental funds reported combined fund balances of \$2,530,743,263. This reflects an increase of \$762,720,045 from the prior period mainly due to an increase in tax revenues. The current year total consists of combined nonspendable fund balance of \$80,678,409, restricted fund balance of \$1,856,754,974, committed fund balance of \$143,205,584, assigned fund balance of \$34,943,101, and unassigned fund balance of \$415,161,195.
- The General Fund is used to account for the general operations of the County, limited-tax permanent improvement debt service of the County, public improvement contingencies, and the mobility and infrastructure programs. At the end of the fiscal year, the unassigned fund balance of the County's General Fund was \$435,829,510. The General Fund had a nonspendable fund balance of \$26,177,274, restricted fund balance of \$731,517,736, committed fund balance of \$67,789,219 and assigned fund balance of \$34,943,101 at September 30, 2023.
- During the year, the Harris County Toll Road Authority transferred \$369.3 million of surplus toll road revenue to the mobility fund which is accounted for within the General Fund. Mobility and Infrastructure program monies are restricted by Section 284.0031 of the Texas Transportation Code for the study, design, construction, maintenance, repair or operation of roads, streets, highways, or other related facilities. These programs may not be used for the general operations of the County. The General Fund's cash and investment balance at September 30, 2023 includes \$724.7 million that belongs to these 2 programs. Because of the

***Harris County, Texas
Management's Discussion and Analysis***

legal restrictions imposed on the mobility and infrastructure programs, \$662,825,915 of the fund balance in General Fund is restricted for mobility and infrastructure at September 30, 2023.

- The Community Development Block Grant Disaster Recovery (CDBG-DR) Harvey fund was considered a major fund for the fiscal year ended September 30, 2023. This fund is a special revenue fund and was used to account for rebuilding Texas communities after Hurricane Harvey by putting Texans back in their homes, restoring critical infrastructure, and mitigating future damage. These grants can be used for a wide variety of activities including housing redevelopment, infrastructure repair, and long-term planning. This fund had no effect on the fund balance of the County.
- The American Rescue Plan Act (ARPA) fund was considered a major fund for the fiscal year ended September 30, 2023. This fund is a special revenue fund and was used to support costs related to the COVID 19 pandemic. This fund had no effect on the fund balance of the County.
- The Flood Control Capital Projects Fund was considered a major fund for the fiscal year ended September 30, 2023. The Flood Control Capital Projects are used to account for capital improvements and acquisitions which are financed from the Flood Control District's general obligation bonds, commercial papers and other revenue sources.
- The nonmajor governmental funds had total combined fund balances of \$708,214,037 at September 30, 2023. Of this amount, \$20,046,417 is nonspendable, \$627,797,036 is restricted, \$317,786,124 for special revenue funds, \$139,035,920 for debt service and \$170,974,992 for capital projects funds, \$75,416,365 is committed, and a negative \$15,045,781 is unassigned.

Long-Term Debt

The County issues debt to finance an ongoing capital improvement program. During the fiscal year 2022-2023, the County issued \$588.7 million in commercial paper and \$576.3 million in refunding bonds. Note 8 to the financial statements provides details of long-term debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all County assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two representing net position. Over time, increases or decreases in net position may serve as a useful indicator of the financial condition of the County.

The Statement of Activities presents information that indicates how net position changed during the 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 result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are

***Harris County, Texas
Management's Discussion and Analysis***

intended to recover all or a portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include administration of justice, parks, county administration, health and human services, flood control, tax administration, and roads and bridges. The business-type activities of the County include toll road, parking facilities, and sheriff's commissary fund activities.

Component units are included in the basic financial statements. Component units are legally separate organizations for which the elected officials of the County are financially accountable, or the relationship to the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. The County's component units have been reported as blended with the County as the primary government or as discrete (separate) component units, as appropriate. The following component units have been included in this year's report: Harris County Flood Control District, Harris County Sports and Convention Corporation, Harris County Redevelopment Authority, Harris County Hospital District, dba Harris Health System, Harris County Housing Finance Corporation, Harris Center for Mental Health and IDD (formerly MHMRA of Harris County), Harris County Industrial Development Corporation, Children's Assessment Center Foundation, Inc., Harris County Health Facilities Development Corporation, Harris County Cultural Education Facilities Finance Corporation, and Friends of Countypets. For more detailed information on these component units, refer to Note 1A of the basic financial statements.

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of 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 near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County reports 66 governmental funds, which in some cases are aggregated individual funds (e.g., grant funds). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the major governmental funds. Data from other governmental funds are combined into a single aggregated presentation.

Proprietary funds are used for two purposes. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Also, the County uses enterprise funds to account for toll road operations, acquisition, operation and maintenance of parking facilities, and operation of a commissary for jail inmates. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its maintenance of County vehicles, operation of County radios, operation of the printing shop services provided by inmates, workers compensation, health insurance and other risk management activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Harris County, Texas
Management's Discussion and Analysis

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Toll Road Authority fund is considered to be a major fund of the County. Parking Facilities and Sheriff's Commissary funds are combined as nonmajor enterprise funds for the basic financial statements, but are presented individually in the fund financial statements that follow the required supplementary information. The County's internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County's fiduciary funds are comprised of 13 funds.

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

Required Supplementary Information for the County's General Fund budgetary schedule is presented herein. The County adopts an annual budget for this fund. A budgetary comparison schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. Also presented in this section are the Schedule of Changes in Total OPEB Liability and Related Ratios, the Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios, and the Schedule of Employer Contributions. Required supplementary information can be found beginning on page 107 of this report.

Adjustment of beginning net position: Subsequent to the issuance of the financial statements for the period ended September 30, 2022, the County identified two errors. The 2023 beginning net position has been restated as a result of errors in construction in progress. Management has evaluated this misstatement and concluded it was not material to prior periods, individually or in the aggregate. See related information within Footnote 1.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$10,760,548,303 for the fiscal year 2023 and \$10,450,081,267 for the period 2022. Revenues exceeded expenses during the current year, increasing net position by \$310,467,036.

Harris County, Texas
Management's Discussion and Analysis

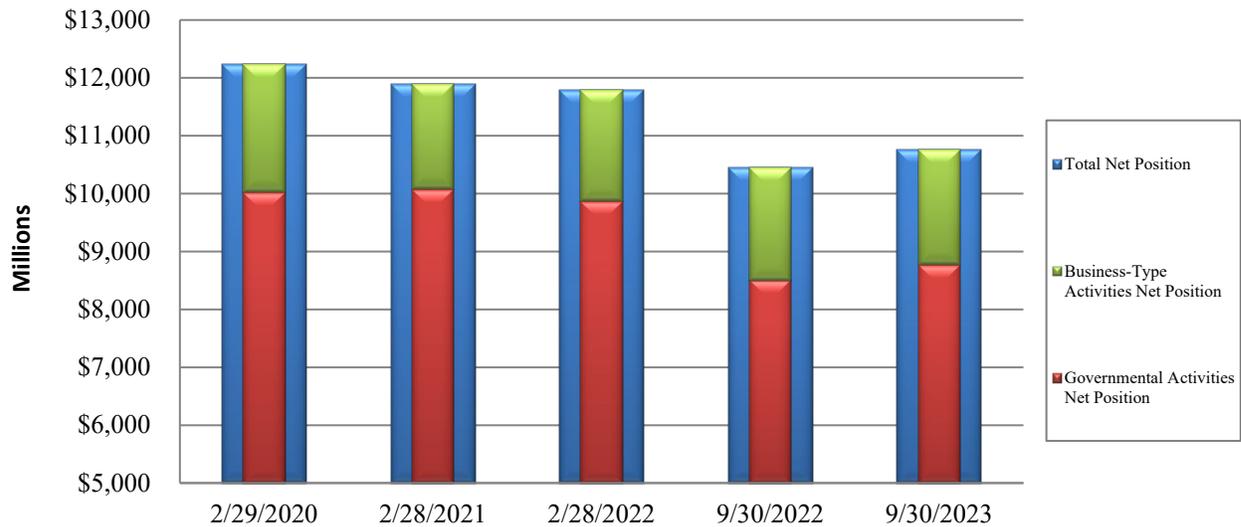
Condensed Statement of Net Position
September 30, 2023
(Amounts in thousands)
Primary Government

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|----------------------|
| Current and other assets | \$ 3,925,200 | \$ 1,383,456 | \$ 5,308,656 |
| Capital assets | 13,051,177 | 3,339,023 | 16,390,200 |
| Total assets | <u>16,976,377</u> | <u>4,722,479</u> | <u>21,698,856</u> |
| Deferred outflows of resources | <u>1,371,933</u> | <u>93,152</u> | <u>1,465,085</u> |
| Current and other liabilities | 1,361,797 | 227,897 | 1,589,694 |
| Long-term liabilities (including current portion) | 6,959,758 | 2,538,932 | 9,498,690 |
| Total liabilities | <u>8,321,555</u> | <u>2,766,829</u> | <u>11,088,384</u> |
| Deferred inflows of resources | <u>1,259,381</u> | <u>55,628</u> | <u>1,315,009</u> |
| Net position: | | | |
| Net investment in capital assets | 10,183,592 | 1,081,555 | 11,265,147 |
| Restricted | 902,552 | 865,276 | 1,767,828 |
| Unrestricted | (2,318,770) | 46,343 | (2,272,427) |
| Total net position | <u>\$ 8,767,374</u> | <u>\$ 1,993,174</u> | <u>\$ 10,760,548</u> |

Condensed Statement of Net Position
September 30, 2022
(Amounts in thousands)
Primary Government

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|----------------------|
| Current and other assets | \$ 3,479,620 | \$ 1,472,311 | \$ 4,951,931 |
| Capital assets | 12,798,140 | 3,231,075 | 16,029,215 |
| Total assets | <u>16,277,760</u> | <u>4,703,386</u> | <u>20,981,146</u> |
| Deferred outflows of resources | <u>1,493,209</u> | <u>114,360</u> | <u>1,607,569</u> |
| Current and other liabilities | 1,320,750 | 242,207 | 1,562,957 |
| Long-term liabilities (including current portion) | 5,754,146 | 2,545,921 | 8,300,067 |
| Total liabilities | <u>7,074,896</u> | <u>2,788,128</u> | <u>9,863,024</u> |
| Deferred inflows of resources | <u>2,187,447</u> | <u>88,162</u> | <u>2,275,609</u> |
| Net position: | | | |
| Net investment in capital assets | 10,137,033 | 950,976 | 11,088,009 |
| Restricted | 887,003 | 955,574 | 1,842,577 |
| Unrestricted | (2,515,410) | 34,906 | (2,480,504) |
| Total net position | <u>\$ 8,508,626</u> | <u>\$ 1,941,456</u> | <u>\$ 10,450,082</u> |

Change in Net Position



The largest portion of the County’s current fiscal year net position, \$11,265,146,698, is invested in capital assets (e.g. land, improvements, buildings, equipment, and infrastructure) less any related outstanding debt used to acquire those assets. The primary use of these capital assets is to provide services to citizens; therefore, these assets are not available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the County’s current fiscal year net position of negative \$2,272,426,683, represents unrestricted net position, which is normally available to meet the County’s ongoing unrestricted obligations to citizens and creditors. The remaining balance of net position represents resources that are subject to external restrictions on how they may be used. A large portion of the restricted net position, \$609,544,819, is for use for the ongoing obligations of the Toll Road Authority (this balance is unrestricted within the Toll Road Authority basic financial statements but are restricted within the County ACFR as these funds can only be utilized for operations at the Toll Road Authority). Restricted net position of \$662,825,915 is related to the mobility and infrastructure program and is restricted because of legal constraints imposed by the Texas Transportation Code; these funds can only be used for mobility and infrastructure purposes. Other restrictions include \$305,101,571 for debt service payments, \$98,594,413 for capital projects, \$87,888,607 for bond covenants, \$179,181 for net pension assets, and \$3,693,782 for donor restrictions. At the end of the current fiscal year, the County reported positive net position in two categories of net position for its governmental activities and in all categories of its business-type activities.

Harris County, Texas
Management's Discussion and Analysis

The following table indicates changes in net position for governmental and business-type activities:

| Condensed Statement of Activities | | | |
|--|---------------------|----------------------|----------------------|
| (Amounts in thousands) | | | |
| For The Fiscal Year Ended September 30, 2023 | | | |
| Primary Government | | | |
| | <u>Governmental</u> | <u>Business-type</u> | <u>Total</u> |
| | Activities | Activities | |
| REVENUES | | | |
| Program revenues: | | | |
| Charges for Services | \$ 374,381 | \$ 914,280 | \$ 1,288,661 |
| Operating Grants and Contributions | 660,100 | - | 660,100 |
| Capital Grants and Contributions | 175,323 | - | 175,323 |
| General revenues: | | | |
| Property and Hotel Occupancy Taxes | 2,178,531 | - | 2,178,531 |
| Investment Earnings | 154,275 | 39,014 | 193,289 |
| Capital Asset Donations | 132,247 | - | 132,247 |
| Miscellaneous | 182,010 | 1,956 | 183,966 |
| Total revenues | <u>3,856,867</u> | <u>955,250</u> | <u>4,812,117</u> |
| EXPENSES | | | |
| Administration of Justice | 1,610,750 | - | 1,610,750 |
| Parks | 92,061 | - | 92,061 |
| County Administration | 975,098 | - | 975,098 |
| Health and Human Services | 516,582 | - | 516,582 |
| Flood Control | 210,400 | - | 210,400 |
| Tax Administration | 51,504 | - | 51,504 |
| Roads and Bridges | 392,850 | - | 392,850 |
| Interest and Fiscal Charges | 118,174 | - | 118,174 |
| Toll Road | - | 525,111 | 525,111 |
| Parking Facilities | - | 4,394 | 4,394 |
| Sheriff's Commissary | - | 4,727 | 4,727 |
| Total expenses | <u>3,967,419</u> | <u>534,232</u> | <u>4,501,651</u> |
| (Deficiency) Excess before other items and transfers | (110,552) | 421,018 | 310,466 |
| Transfers | 369,300 | (369,300) | - |
| Change in net position | 258,748 | 51,718 | 310,466 |
| Net position - beginning | 8,508,626 | 1,941,456 | 10,450,082 |
| Net position - ending | <u>\$ 8,767,374</u> | <u>\$ 1,993,174</u> | <u>\$ 10,760,548</u> |

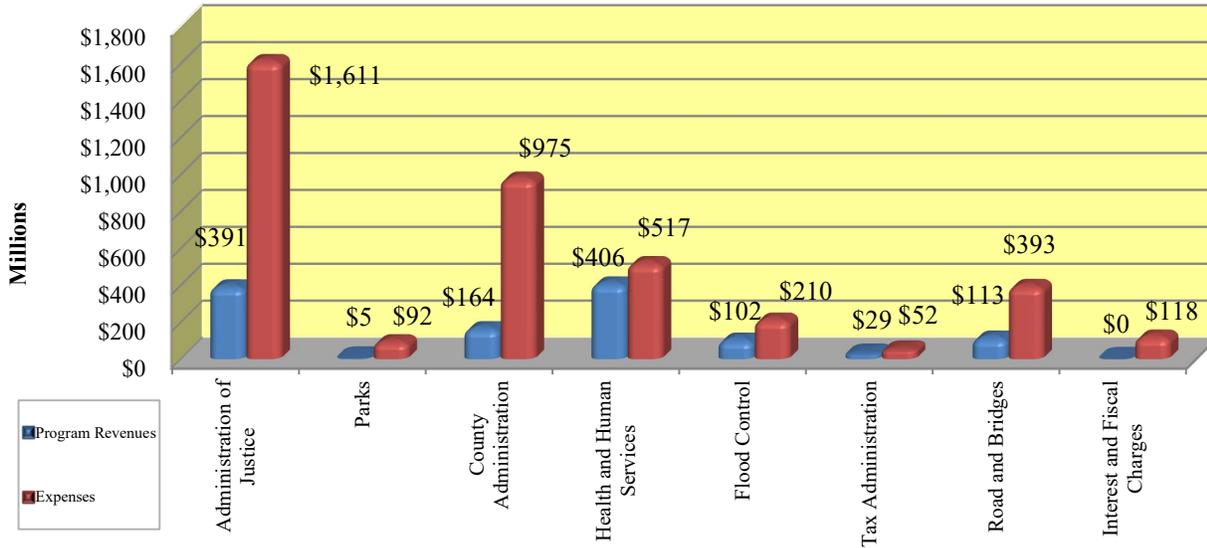
Harris County, Texas
Management's Discussion and Analysis

Condensed Statement of Activities
(Amounts in thousands)
For The Period Ended September 30, 2022
Primary Government

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| REVENUES | | | |
| Program revenues: | | | |
| Charges for Services | \$ 202,492 | \$ 535,525 | \$ 738,017 |
| Operating Grants and Contributions | 364,437 | - | 364,437 |
| Capital Grants and Contributions | 91,898 | - | 91,898 |
| General revenues: | | | |
| Property and Hotel Occupancy Taxes | 25,304 | - | 25,304 |
| Investment Earnings | 2,874 | 1,499 | 4,373 |
| Miscellaneous | 59,366 | 1,658 | 61,024 |
| Total revenues | <u>746,371</u> | <u>538,682</u> | <u>1,285,053</u> |
| EXPENSES | | | |
| Administration of Justice | 922,214 | - | 922,214 |
| Parks | 53,025 | - | 53,025 |
| County Administration | 558,306 | - | 558,306 |
| Health and Human Services | 295,447 | - | 295,447 |
| Flood Control | 141,917 | - | 141,917 |
| Tax Administration | 23,083 | - | 23,083 |
| Roads and Bridges | 217,652 | - | 217,652 |
| Interest and Fiscal Charges | 21,244 | - | 21,244 |
| Toll Road | - | 285,088 | 285,088 |
| Parking Facilities | - | 2,901 | 2,901 |
| Sheriff's Commissary | - | 3,723 | 3,723 |
| Total expenses | <u>2,232,888</u> | <u>291,712</u> | <u>2,524,600</u> |
| (Deficiency) Excess before other items and transfers | (1,486,517) | 246,970 | (1,239,547) |
| Transfers | 123,908 | (123,908) | - |
| Change in net position | (1,362,609) | 123,062 | (1,239,547) |
| Net position - beginning | 9,871,235 | 1,818,394 | 11,689,629 |
| Net position - ending | <u>\$ 8,508,626</u> | <u>\$ 1,941,456</u> | <u>\$ 10,450,082</u> |

**Harris County, Texas
Management's Discussion and Analysis**

Program Revenues and Expenses - Governmental Activities

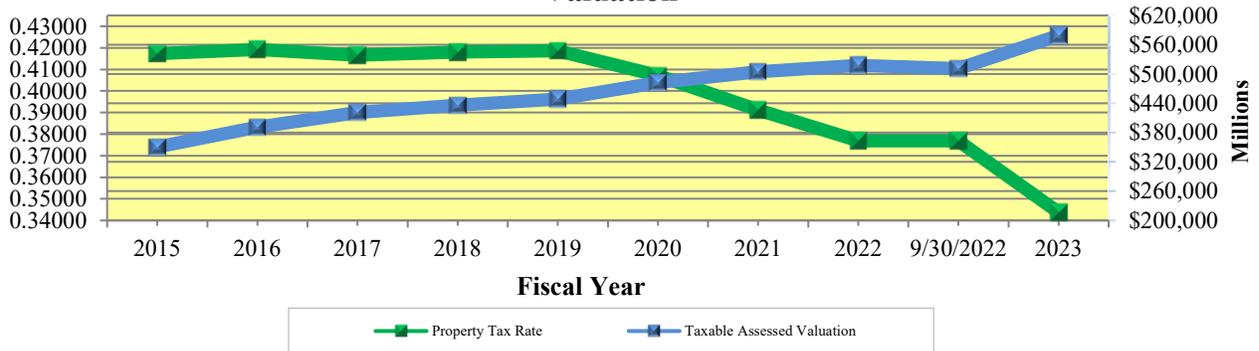


Revenues

For the fiscal year ended September 30, 2023, revenues for the primary government totaled \$4,812,117,248. The revenues (including transfers) are categorized by activity type: governmental activities totaled \$4,226,167,267 and business-type activities totaled \$585,949,981.

Property and Hotel Occupancy Taxes of \$2,178,531,410 were the biggest revenue source for governmental activities and 45% of total revenues, which is a \$2,153,227,737 increase from the prior period taxes of \$25,303,673. The tax rate was \$.34373 per \$100 of assessed value for the year ended September 30, 2023. The taxable assessed value increased in year ended September 30, 2023 to \$578,808,817,000 from the taxable assessed value in the prior period of \$511,186,361,000.

Historical Comparison of the Property Tax Rate versus Taxable Assessed Valuation



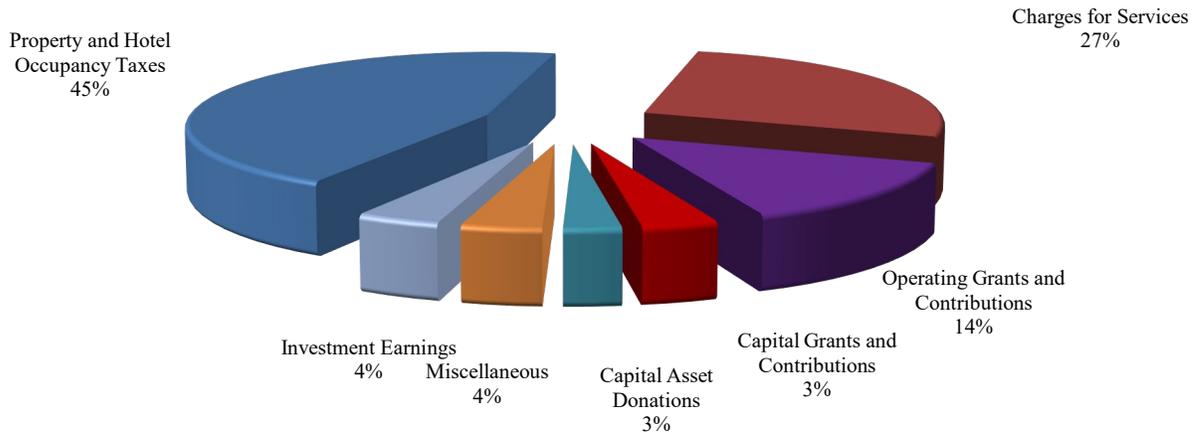
Program revenues are derived from the program itself and reduce the cost of the function to the County. Total program revenues were \$2,124,084,268 or 45% of total revenues, which increased \$929,731,953 compared to the prior period. The largest portion of program revenues is Charges for Services of \$1,288,661,311 (27% of total revenues). Of that \$374,381,125 is from governmental activities, which includes fees collected by the tax collector, automobile registration, and charges for patrol services. The business-type Charges for Services were \$914,280,186, an increase of \$378,755,090 mainly due to the short prior period. The other portions of program

Harris County, Texas
Management's Discussion and Analysis

revenues are Operating Grants and Contributions of \$660,100,257 (14% of total revenues) and Capital Grants and Contributions of \$175,322,700 (3% of total revenues). Operating Grants and Contributions increased by \$295,662,951.

General revenues are revenues that cannot be assigned to a specific function. They consist of taxes (previously discussed), Earnings on Investments of \$193,288,636 (4% of total revenues), Capital asset donations of \$132,247,028 (3% of total revenues), and Miscellaneous income of \$183,965,906 (4% of total revenues).

REVENUES BY SOURCE
 For The Fiscal Year Ended September 30, 2023



Expenses

For the fiscal year ended September 30, 2023, expenses for the primary government totaled \$4,501,650,212. These expenses are divided by activity type: governmental activities of \$3,967,418,993 and business-type activities of \$534,231,219.

The County's largest governmental activities function is Administration of Justice. The main components of this function are the civil and criminal courts and the Sheriff's Office. Total expenses for this activity were \$1,610,749,521 and were 36% of total expenses. The expenses can be attributed to salaries, fringe benefits, costs of housing and trial of inmates, fuel costs for patrol vehicles, and other related items.

The Health and Human Services governmental activities function expenses were \$516,581,546 or 11% of total expenses. The County provides comprehensive health services and programs to its community.

The expenses for the Roads and Bridges governmental activities function were \$392,850,204 or 9% of total expenses. The County owns and maintains over six thousand miles of roads and bridges.

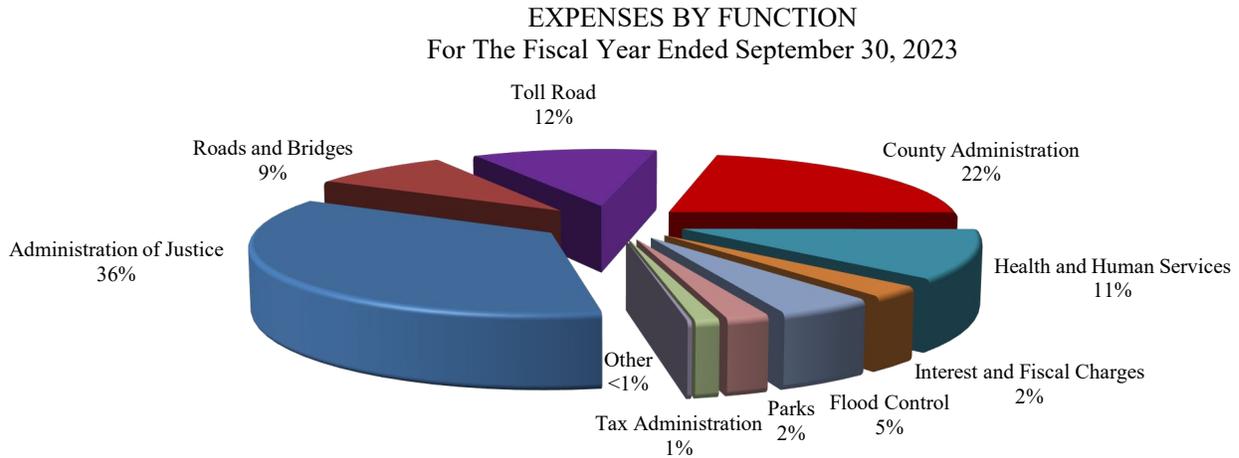
The County Administration governmental activities function expenses were \$975,098,164 or 22% of total expenses. These expenses are attributable to costs and maintenance of the administrative offices of the County.

The Toll Road business-type activities function expenses were \$525,110,424 or 12% of total expenses. This expense increased \$239,840,120 from the prior period. Expenses for other business-type activities were \$9,120,795 and were less than 1% of total expenses. These activities are for Parking Facilities and Sheriff's Commissary.

Harris County, Texas
Management's Discussion and Analysis

The Interest and Fiscal Charges governmental activities functional expenses of \$118,174,374 constituted 2% of total expenses and increased \$96,930,656 from the prior period.

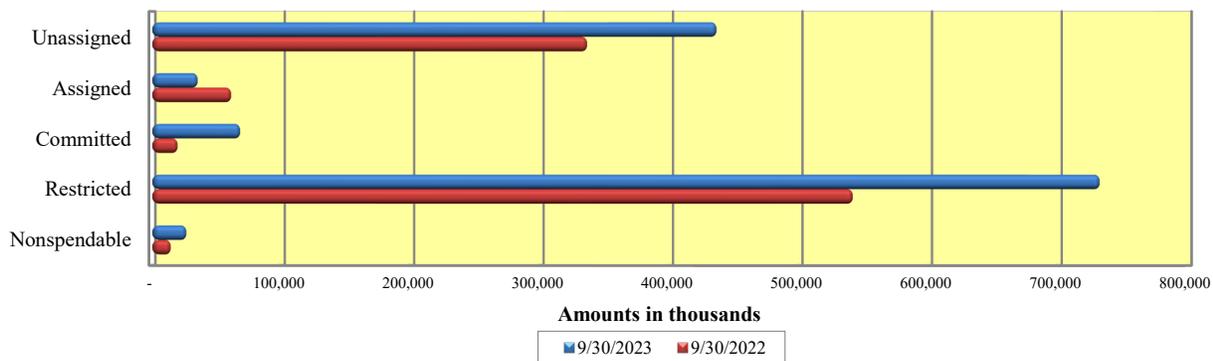
The remaining governmental activities functions are Flood Control with expenses of \$210,400,330 or 5%, Parks with expenses of \$92,060,855 or 2%, and Tax Administration with expenses of \$51,503,999 or 1%.



FINANCIAL ANALYSIS OF MAJOR FUNDS

The General Fund is the County's chief operating fund and major governmental fund. For the year ended September 30, 2023, the General Fund reported a net fund balance increase of \$324,853,008 largely due to the effect of changing the fiscal year end and very little tax revenue was recognized in the previous year due to the short period. The General Fund total fund balance is \$1,296,256,840 for the fiscal year of which \$26,177,274 is nonspendable, \$731,517,736 is restricted, \$67,789,219 is committed, \$34,943,101 is assigned, and the remaining \$435,829,510 is unassigned and available for the County's current and future needs.

General Fund Components of Fund Balance

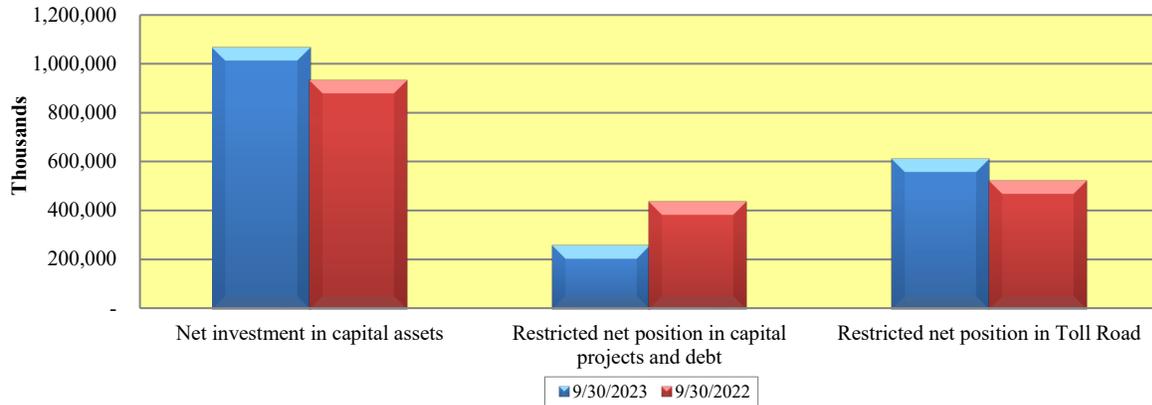


As of September 30, 2023, the County added a new major fund (Flood Control Capital Projects Fund) and continued to maintain the CDBG-DR and ARPA fund as major funds. Flood Control Capital Projects Fund is a capital projects fund and is used to account for flood control related capital projects in the County. CDBG-DR Harvey is a special revenue fund used to account for rebuilding Texas communities after Hurricane Harvey. ARPA is a special revenue fund and was received by the County due to the COVID 19 pandemic. These funds had no effect on the County's overall fund balance.

Harris County, Texas
Management's Discussion and Analysis

The Toll Road Fund was the County's only major proprietary fund at September 30, 2023. This fund is used to account for the acquisition, operation, and maintenance of County toll roads. As of September 30, 2023, net position \$1,930,217,369 included net investment in capital assets of \$1,064,941,013, and restricted net position was \$865,276,356.

Toll Road Net Position Comparison

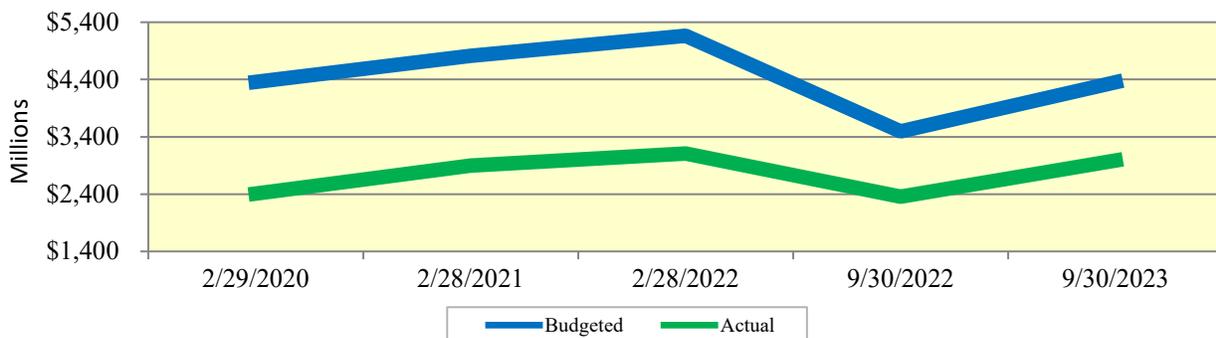


GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget reflected an increase of \$497,934,634 in available resources. This increase is primarily due to adjustments for grants revenues, transfers in and the issuance of refunding bonds. Differences between the original budget and the final amended budget resulted in \$497,934,634 increase in appropriations; this increase is due to additional revenue certifications being allocated for use.

During the fiscal year, actual available resources exceeded budgetary estimates by \$62,336,903. Actual expenditures were \$1,365,941,141 less than budgetary estimates. This difference is primarily due to a decrease in expenditures in general administration, public improvement contingency fund and infrastructure and mobility funds. Budget variances are not expected to impact future services or liquidity.

BUDGETED EXPENDITURES TO ACTUAL
Cash Basis Analysis



CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The County's capital assets, net of accumulated depreciation/amortization, for its governmental and business-type activities as of September 30, 2023, was \$16,390,199,777 an increase of \$360,984,240 from capital assets as of September 30, 2022. These capital assets include land, construction in progress, land improvements, buildings, park improvements and facilities, infrastructure, equipment, other tangible assets, as

***Harris County, Texas
Management's Discussion and Analysis***

well as intangible assets such as easements and the County's license agreement to operate toll facilities on the Katy Freeway.

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

- The County has several ongoing capital improvement projects, including replacement facilities for many of the Harris County Sheriff's operations and renovations to other buildings as well as improvements to County roads.
- The Flood Control District participated in ongoing flood damage reduction and mitigation projects to reduce flood risk within the County.
- The Harris County Toll Road Authority has several ongoing construction projects including the Hardy Toll Road Downtown Connector, the Ship Channel Bridge, the widening of portions of the Sam Houston Tollway, and completion of the Tomball Tollway.

| | Capital Assets | |
|--|---------------------------|---------------------------|
| | Balance | Balance |
| | September 30, 2023 | September 30, 2022 |
| <u>Governmental Activities:</u> | | |
| Land | \$ 5,080,564,099 | \$ 4,932,968,988 |
| Construction in progress | 754,677,714 | 896,457,847 |
| Intangible assets - water rights | 2,400,000 | 2,400,000 |
| Intangible assets - software & licenses | 138,818,401 | 166,525,837 |
| Land improvements | 49,072,023 | 27,170,730 |
| Infrastructure | 12,699,417,838 | 12,406,405,919 |
| Park facilities | 269,521,998 | 248,192,201 |
| Flood control projects | 1,405,618,461 | 1,223,703,968 |
| Buildings | 2,178,088,896 | 2,131,969,049 |
| Equipment | 552,589,420 | 515,465,940 |
| Leased Buildings | 31,559,366 | 30,446,428 |
| Leased Equipment | 21,392,437 | 13,040,668 |
| Subscriptions | 88,979,209 | - |
| | <u>23,272,699,862</u> | <u>22,594,747,575</u> |
| Less: Accumulated depreciation | (10,221,522,995) | (9,796,607,328) |
| Governmental Activities Capital Assets, Net | <u>\$ 13,051,176,867</u> | <u>\$ 12,798,140,247</u> |
| | Balance | Balance |
| | September 30, 2023 | September 30, 2022 |
| <u>Business-type Activities:</u> | | |
| Land | \$ 390,777,663 | \$ 389,562,511 |
| Construction in progress | 1,007,811,072 | 1,055,395,396 |
| Intangible assets - license agreement | 237,500,000 | 237,500,000 |
| Intangible assets - software | 43,537,966 | 42,470,466 |
| Land improvements | 21,266,409 | 21,266,409 |
| Infrastructure | 3,599,020,501 | 3,370,887,636 |
| Other tangible assets | 6,898,941 | 7,489,687 |
| Buildings | 43,615,443 | 43,615,443 |
| Equipment | 64,418,896 | 67,275,563 |
| Leased Buildings | 28,604,717 | 3,949,223 |
| Leased Equipment | 121,530 | 121,530 |
| Subscriptions | 12,026,238 | - |
| | <u>5,455,599,376</u> | <u>5,239,533,864</u> |
| Less: Accumulated depreciation | (2,116,576,466) | (2,008,458,574) |
| Business-type Activities Capital Assets, Net | <u>\$ 3,339,022,910</u> | <u>\$ 3,231,075,290</u> |

Harris County, Texas
Management's Discussion and Analysis

For further information regarding capital assets, see Note 6 to the financial statements.

Long-term Liabilities. At September 30, 2023, the County had total long-term liabilities outstanding of \$9,498,690,140. County officials, citizens and investors will find the ratio of bonded debt to taxable value of property and the amount of bonded debt per capita as useful indicators of the County's debt position. General bonded debt represented 0.57% and 0.56% of taxable value of property for the fiscal year 2023 and the period ended September 30, 2022, respectively. Debt per capita was \$1,207 and \$1,113 for the fiscal year 2023 and the period ended September 30, 2022, respectively.

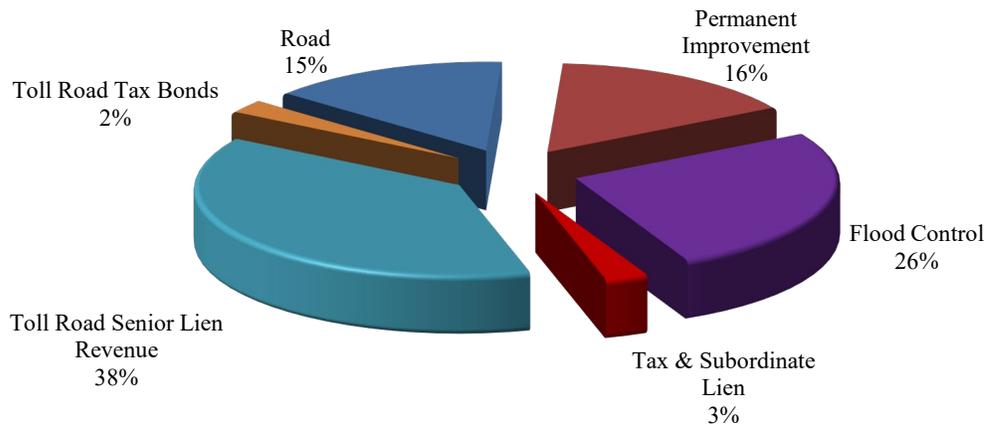
| | Long-term Liabilities | |
|---|--|--|
| | Outstanding at September 30, 2023 | Outstanding at September 30, 2022 |
| <u>Governmental Activities:</u> | | |
| Bonds payable | \$ 3,311,718,145 | \$ 2,880,144,928 |
| Commercial paper payable | 110,170,000 | 97,125,000 |
| Compensatory time payable | 55,422,738 | 49,768,879 |
| Judgments payable | 5,300,000 | 4,300,000 |
| Loan payable | 4,412,113 | 34,131,780 |
| Total OPEB Liability | 2,685,440,559 | 2,644,926,111 |
| Net Pension Liability | 672,935,486 | - |
| Pollution remediation obligation | 5,594,342 | 5,472,793 |
| Lease Payable | 37,580,992 | 38,276,337 |
| Subscription Payable | 71,184,121 | - |
| Total governmental activities | <u>\$ 6,959,758,496</u> | <u>\$ 5,754,145,828</u> |
| <u>Business-type Activities:</u> | | |
| Bonds payable | \$ 2,245,527,863 | \$ 2,370,243,599 |
| Commercial paper payable | 111,930,000 | 36,600,000 |
| Compensatory time payable | 1,576,167 | 1,523,614 |
| Total OPEB Liability | 120,276,191 | 117,667,442 |
| Net Pension Liability | 24,261,768 | - |
| Hedging derivative instruments | - | 16,344,226 |
| Pollution remediation obligation | 1,224,000 | - |
| Lease Payable | 25,809,497 | 3,541,930 |
| Subscription Payable | 8,326,158 | - |
| Total business-type activities | <u>\$ 2,538,931,644</u> | <u>\$ 2,545,920,811</u> |

The County has a continuing goal to sustain the County's debt rating. As of September 30, 2023, the bond rating services of Moody's Investors Service, Inc., Standard & Poor's Ratings Services, and Fitch IBCA, Inc. assigned the County long term bond ratings of Aaa, AAA, and AAA, respectively.

Please refer to Note 8 to the financial statements for further information on the County's long-term liabilities. In the current fiscal year, the net pension asset changed back to a net pension liability. See Note 9 and Note 10 to the financial statements for further information on the County's Net Pension Liability/Asset and Total OPEB Liability.

Harris County, Texas
Management's Discussion and Analysis

Bonds Payable by Type as of September 30, 2023



ECONOMIC FACTORS

The unemployment rate for Harris County for calendar year 2023 was approximately 4.4%. This is a decrease from the prior year rate of 4.5%. The state unemployment rate for calendar year 2023 was 4.1%.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 1001 Preston, Suite 800, Houston, Texas 77002, or visit the County's website at www.co.harris.tx.us.



BASIC FINANCIAL STATEMENTS

HARRIS COUNTY, TEXAS
STATEMENT OF NET POSITION
September 30, 2023

| | Primary Government | | | Component Units |
|---|------------------------------------|-------------------------------------|--------------------------|----------------------------|
| | Governmental Activities | Business-type Activities | Total | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,456,837,038 | \$ 501,257,180 | \$ 1,958,094,218 | \$ 931,644,301 |
| Investments | 1,407,913,361 | 601,218,529 | 2,009,131,890 | 890,593,031 |
| Taxes receivable, net | 16,534,899 | - | 16,534,899 | 5,766,000 |
| Accounts receivable, net | 637,742,858 | 398,635 | 638,141,493 | 198,098,731 |
| Accrued interest receivable | 12,382,377 | 3,471,017 | 15,853,394 | - |
| Lease receivable | 2,028,026 | - | 2,028,026 | - |
| Other receivables, net | 67,254,943 | 117,744,019 | 184,998,962 | 447,622,053 |
| Internal balances | 22,496,213 | (22,496,213) | - | - |
| Inventories, prepaids and other assets | 82,335,663 | 4,668,673 | 87,004,336 | 464,507,287 |
| Restricted: | | | | |
| Cash and cash equivalents | 213,739,086 | 136,763,882 | 350,502,968 | 154,601,573 |
| Investments | - | 40,422,281 | 40,422,281 | - |
| Notes receivable | 5,756,926 | 7,581 | 5,764,507 | - |
| Net pension assets - restricted | 179,181 | - | 179,181 | - |
| Capital assets: | | | | |
| Land and construction in progress | 5,835,241,813 | 1,398,588,735 | 7,233,830,548 | 237,963,397 |
| Intangible assets, net of amortization (when applicable) | 147,862,586 | 186,001,780 | 333,864,366 | - |
| Other capital assets, net of depreciation | 7,068,072,468 | 1,754,432,395 | 8,822,504,863 | 559,118,734 |
| Total assets | <u>16,976,377,438</u> | <u>4,722,478,494</u> | <u>21,698,855,932</u> | <u>3,889,915,107</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred charge on refundings | 4,549,666 | 35,624,688 | 40,174,354 | 6,554,000 |
| Pension contributions after measurement date | 141,849,077 | 5,644,855 | 147,493,932 | - |
| Differences between expected and actual pension experience | 12,488,552 | 448,309 | 12,936,861 | - |
| Net difference between projected and actual pension earnings | 132,811,976 | 4,786,530 | 137,598,506 | - |
| Changes in OPEB assumptions and differences between expected and actual experience | 869,931,203 | 39,066,945 | 908,998,148 | 76,350,000 |
| Changes in pension assumptions | 210,303,092 | 7,581,079 | 217,884,171 | - |
| Resources related to pension | - | - | - | 158,454,000 |
| Total deferred outflows of resources | <u>1,371,933,566</u> | <u>93,152,406</u> | <u>1,465,085,972</u> | <u>241,358,000</u> |
| LIABILITIES | | | | |
| Vouchers payable and other current liabilities | 587,973,349 | 91,630,605 | 679,603,954 | 369,188,187 |
| Due to other governmental units | 358,570 | 40,985,184 | 41,343,754 | - |
| Other liabilities | - | - | - | 654,854,000 |
| Unearned revenue | 713,227,976 | 95,281,185 | 808,509,161 | 4,057,347 |
| Accrued interest | 60,237,462 | - | 60,237,462 | 938,000 |
| Long-term liabilities: | | | | |
| Due within one year | 256,803,892 | 115,902,231 | 372,706,123 | 56,393,912 |
| Due in more than one year | 6,702,954,604 | 2,423,029,413 | 9,125,984,017 | 1,099,354,724 |
| Total liabilities | <u>8,321,555,853</u> | <u>2,766,828,618</u> | <u>11,088,384,471</u> | <u>2,184,786,170</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred charge on refundings | 10,922,516 | - | 10,922,516 | - |
| Differences between expected and actual pension experience | 43,185,675 | 1,554,334 | 44,740,009 | 1,192,000 |
| Changes in OPEB assumptions | 1,203,280,777 | 54,069,211 | 1,257,349,988 | 111,390,000 |
| Deferred lease revenues | 1,992,377 | 4,240 | 1,996,617 | - |
| Derivative instruments | - | - | - | 2,733,000 |
| Total deferred inflows of resources | <u>1,259,381,345</u> | <u>55,627,785</u> | <u>1,315,009,130</u> | <u>115,315,000</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 10,183,591,916 | 1,081,554,782 | 11,265,146,698 | 438,475,131 |
| Restricted for: | | | | |
| Debt service | 147,106,490 | 157,995,081 | 305,101,571 | 33,446,000 |
| Capital projects | 88,746,564 | 9,847,849 | 98,594,413 | 54,940,000 |
| Operating reserve per bond covenants | - | 87,888,607 | 87,888,607 | - |
| Net pension assets | 179,181 | - | 179,181 | - |
| Donor restrictions | 3,693,782 | - | 3,693,782 | 27,636,772 |
| Mobility and Infrastructure program | 662,825,915 | - | 662,825,915 | - |
| Toll Road | - | 609,544,819 | 609,544,819 | - |
| Unrestricted | (2,318,770,042) | 46,343,359 | (2,272,426,683) | 1,276,674,034 |
| Total net position | <u>\$ 8,767,373,806</u> | <u>\$ 1,993,174,497</u> | <u>\$ 10,760,548,303</u> | <u>\$ 1,831,171,937</u> |

See notes to the financial statements.

**HARRIS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For The Fiscal Year Ended September 30, 2023**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | Component Units |
|--|-------------------------|-------------------------|------------------------------------|----------------------------------|---|--------------------------|--------------------------|-------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total | |
| Primary government: | | | | | | | | |
| Governmental activities: | | | | | | | | |
| Administration of Justice | \$ 1,610,749,521 | \$ 214,456,577 | \$ 167,035,338 | \$ 9,114,211 | \$ (1,220,143,395) | \$ - | \$ (1,220,143,395) | |
| Parks | 92,060,855 | 4,334,165 | 446,742 | - | (87,279,948) | - | (87,279,948) | |
| County Administration | 975,098,164 | 68,197,342 | 95,439,663 | - | (811,461,159) | - | (811,461,159) | |
| Health and Human Services | 516,581,546 | 10,053,612 | 396,268,096 | - | (110,259,838) | - | (110,259,838) | |
| Flood Control | 210,400,330 | 2,402,250 | - | 99,489,699 | (108,508,381) | - | (108,508,381) | |
| Tax Administration | 51,503,999 | 29,368,360 | 38,220 | - | (22,097,419) | - | (22,097,419) | |
| Road and Bridges | 392,850,204 | 45,568,819 | 872,198 | 66,718,790 | (279,690,397) | - | (279,690,397) | |
| Interest and Fiscal Charges | 118,174,374 | - | - | - | (118,174,374) | - | (118,174,374) | |
| Total governmental activities | <u>3,967,418,993</u> | <u>374,381,125</u> | <u>660,100,257</u> | <u>175,322,700</u> | <u>(2,757,614,911)</u> | <u>-</u> | <u>(2,757,614,911)</u> | |
| Business-type activities: | | | | | | | | |
| Toll Road | 525,110,424 | 896,351,094 | - | - | - | 371,240,670 | 371,240,670 | |
| Parking Facilities | 4,394,075 | 5,261,056 | - | - | - | 866,981 | 866,981 | |
| Sheriff's Commissary | 4,726,720 | 12,668,036 | - | - | - | 7,941,316 | 7,941,316 | |
| Total business-type activities | <u>534,231,219</u> | <u>914,280,186</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>380,048,967</u> | <u>380,048,967</u> | |
| Total primary government | <u>\$ 4,501,650,212</u> | <u>\$ 1,288,661,311</u> | <u>\$ 660,100,257</u> | <u>\$ 175,322,700</u> | <u>(2,757,614,911)</u> | <u>380,048,967</u> | <u>(2,377,565,944)</u> | |
| Component units: | | | | | | | | |
| Harris Center for Mental Health & IDD (formerly MHMRA) | | | | | | | | |
| | \$ 334,691,716 | \$ 32,947,262 | \$ 221,744,433 | \$ - | | | | \$ (80,000,021) |
| Hospital District | | | | | | | | |
| | 5,021,287,000 | 753,635,000 | 3,641,324,000 | - | | | | (626,328,000) |
| Other component units | | | | | | | | |
| | 9,612,387 | 1,824,632 | 6,962,830 | - | | | | (824,925) |
| Total component units | <u>\$ 5,365,591,103</u> | <u>\$ 788,406,894</u> | <u>\$ 3,870,031,263</u> | <u>\$ -</u> | | | | <u>(707,152,946)</u> |
| General revenues: | | | | | | | | |
| Taxes: | | | | | | | | |
| Property taxes levied for General Purposes | | | | | 1,822,726,864 | - | 1,822,726,864 | 822,755,000 |
| Property taxes levied for Debt Service | | | | | 297,777,164 | - | 297,777,164 | - |
| Hotel Occupancy Tax | | | | | 58,027,382 | - | 58,027,382 | - |
| Earnings on Investments | | | | | 154,274,869 | 39,013,767 | 193,288,636 | 91,594,459 |
| Capital asset donations | | | | | 132,247,028 | - | 132,247,028 | - |
| Miscellaneous | | | | | 182,009,878 | 1,956,028 | 183,965,906 | 83,466,446 |
| Transfers | | | | | 369,300,000 | (369,300,000) | - | - |
| Total general revenues and other items | | | | | <u>3,016,363,185</u> | <u>(328,330,205)</u> | <u>2,688,032,980</u> | <u>997,815,905</u> |
| Change in net position | | | | | 258,748,274 | 51,718,762 | 310,467,036 | 290,662,959 |
| Net position - beginning of year | | | | | 8,508,625,532 | 1,941,455,735 | 10,450,081,267 | 1,557,174,640 |
| Prior period adjustment | | | | | - | - | - | (16,665,662) |
| Net position - ending | | | | | <u>\$ 8,767,373,806</u> | <u>\$ 1,993,174,497</u> | <u>\$ 10,760,548,303</u> | <u>\$ 1,831,171,937</u> |

See notes to the financial statements.

**HARRIS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023**

| | <u>General</u> | <u>CDBG-DR HARVEY</u> | <u>ARPA</u> | <u>Flood Control Capital Projects</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|---------------------------|-----------------------|---|--|---|
| ASSETS | | | | | | |
| Cash and investments: | | | | | | |
| Cash and cash equivalents | \$ 246,806,736 | \$ 8,453,686 | \$ 241,855,349 | \$ 395,340,812 | \$ 434,100,670 | \$ 1,326,557,253 |
| Investments | 826,551,548 | - | 405,807,538 | 8,069,732 | 139,116,637 | 1,379,545,455 |
| Receivables: | | | | | | |
| Taxes, net | 14,441,824 | - | - | - | 2,093,075 | 16,534,899 |
| Accounts, net | 26,519,689 | 295,223,199 | - | 619,173 | 312,356,704 | 634,718,765 |
| Accrued interest | 5,920,017 | - | 5,043,171 | - | 1,227,960 | 12,191,148 |
| Leases | 1,999,801 | - | - | - | 28,225 | 2,028,026 |
| Other, net | 28,587,517 | - | - | 659,276 | 25,977,302 | 55,224,095 |
| Due from other funds | 388,007,586 | 578,074 | 55,687 | 117,517,653 | 149,472,562 | 655,631,562 |
| Prepays and other assets | 24,454,683 | 874,697 | 1,194,800 | 28,832,184 | 19,516,417 | 74,872,781 |
| Inventories | 1,322,591 | 3,553,037 | - | - | - | 4,875,628 |
| Advances to other funds | 400,000 | - | - | - | 530,000 | 930,000 |
| Restricted cash and cash equivalents | 70,510,019 | - | - | - | 143,229,067 | 213,739,086 |
| Notes receivable | - | - | - | - | 5,756,926 | 5,756,926 |
| Total assets | <u>1,635,522,011</u> | <u>308,682,693</u> | <u>653,956,545</u> | <u>551,038,830</u> | <u>1,233,405,545</u> | <u>4,382,605,624</u> |
| LIABILITIES | | | | | | |
| Vouchers payable | 116,279,255 | 52,606,198 | 22,974,121 | 20,322,951 | 84,635,232 | 296,817,757 |
| Accrued payroll | 140,271,011 | - | 1,472,478 | - | 10,183,105 | 151,926,594 |
| Retainage payable | 8,603,481 | 711,724 | 106,286 | 3,173,910 | 12,907,588 | 25,502,989 |
| Due to other funds | 30,774,557 | 240,628,255 | 3,177,414 | 436,184 | 344,570,332 | 619,586,742 |
| Due to other governmental units | - | - | - | - | 358,570 | 358,570 |
| Other liabilities | 151,461 | - | - | - | - | 151,461 |
| Customer deposits | - | - | - | - | 3,887,186 | 3,887,186 |
| Advances from other funds | - | - | - | - | 930,000 | 930,000 |
| Unearned revenue | 13,460,820 | 14,736,516 | 626,226,246 | 807,035 | 57,809,694 | 713,040,311 |
| Total liabilities | <u>309,540,585</u> | <u>308,682,693</u> | <u>653,956,545</u> | <u>24,740,080</u> | <u>515,281,707</u> | <u>1,812,201,610</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue-property taxes | 14,441,824 | - | - | - | 2,093,075 | 16,534,899 |
| Unavailable revenue-other | 13,320,236 | - | - | 26,364 | 7,786,875 | 21,133,475 |
| Deferred lease revenues | 1,962,526 | - | - | - | 29,851 | 1,992,377 |
| Total deferred inflows of resources | <u>29,724,586</u> | <u>-</u> | <u>-</u> | <u>26,364</u> | <u>9,909,801</u> | <u>39,660,751</u> |
| FUND BALANCES | | | | | | |
| Nonspendable | 26,177,274 | 4,427,734 | 1,194,800 | 28,832,184 | 20,046,417 | 80,678,409 |
| Restricted | 731,517,736 | - | - | 497,440,202 | 627,797,036 | 1,856,754,974 |
| Committed | 67,789,219 | - | - | - | 75,416,365 | 143,205,584 |
| Assigned | 34,943,101 | - | - | - | - | 34,943,101 |
| Unassigned | 435,829,510 | (4,427,734) | (1,194,800) | - | (15,045,781) | 415,161,195 |
| Total fund balances | <u>1,296,256,840</u> | <u>-</u> | <u>-</u> | <u>526,272,386</u> | <u>708,214,037</u> | <u>2,530,743,263</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 1,635,522,011</u> | <u>\$ 308,682,693</u> | <u>\$ 653,956,545</u> | <u>\$ 551,038,830</u> | <u>\$ 1,233,405,545</u> | <u>\$ 4,382,605,624</u> |

See notes to the financial statements.

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

Total fund balances for governmental funds \$ 2,530,743,263

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets (excluding internal service fund capital assets) consist of:

| | | |
|--|------------------|----------------|
| Land | \$ 5,080,314,099 | |
| Construction in progress | 754,647,514 | |
| Intangible assets - water rights | 2,400,000 | |
| Intangible assets - software and licenses, net of \$104,284,508 accumulated amortization | 34,533,893 | |
| Land improvements, net of \$11,772,033 accumulated depreciation | 37,299,990 | |
| Infrastructure, net of \$7,967,772,544 accumulated depreciation | 4,731,645,294 | |
| Parks, net of \$114,977,909 accumulated depreciation | 154,544,089 | |
| Flood control projects, net of \$659,549,439 accumulated depreciation | 746,069,022 | |
| Buildings, net of \$940,525,481 accumulated depreciation | 1,236,094,847 | |
| Equipment and vehicles, net of \$320,006,167 accumulated depreciation | 153,148,526 | |
| Leased Buildings, net of \$8,431,651 accumulated amortization | 23,127,715 | |
| Leased Equipment, net of \$7,698,953 accumulated amortization | 13,693,484 | |
| Subscription right-to-use assets, net of \$14,871,715 accumulated amortization | 74,107,494 | |
| | | 13,041,625,967 |

Long-term liabilities applicable to Harris County's activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - and deferred outflows and inflows are reported in the statement of net position. Balances (excluding internal service fund liabilities, where applicable) as of September 30, 2023 were:

| | | |
|--|-----------------|-----------------|
| Deferred charge on refundings | (6,372,850) | |
| Deferred outflow - Pension contributions after measurement date | 141,849,077 | |
| Deferred outflow - Differences between expected and actual pension experience | 12,488,552 | |
| Deferred outflow - Net difference between projected and actual pension earnings | 132,811,976 | |
| Deferred outflow - Changes in pension assumptions | 210,303,092 | |
| Deferred outflow - OPEB assumptions and differences between expected and actual experience | 869,931,203 | |
| Accrued interest | (60,237,462) | |
| Bonds payable | (3,311,718,145) | |
| Judgments payable | (5,300,000) | |
| Loan payable | (4,412,113) | |
| Interest | 59,110 | |
| Commercial paper payable | (110,170,000) | |
| Compensated absences | (55,031,744) | |
| Total OPEB liability | (2,685,440,559) | |
| Net pension liability/asset | (672,756,305) | |
| Pollution remediation obligation | (5,594,342) | |
| Lease liability | (37,580,992) | |
| Subscription liability | (71,184,121) | |
| Deferred inflow - Changes in OPEB assumptions | (1,203,280,777) | |
| Deferred inflow - Differences between expected and actual pension experience | (43,185,675) | |
| | | (6,904,822,075) |

Internal service funds are used by the County. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. Internal service fund net position is: 62,158,277

Some of the County's assets are not available to pay for the current period's expenditures and, therefore, are reported as unavailable revenue in the funds. 37,668,374

Total net position of governmental activities \$ 8,767,373,806

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Fiscal Year Ended September 30, 2023

| | General | CDBG-DR HARVEY | ARPA | Flood Control Capital Projects | Nonmajor Governmental Funds | Total Governmental Funds |
|--|-------------------------|---------------------|--------------------|-----------------------------------|-----------------------------------|--------------------------------|
| REVENUES | | | | | | |
| Taxes | \$ 1,885,006,319 | \$ - | \$ - | \$ - | \$ 287,795,590 | \$ 2,172,801,909 |
| Charges for services | 271,124,799 | - | - | - | 71,006,157 | 342,130,956 |
| User fees | 162,281 | - | - | - | - | 162,281 |
| Fines and forfeitures | 15,143,252 | - | - | - | - | 15,143,252 |
| Lease revenue | 1,001,822 | - | - | - | 862,650 | 1,864,472 |
| Intergovernmental | 99,494,720 | 297,237,683 | 134,321,278 | 18,413,368 | 250,655,207 | 800,122,256 |
| Earnings on investments | 72,990,846 | - | 32,226,225 | 14,518,254 | 25,544,475 | 145,279,800 |
| Miscellaneous | 81,612,828 | - | 4,569,800 | 41,841,137 | 99,538,551 | 227,562,316 |
| Total revenues | <u>2,426,536,867</u> | <u>297,237,683</u> | <u>171,117,303</u> | <u>74,772,759</u> | <u>735,402,630</u> | <u>3,705,067,242</u> |
| EXPENDITURES | | | | | | |
| Current operating: | | | | | | |
| Administration of Justice | 1,344,012,707 | 41,502 | 44,090,481 | - | 126,149,066 | 1,514,293,756 |
| Parks | 66,354,145 | - | - | - | 12,510,633 | 78,864,778 |
| County Administration | 522,229,434 | 117,494 | 81,945,900 | - | 178,729,520 | 783,022,348 |
| Health and Human Services | 165,691,926 | 219,947,047 | 37,495,405 | - | 77,432,504 | 500,566,882 |
| Flood Control | - | - | - | 53,807,170 | 96,493,031 | 150,300,201 |
| Tax Administration | 47,472,206 | - | - | - | 1,252,667 | 48,724,873 |
| Roads and Bridges | 111,621,536 | - | - | - | 3,645,395 | 115,266,931 |
| Capital outlay | 98,170,588 | 87,149,100 | 7,360,329 | 77,767,192 | 238,896,928 | 509,344,137 |
| Debt service: | | | | | | |
| Principal retirement | 35,105,043 | - | - | - | 1,005,903 | 36,110,946 |
| Payment on loans | - | - | - | - | 1,519,019 | 1,519,019 |
| Payments to defease commercial paper | 45,300,000 | - | - | - | - | 45,300,000 |
| Debt issuance costs | 965,830 | - | - | 2,482 | 3,277,383 | 4,245,695 |
| Interest and fiscal charges | 44,835,877 | - | - | - | 45,714,028 | 90,549,905 |
| Total expenditures | <u>2,481,759,292</u> | <u>307,255,143</u> | <u>170,892,115</u> | <u>131,576,844</u> | <u>786,626,077</u> | <u>3,878,109,471</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(55,222,425)</u> | <u>(10,017,460)</u> | <u>225,188</u> | <u>(56,804,085)</u> | <u>(51,223,447)</u> | <u>(173,042,229)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 542,609,964 | 11,014,073 | 632,518 | 19,408,118 | 108,147,531 | 681,812,204 |
| Transfers out | (97,100,963) | (996,613) | (857,706) | (14,172,066) | (192,037,314) | (305,164,662) |
| Refunding bonds issued | 148,860,000 | - | - | - | 307,960,000 | 456,820,000 |
| Premium on bonds issued | 15,706,432 | - | - | - | 19,500,032 | 35,206,464 |
| Commercial paper issued | - | - | - | 225,000,000 | 288,345,000 | 513,345,000 |
| Payments to defease commercial paper | (230,000,000) | - | - | - | (225,000,000) | (455,000,000) |
| Proceeds from sale of capital assets | - | - | - | - | 8,743,268 | 8,743,268 |
| Total other financing sources (uses) | <u>380,075,433</u> | <u>10,017,460</u> | <u>(225,188)</u> | <u>230,236,052</u> | <u>315,658,517</u> | <u>935,762,274</u> |
| Net changes in fund balances | 324,853,008 | - | - | 173,431,967 | 264,435,070 | 762,720,045 |
| Fund balances, beginning | 971,403,832 | - | - | 352,840,419 | 443,778,967 | 1,768,023,218 |
| Fund balances, ending | <u>\$ 1,296,256,840</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 526,272,386</u> | <u>\$ 708,214,037</u> | <u>\$ 2,530,743,263</u> |

See notes to the financial statements.

HARRIS COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For The Fiscal Year Ended September 30, 2023

Net change in fund balances - total governmental funds \$ 762,720,045

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital expenditures of \$509,344,137 exceeded depreciation of \$469,773,078 in the current period. 39,571,059

Capital asset donations 132,247,028

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.

| | | | |
|------------------------------------|--|------------------|---------------|
| Debt issued: | | | |
| Bonds | | \$ (456,820,000) | |
| Bond premiums | | (35,206,464) | |
| Commercial paper | | (513,345,000) | |
| Repayments: | | | |
| To paying agent for bond principal | | 8,155,806 | |
| Defeasance of commercial paper | | 500,300,000 | |
| Leases payable | | 10,160,052 | |
| Subscriptions payable | | 17,795,088 | |
| Loans | | 29,719,667 | |
| Net adjustment | | (439,240,851) | (439,240,851) |

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather as it accrues.

| | | |
|---|---------------|---------------|
| Compensated absences | (5,623,630) | |
| Judgments payable | (1,000,000) | |
| Total OPEB liability | (133,833,570) | |
| Net pension liability/asset | 1,720,569 | |
| Pollution remediation obligation | (56,769) | |
| Amortization of debt premium | 44,177,722 | |
| Accretion of capital appreciation bond interest | 8,119,719 | |
| Amortization of advanced refunding difference | (20,502,629) | |
| Accrued interest | (59,419,281) | |
| Combined adjustment | (166,417,869) | (166,417,869) |

Internal service funds are used by the County. The net revenue of the internal service funds are reported with governmental activities. (62,682,192)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 4,151,461

Net effect of disposal of capital assets (11,600,705)

Other 298

Change in net position of governmental activities \$ 258,748,274

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

| | Enterprise Funds | | | Internal Service Funds |
|--|--------------------------------|--|-------------------------|---------------------------------------|
| | Toll Road Authority | Nonmajor Enterprise Funds | Total | |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 456,402,745 | \$ 44,854,435 | \$ 501,257,180 | \$ 130,279,785 |
| Investments | 599,574,816 | 1,643,713 | 601,218,529 | 28,367,906 |
| Receivables, net | 17,614 | 381,021 | 398,635 | 3,024,093 |
| Accrued interest receivable | 3,461,403 | 9,614 | 3,471,017 | 132,120 |
| Other receivable, net | 117,211,061 | 532,958 | 117,744,019 | 12,030,848 |
| Due from other funds | 142,700 | - | 142,700 | 1,710,192 |
| Prepays and other assets | 2,785,168 | - | 2,785,168 | 1,182,064 |
| Inventories | 1,883,505 | - | 1,883,505 | 1,405,189 |
| Total current assets | <u>1,181,479,012</u> | <u>47,421,741</u> | <u>1,228,900,753</u> | <u>178,132,197</u> |
| Noncurrent assets: | | | | |
| Restricted cash and cash equivalents | 136,763,882 | - | 136,763,882 | - |
| Restricted investments | 40,422,281 | - | 40,422,281 | - |
| Notes receivable | 7,581 | - | 7,581 | - |
| Capital assets: | | | | |
| Land and construction in progress | 1,394,335,796 | 4,252,939 | 1,398,588,735 | 280,199 |
| License agreement/Intangibles, net of amortization | 186,001,780 | - | 186,001,780 | - |
| Other capital assets, net of depreciation | 1,742,071,565 | 12,360,830 | 1,754,432,395 | 9,270,701 |
| Total noncurrent assets | <u>3,499,602,885</u> | <u>16,613,769</u> | <u>3,516,216,654</u> | <u>9,550,900</u> |
| Total assets | <u>4,681,081,897</u> | <u>64,035,510</u> | <u>4,745,117,407</u> | <u>187,683,097</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred charge on refundings | 35,624,688 | - | 35,624,688 | - |
| Pension contributions after measurement date | 5,644,855 | - | 5,644,855 | - |
| Differences between expected and actual pension experience | 448,309 | - | 448,309 | - |
| Net difference between projected and actual earnings on pension asset | 4,786,530 | - | 4,786,530 | - |
| Changes of pension assumptions | 7,581,079 | - | 7,581,079 | - |
| Changes of OPEB assumptions and differences between expected and actual experience | 39,066,945 | - | 39,066,945 | - |
| Total deferred outflows of resources | <u>93,152,406</u> | <u>-</u> | <u>93,152,406</u> | <u>-</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Vouchers payable | 68,369,827 | 940,340 | 69,310,167 | 22,398,500 |
| Accrued payroll | 4,999,150 | 79,433 | 5,078,583 | 911,247 |
| Retainage payable | 17,081,749 | - | 17,081,749 | - |
| Estimated outstanding claims | - | - | - | 43,743,694 |
| Incurred but not reported claims | - | - | - | 42,633,921 |
| Customer deposits | 160,106 | - | 160,106 | - |
| Due to other funds | 22,638,913 | - | 22,638,913 | 15,258,799 |
| Due to other governmental units | 40,985,184 | - | 40,985,184 | - |
| Unearned revenue | 95,275,870 | 5,315 | 95,281,185 | 187,665 |
| Current portion of long-term liabilities | 115,875,518 | 26,713 | 115,902,231 | 195,982 |
| Total current liabilities | <u>365,386,317</u> | <u>1,051,801</u> | <u>366,438,118</u> | <u>125,329,808</u> |
| Noncurrent liabilities: | | | | |
| Bonds payable | 2,140,403,757 | - | 2,140,403,757 | - |
| Lease payable | 21,928,756 | - | 21,928,756 | - |
| SBITA payable | 4,324,812 | - | 4,324,812 | - |
| Pollution remediation payable | 1,224,000 | - | 1,224,000 | - |
| Commercial Paper Payable | 111,930,000 | - | 111,930,000 | - |
| Compensatory time payable | 759,548 | 26,581 | 786,129 | 195,012 |
| Total OPEB liability | 118,170,191 | - | 118,170,191 | - |
| Net pension liability | 24,261,768 | - | 24,261,768 | - |
| Total noncurrent liabilities | <u>2,423,002,832</u> | <u>26,581</u> | <u>2,423,029,413</u> | <u>195,012</u> |
| Total liabilities | <u>2,788,389,149</u> | <u>1,078,382</u> | <u>2,789,467,531</u> | <u>125,524,820</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Differences in expected and actual pension experience | 1,554,334 | - | 1,554,334 | - |
| Changes in OPEB assumptions | 54,069,211 | - | 54,069,211 | - |
| Deferred lease revenues | 4,240 | - | 4,240 | - |
| Total deferred inflows of resources | <u>55,627,785</u> | <u>-</u> | <u>55,627,785</u> | <u>-</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 1,064,941,013 | 16,613,769 | 1,081,554,782 | 9,550,900 |
| Restricted for: | | | | |
| Debt service | 157,995,081 | - | 157,995,081 | - |
| Capital projects | 9,847,849 | - | 9,847,849 | - |
| Operating reserve per bond covenants and other purposes | 87,888,607 | - | 87,888,607 | - |
| Toll Road | 609,544,819 | - | 609,544,819 | - |
| Unrestricted | - | 46,343,359 | 46,343,359 | 52,607,377 |
| Total net position | <u>\$ 1,930,217,369</u> | <u>\$ 62,957,128</u> | <u>\$ 1,993,174,497</u> | <u>\$ 62,158,277</u> |

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For The Fiscal Year Ended September 30, 2023

| | Enterprise Funds | | | Internal Service Funds |
|--|--------------------------------|--|-------------------------|---------------------------------------|
| | Toll Road Authority | Nonmajor Enterprise Funds | Total | |
| OPERATING REVENUES | | | | |
| Toll revenues | \$ 896,351,094 | \$ - | \$ 896,351,094 | \$ - |
| Intergovernmental | - | - | - | 2,913,849 |
| Charges to departments | - | - | - | 446,371,100 |
| Sales | - | 12,516,498 | 12,516,498 | - |
| User fees | - | 5,261,056 | 5,261,056 | - |
| Miscellaneous | - | 151,538 | 151,538 | - |
| Total operating revenues | <u>896,351,094</u> | <u>17,929,092</u> | <u>914,280,186</u> | <u>449,284,949</u> |
| OPERATING EXPENSES | | | | |
| Salaries | 80,707,014 | 642,685 | 81,349,699 | 14,918,122 |
| Materials and supplies | 29,375,689 | 1,462,482 | 30,838,171 | 4,879,447 |
| Services and fees | 213,416,742 | 6,066,476 | 219,483,218 | 16,711,518 |
| Utilities | 4,255,000 | 146,560 | 4,401,560 | 359,236 |
| Transportation and travel | 4,356,186 | - | 4,356,186 | 17,559,793 |
| Incurred claims | - | - | - | 428,766,914 |
| Estimated claims & changes in estimates | - | - | - | 29,126,569 |
| Cost of goods sold | - | - | - | 117,891 |
| Depreciation and amortization | 113,765,482 | 802,592 | 114,568,074 | 6,067,351 |
| Total operating expenses | <u>445,876,113</u> | <u>9,120,795</u> | <u>454,996,908</u> | <u>518,506,841</u> |
| Operating income/(loss) | <u>450,474,981</u> | <u>8,808,297</u> | <u>459,283,278</u> | <u>(69,221,892)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Earnings on investments | 36,900,982 | 2,112,785 | 39,013,767 | 6,896,451 |
| Lease income | 8,479 | - | 8,479 | - |
| Interest expense | (73,091,761) | - | (73,091,761) | - |
| Debt service fees | (1,435,466) | - | (1,435,466) | - |
| Gain/(Loss) on disposal of capital assets | (3,392,016) | 3,390 | (3,388,626) | 1,127,138 |
| Bond refunding loss amortization | (1,315,068) | - | (1,315,068) | - |
| Other nonoperating revenue | 1,944,159 | - | 1,944,159 | 5,863,653 |
| Total nonoperating revenues (expenses) | <u>(40,380,691)</u> | <u>2,116,175</u> | <u>(38,264,516)</u> | <u>13,887,242</u> |
| Income (loss) before transfers and contributions | <u>410,094,290</u> | <u>10,924,472</u> | <u>421,018,762</u> | <u>(55,334,650)</u> |
| Transfers in | - | - | - | 652,458 |
| Transfers out | (369,300,000) | - | (369,300,000) | (8,000,000) |
| Total transfers and contributions | <u>(369,300,000)</u> | <u>-</u> | <u>(369,300,000)</u> | <u>(7,347,542)</u> |
| Change in net position | 40,794,290 | 10,924,472 | 51,718,762 | (62,682,192) |
| Net position, beginning of year | 1,889,423,079 | 52,032,656 | 1,941,455,735 | 124,840,469 |
| Net position, ending | <u>\$ 1,930,217,369</u> | <u>\$ 62,957,128</u> | <u>\$ 1,993,174,497</u> | <u>\$ 62,158,277</u> |

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For The Year Ended September 30, 2023

| | Enterprise Funds | | | Internal Service Funds |
|---|--------------------------------|--|-----------------------|---------------------------------------|
| | Toll Road Authority | Nonmajor Enterprise Funds | Total | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from customers | \$ 878,747,573 | \$ 11,263,290 | \$ 890,010,863 | \$ 450,444,958 |
| Payments to employees | (67,753,144) | (603,577) | (68,356,721) | (14,760,329) |
| Payments to vendors | (256,589,409) | (8,399,020) | (264,988,429) | (22,445,332) |
| Claims paid | - | - | - | (433,047,386) |
| Receipts from miscellaneous reimbursements | 1,944,159 | - | 1,944,159 | 5,863,653 |
| Payments from other governmental units | 5,139,907 | - | 5,139,907 | - |
| Net cash provided by (used for) operating activities | <u>561,489,086</u> | <u>2,260,693</u> | <u>563,749,779</u> | <u>(13,944,436)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfers from other funds | - | - | - | 652,458 |
| Transfers to other funds | (369,300,000) | - | (369,300,000) | (8,000,000) |
| Net cash provided by (used for) noncapital financing activities | <u>(369,300,000)</u> | <u>-</u> | <u>(369,300,000)</u> | <u>(7,347,542)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Receipts from lease of capital assets | 33,687 | - | 33,687 | - |
| Purchases of capital assets | (220,463,962) | (285,953) | (220,749,915) | (301,608) |
| Proceeds from sale of capital assets | 643,553 | - | 643,553 | 1,051,024 |
| Lease payable | 22,267,567 | - | 22,267,567 | - |
| Subscription payable | 8,326,158 | - | 8,326,158 | - |
| Hedging derivative instruments | (16,344,226) | - | (16,344,226) | - |
| Principal paid on capital debt | (87,520,000) | - | (87,520,000) | - |
| Interest paid on capital debt | (97,107,720) | - | (97,107,720) | - |
| Bonds payable proceeds | 135,093,203 | - | 135,093,203 | - |
| Escrow paid on refunded debt | (145,570,000) | - | (145,570,000) | - |
| Commercial paper proceeds | 75,330,000 | - | 75,330,000 | - |
| Pollution payable | 1,224,000 | - | 1,224,000 | - |
| Bond fees | (1,435,466) | - | (1,435,466) | - |
| Net cash provided by (used for) capital and related financing activities | <u>(325,523,206)</u> | <u>(285,953)</u> | <u>(325,809,159)</u> | <u>749,416</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of investments | (709,631,128) | (5,649,935) | (715,281,063) | (24,847,880) |
| Proceeds from sales and maturities of investments | 927,727,055 | 12,600,000 | 940,327,055 | 21,181,117 |
| Interest received | 35,718,478 | 13,524,413 | 49,242,891 | 76,095,017 |
| Net cash provided by (used for) investing activities | <u>253,814,405</u> | <u>20,474,478</u> | <u>274,288,883</u> | <u>72,428,254</u> |
| Net change in cash and cash equivalents | 120,480,285 | 22,449,218 | 142,929,503 | 51,885,692 |
| Cash and cash equivalents, beginning | 472,686,342 | 22,405,217 | 495,091,559 | 78,394,093 |
| Cash and cash equivalents, ending | <u>\$ 593,166,627</u> | <u>\$ 44,854,435</u> | <u>\$ 638,021,062</u> | <u>\$ 130,279,785</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | |
| Operating income (loss) | \$ 450,474,981 | \$ 8,808,297 | \$ 459,283,278 | \$ (69,221,892) |
| Adjustment to reconcile operating income to net cash provided by (used for) operating activities: | | | | |
| Depreciation and amortization | 113,765,482 | 802,592 | 114,568,074 | 6,067,351 |
| Other nonoperating expenses | 1,944,159 | - | 1,944,159 | 5,863,653 |
| Changes in current assets and liabilities: | | | | |
| Accounts receivables, net | 11,174 | 258,995 | 270,169 | 1,124,813 |
| Other receivables | (22,852,335) | - | (22,852,335) | - |
| Prepays and other assets | (1,764,253) | - | (1,764,253) | 460,567 |
| Inventories | 3 | - | 3 | (177,624) |
| Deferred outflows for pension and OPEB | 9,417,918 | - | 9,417,918 | - |
| Vouchers payable and accrued liabilities | (13,188,990) | (723,502) | (13,912,492) | 41,852,354 |
| Retainage payable | (11,107,971) | - | (11,107,971) | - |
| Due to primary government | 21,845,971 | - | 21,845,971 | - |
| Due to other governmental units | 5,139,907 | - | 5,139,907 | - |
| Other liabilities | - | (6,924,797) | (6,924,797) | - |
| Net pension and OPEB liability | 35,073,818 | - | 35,073,818 | - |
| Customer Deposits | 435 | - | 435 | - |
| Unearned revenue | 5,237,205 | - | 5,237,205 | 35,067 |
| Compensatory time payable | 17,229 | 39,108 | 56,337 | 51,275 |
| Deferred inflows for pension and OPEB | (32,525,647) | - | (32,525,647) | - |
| Net cash provided by (used for) operating activities | <u>\$ 561,489,086</u> | <u>\$ 2,260,693</u> | <u>\$ 563,749,779</u> | <u>\$ (13,944,436)</u> |
| Non-Cash Capital and Related Financing, And Investing Activities: | | | | |
| (Decrease) in fair value of hedging derivative instruments | \$ (16,344,226) | \$ - | \$ (16,344,226) | \$ - |
| Increase (Decrease) in fair value of investments | 9,177,116 | (18,339,644) | (9,162,528) | (108,194,355) |
| Purchase of capital assets on account | (7,249,612) | - | (7,249,612) | - |

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2023

| | CUSTODIAL FUNDS |
|---|----------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 189,728,466 |
| Investments | 195,750,878 |
| Accounts receivable, net | 5,097,722 |
| Total assets | \$ 390,577,066 |
| LIABILITIES | |
| Held for others | \$ 1,543,499 |
| Due to other governments | 109,963,284 |
| Total liabilities | 111,506,783 |
| NET POSITION | |
| Restricted for: | |
| Individuals, organizations, and other governments | 279,070,283 |
| Total net position | \$ 279,070,283 |

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For The Fiscal Year Ended September 30, 2023

| | CUSTODIAL FUNDS |
|---------------------------------------|----------------------------|
| ADDITIONS | |
| Tax collections for other governments | \$ 15,820,861,745 |
| Held for others | 231,983,010 |
| Interest on investments | 5,935,656 |
| Total additions | 16,058,780,411 |
| DEDUCTIONS | |
| Payments to other governments | 15,796,025,794 |
| Payments to individuals | 183,619,675 |
| Total deductions | 15,979,645,469 |
| Change in fiduciary net position | 79,134,942 |
| Net position - beginning | 199,935,341 |
| Net position - ending | \$ 279,070,283 |

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF NET POSITION - COMPONENT UNITS
SEPTEMBER 30, 2023

| | Harris Center for Mental Health and IDD (formerly MHMRA) | Harris County Hospital District dba Harris Health System | Nonmajor Component Units | Total |
|--|---|---|---|-------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 11,195,132 | \$ 905,663,000 | \$ 14,786,169 | \$ 931,644,301 |
| Investments, including accrued interest | 62,552,048 | 824,332,000 | 3,708,983 | 890,593,031 |
| Receivables: | | | | |
| Taxes, net | - | 5,766,000 | - | 5,766,000 |
| Accounts, net | 14,778,845 | 181,545,000 | 1,774,886 | 198,098,731 |
| Other | 12,767,053 | 434,855,000 | - | 447,622,053 |
| Inventories | 692,722 | 9,182,000 | - | 9,874,722 |
| Prepays and other assets | 4,685,736 | 449,711,000 | 235,829 | 454,632,565 |
| Restricted cash and investments | 2,833,914 | 151,716,000 | 51,659 | 154,601,573 |
| Capital assets: | | | | |
| Land, improvements, and construction in progress | 12,945,716 | 219,052,000 | 5,965,681 | 237,963,397 |
| Other capital assets, net of depreciation | 38,310,288 | 494,809,000 | 25,999,446 | 559,118,734 |
| Total assets | <u>160,761,454</u> | <u>3,676,631,000</u> | <u>52,522,653</u> | <u>3,889,915,107</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred charge on refundings | - | 6,554,000 | - | 6,554,000 |
| Resources Related to Pension | - | 158,454,000 | - | 158,454,000 |
| Resources Related to OPEB | - | 76,350,000 | - | 76,350,000 |
| Total deferred outflows of resources | <u>-</u> | <u>241,358,000</u> | <u>-</u> | <u>241,358,000</u> |
| LIABILITIES | | | | |
| Vouchers payable and accrued liabilities | 18,550,961 | 350,581,000 | 56,226 | 369,188,187 |
| Other liabilities | - | 654,854,000 | - | 654,854,000 |
| Unearned revenue | 2,791,888 | - | 1,265,459 | 4,057,347 |
| Accrued interest payable | - | 938,000 | - | 938,000 |
| Noncurrent liabilities: | | | | |
| Due within one year | 932,912 | 55,461,000 | - | 56,393,912 |
| Due in more than one year | 9,062,724 | 1,090,292,000 | - | 1,099,354,724 |
| Total liabilities | <u>31,338,485</u> | <u>2,152,126,000</u> | <u>1,321,685</u> | <u>2,184,786,170</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Derivative instruments | - | 2,733,000 | - | 2,733,000 |
| Resources Related to Pension | - | 1,192,000 | - | 1,192,000 |
| Resources Related to OPEB | - | 111,390,000 | - | 111,390,000 |
| Total deferred inflows of resources | <u>-</u> | <u>115,315,000</u> | <u>-</u> | <u>115,315,000</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 51,256,004 | 355,254,000 | 31,965,127 | 438,475,131 |
| Restricted for: | | | | |
| Debt service | - | 33,446,000 | - | 33,446,000 |
| Capital projects | - | 54,940,000 | - | 54,940,000 |
| Donor restrictions | - | 27,019,000 | 617,772 | 27,636,772 |
| Unrestricted net position | 78,166,965 | 1,179,889,000 | 18,618,069 | 1,276,674,034 |
| Total net position | <u>\$ 129,422,969</u> | <u>\$ 1,650,548,000</u> | <u>\$ 51,200,968</u> | <u>\$ 1,831,171,937</u> |

See notes to the financial statements.

HARRIS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
COMPONENT UNITS
For The Fiscal Year Ended September 30, 2023

| | Harris Center for Mental Health and IDD (formerly MHMRA) | Harris County Hospital District dba Harris Health System | Nonmajor Component Units | Total |
|------------------------------------|---|---|---|-------------------------|
| REVENUES | | | | |
| Program Revenues: | | | | |
| Charges for services | \$ 32,947,262 | \$ 753,635,000 | \$ 1,824,632 | \$ 788,406,894 |
| Operating grants and contributions | 221,744,433 | 3,641,324,000 | 6,962,830 | 3,870,031,263 |
| Total program revenues | <u>254,691,695</u> | <u>4,394,959,000</u> | <u>8,787,462</u> | <u>4,658,438,157</u> |
| EXPENSES | <u>334,691,716</u> | <u>5,021,287,000</u> | <u>9,612,387</u> | <u>5,365,591,103</u> |
| Net program revenues (expenses) | <u>(80,000,021)</u> | <u>(626,328,000)</u> | <u>(824,925)</u> | <u>(707,152,946)</u> |
| General Revenues: | | | | |
| Ad valorem tax revenues | - | 822,755,000 | - | 822,755,000 |
| Earnings on investments | 2,956,048 | 88,236,000 | 402,411 | 91,594,459 |
| Other | 61,133,708 | 21,397,000 | 461,606 | 82,992,314 |
| Gain on sale of capital assets | 474,132 | - | - | 474,132 |
| Net general revenues | <u>64,563,888</u> | <u>932,388,000</u> | <u>864,017</u> | <u>997,815,905</u> |
| Change in net position | (15,436,133) | 306,060,000 | 39,092 | 290,662,959 |
| Net position, beginning | 161,524,764 | 1,344,488,000 | 51,161,876 | 1,557,174,640 |
| Prior period adjustment (a) | (16,665,662) | - | - | (16,665,662) |
| Net position, ending | <u>\$ 129,422,969</u> | <u>\$ 1,650,548,000</u> | <u>\$ 51,200,968</u> | <u>\$ 1,831,171,937</u> |

(a) Prior period adjustment due to accounting adjustments.

See notes to the financial statements.

HARRIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In January 2021, Commissioners Court approved changing the fiscal year for Harris County from a fiscal year ending February 28/29 to a fiscal year ending September 30, with the transition to begin in calendar year 2022. At that time, the financial statements were presented for a seven-month period of March 1, 2022 through September 30, 2022. The terms "prior period" or "previous period" used throughout this report represent the seven-month period ended September 30, 2022.

A. REPORTING ENTITY

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

The County provides a vast array of services which include public safety, administration of justice, health and human services, culture and recreation services, public improvements, flood control, and general administration.

As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units in conformity with GASB Statement No. 14, *The Financial Reporting Entity* ("GASB 14"), as amended.

In accordance with these standards, a financial reporting entity consists of the primary government and its component units. Component units are legally separate entities for which the elected officials of the County are financially accountable, or the relationship to the County is such that exclusion would cause the County's financial statements to be misleading. Blended component units, although legally separate entities, are, in substance, part of the County's operations, so data from these units are combined with data of the County. Each discretely presented component unit, on the other hand, is reported in a separate column titled "Component Units" on the combined statements to emphasize that it is legally separate from the government.

The criteria used to determine whether an organization is a component unit of the County and whether it is a discretely presented or a blended component unit includes: financial accountability of the County for the component unit, whether the County appoints a voting majority of the entity's governing board, the ability to impose the County's will on the component unit, fiscal dependency criterion, if it is a financial benefit to or burden on the County, and whether services are provided entirely or almost entirely to the primary government.

Blended Component Units. For financial reporting purposes, the Harris County Flood Control District, the Harris County Sports & Convention Corporation, and the Harris County Redevelopment Authority are included in the operations and activities of the County as blended

HARRIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

component units.

Harris County Flood Control District (“Flood Control District”). The Flood Control District provides programs and policies to protect homes and businesses from the hazards of flooding and to facilitate economic development. The County prepares and approves the budget, sets the tax rate, and approves all bond issuances of the Flood Control District. The criteria used to include the Flood Control District as a blended component unit of the County include: the County appoints a voting majority of the Flood Control District’s governing body, the County is able to impose its will on the Flood Control District, and the County’s and the Flood Control District’s governing bodies are substantially the same, they provide services that benefit the primary government and there is a financial benefit/burden relationship.

Harris County Sports & Convention Corporation (“Sports & Convention Corporation”). The Sports & Convention Corporation was formed to act on behalf of the County by negotiating and managing a contract with an outside vendor for the operations and management of the Reliant Park Complex. The Sports & Convention Corporation is included as a blended component unit of the County because it almost exclusively benefits Harris County as an entity opposed to the populace or public—much like an internal service fund. The Sports & Convention Corporation was created by the County under the authority of state law. The County appoints a voting majority of the Sports & Convention Corporation’s governing body, the County is able to impose its will on the Sports & Convention Corporation, they provide services that benefit the primary government and there is a financial benefit/burden relationship.

Harris County Redevelopment Authority (“Redevelopment Authority”). The Redevelopment Authority was organized exclusively for the purposes of aiding and acting on behalf of the County to accomplish any governmental purpose thereof pursuant to Subchapter D of Chapter 431 of the Texas Transportation Code. The criteria used to include the Redevelopment Authority as a blended component unit of the County include: the County appoints a voting majority of the Redevelopment Authority’s governing body, the County is able to impose its will on the Redevelopment Authority, and the Redevelopment Authority was formed for the exclusive benefit of the County as an entity opposed to the populace or public—much like an internal service fund.

Discretely Presented Component Units. The component unit column in the government-wide financial statements includes the financial data of the County’s discrete component units. These units are reported in a separate column to emphasize that they are legally separate from the County.

Harris County Hospital District, dba Harris Health System (“Hospital District”). The Hospital District provides medical, dental and hospital care for Harris County’s indigent and needy. The criteria used to determine inclusion as a discretely presented component unit are: nine members of the governing board of the Hospital District are appointed by Commissioners Court, Commissioners Court approves the Hospital District's tax rate and annual budget but does not provide any funding or hold title to any of the Hospital District's assets, and the Hospital District cannot issue bonded debt without Commissioners Court approval. Services provided by the Hospital District are to the citizenry and not to the County. Complete financial statements may be obtained from:

HARRIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

Chief Financial Officer
Harris County Hospital District, dba Harris Health System
2525 Holly Hall, Suite 270
Houston, TX 77054

Harris Center for Mental Health and IDD (Intellectual and Development Disabilities)—(formerly MHMRA of Harris County). The Harris Center for Mental Health and IDD is a public agency providing services for residents of the County who do not require long-term institutional mental health care. The criteria used to determine inclusion as a discretely presented component unit are: all members of the governing Board of Directors are appointed by Commissioners Court, the County is able to impose its will, and there is a provision of funding to the Harris Center for Mental Health and IDD. The Harris Center for Mental Health and IDD can issue bonded debt without approval from the County. Complete financial statements may be obtained from:

Chief Financial Officer
Harris Center for Mental Health & IDD
P.O. Box 25381
Houston, TX 77265

Harris County Housing Finance Corporation (“Housing Finance Corporation”). The Housing Finance Corporation is exempt from federal income tax and is authorized to issue debt instruments for the purpose of purchasing single family home mortgages and providing financing for multifamily projects, both relating to low and moderate income residents. The Housing Finance Corporation was created by Commissioners Court but is not a political subdivision of Harris County under state law. The criteria used to determine the Housing Finance Corporation’s inclusion as a discretely presented component unit are: all members of the governing body are all appointed by Commissioners Court and the County is able to impose its will on the Housing Finance Corporation. Services provided by the Housing Finance Corporation are to the citizenry and not to the County. Complete financial statements may be obtained from:

Harris County Housing Finance Corporation
1001 Fannin, Suite 2500
Houston, TX 77002-6760

Harris County Industrial Development Corporation (“Industrial Development Corporation”). The Industrial Development Corporation provides financing through the issuance of industrial and manufacturing bonds, which promotes and encourages employment and the public welfare in the County. The criteria used to determine inclusion as a discretely presented component unit are: all members of the governing body are appointed by Commissioners Court and the County is able to impose its will on the Industrial Development Corporation. Complete financial statements may be obtained from:

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Board President – Peter Jordan
Norton Rose Fulbright US LLP
1301 McKinney, Suite 5100
Houston, TX 77010-3095

Children’s Assessment Center Foundation, Inc. (“CACF”). The Foundation (a Texas nonprofit corporation) was created to raise and provide funding for the Children’s Assessment Center (“CAC”). The CAC provides a safe haven to sexually abused children and their families. CAC employs an extraordinarily effective, multidisciplinary team approach in the prevention, assessment, investigation, referral for prosecution, and treatment of child sexual abuse. The criteria used to determine inclusion as a discretely presented component unit are: CACF provides a direct benefit to the County and is financially integrated with the County. Complete financial statements may be obtained from:

Chief Financial Officer – Rob Sanchez
The Children’s Assessment Center Foundation
2500 Bolsover
Houston, TX 77005

Friends of Countypets. The Friends of Countypets is a public nonprofit corporation organized to aid and act on behalf of Harris County, Texas in providing funds for the operation, maintenance, and improvement of veterinary public health programs of Harris County Public Health and Environmental Services. The criteria used to determine inclusion as a discretely presented component unit are: all members of the governing body are appointed by Commissioners Court, the County is able to impose its will through the budget, and the services provided are to the County. Complete financial statements may be obtained from:

Treasurer – Daniel Garcia
Friends of CountyPets
612 Canino Road
Houston, TX 77076
www.friendsofcountypets.org

Harris County Health Facilities Development Corporation (“HFDC”). The HFDC provides financing for qualified health facilities. Eligible projects must improve the adequacy, cost and accessibility of health care in Houston, Texas. Under the current tax code, eligible borrowers are limited to non-profit corporations. HFDC financing costs are limited to land, buildings, and equipment. The criteria used to determine inclusion as a discretely presented component unit are: all members of the governing body are appointed by Commissioners Court and the County can impose its will. HFDC do not have financial activity other than conduit debt and therefore are not included in the component unit column of the County’s financial statements, but information relating to conduit debt can be found in note 8.D. to the financial statements.

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Harris County Cultural Education Facilities Finance Corporation (“CEFFC”). The CEFFC provides and finances cultural education facilities for the exhibition and promotion of and education about the performing, dramatic, visual and literary arts, natural history, and science for the public purpose of promoting the health, education and welfare of the citizens of the County. The criteria used to determine inclusion as a discretely presented component unit are: all members of the governing body are appointed by Commissioners Court and the County can impose its will on CEFFC. The CEFFC do not have financial activity other than conduit debt and therefore are not included in the component unit column of the County’s financial statements, but information relating to conduit debt can be found in note 8.D. to the financial statements.

Condensed Financial Statements. Condensed financial statements of each discretely presented component unit discussed above are presented. The fiscal year-ends for the discretely presented component units are as follows:

- Harris County Hospital District, dba Harris Health System: September 30, 2023
- Harris Center for Mental Health and IDD (formerly MHMRA): August 31, 2023
- Harris County Housing Finance Corporation: December 31, 2022
- Harris County Industrial Development Corporation: August 31, 2023
- Children’s Assessment Center Foundation, Inc.: September 30, 2023
- Friends of Countypets: September 30, 2023

B. RELATED ORGANIZATIONS AND JOINTLY GOVERNED ORGANIZATIONS

Related organizations and jointly governed organizations provide services within the County that are administered by separate boards or commissions, but the County is not financially accountable, and such organizations are therefore not component units of the County, even though Commissioners Court may appoint a voting majority of an organization's board. Consequently, financial information for the following entities is not included within the scope of these financial statements.

Related Organizations. Related organizations of the County include the Emergency Service Districts which were created to implement emergency services to specific areas.

Jointly Governed Organizations. The County is a participant in jointly governed organizations. Commissioners Court appoints two of seven board members of the Port of Houston Authority; four of twelve board members of the Gulf Coast Community Services Association; three of nineteen board members of the Harris-Galveston Coastal Subsidence District; two of thirty-seven board members of the Houston-Galveston Area Council; two of nine board members of the Metropolitan Transit Authority of Harris County; six of thirteen board members of the Harris County/Houston Sports Authority with the chairman appointed jointly by Harris County and the City of Houston; three of fourteen board members of the Gulf Coast Freight Rail District with the chairman appointed jointly by Harris County and the City of Houston; at least three of the ten to thirteen board members of the Houston Ship Channel Security District; all five board members of the Harris County Housing Authority; three of five board members of Old Town Spring

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Improvement District; and all thirty-nine board members of the Buffalo Bayou Partnership.

During fiscal year 2023, the County disbursed the following amounts to these organizations: \$75,000 to the Gulf Coast Freight Rail District, \$43,571 to the Harris County/Houston Sports Authority, \$880 to the Harris-Galveston Subsidence District, \$78,233 to the Port of Houston Authority, \$428,492 to the Houston-Galveston Area Council, and \$5,445,926 to Metropolitan Transit Authority. The County also collected \$249,600 from the Port of Houston Authority, \$4,515,710 from the Houston-Galveston Area Council, \$44,310,247 from the Metropolitan Transit Authority of Harris County, \$0 from Harris County/Houston Sports Authority, \$465,318 from the Houston Ship Channel Security District, and \$592,392 from the Harris County Housing Authority.

The County is also a participant in several jointly governed Tax Increment Reinvestment Zones, (TIRZs) with the City of Houston, the City of La Porte, and the City of Baytown. The County's participation in each TIRZ is pursuant to an Interlocal Agreement between the County, the municipality, and the respective TIRZ board of directors. For each TIRZ in which the County participates, Commissioners Court appoints one or more board member. Each of the TIRZs that the County jointly governs has up to fifteen members on its board of directors. Depending upon the terms of the municipal creation ordinance for a specific TIRZ, the municipality and any affected school district also appoints board members. For petition TIRZs, state elected representatives in whose districts a TIRZ is created also appoint one board member each. The petition TIRZs are required by statute to set aside a percentage of the increment paid into the TIRZ Fund to establish affordable housing within the area (not necessarily within the TIRZ itself), while the TIRZs created by city action have no such requirement.

During the fiscal year ended September 30, 2023 (for the tax year ended December 31, 2022), the County disbursed \$7,780,924 to the City of Houston TIRZs, \$587,066 to the City of Baytown TIRZ, and \$1,055,899 to the City of La Porte TIRZ.

C. IMPLEMENTATION OF NEW STANDARDS

In the current year, the County implemented the following new standards:

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* – (“GASB 94”), primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. GASB 94 was implemented by the County and had no effect on the County's financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* – (“GASB 96”), This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability;

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(3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. GASB 96 was implemented by the County, resulting in recognition of \$62,037,329 of right-to-use subscription assets and subscription payable as of October 1, 2022 within the government-wide financial statements to conform to the new standard.

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

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

The Statement of Activities demonstrates the degree to which the direct expenses of the County's programs are offset by those programs' revenues. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the program and 2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Program revenues include those generated from administration of justice, parks, county administration, health and human services, flood control, tax administration, and roads and bridges. Taxes and other items not included among program revenues are reported instead as general revenues. Miscellaneous general revenues contain non-program specific contributions.

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

Fund Statements

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes and other revenues as available if they are collected within 60 days after year-end. Expenditures are recorded

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when the related fund liability is incurred. Principal and interest on governmental long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Grant and entitlement revenues are also susceptible to accrual. Encumbrances are used during the year. These funds are accounted for on a spending "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

All proprietary funds, including the enterprise and internal service funds, and fiduciary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using an economic resources measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds statement of net position.

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

Funds are classified into three categories: Governmental, Proprietary, and Fiduciary. The major funds of the County are noted within each category.

GOVERNMENTAL FUNDS: Used to account for all or most of a government's general activity.

General Fund – used to account for the general operations of the County, limited-tax permanent improvement debt service of the County, public improvement contingencies, the mobility program, and “internal special revenue funds” not meeting the special revenue fund definition of GAAP.

CDBG-DR Harvey – the Community Development Block Grant – Disaster Recovery is used to account for rebuilding Texas communities after Hurricane Harvey by putting Texans back in their homes, restoring critical infrastructure, and mitigating future damage. These grants can be used for a wide variety of activities including housing redevelopment, infrastructure repair, and long-term planning.

ARP Act – used to account for the American Rescue Plan grant fund.

Flood Control Capital Projects – used to account for capital improvements and acquisitions which are financed from the Flood Control District's general obligation bonds, commercial papers and other revenue sources.

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PROPRIETARY FUNDS: Used to account for operations that are financed in a manner similar to those in the private sector, where the determination of net income is appropriate for sound financial administration.

Toll Road Authority - used to account for the acquisition, operation, and maintenance of County toll roads. These facilities are financed primarily through user charges.

Internal Service Funds - used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The individual funds within this category are presented below.

Vehicle Maintenance - used to account for the operation and maintenance of the County's Vehicle Maintenance Department which is financed through user charges.

Radio Operations - used to account for the operation of County radios which is financed through user charges.

Inmate Industries - used to account for the operation of the printing services provided by inmates to County departments which is financed by user charges.

Health Insurance Management - used to account for County employees' group health insurance activities.

Risk Management - used to account for the County's workers' compensation and other risk management activities. Workers' compensation includes medical and indemnity payments as required by law for on-the-job related injuries. Other risk management activities include coordination of all insurance policies and management of self-insured risk.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing goods in connection with the proprietary fund's principal operations. The principal operating revenues of the Parking Facilities Enterprise Fund is user fees. Operating revenues of the Sheriff's Commissary Enterprise Fund are comprised of revenue from the sale of items to inmates. Toll Road Enterprise Fund operating revenues consist of fees assessed each time a vehicle passes through a toll station on the County's toll roads. Operating revenues in the Internal Service Funds consist primarily of charges to the various County departments. Operating expenses in the enterprise and internal service funds include the cost of sales and services, administrative expenses, incurred and estimated claims and reinsurance, utilities, travel and transportation, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

FIDUCIARY FUNDS: Used to report assets held in a trustee or fiduciary capacity for others and therefore cannot be used to support the government's own programs. The County reports thirteen fiduciary funds. Fiduciary funds are used to account for assets held by the County as an agent on behalf of various third parties outside the primary government. The largest fiduciary funds are as follows:

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District Clerk Registry - established for the purpose of accounting for monies held in the custody of the District Clerk under orders of various Harris County courts.

County Clerk Registry - established for the purpose of accounting for monies held in the custody of the County Clerk under orders of various Harris County courts.

Tax Collector's - tax collections are deposited in the Tax Collector's fiduciary fund pending audit and distribution to other taxing jurisdictions.

E. BUDGETS

Harris County adheres to the following procedures in its consideration and adoption of its annual operating budget:

- Departmental annual budget requests are submitted by the Department or Agency Head to the County Budget Officer during the third quarter of the fiscal year for the upcoming fiscal year to begin October 1.
- Public hearings are held on the proposed budget.
- The County Auditor prepares an estimate of available resources for the upcoming fiscal year.
- The County Budget Officer prepares the proposed annual operating budget to be presented to Commissioners Court for their consideration. The budget represents the financial plan for the new fiscal year.
- Commissioners Court must adopt an annual operating budget by a majority vote of Commissioners Court before October 31. The adopted budget must be balanced; that is, budgeted expenditures may not exceed available resources.
- Annual budgets are legally adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.
- The department is the legal level of budgetary control for General Fund-Operating. Commissioners Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget. Budgetary control for Special Revenue Funds, Debt Service Funds and Capital Project Funds is at the fund level.
- Commissioners Court may approve expenditures as an amendment to the original budget only in the case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention.
- The County Auditor shall certify to the Commissioners Court the receipt of all public or private grant or aid money that is available for disbursement in a fiscal year, but not included in the budget for that fiscal year. On certification, the court shall adopt a special budget for the limited purpose of spending the grant or aid money for its intended purpose.

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- The County Auditor shall certify to the Commissioners Court the receipt of all revenue from intergovernmental contracts that are available for disbursement in a fiscal year, but not included in the budget for that fiscal year. On certification, the court shall adopt a special budget for the limited purpose of spending the revenue from intergovernmental contracts for its intended purpose.
- The County Auditor shall certify to the Commissioners Court the receipt of revenue from a new source not anticipated before the adoption of the budget and not included in the budget for that fiscal year. On certification, the court may adopt a special budget for the limited purpose of spending the revenue for general purposes or for any of its intended purposes.
- For financial reporting purposes several funds created for budgetary purposes may be combined into a single column on the annual report.
- Appropriations lapse at year-end for all funds except Harris County Juvenile Board, Special Revenue Grants, and Capital Project Funds.
- Budgets are prepared on a cash basis (budget basis) which differs from GAAP basis.

A reconciliation of General Fund revenues and expenditures on a cash basis (budgetary basis) compared to modified accrual basis (GAAP) is presented in the Notes to the Required Supplementary Information.

F. RESTRICTED ASSETS

Certain assets of the County's General Fund are classified as restricted assets because their use is restricted for a specific purpose by contract or state statute. The County uses the General Fund to account for the debt service on bonds issued for permanent improvement purposes, to account for certain imprest bank accounts, and mobility funds which are restricted by statute.

The Debt Service Funds' cash and investments are restricted for debt service on bonds issued for roads and flood control purposes.

Certain assets of the Toll Road Authority are classified as restricted assets because their use is restricted for debt service.

G. DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents include amounts in demand deposits as well as short-term investments with a maturity date of three months or less from the date of purchase. Investments are stated at fair value or amortized cost, which is based on quoted market prices with the difference between the purchase price and fair value or amortized cost being recorded as earnings on investments.

H. INTERFUND TRANSACTIONS

During the course of normal operations, the County has many transactions between funds. The accompanying Fund Level financial statements reflect as transfers the resources provided and expenditures used to provide services, construct assets, and meet debt service requirements. The

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effect of interfund activity has been eliminated in the Government-wide financial statements, except for transactions between governmental and business-type activities.

I. INVENTORY

Inventory is reported at cost, using the first-in first-out method for proprietary and governmental fund types. The costs of such inventories are recorded as expenditures/expenses when purchased.

J. PREPAIDS AND OTHER ASSETS

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and fund level financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

K. PREMIUMS (DISCOUNTS) ON BONDS PAYABLE

Premiums (discounts) on bonds payable are amortized using the effective interest rate method over the term of the bonds.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Including:

- Deferred charges on refundings
- Pension contributions made after measurement date
- Differences between expected and actual experience for pension and OPEB
- Net difference between projected and actual investment earnings on pension
- Changes in assumptions for pension and OPEB

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

- Deferred changes on refundings
- Differences between expected and actual experience for pension
- Changes in assumptions for OPEB
- Deferred lease revenues

Deferred outflows/inflows of resources are amortized as follows:

- Pension contributions made after measurement date are deferred and recognized in the following fiscal year as a reduction of the net pension liability.
- Deferred outflows/inflows for pension and OPEB activities are amortized over the average of the expected remaining service lives of all members except for the net difference between the projected and actual investment earnings for pension which is amortized over a closed 5-year period.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

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- Deferred inflows from leases are amortized over the lease term on a straight-line basis.

At the fund level, the County reports unavailable revenues from two sources:

- Property taxes and other. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows from leases. The deferred inflow from leases is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow from leases is recognized as revenue over the lease term.

M. CAPITAL ASSETS AND INFRASTRUCTURE

Capital assets include land (including easements and right of ways), intangible assets, construction in progress, land improvements, buildings and building improvements, park improvements and facilities, equipment (including machinery, vehicles, animals, other tangible assets, exhaustible works of art and historical treasures and computer software), and infrastructure that are used in the County’s operations and benefit the County for more than a single fiscal year. Infrastructure assets are long-lived assets that are generally stationary in nature and can typically be preserved for a significantly greater number of years than other capital assets. Infrastructure assets of the County include roads, bridges, flood control facilities, lighting, storm sewers, and tunnels.

Capital assets of the County are defined as assets with individual costs of \$5,000 or more and estimated useful lives in excess of one year. Exceptions to the \$5,000 capitalization threshold are as follows: it is the County’s policy to capitalize all land and easements, works of art and historical treasures, regardless of the historical cost. Purchased software greater than \$100,000 is capitalized; and internally developed software greater than \$1,000,000 is capitalized. The threshold for capitalizing land improvements, buildings and building improvements, and park improvements is \$100,000. The capitalization threshold for infrastructure ranges from \$25,000 to \$250,000, depending on the type of infrastructure asset.

All capital assets are stated at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are stated at their acquisition value on the date donated.

Capital assets are depreciated in the government-wide financial statements using the straight-line method over the following useful lives:

| <u>Asset</u> | <u>Years</u> | <u>Asset</u> | <u>Years</u> |
|--|--------------|--|---------------|
| Land improvements | 20 | Computer software | 5 |
| Buildings | 45 | Infrastructure: | |
| Park improvements | 30 | Bridges | 40 |
| Equipment | 3-20 | Flood control channels | 25-75 |
| Machinery | 15 | Roads | 20-50 |
| Vehicles | 4-15 | Lighting | 20 |
| Animals | 7 | Storm sewers | 30-75 |
| Other tangible assets | 5 | Tunnels | 40 |
| Exhaustible works of art and historical treasures | 10 | Intangible - software licenses and lease assets | contract term |

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LEASE ASSETS

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

SUBSCRIPTION ASSETS

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus payments made at or before the commencement of the subscription term. Subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying asset.

ASSET IMPAIRMENTS The County evaluates capital and lease assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital and lease asset has occurred. If a lease asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, the capital asset historical cost and related accumulated depreciation are decreased proportionately such that the net decrease equals the impairment loss. No asset impairment was recognized during the year ended September 30, 2023.

N. LEASE RECEIVABLE

The County leases a portion of its property to various third parties, the terms of which expire 2024 through 2038. The leases with payments that increase annually are based upon the Consumer Price Index (Index) and were measured based upon the Index at lease commencement. Leases are recorded at the present value to be received under all leases other than short term leases. Short term leases are those with a maximum period of 12 months and are recognized as collected. The total lease receivable as of September 30, 2023 was \$2,028,026.

O. NET POSITION AND FUND BALANCES

NET POSITION CLASSIFICATIONS

Net position in the proprietary fund financial statements and the government-wide financial statements are classified in three categories: 1) Net investment in capital assets, 2) Restricted net position, and 3) Unrestricted net position.

FUND BALANCE CLASSIFICATIONS

In accordance with GASB 54, fund balances are required to be reported according to the following classifications:

Nonspendable – Amounts that cannot be spent because they are either not in spendable form or they are required, legally or contractually, to be maintained intact. This classification includes inventories, prepaid amounts, assets held for resale, and long-term receivables (if the proceeds from the collection of the receivables are not restricted, committed, or assigned).

Restricted – These amounts represent assets that have externally imposed restrictions by creditors, grantors, contributors, or laws or regulations of other governments. Assets may also be restricted as imposed by law through constitutional provisions or enabling legislation.

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Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. The County’s highest level of decision-making authority resides with the Commissioners Court. The constraints imposed by the formal action of the Commissioners Court remain binding unless removed or changed in the same manner employed to previously commit those resources. To establish, modify, or rescind a fund balance commitment requires an order adopted by Commissioners Court.

Assigned – Amounts that are constrained by the County’s intent to be used for a specific purpose, but that do not meet the criteria to be restricted or committed. Such intent should be expressed by the Commissioners Court or its designated officials to assign amounts to be used. The County Budget Officer, by virtue of Commissioners Court ordered appointment to that office and as a normal function of that office, has the authority to assign fund balance to particular purposes. Assignments made by the County Budget Officer can occur during the budget process or throughout the year in the normal course of business. Commissioners Court, at their discretion, may make assignments of fund balance or direct other County officials to do so. Constraints imposed on the use of the assigned amounts can be removed with no formal action.

Unassigned – Amounts that have not been restricted, committed, or assigned. The general fund is the only fund to report a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in the governmental funds other than the general fund, if expenditures incurred for specific purposes exceeds the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

For the classification of fund balances in the governmental funds, the County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

In the proprietary fund financial statements and in the government-wide financial statements, restricted net position is reported for amounts that are externally restricted by 1) creditors (e.g., bond covenants), grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provision or enabling legislation.

P. COMPENSATED ABSENCES

Accumulated compensatory time, vacation, and sick leave expected to be liquidated with expendable available financial resources are reported as expenditures in the respective governmental funds. Accumulated compensated absences not expected to be liquidated with expendable available resources are reported as expenses and long-term liabilities in the governmental activities column of the government-wide financial statements. The majority of these have typically been liquidated from the General Fund in previous years. A liability for compensated absences is reported in governmental funds only if they have matured, for example,

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as a result of employee resignations and retirements. Accumulated compensated absences of Proprietary Funds are recorded as an expense and liability in the respective fund and in the business-type activities column of the government-wide financial statements as the benefit accrues for the employee.

Regular employees accrue 13 days of sick leave per year. Sick leave benefits are recognized as they are used by the employees. Employees may accumulate up to 720 hours of sick leave. Unused sick leave benefits are not paid at termination. Employees accrue from 3.08 to 7.7 hours of vacation per pay period depending on years of service and may accumulate a maximum of 280 hours of vacation benefits. Upon termination, employees are paid the balance of unused vacation benefits.

Non-exempt employees earn compensatory time at one and one-half times their worked hours in excess of 40 hours per week. Non-exempt employees may accrue up to 240 hours of compensatory time. Compensatory time in excess of the 240 hour maximum is paid at the regular rate of pay on the current pay period. Upon termination, non-exempt employees will be paid for any compensatory time balances.

Exempt employees earn compensatory time at a rate of one times their worked hours in excess of 40 hours a week. Exempt employees can accumulate up to 240 hours of compensatory time. Upon termination, exempt employees are paid one-half of the compensatory time earned at the wage rate at time of termination.

Q. STATEMENT OF CASH FLOWS

For purposes of cash flows, the County considers cash equivalents to include all highly liquid investments (including restricted) with a maturity of three months or less when purchased.

R. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

S. COMPONENT UNIT TAX REVENUES

The Hospital District is partially financed by property tax levies (recorded as operating revenues), and partially financed by user charges, the usual revenue source for a proprietary fund activity. However, because of the unique character of services provided by the Hospital District, proprietary fund accounting is necessary to provide meaningful measurement of cost of services of the Hospital District.

T. IMMATERIAL CORRECTION OF PRIOR PERIOD FINANCIAL STATEMENTS

Subsequent to the issuance of the September 30, 2022 financial statements, the County identified two errors in construction in progress. Two construction projects totaling \$200,076,492 were completed in prior years and not transferred timely to infrastructure and software. Associated depreciation/amortization of \$63,344,342 was not recorded on the two assets placed in service. Additionally, consulting expenses of \$46,178,896 were capitalized in error in prior years. The

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County has restated beginning net position and related notes for the year ended September 30, 2023, to correct these errors.

The overall impact to the changes in net position on the Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position for the year ending September 30, 2022 is \$14,400,815.

The effect of the correction on beginning net position is detailed below:

| | Toll Road Authority | Business-type Activities |
|--|--------------------------------|-------------------------------------|
| Net position – beginning of year | \$ 1,998,946,317 | \$ 2,050,978,973 |
| Adjustment | (109,523,238) | (109,523,238) |
| Net position – beginning of year, as corrected | \$ 1,889,423,079 | \$ 1,941,455,735 |

The table below represents the impacts of the error to the opening balances as presented within Footnote 6:

| | As Reported 9/30/2022 | Adjustment | As Corrected 9/30/2022 |
|---|----------------------------------|-------------------|-----------------------------------|
| Construction in Progress | 1,301,650,784 | (246,255,388) | 1,055,395,396 |
| Intangible Assets - Software | - | 42,470,466 | 42,470,466 |
| Infrastructure | 3,213,281,610 | 157,606,026 | 3,370,887,636 |
| Accumulated Depreciation/Amortization: | | | |
| License agreement/Intangible asset - Software | (78,945,000) | (42,470,466) | (121,415,466) |
| Infrastructure | (1,777,051,373) | (20,873,876) | (1,797,925,249) |

2. DEPOSITS AND INVESTMENTS

Deposits: Chapter 2257 of the Texas Government Code is known as the Public Funds Collateral Act. This act provides guidelines for the amount of collateral that is required to secure the deposit of public funds. Federal Depository Insurance Corporation (FDIC) is available for funds deposited at any financial institution up to a maximum of \$250,000 each for demand deposits, time and savings deposits, and deposits pursuant to indenture. The Public Funds Collateral Act requires that the deposit of public funds be collateralized in an amount not less than the total deposit, reduced by the amount of FDIC insurance available.

The custodial credit risk for deposits is the risk that the County will not be able to recover deposits that are in the possession of an outside party. Deposits are exposed to custodial credit risk if they are not insured or collateralized. At September 30, 2023, the balance per various financial institutions was \$1,403,365,002. The County’s deposits are not exposed to custodial credit risk since all deposits are covered by FDIC insurance or an irrevocable standby letter of credit with the Federal Home Loan Bank, in accordance with the Public Funds Collateral Act.

Investments: Chapter 2256 of the Texas Government Code is known as the Public Funds Investment Act. This act authorizes Harris County to invest its funds pursuant to a written investment policy which primarily emphasizes the safety of principal and liquidity, and addresses investment diversification, yield, and maturity.

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The Harris County Investment Policy is reviewed and approved at least annually by Commissioners Court. The Investment Policy includes a list of authorized investment instruments, a maximum allowable stated maturity by fund type, and the maximum weighted average maturity of the overall portfolio. Guidelines for diversification and risk tolerance are also detailed within the policy. Additionally, the policy includes specific investment strategies for fund groups that address each group's investment options and describes the priorities for suitable investments.

AUTHORIZED INVESTMENTS

Funds of Harris County may be invested as authorized by the Public Funds Investment Act which is located in Chapter 2256 of the Texas Government Code. Allowable investments include:

1. Direct obligations of the United States, its agencies and instrumentalities.
2. Other obligations, the principal and interest of which are unconditionally guaranteed, insured, or backed by the full faith and credit of the State of Texas, the United States, or any obligation fully guaranteed or fully insured by the FDIC.
3. Direct obligations of the State of Texas or its agencies provided the agency has the same debt rating as the State of Texas.
4. Obligations of states, agencies, counties, cities, and other political subdivisions located in the United States, rated not less than A, or its equivalent, by a nationally recognized investment rating firm.
5. Fully insured or collateralized certificates of deposit/share certificates issued by state and national banks, or a savings bank, a state or federal credit union (having its main or branch office in Texas) guaranteed or insured by the FDIC or its successor; and secured by obligations in number 1 above. In addition to the County's authority to invest funds in certificates of deposit and share certificates as stated above, made in accordance with the following conditions is an authorized investment under Texas Gov't. Code Section 2256.010(b): (1) the funds are invested by the County through a clearing broker registered with the Securities and Exchange Commission (SEC) and operating pursuant to SEC rule 15c3-3 (17 C.F.R. Section 240.15c3-3) with its main office or branch office in Texas and selected from a list adopted by the County as required by Section 2256.025; or a depository institution that has its main office or a branch office in this state and that is selected by the County; (2) the broker or the depository institution selected by the County arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the County; (3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; (4) the broker or depository institution selected by the County acts as custodian for the County with respect to the certificates of deposit issued for the account of the County.
6. Fully collateralized repurchase agreements, provided the County has on file a signed Master Repurchase Agreement detailing eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, and conditions for agreement termination. The repurchase agreement must have a defined termination date and be secured by obligations

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in number 1 above. It is required that the securities purchased as part of the repurchase agreement must be assigned to the County, held in the County's name, and deposited at the time the investment is made with the County's custodian or with a third-party approved by the County. Securities purchased as part of a repurchase agreement shall be marked-to-market no less than weekly. All repurchase agreements must be conducted through a primary government securities dealer as defined by the Federal Reserve or a financial institution doing business in Texas. Maturities shall be limited to 90 days. The 90-day limit may be exceeded in the case of flexible repurchase agreements ("flex repos") provided the investment type is specifically authorized within individual bond ordinances and final maturity does not exceed the anticipated spending schedule of bond proceeds.

7. Securities lending programs if the loan is fully collateralized, including accrued income, by securities described in Texas Gov't. Code, Section 2256.009, by irrevocable bank letters of credit issued by a bank under the laws of the United States or any other state, continuously rated not less than A by at least one nationally recognized investment rating firm, or by cash invested in accordance with the Investment Act. Securities held as collateral must be pledged to the investing entity, held in the investing entity's name, and deposited at the time the investment is made. A loan must be placed through a primary government securities dealer or a financial institution doing business in Texas. A loan must allow for termination at any time and must have a term of one year or less.
8. Commercial paper with a stated maturity of 270 days or less from the date of issuance, rated A-1 or P-1 or an equivalent rating by at least two nationally recognized agencies, and not under review for possible downgrade at the time of purchase. Regardless of whether commercial paper is purchased directly from the issuer or from a broker/dealer in the secondary market, a competitive bid process is required, in which the investment yield is compared to other available commercial paper having a comparable maturity and credit rating. An exception may be made to the competitive offer process when seeking to purchase municipal commercial paper securities due to very limited quantity.
9. Local government investment pools with a dollar weighted average maturity of 60 days or less, approved through resolution of Commissioners Court to provide services to the County, continuously rated no lower than AAA or equivalent by at least one nationally recognized rating service. The County may not invest an amount that exceeds 10 percent of the total assets of any one local government investment pool. On a monthly basis, the Investment Officer shall review a list of securities held in the portfolio of any pool in which County funds are being held. To be eligible to receive funds from and invest funds on behalf of the County an investment pool must furnish to the Investment Officer or other authorized representative an offering circular or other similar disclosure instrument that contains information required by Tex. Gov't. Code Sec. 2256.016. Investments will be made in a local government investment pool only after a thorough investigation of the pool and review by the Finance Committee.
10. A Securities and Exchange Commission ("SEC") registered, no load money market mutual fund which has a dollar weighted average stated maturity of 60 days or less. Furthermore, it must be rated not less than AAA or equivalent by at least one nationally recognized rating service and the County must be provided with a prospectus and other information required by the SEC Act

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of 1934 or the Investment Company Act of 1940. The County may not invest an amount that exceeds 10 percent of the total assets of any one fund. Investments will be made in a money market mutual fund only after a thorough investigation of the fund and review by the Finance Committee.

11. Interest-bearing banking deposits that are guaranteed or insured by: (A) the Federal Deposit Insurance Corporation or its successor; or (B) the National Credit Union Share Insurance Fund or its successor; and interest-bearing banking deposits other than described above if: (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in Texas that the County selects from a list of its governing body or designated investment committee adopts as required by Section 2256.025; or (ii) a depository institution with a main office or branch office in Texas that the County selects; (B) the broker or depository institution selected as described above arranges for the deposit of the funds in one or more federally insured depository institutions, regardless of where located, for the County’s account; (C) the full amount of the principal and accrued interest of the deposits is insured by the United States or an instrumentality of the United States; and (D) the County appoints as the custodian of the bank deposits issued for the County’s account: (i) the depository institution selected as described above; (ii) an entity described by Section 2257.041(d); or (iii) a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

Summary of Cash and Investments

Harris County’s cash and investments are stated at fair value or amortized cost. The following is a summary of the County’s cash and investments at September 30, 2023:

| | <u>Governmental Funds</u> | <u>Proprietary Funds</u> | <u>Total</u> | <u>Fiduciary Funds</u> | <u>Total</u> |
|--------------------------------------|-------------------------------|------------------------------|-------------------------|----------------------------|-------------------------|
| Cash and Cash Equivalents | \$ 1,326,557,253 | \$ 631,536,965 | \$ 1,958,094,218 | \$ 189,728,466 | \$ 2,147,822,684 |
| Restricted Cash and Cash Equivalents | 213,739,086 | 136,763,882 | 350,502,968 | - | 350,502,968 |
| Investments | 1,379,545,455 | 629,586,435 | 2,009,131,890 | 195,750,878 | 2,204,882,768 |
| Restricted Investments | - | 40,422,281 | 40,422,281 | - | 40,422,281 |
| Total Cash & Investments | <u>\$ 2,919,841,794</u> | <u>\$ 1,438,309,563</u> | <u>\$ 4,358,151,357</u> | <u>\$ 385,479,344</u> | <u>\$ 4,743,630,701</u> |

Harris County follows the practice of pooling investments for many of the funds identified on the financial statements. Most of the general fund is pooled with other County funds for investment purposes. Interest income earned on pooled cash and investments is allocated each accounting period to the various funds based on the ending cash balances. For financial statement purposes, the principal value of pooled investments is allocated between the participating funds.

The table below indicates the fair value and maturity value of the County’s investments as of September 30, 2023, summarized by security type. Also demonstrated are the percentage of total portfolio and the modified duration in years for each summarized security type.

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| <u>Security</u> | <u>Fair Value</u> | <u>Percentage of Portfolio</u> | <u>Maturity Value</u> | <u>Modified Duration (Years)</u> | <u>Credit Rating S&P/ Moody's/Fitch</u> |
|-------------------------------|----------------------|------------------------------------|---------------------------|--|---|
| <i>US Agency Notes</i> | | | | | |
| FFCB | \$ 57,576,672 | 1.25% | \$ 58,000,000 | 0.0008 | AA+/Aaa |
| FHLB | 742,934,993 | 16.05% | 754,450,000 | 0.1385 | AA+/Aaa |
| FHLMC | 268,409,109 | 5.80% | 272,000,000 | 0.0280 | AA+/Aaa |
| FNMA | 36,640,055 | 0.79% | 37,000,000 | 0.0002 | AA+/Aaa |
| <i>Total US Agency Notes</i> | <u>1,105,560,829</u> | | <u>1,121,450,000</u> | | |
| <i>Commercial Paper</i> | | | | | |
| BARCLAYS US DISC CP | 112,264,596 | 2.43% | 114,000,000 | 0.0023 | A1+/P1 |
| ANGLESEA FDG DISC CP | 9,929,360 | 0.21% | 10,000,000 | 0.0000 | A1/P1 |
| BANCO SANTANDER DISC CP | 15,502,224 | 0.33% | 16,000,000 | 0.0001 | A1/P1 |
| CREDIT AGRICOLE DISC CP | 6,936,188 | 0.15% | 7,000,000 | 0.0000 | A1/P1 |
| GTA FUNDING DISC CP | 3,953,792 | 0.09% | 4,000,000 | 0.0000 | A1/P1 |
| HALKIN FINANCE DISC CP | 9,929,360 | 0.21% | 10,000,000 | 0.0000 | A1+/P1 |
| LA FAYETTE ASSET SEC DISC CP | 3,996,440 | 0.09% | 4,000,000 | 0.0000 | A1/P1 |
| LLOYDS BK DISC CP | 19,791,460 | 0.43% | 20,000,000 | 0.0000 | A1/P1 |
| METLIFE FDG DISC CP | 30,340,103 | 0.66% | 31,000,000 | 0.0002 | A1+/P1 |
| TCPR DISC CP | 41,453,104 | 0.47% | 42,000,000 | 0.0003 | A1+/P1 |
| TMCC DISC CP | 72,357,109 | 1.99% | 74,000,000 | 0.0014 | A1+/P1 |
| <i>Total Commercial Paper</i> | <u>326,453,736</u> | | <u>332,000,000</u> | | |

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| Security | Fair Value | Percentage of Portfolio | Maturity Value | Modified Duration (Years) | Credit Rating S&P/ Moody's/Fitch |
|---|--------------------|------------------------------------|---------------------------|--|---|
| <i>Municipal Commercial Paper</i> | | | | | |
| MICROSOFT CORP DISC CP | 2,963,427 | 0.06% | 3,000,000 | 0.0000 | A1+/P1 |
| STATE OF CALIFORNIA CP | 9,997,200 | 0.22% | 10,000,000 | 0.0000 | A1+/P1 |
| MOUNTCLIFF FDG DISC CP | 9,930,890 | 0.21% | 10,000,000 | 0.0000 | A1/P1 |
| SSM HEALTHCARE DISC CP | 9,954,833 | 0.22% | 10,000,000 | 0.0000 | A1/F1+ |
| UNIV OF TEXAS DISC CP | 77,457,530 | 1.67% | 78,000,000 | 0.0015 | A1+/P1 |
| <i>Total Municipal Commercial Paper</i> | <u>110,303,880</u> | | <u>111,000,000</u> | | |
| <i>Local Governments</i> | | | | | |
| BIRDVILLE ISD TX | 3,256,001 | 0.07% | 3,245,000 | 0.0000 | AA/AA+ |
| BLOOMINGDALE NJ UT GO | 10,173,061 | 0.22% | 10,129,000 | 0.0001 | SP-1 |
| COMAL ISD TX UT GO | 1,254,100 | 0.03% | 1,250,000 | 0.0000 | AAA/Aaa |
| CONROE ISD TX UT GO | 1,710,701 | 0.04% | 1,710,000 | 0.0000 | AAA/Aaa |
| DENTON TX ISD UT GO | 9,766,287 | 0.21% | 9,770,000 | 0.0004 | AAA/Aaa |
| GRAND PRAIRIE TX LT GO | 3,091,326 | 0.07% | 3,160,000 | 0.0000 | AAA/AA+ |
| JERSEY CITY NJ REDEV AGY | 7,993,360 | 0.17% | 8,000,000 | 0.0000 | MIG 1 |
| LAMAR ISD TX UT GO | 994,720 | 0.02% | 1,000,000 | 0.0000 | AAA/Aaa |
| LITTLE EGG HARBOR TWP NJ | 6,436,566 | 0.14% | 6,417,250 | 0.0000 | MIG 1 |
| LOUDON CO. VA REV | 1,355,770 | 0.03% | 1,360,000 | 0.0000 | AA+/Aa1 |
| MET COUNCIL MINN MN WSTWTR | 14,094,978 | 0.30% | 14,545,000 | 0.0003 | AAA/Aaa |
| NORTH EAST ISD TX UT GO | 554,719 | 0.01% | 565,000 | 0.0000 | AAA |
| OREGON ST LOTTERY REV | 3,639,023 | 0.08% | 3,750,000 | 0.0000 | AAA/Aa2 |
| PALM BEACH CO FL | 12,157,436 | 0.26% | 12,265,000 | 0.0000 | AAA/Aa1 |
| SAN ANTONIO TX LT GO | 694,379 | 0.02% | 700,000 | 0.0000 | AAA/Aaa |
| SAN FRANCISCO CITY & CO CA GO | 2,051,840 | 0.04% | 2,000,000 | 0.0000 | AAA/Aaa |
| SOUTHWEST ISD TX UT GO *ESG* | 775,921 | 0.02% | 780,000 | 0.0000 | AAA |
| SPRING BRANCH ISD TX UT GO | 8,025,440 | 0.17% | 8,000,000 | 0.0000 | AAA/Aaa |
| ST OF MASSACHUSETTS *ESG* | 4,923,420 | 0.11% | 5,000,000 | 0.0000 | Aa1 |
| ST OF OREGON TRANS REV | 11,756,632 | 0.25% | 11,565,000 | 0.0008 | AA+/Aa2 |
| ST. OF MA SPL OBLIG REV *ESG* | 4,790,450 | 0.10% | 5,000,000 | 0.0001 | Aaa/AAA |
| STATE OF MAINE GO | 1,034,616 | 0.02% | 1,065,000 | 0.0000 | AA/Aa2 |
| STATE OF TX GO SER 21 | 7,800,000 | 0.17% | 7,800,000 | 0.0000 | AAA |
| TEXAS A&M UNIV REV | 3,889,982 | 0.08% | 4,195,000 | 0.0001 | AAA/Aaa |
| UNIV OF MISSOURI REV | 8,357,581 | 0.18% | 8,385,000 | 0.0000 | AA+/Aa1 |
| WACO ISD TX *ESG* | 1,046,243 | 0.02% | 1,100,000 | 0.0000 | Aaa |
| WYANDOTTE KS UT GO | 4,480,000 | 0.10% | 4,480,000 | 0.0000 | SP-1 |
| <i>Total Local Governments</i> | <u>136,104,552</u> | | <u>137,236,250</u> | | |
| <i>US Treasury Bills</i> | | | | | |
| US Treasury Bill | 16,794,518 | 0.36% | 17,000,000 | 0.0008 | AA+/Aaa |
| <i>Total US Treasury Bills</i> | <u>16,794,518</u> | | <u>17,000,000</u> | | |

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| Security | Fair Value | Percentage of Portfolio | Maturity Value | Modified Duration (Years) | Credit Rating S&P/ Moody's/Fitch |
|--|-------------------------|----------------------------|----------------------|---------------------------------|---|
| <i>US Treasury Notes</i> | | | | | |
| US Treasury Note | 656,853,454 | 14.19% | 677,300,000 | 0.1265 | AA+/Aaa |
| <i>Total US Treasury Notes</i> | <u>656,853,454</u> | | <u>677,300,000</u> | | |
| <i>CD Options</i> | | | | | |
| Unity Bank | 5,095,939 | 0.11% | 5,095,939 | 0.0005 | NR |
| <i>Total CD Options</i> | <u>5,095,939</u> | | <u>5,095,939</u> | | |
| <i>Money Market Mutual Funds</i> | | | | | |
| LOGIC - POOL | 213,280,234 | 4.61% | 213,280,234 | N/A | AAAm |
| LONE STAR - POOL | 329,804,312 | 7.12% | 329,804,312 | N/A | AAAm/AAAmmf |
| TX CLASS - POOL | 359,115,619 | 7.76% | 359,115,619 | N/A | AAAm |
| DDA - Cadence | 556,731,696 | 12.03% | 556,731,696 | N/A | N/A |
| Flood - Cadence DDA | 377,234,337 | 8.15% | 377,234,337 | N/A | N/A |
| TRA - Cadence DDA | 307,860,203 | 6.65% | 307,860,203 | N/A | N/A |
| MMF - TRA Trust DSR BNYM | 127,959,360 | 2.76% | 127,959,360 | N/A | N/A |
| <i>Total Money Market Mutual Funds</i> | <u>2,271,985,761</u> | | <u>2,271,985,761</u> | | |
| Total Investments | 4,629,152,669 | 100.00% | \$ 4,673,067,950 | | |
| <i>Outstanding items/deposits</i> | <u>114,478,032</u> | | | | |
| Total Cash & Investments | <u>\$ 4,743,630,701</u> | | | | |

Fair Value Measurements

The County categorizes its fair value measurements within 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.

As of September 30, 2023, the County has the recurring fair value measurements for U.S. Agency Notes, Commercial Paper, Municipal Commercial Paper, Local Governments, U.S. Treasury Bills, U.S. Treasury Notes, and CD Options, totaling \$2,357,166,908, all of which are valued using quoted prices for similar assets in active markets (Level 2 inputs). The Money Market Funds through External Investment Pools, totaling \$2,271,985,761, are measured at amortized cost or fair value in accordance with GASB Nos. 72 and 79. The recorded position of the pool for Texas CLASS is measured at net asset value to approximate fair value, which is designed to approximate the share value; however, the net asset value is not guaranteed or insured. LOGIC, Lone Star, and Cadence Money Market Fund portfolios are measured at amortized cost, which approximates fair value. Cadence Demand Deposit Accounts preserves capital and liquidity and is considered cash value. LOGIC, Lone Star, and Texas CLASS pools must abide by the Public Funds Investment Act Chapter 2256.

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RISK DISCLOSURES

Interest Rate Risk: All investments carry the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by matching cash flows from maturities so that a portion of the portfolio is maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

According to the County investment policy, no more than 50% of the portfolio, excluding those investments held for construction/capital projects, special revenue, flood control, proprietary and enterprise, Public Improvement Contingency, District Clerk Registry, County Clerk Registry, and bond reserves, may be invested beyond three years. Additionally at least 15% of the portfolio, with the previous exceptions, is invested in overnight instruments or in marketable securities which can be sold to raise cash within one day's notice. Overall, the average maturity of the portfolio, with the previous exceptions, shall not exceed three years. As of September 30, 2023, the County was in compliance with all of these guidelines to manage interest rate risk.

Credit Risk and Concentration of Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The County mitigates these risks by emphasizing the importance of a diversified portfolio. All funds must be sufficiently diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. In particular, no more than 25% of the overall portfolio may be invested in time deposits, including certificates of deposit, of a single issuer. Concentration by issuer for other investment instruments is not specifically addressed in the investment policy. However, the policy does specify that acceptable investment instruments must have high quality credit ratings and, consequently, risk is minimized.

The County's investment policy establishes minimum acceptable credit ratings for certain investment instruments. Securities of states, agencies, counties, cities and other political subdivisions must be rated as to investment quality by a nationally recognized investment rating firm as a rate not less than A or its equivalent. Money market mutual funds and public funds investment pools must be rated not less than AAA or its equivalent by at least one nationally recognized investment rating firm.

Custodial Credit Risk: Investments are exposed to custodial credit risk if the investments are uninsured, are not registered in the County's name and are held by the counterparty. In the event of the failure of the counterparty, the County may not be able to recover the value of its investments that are held by the counterparty. As of September 30, 2023, all of the County's investments are held in the County's name.

Foreign Currency Risk: Foreign currency risk is the risk that fluctuations in the exchange rate will adversely affect the value of investments denominated in a currency other than the US dollar. The County Investment Policy does not list securities denominated in a foreign currency among the authorized investment instruments. Consequently, the County is not exposed to foreign currency risk.

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FUND INVESTMENT CONSIDERATIONS

The Investment Policy outlines specific investment strategies for each fund or group of funds identified on the Harris County financial statements. The three investment strategies employed by Harris County are the Matching Approach, the Barbell Approach and the Laddered Approach. The Matching Approach is an investment method that matches maturing investments with disbursements. Matching requires an accurate forecast of disbursement requirements. The Barbell Approach is an investment method where maturities are concentrated at two points, one at the short end of the investment horizon and the other at the long end. The Laddered Approach is an investment method where maturities are positioned to occur in regular intervals, providing a known stream of cash.

Specific guidelines have not been established for Pooled Investments, but the same standards that were developed for the General Fund Group are also applicable to Pooled Investments. The investment strategies and maturity criteria are outlined in the following table.

| Fund Type | Investment Strategy | Maximum Maturity Per Policy (Years) | Maturity Amount | Average Remaining Years To Maturity |
|--------------------------------|---------------------------|-------------------------------------|-------------------------|-------------------------------------|
| Pooled Investments | Matching/Laddered | 5 | \$ 817,045,939 | 1.00 |
| Special Revenue Funds | Matching | 5 | 432,000,000 | 0.71 |
| Capital Project Funds | Matching/Barbell/Laddered | 5 | 120,335,000 | 1.45 |
| Automobile Inventory Tax | Laddered | 5 | 40,000,000 | 0.22 |
| Toll Road Project Funds | Matching/Barbell/Laddered | 5 | 429,375,000 | 0.97 |
| Toll Road Renewal/Replacement | Matching/Barbell/Laddered | 5 | 182,950,000 | 1.42 |
| Toll Road Bond Reserve | Matching/Barbell/Laddered | Final maturity of bonds | 39,576,250 | 0.63 |
| Public Improvement Contingency | Matching/Barbell/Laddered | 6 | 160,800,000 | 1.49 |
| Proprietary & Enterprise Funds | Matching/Barbell/Laddered | 6 | 21,000,000 | 0.31 |
| County Clerk Registry | Laddered | 7 | 31,000,000 | 0.53 |
| District Clerk Registry | Laddered | 7 | 127,000,000 | 1.30 |
| Money Market Mutual Funds | N/A | N/A | 2,271,985,761 | N/A |
| | | | <u>\$ 4,673,067,950</u> | |

Note: Money Market Mutual Funds are excluded from the various fund types which may affect the average remaining days to maturity.

3. PROPERTY TAXES

COUNTY

Property taxes for the County and the Flood Control District are levied on tax rates adopted within 60 days of receiving the certified roll or September 30, whichever is later. Tax rates are usually adopted in September or October. Taxes are levied on the assessed value of all taxable real and personal property as of the preceding January 1. On January 1, at the time of assessment, an enforceable lien is attached to the property for property taxes. All tax payments not received by February 1, after the taxes are levied, are considered delinquent. Accordingly, no current taxes receivable are reported. Appraised values are determined by the Harris County Appraisal District (“Appraisal District”) equal to 100% of the appraised market value as required by the State Property Tax Code. Real property must be appraised at least once every three years. Taxpayers and taxing units may challenge appraisals of the Appraisal District through various appeals and, if necessary, legal action.

The County is responsible for setting the tax rates for the County, the Flood Control District, the Hospital District, and the Port of Houston Authority for debt service only. The County adopted the

HARRIS COUNTY, TEXAS
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2022 tax rate, per \$100 of taxable value, for the County and Flood Control District as follows:

| | <u>Maintenance and Operations</u> | <u>Debt Service</u> | <u>Total</u> |
|------------------------|---------------------------------------|-------------------------|--------------|
| Harris County | \$ 0.30105 | \$ 0.04268 | \$ 0.34373 |
| Flood Control District | \$ 0.02043 | \$ 0.01012 | \$ 0.03055 |

The County is permitted by law to levy tax rates for general fund, jury fund, road and bridge fund and permanent improvement fund purposes up to \$0.80 per \$100 of taxable valuation. The County levied a tax rate of \$0.34373 per \$100 of taxable valuation subject to the \$0.80 tax rate limitation for Constitutional Funds.

The Flood Control District is permitted by law to levy a tax rate up to \$0.30 per \$100 of taxable valuation. There is no limitation on the tax rate which may be set for debt service within the \$0.30 tax rate limit. The tax rate for maintenance and operations is limited to the rate as may from time to time be approved by the voters of the Flood Control District. The maximum tax rate for maintenance and operations is \$0.15 per \$100 of taxable valuation. A tax rate of \$0.02043 per \$100 valuation was set in 2022 for the Flood Control District’s maintenance and operations. The County Tax Assessor-Collector bills and collects the taxes for the County, Flood Control District, Hospital District, Port of Houston Authority, City of Houston and various other jurisdictions within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the Tax Assessor-Collector's Fiduciary Fund. Tax collections deposited for the County and Flood Control District are distributed on a periodic basis to the respective General Funds and Debt Service Funds. These distributions are based upon the tax rate established for each fund by order of the Commissioners Court for the tax year for which the collections are made.

Property tax receivables of \$16,534,899 as of September 30, 2023, are reported net of an allowance for uncollectible taxes of \$175,461,897.

The County enters into property tax abatement agreements with local businesses under the state Property Redevelopment and Tax Abatement Act, Chapter 312, as well as its own guidelines and criteria, which is required under the Act. Under the Act, including its guidelines and criteria, the County may grant property tax abatements for economic projects under the program that provide an increase of at least \$1,000,000 in property values and 25 jobs created/retained. Abatements granted are up to \$1,000,000 per job created/retained for up to 50% abatement over a period of up to 10 years. In addition to job growth/retention, the County’s guidelines and criteria focus on creating new wealth to the community rather than recirculating dollars within the community, and attracting industries that have demonstrated a commitment to protecting our environment—all without creating a substantial adverse effect on the competitive position of existing companies operating in the County. The agreement used for this purpose provides for termination of the agreement in the event its counterparty discontinues producing product as well as recapturing property taxes abated in that calendar year.

For the fiscal year ended September 30, 2023, the County abated property taxes totaling \$353,354 under this program, which includes two entities. The two entities were regional distribution facilities, which were granted exemptions that converted to property tax abatements in the amount of \$183,208 and \$170,146, totaling \$353,354.

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COMPONENT UNITS

The Hospital District receives property taxes levied by the County Commissioners Court for operations and debt service. Ad Valorem tax revenues are recorded at the time the taxes are assessed, net of provisions for uncollected amounts and collection expenses. Subsequent adjustments to the tax rolls, recorded by the County Tax Assessor-Collector, are included in the revenues in the period such adjustments are made by the County Tax Assessor-Collector.

Property tax receivables of \$5,766,000 as of September 30, 2023 are reported net of an allowance for uncollectible taxes of \$50,287,000 for the Hospital District.

4. ACCOUNTS AND OTHER RECEIVABLES

The County reports accounts receivables and other receivables in the various funds for amounts to be received from customers, granting agencies, and the Tax Assessor. A breakdown of these receivables as of September 30, 2023 is as follows:

| | Customers | Granting Agencies | Tax Assessor | Total (net) | Allowance for Uncollectible |
|--------------------------------|-----------------------|-------------------------|----------------------|-------------------------|-----------------------------|
| General | \$ 52,901,105 | \$ - | \$ 2,206,101 | \$ 55,107,206 | \$ (1,909,899) |
| CDBG-DR HARVEY | - | 295,223,199 | - | 295,223,199 | - |
| Flood Control Capital Projects | 1,278,449 | - | - | 1,278,449 | - |
| Nonmajor Governmental | 17,536,842 | 308,342,176 | 12,454,988 | 338,334,006 | (951,154) |
| Toll Road | 117,011,841 | - | 216,834 | 117,228,675 | (617,140,982) |
| Nonmajor Enterprise | 913,979 | - | - | 913,979 | - |
| Internal Service | 15,054,941 | - | - | 15,054,941 | (372,627) |
| Component Units | 198,098,731 | 447,622,053 | - | 645,720,784 | (84,975,227) |
| Totals | <u>\$ 402,795,888</u> | <u>\$ 1,051,187,428</u> | <u>\$ 14,877,923</u> | <u>\$ 1,468,861,239</u> | <u>\$ (705,349,889)</u> |

5. INTERFUND BALANCES AND TRANSFERS

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. Balances between individual governmental funds and between governmental funds and internal service funds are eliminated in the government-wide financial statements.

The interfund receivable and payable balances, by individual major fund, other governmental funds (aggregated), other proprietary funds (aggregated), internal service funds (aggregated), and fiduciary funds as of September 30, 2023 are as follows:

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Due to/from other funds:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|--------------------------------|--------------------------------|-----------------------|
| General | CDBG-DR Harvey | \$ 240,628,255 |
| | ARPA | 3,177,250 |
| | Nonmajor Governmental | 106,787,515 |
| | Internal Service | 15,223,903 |
| | Toll Road | 22,190,663 |
| CDBG-DR Harvey | Nonmajor Governmental | 578,074 |
| | ARPA | 48,009 |
| ARPA | Nonmajor Governmental | 7,678 |
| | General | 48,009 |
| Flood Control Capital Projects | Nonmajor Governmental | 117,517,653 |
| | General | 30,592,298 |
| | ARPA | 164 |
| | Flood Control Capital Projects | 436,184 |
| | Nonmajor Governmental | 118,409,020 |
| Internal Service | Internal Service | 34,896 |
| | General | 128,490 |
| Toll Road | Nonmajor Governmental | 1,133,452 |
| | Toll Road | 448,250 |
| | General | 5,760 |
| Total | Nonmajor Governmental | 136,940 |
| | | <u>\$ 657,484,454</u> |

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Advances to/from other funds:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|-----------------------|-------------------|
| General | Nonmajor Governmental | \$ 400,000 |
| Nonmajor Governmental | Nonmajor Governmental | 530,000 |
| Total | | <u>\$ 930,000</u> |

The following is a summary of the County's transfers for the fiscal year ended September 30, 2023:

| | Transfers In: | | | | | | Total |
|--------------------------------|----------------------|----------------------|-------------------|-----------------------------------|--------------------------|---------------------|-----------------------|
| | General | CDBG-DR Harvey | ARPA | Flood Control Capital Projects | Nonmajor Governmental | Internal Service | |
| Transfers Out: | | | | | | | |
| General | \$ - | \$ - | \$ 632,518 | \$ - | \$ 96,468,445 | \$ - | \$ 97,100,963 |
| CDBG-DR Harvey | - | - | - | - | 996,613 | - | 996,613 |
| ARPA | 857,706 | - | - | - | - | - | 857,706 |
| Flood Control Capital Projects | 14,172,066 | - | - | - | - | - | 14,172,066 |
| Nonmajor Governmental | 150,280,192 | 11,014,073 | - | 19,408,118 | 10,682,473 | 652,458 | 192,037,314 |
| Toll Road | 369,300,000 | - | - | - | - | - | 369,300,000 |
| Internal Service | 8,000,000 | - | - | - | - | - | 8,000,000 |
| Total | <u>\$542,609,964</u> | <u>\$ 11,014,073</u> | <u>\$ 632,518</u> | <u>\$ 19,408,118</u> | <u>\$ 108,147,531</u> | <u>\$ 652,458</u> | <u>\$ 682,464,662</u> |

HARRIS COUNTY, TEXAS
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Toll Road transferred \$369.3 million to the General fund for funding of a County thoroughfare and mobility and infrastructure program. There was also a \$100.4 million transfer from nonmajor governmental to general for debt service. All other transfers are routine in nature, such as cash match of grants, debt service payments, and internal service costs.

6. CAPITAL ASSETS

COUNTY

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

| | Balance October 1, 2022 | Additions | Deletions | Transfers | Balance September 30, 2023 |
|---|----------------------------|-----------------------|------------------------|----------------------|-------------------------------|
| Governmental Activities: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 4,932,968,988 | \$ 147,741,111 | \$ (146,000) | \$ - | \$ 5,080,564,099 |
| Construction in progress | 896,457,847 | 313,367,758 | (2,668,633) | (452,479,258) | 754,677,714 |
| Intangible assets - water rights | 2,400,000 | - | - | - | 2,400,000 |
| Total capital assets not depreciated | <u>5,831,826,835</u> | <u>461,108,869</u> | <u>(2,814,633)</u> | <u>(452,479,258)</u> | <u>5,837,641,813</u> |
| Depreciable capital assets: | | | | | |
| Intangible assets - software & licenses | 166,525,837 | 10,720,695 | (38,428,131) | - | 138,818,401 |
| Land improvements | 27,170,730 | - | - | 21,901,293 | 49,072,023 |
| Infrastructure | 12,406,405,919 | 113,230,540 | (1,432,449) | 181,213,828 | 12,699,417,838 |
| Park facilities | 248,192,201 | - | - | 21,329,797 | 269,521,998 |
| Flood control projects | 1,223,703,968 | - | - | 181,914,493 | 1,405,618,461 |
| Buildings | 2,131,969,049 | - | - | 46,119,847 | 2,178,088,896 |
| Equipment | 515,465,940 | 58,413,072 | (21,289,592) | - | 552,589,420 |
| Total depreciable capital assets | <u>16,719,433,644</u> | <u>182,364,307</u> | <u>(61,150,172)</u> | <u>452,479,258</u> | <u>17,293,127,037</u> |
| Less accumulated depreciation for: | | | | | |
| Intangible assets - software & licenses | (114,887,661) | (27,824,978) | 38,428,131 | - | (104,284,508) |
| Land improvements | (7,667,281) | (4,104,752) | - | - | (11,772,033) |
| Infrastructure | (7,691,131,707) | (276,640,837) | - | - | (7,967,772,544) |
| Park facilities | (106,275,453) | (8,702,456) | - | - | (114,977,909) |
| Flood control projects | (612,578,378) | (46,971,061) | - | - | (659,549,439) |
| Buildings | (892,677,182) | (49,010,914) | - | - | (941,688,096) |
| Equipment | (365,914,284) | (37,058,494) | 12,496,631 | - | (390,476,147) |
| Total accumulated depreciation | <u>(9,791,131,946)</u> | <u>(450,313,492)</u> | <u>50,924,762</u> | <u>-</u> | <u>(10,190,520,676)</u> |
| Depreciable capital assets, net | <u>6,928,301,698</u> | <u>(267,949,185)</u> | <u>(10,225,410)</u> | <u>452,479,258</u> | <u>7,102,606,361</u> |
| Lease right-to-use assets: | | | | | |
| Buildings | 30,446,428 | 1,112,938 | - | - | 31,559,366 |
| Equipment | 13,040,668 | 8,351,769 | - | - | 21,392,437 |
| Total lease right-to-use assets | <u>43,487,096</u> | <u>9,464,707</u> | <u>-</u> | <u>-</u> | <u>52,951,803</u> |
| Less accumulated amortization for: | | | | | |
| Buildings | (3,153,445) | (5,278,206) | - | - | (8,431,651) |
| Equipment | (2,321,937) | (5,377,016) | - | - | (7,698,953) |
| Total accumulated amortization | <u>(5,475,382)</u> | <u>(10,655,222)</u> | <u>-</u> | <u>-</u> | <u>(16,130,604)</u> |
| Lease right-to-use assets, net | <u>38,011,714</u> | <u>(1,190,515)</u> | <u>-</u> | <u>-</u> | <u>36,821,199</u> |
| Subscription right-to-use assets*: | | | | | |
| Subscription right-to-use assets | 50,481,515 | 38,497,694 | - | - | 88,979,209 |
| Less accumulated amortization for: | | | | | |
| Subscription right-to-use assets | - | (14,871,715) | - | - | (14,871,715) |
| Subscription right-to-use assets, net | <u>50,481,515</u> | <u>23,625,979</u> | <u>-</u> | <u>-</u> | <u>74,107,494</u> |
| Governmental activities capital assets, net | <u>\$ 12,848,621,762</u> | <u>\$ 215,595,148</u> | <u>\$ (13,040,043)</u> | <u>\$ -</u> | <u>\$ 13,051,176,867</u> |

*The County increased the beginning balance as of October 1, 2022 to conform to provisions of GASB 96, Subscriptions, as identified in Note 1

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| | Balance 10/1/2022 | Additions | Deletions | Transfers | Balance September 30, 2023 |
|--|-------------------------|-----------------------|-----------------------|----------------------|-------------------------------|
| Business-type Activities: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 389,562,511 | \$ 1,215,152 | \$ - | \$ - | \$ 390,777,663 |
| Construction in progress | 1,055,395,396 | 183,676,415 | (3,127,874) | (228,132,865) | 1,007,811,072 |
| Total capital assets not depreciated | <u>1,444,957,907</u> | <u>184,891,567</u> | <u>(3,127,874)</u> | <u>(228,132,865)</u> | <u>1,398,588,735</u> |
| Depreciable capital assets: | | | | | |
| License Agreement | 237,500,000 | - | - | - | 237,500,000 |
| Intangible assets - software | 42,470,466 | 1,067,500 | - | - | 43,537,966 |
| Land improvements | 21,266,409 | - | - | - | 21,266,409 |
| Infrastructure | 3,370,887,636 | - | - | 228,132,865 | 3,599,020,501 |
| Other tangible assets | 7,489,687 | - | (590,746) | - | 6,898,941 |
| Buildings | 43,615,443 | - | - | - | 43,615,443 |
| Equipment | 67,275,563 | 3,910,465 | (6,767,132) | - | 64,418,896 |
| Total depreciable capital assets | <u>3,790,505,204</u> | <u>4,977,965</u> | <u>(7,357,878)</u> | <u>228,132,865</u> | <u>4,016,258,156</u> |
| Less accumulated depreciation for: | | | | | |
| Intangible assets - license & software | (121,415,466) | (7,315,000) | - | - | (128,730,466) |
| Land improvements | (11,224,306) | (1,059,682) | - | - | (12,283,988) |
| Infrastructure | (1,797,925,249) | (93,839,592) | - | - | (1,891,764,841) |
| Other tangible assets | (7,182,737) | (14,227) | 301,965 | - | (6,894,999) |
| Buildings | (17,555,224) | (959,714) | - | - | (18,514,938) |
| Equipment | (52,583,753) | (4,893,493) | 6,148,217 | - | (51,329,029) |
| Total accumulated depreciation | <u>(2,007,886,735)</u> | <u>(108,081,708)</u> | <u>6,450,182</u> | <u>-</u> | <u>(2,109,518,261)</u> |
| Depreciable capital assets, net | <u>1,782,618,469</u> | <u>(103,103,743)</u> | <u>(907,696)</u> | <u>228,132,865</u> | <u>1,906,739,895</u> |
| Lease right-to-use assets: | | | | | |
| Buildings | 3,949,223 | 24,655,494 | - | - | 28,604,717 |
| Equipments | 121,530 | - | - | - | 121,530 |
| Total lease right-to-use assets | <u>4,070,753</u> | <u>24,655,494</u> | <u>-</u> | <u>-</u> | <u>28,726,247</u> |
| Less accumulated amortization for: | | | | | |
| Buildings | (542,008) | (2,614,100) | - | - | (3,156,108) |
| Equipments | (29,831) | (42,800) | - | - | (72,631) |
| Total accumulated amortization | <u>(571,839)</u> | <u>(2,656,900)</u> | <u>-</u> | <u>-</u> | <u>(3,228,739)</u> |
| Lease right-to-use assets, net | <u>3,498,914</u> | <u>21,998,594</u> | <u>-</u> | <u>-</u> | <u>25,497,508</u> |
| Subscription right-to-use assets*: | | | | | |
| | 11,555,814 | 470,424 | - | - | 12,026,238 |
| Less accumulated amortization for: | | | | | |
| Subscription right-to-use assets | - | (3,829,466) | - | - | (3,829,466) |
| Subscription right-to-use assets, net | <u>11,555,814</u> | <u>(3,359,042)</u> | <u>-</u> | <u>-</u> | <u>8,196,772</u> |
| Business-type activities capital assets, net | <u>\$ 3,242,631,104</u> | <u>\$ 100,427,376</u> | <u>\$ (4,035,570)</u> | <u>\$ -</u> | <u>\$ 3,339,022,910</u> |

*The County increased the beginning balance as of October 1, 2022 to conform to provisions of GASB 96, Subscriptions, as identified in Note 1

HARRIS COUNTY, TEXAS
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Depreciation and amortization expense was charged to the functions/programs of the primary government as follows:

Governmental activities:

| | | |
|---------------------------|----|----------------|
| Administration of Justice | \$ | 8,647,177 |
| Parks | | 9,404,991 |
| County Administration | | 128,219,535 |
| Health and Human Services | | 5,868,176 |
| Flood Control | | 48,722,544 |
| Tax Administration | | 61,458 |
| Roads and Bridges | | 274,916,548 |
| | | \$ 475,840,429 |

Business-type activities:

| | | |
|----------------------|----|----------------|
| Parking Facilities | \$ | 643,152 |
| Sheriff's Commissary | | 159,440 |
| Toll Road | | 113,765,482 |
| | | \$ 114,568,074 |

COMPONENT UNITS

| | Fiscal Year Beginning Balance* | Additions/ Transfers | Deletions/ Transfers | Fiscal Year Ending Balance |
|---|--------------------------------------|-------------------------|-------------------------|----------------------------------|
| Harris Center for Mental Health and IDD (August 31, 2023) | | | | |
| Land | \$ 12,654,193 | \$ 54,951 | \$ - | \$ 12,709,144 |
| Buildings & Improvements | 54,582,398 | 4,122,624 | - | 58,705,022 |
| Equipment, Furniture & Vehicles | 8,633,232 | 265,978 | (276,484) | 8,622,726 |
| Right-to-use lease assets | 1,933,770 | 389,018 | (379,813) | 1,942,975 |
| SBITA assets | 497,090 | - | - | 497,090 |
| | 78,300,683 | 4,832,571 | (656,297) | 82,476,957 |
| Less accumulated depreciation for: | | | | |
| Buildings & Improvements | (24,793,144) | (2,700,091) | - | (27,493,235) |
| Equipment, Furniture & Vehicles | (6,822,495) | (475,207) | 72,165 | (7,225,537) |
| Right-to-use lease assets | (587,297) | (563,446) | 379,813 | (770,930) |
| SBITA assets | - | (202,698) | - | (202,698) |
| | (32,202,936) | (3,941,442) | 451,978 | (35,692,400) |
| Harris Center for Mental Health and IDD capital assets, net | \$ 46,097,747 | \$ 891,129 | \$ (204,319) | \$ 46,784,557 |

*Prior period adjustment due to accounting adjustments.

The Harris Center for Mental Health and IDD records all governmental capital assets at cost, except for donated capital assets, which are recorded at acquisition cost on the date donated. Depreciation is reported at the government-wide level using the straight-line method over the estimated useful lives of the assets. The schedule included here does not include the capital assets of the Harris Center for Mental Health and IDD's discrete component units (a net value of \$4,471,447).

HARRIS COUNTY, TEXAS
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| <u>Hospital District (September 30, 2023)</u> | Beginning Balance | Additions/ Transfers | Deletions/ Transfers | Ending Balance |
|---|------------------------------|---------------------------------|---------------------------------|---------------------------|
| Land & Improvements | \$ 47,449,000 | \$ 11,332,000 | \$ - | \$ 58,781,000 |
| Construction in progress | 171,764,000 | (11,493,000) | - | 160,271,000 |
| Total capital assets not depreciated | <u>219,213,000</u> | <u>(161,000)</u> | <u>-</u> | <u>219,052,000</u> |
| Buildings and Improvements | 729,395,000 | 99,730,000 | (3,699,000) | 825,426,000 |
| Equipment | 439,439,000 | 50,172,000 | (15,666,000) | 473,945,000 |
| Leases - Building | 45,887,000 | 2,691,000 | (1,704,000) | 46,874,000 |
| Leases - Equipment | 7,959,000 | 207,000 | (1,048,000) | 7,118,000 |
| | <u>1,222,680,000</u> | <u>152,800,000</u> | <u>(22,117,000)</u> | <u>1,353,363,000</u> |
| Less accumulated depreciation | <u>(807,322,000)</u> | <u>(73,870,000)</u> | <u>20,057,000</u> | <u>(861,135,000)</u> |
| | <u>(807,322,000)</u> | <u>(73,870,000)</u> | <u>20,057,000</u> | <u>(861,135,000)</u> |
| Total capital assets being depreciated, net | <u>415,358,000</u> | <u>78,930,000</u> | <u>(2,060,000)</u> | <u>492,228,000</u> |
| Hospital District capital assets, net | <u>\$ 634,571,000</u> | <u>\$ 78,769,000</u> | <u>\$ (2,060,000)</u> | <u>\$ 711,280,000</u> |

The Hospital District records land, buildings, improvements, and equipment at acquisition value at the time of donation and includes expenditures for new facilities and equipment and those which substantially increase the useful life of existing assets. Depreciation of facilities and equipment is provided using the straight-line method over the estimated useful lives of the assets.

7. OTHER LIABILITIES

As of September 30, 2023, the Toll Road current liabilities includes the following amounts due to other governmental units.

| <u>Receivable Entity</u> | |
|---|----------------------|
| Brazoria County Toll Road Authority | \$ 1,146,206 |
| Central Texas Regional Mobility Authority | 2,080,079 |
| Fort Bend County Toll Road Authority | 6,025,844 |
| Montgomery County Toll Road Authority | 1,304,537 |
| North Texas Toll Authority | 9,967,069 |
| Oklahoma Turnpike Authority | 209,204 |
| Texas Turnpike Authority | <u>20,252,245</u> |
| Total Due to Other Governmental Units | <u>\$ 40,985,184</u> |

8. LONG-TERM LIABILITIES

The changes in the County's governmental and business-type activities long-term liabilities for the fiscal year ended September 30, 2023 were as follows:

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NOTES TO THE FINANCIAL STATEMENTS
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| | Outstanding October 1, 2022 | Issued/ Increased | Redeemed/ Decreased | Outstanding September 30, 2023 | Due Within One Year |
|---|-----------------------------------|----------------------|------------------------|--------------------------------------|------------------------|
| Governmental Activities: | | | | | |
| <u>General Obligation Debt</u> | | | | | |
| Road Bonds - Principal | \$ 672,645,000 | \$ 96,560,000 | \$ - | \$ 769,205,000 | \$ 34,975,000 |
| Permanent Improvement Bonds - Principal | 648,052,124 | 119,135,000 | (4,875,806) | 762,311,318 | 51,732,279 |
| Flood Control Bonds - Principal | 1,114,935,000 | 211,400,000 | - | 1,326,335,000 | 53,145,000 |
| Total Principal General Obligation Debt | 2,435,632,124 | 427,095,000 | (4,875,806) | 2,857,851,318 | 139,852,279 |
| Unamortized Premiums, Road Bonds | 61,581,639 | 4,556,508 | (10,690,242) | 55,447,905 | - |
| Unamortized Premiums, PIB Bonds | 83,976,597 | 12,168,256 | (14,238,877) | 81,905,976 | - |
| Unamortized Premiums, FC Bonds | 141,273,214 | 14,943,524 | (16,594,726) | 139,622,012 | - |
| GO Revenue Series 2002 | 38,816,990 | 3,214,473 | (11,334,194) | 30,697,269 | - |
| Total General Obligation Debt | 2,761,280,564 | 461,977,761 | (57,733,845) | 3,165,524,480 | 139,852,279 |
| <u>Tax and Subordinate Lien Revenue Bonds</u> | | | | | |
| Tax and Subordinate Lien Revenue | | | | | |
| Refunding, Series 2019B | 3,280,000 | - | (3,280,000) | - | - |
| Refunding, Series 2022A | 99,420,000 | - | - | 99,420,000 | - |
| Refunding, Series 2022 | - | 29,725,000 | - | 29,725,000 | 2,365,000 |
| Unamortized Premium, Tax & Sub Lien Rev | 16,164,364 | 3,538,176 | (2,653,875) | 17,048,665 | - |
| Total Tax and Subordinate Lien Revenue Bonds | 118,864,364 | 33,263,176 | (5,933,875) | 146,193,665 | 2,365,000 |
| Total Bonds Payable | 2,880,144,928 | 495,240,937 | (63,667,720) | 3,311,718,145 | 142,217,279 |
| Commercial Paper Payable | 97,125,000 | 513,345,000 | (500,300,000) | 110,170,000 | - |
| Compensatory Time Payable | 49,768,879 | 59,210,757 | (53,556,898) | 55,422,738 | 27,919,382 |
| Lease Payable | 38,276,337 | 9,464,707 | (10,160,052) | 37,580,992 | 8,990,422 |
| Subscription Payable* | 50,481,515 | 38,497,694 | (17,795,088) | 71,184,121 | 19,821,339 |
| Judgments Payable | 4,300,000 | 1,000,000 | - | 5,300,000 | 1,500,000 |
| Loan Payable | 34,131,780 | - | (29,719,667) | 4,412,113 | 2,001,833 |
| Total OPEB Liability | 2,644,926,111 | 40,514,448 | - | 2,685,440,559 | 54,335,000 |
| Net Pension Liability** | - | 672,935,486 | - | 672,935,486 | - |
| Pollution Remediation Obligation | 5,472,793 | 121,549 | - | 5,594,342 | 18,637 |
| Total Governmental Activities | \$ 5,804,627,343 | \$ 1,830,330,578 | \$ (675,199,425) | \$ 6,959,758,496 | \$ 256,803,892 |

*The County increased the beginning balance as of October 1, 2022 to conform to provisions of GASB 96, Subscriptions, as identified in Note 1

** Balance was a Net Pension Asset in previous year.

| | Outstanding October 1, 2022 | Issued/ Increased | Redeemed/ Decreased | Outstanding September 30, 2023 | Due Within One Year |
|---|-----------------------------------|----------------------|------------------------|--------------------------------------|------------------------|
| Business-type Activities: | | | | | |
| Senior Lien Revenue Bonds | \$ 1,354,480,000 | \$ - | \$ (203,065,000) | \$ 1,151,415,000 | \$ 60,635,000 |
| First Lien Revenue Bonds | 607,170,000 | 119,495,000 | (9,325,000) | 717,340,000 | 11,640,000 |
| Tax Bonds | 151,335,000 | - | (20,700,000) | 130,635,000 | 21,165,000 |
| Total Bond Principal | 2,112,985,000 | 119,495,000 | (233,090,000) | 1,999,390,000 | 93,440,000 |
| Unamortized Premium, Senior Revenue Bonds | 131,116,256 | - | (14,663,865) | 116,452,391 | - |
| Unamortized Premium, First Revenue Bonds | 110,389,978 | 15,598,203 | (11,560,339) | 114,427,842 | - |
| Unamortized Premium, Tax Bonds | 4,262,987 | - | (689,463) | 3,573,524 | - |
| Accrued Interest Payable | 11,489,378 | 96,622,432 | (96,427,704) | 11,684,106 | 11,684,106 |
| Total Bonds Payable | 2,370,243,599 | 231,715,635 | (356,431,371) | 2,245,527,863 | 105,124,106 |
| Commercial Paper Payable | 36,600,000 | 75,330,000 | - | 111,930,000 | - |
| Compensatory Time Payable | 1,523,614 | 1,336,374 | (1,283,821) | 1,576,167 | 790,038 |
| Lease Payable | 3,541,930 | 24,655,494 | (2,387,927) | 25,809,497 | 3,880,741 |
| Subscription Payable* | 11,555,814 | 470,424 | (3,700,080) | 8,326,158 | 4,001,346 |
| Total OPEB Liability | 117,667,442 | 2,608,749 | - | 120,276,191 | 2,106,000 |
| Net Pension Liability** | - | 24,261,768 | - | 24,261,768 | - |
| Hedging derivative instruments | 16,344,226 | - | (16,344,226) | - | - |
| Pollution Remediation Obligation | - | 1,224,000 | - | 1,224,000 | - |
| Total Business-type Activities | \$ 2,557,476,625 | \$ 361,602,444 | \$ (380,147,425) | \$ 2,538,931,644 | \$ 115,902,231 |

*The County increased the beginning balance as of October 1, 2022 to conform to provisions of GASB 96, Subscriptions, as identified in Note 1

** Balance was a Net Pension Asset in previous year.

HARRIS COUNTY, TEXAS
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A. BONDED DEBT

Bonded debt of the County consists of various issues of General Obligation Bonds and Revenue Bonds. General Obligation Bonds are direct obligations of the County with the County's full faith and credit pledged toward the payment of this obligation. General Obligation Bonds are issued upon approval by the public at an election. Debt service is primarily paid from ad valorem taxes. Revenue Bonds are generally payable from the pledged revenue generated by the respective activity for which the bonds are issued.

Outstanding governmental bonded debt at September 30, 2023 was as follows:

| | Original Issue Amount | Interest Rates (%) | Date Series | | Balance September 30, 2023 |
|--|--------------------------|-----------------------|-------------|---------|----------------------------------|
| | | | Issued | Matures | |
| <u>Road Bonds</u> | | | | | |
| Refunding Series 2012B | \$ 52,815,000 | 2.25-4.00% | 2012 | 2024 | \$ 7,335,000 |
| Refunding Series 2014A | 195,905,000 | 5.00% | 2014 | 2034 | 134,550,000 |
| Refunding Series 2015A | 202,680,000 | 2.00-5.00% | 2015 | 2031 | 201,090,000 |
| Refunding Series 2017A | 35,580,000 | 4.00-5.00% | 2017 | 2031 | 30,865,000 |
| Refunding Series 2019A | 48,745,000 | 4.00-5.00% | 2019 | 2023 | 4,255,000 |
| Refunding Series 2021 | 60,405,000 | 2.00-5.00% | 2021 | 2046 | 56,900,000 |
| Refunding Series 2022A | 237,650,000 | 4.00-5.00% | 2022 | 2047 | 237,650,000 |
| Refunding Series 2023A | 96,560,000 | 4.00-5.00% | 2023 | 2048 | 96,560,000 |
| | <u>930,340,000</u> | | | | <u>769,205,000</u> |
| <u>Permanent Improvement Bonds</u> | | | | | |
| Refunding Series 2012B | 43,200,000 | 0.35-2.473% | 2012 | 2023 | 6,115,000 |
| Refunding Series 2015A | 191,370,000 | 3.00-5.00% | 2015 | 2040 | 130,550,000 |
| Refunding Series 2015B | 50,095,000 | 2.00-5.00% | 2015 | 2027 | 13,110,000 |
| Refunding Series 2017A | 137,945,000 | 4.00-5.00% | 2017 | 2043 | 106,245,000 |
| Refunding Series 2019A | 7,810,000 | 5.00% | 2019 | 2027 | 7,810,000 |
| Refunding Series 2020A | 221,455,000 | 3.00-5.00% | 2020 | 2045 | 153,185,000 |
| Refunding Series 2021 | 29,095,000 | 2.25-5.00% | 2021 | 2046 | 28,215,000 |
| Refunding Series 2021A | 98,295,000 | 3.00-5.00% | 2021 | 2047 | 98,295,000 |
| Refunding Series 2022A | 86,855,000 | 5.00% | 2022 | 2031 | 86,855,000 |
| Refunding Series 2023A | 119,135,000 | 5.00% | 2023 | 2048 | 119,135,000 |
| GO Revenue Refunding 2002 | 206,772,045 | 5.00-5.86% | 2002 | 2028 | 12,796,318 |
| | <u>1,192,027,045</u> | | | | <u>762,311,318</u> |
| <u>Flood Control Bonds</u> | | | | | |
| Refunding Series 2014 | 36,590,000 | 2.00-5.00% | 2014 | 2026 | 36,200,000 |
| Refunding Series 2014A | 60,100,000 | 1.00-5.00% | 2014 | 2029 | 58,225,000 |
| Refunding Series 2014B | 73,665,000 | 0.25-3.211% | 2014 | 2024 | 22,175,000 |
| Refunding Series 2015A | 46,875,000 | 3.00-5.00% | 2015 | 2030 | 46,875,000 |
| Refunding Series 2015B | 30,145,000 | 3.00-5.00% | 2015 | 2030 | 30,145,000 |
| Refunding Series 2017A | 168,100,000 | 4.00-5.00% | 2017 | 2039 | 167,155,000 |
| Refunding Series 2019A | 86,965,000 | 4.00-5.00% | 2019 | 2024 | 39,620,000 |
| Refunding Series 2020A | 251,195,000 | 3.00-5.00% | 2020 | 2045 | 239,340,000 |
| Refunding Series 2021A | 256,455,000 | 1.00-5.00% | 2021 | 2046 | 252,225,000 |
| Refunding Series 2022A | 222,975,000 | 4.00-5.25% | 2022 | 2047 | 222,975,000 |
| Refunding Series 2023A | 211,400,000 | 4.00-5.00% | 2023 | 2048 | 211,400,000 |
| | <u>1,444,465,000</u> | | | | <u>1,326,335,000</u> |
| <u>Tax & Subordinate Lien Revenue Bonds</u> | | | | | |
| Refunding Series 2022A | 99,420,000 | 5.00% | 2022 | 2032 | 99,420,000 |
| Series 2022 | 29,725,000 | 5.00% | 2022 | 2033 | 29,725,000 |
| | <u>129,145,000</u> | | | | <u>129,145,000</u> |
| TOTAL | \$ 3,695,977,045 | | | | \$ 2,986,996,318 |

HARRIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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Per Article III, Section 52 of the Texas Constitution, the amount of applicable bonds that may be issued is limited to 25% of the assessed valuation of real property of the County. The total net debt applicable to the limit as of September 30, 2023 is approximately \$760.8 million. The legal debt limit is approximately \$169.1 billion (25% of real property assessed value) for the fiscal year ended September 30, 2023.

The Toll Road Project has been financed with a combination of unlimited tax and subordinate lien revenue bonds, first lien revenue bonds, senior lien revenue bonds, and commercial paper. The proceeds from such bonds, including the interest earned, are being used to finance the construction and the related debt service.

Outstanding business-type bonded debt at September 30, 2023 was as follows:

| | Original Issue Amount | Interest Rates (%) | Date Series | | Balance September 30, 2023 |
|---|--------------------------------|-----------------------|-------------|---------|----------------------------------|
| | | | Issued | Matures | |
| <u>Senior Lien Revenue Bonds</u> | | | | | |
| Refunding Series 2015B | \$ 161,575,000 | 5.00% | 2015 | 2036 | \$ 133,450,000 |
| Refunding Series 2016A | 530,105,000 | 2.75-5.00% | 2016 | 2047 | 459,365,000 |
| Refunding Series 2018A | 559,900,000 | 4.00-5.00% | 2018 | 2048 | 478,850,000 |
| Refunding Series 2019A | 90,255,000 | 3.00-5.00% | 2019 | 2049 | 79,750,000 |
| | <u>1,341,835,000</u> | | | | <u>1,151,415,000</u> |
| <u>First Lien Revenue Bonds</u> | | | | | |
| Refunding Series 2021 | 424,925,000 | 3.00-5.00% | 2021 | 2050 | 405,830,000 |
| Refunding Series 2022A | 194,030,000 | 5.00% | 2022 | 2033 | 192,015,000 |
| Refunding Series 2023A | 119,495,000 | 5.00% | 2023 | 2035 | 119,495,000 |
| | <u>738,450,000</u> | | | | <u>717,340,000</u> |
| <u>Unlimited Tax and Subordinate Lien Bonds</u> | | | | | |
| Refunding Series 1997 | 150,395,000 | 5.125% | 1997 | 2024 | 9,115,000 |
| Refunding Series 2007C | 321,745,000 | 5.25% | 2007 | 2033 | 121,520,000 |
| | <u>472,140,000</u> | | | | <u>130,635,000</u> |
| TOTAL | <u><u>\$ 2,552,425,000</u></u> | | | | <u><u>\$ 1,999,390,000</u></u> |

HARRIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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Annual debt service requirements to maturity as of September 30, 2023 are as follows:

| Governmental Activities | | | | | |
|--------------------------------|-----------------------------------|---|--|-------------------------|-------------------------|
| Fiscal year | Principal At 9/30/2023 | Capital Appreciation Bonds | Principal Value At Maturity | Interest | Total |
| 2024 | \$ 142,217,279 | \$ 10,861,511 | \$ 153,078,790 | \$ 147,899,775 | \$ 300,978,565 |
| 2025 | 189,209,303 | 10,270,940 | 199,480,243 | 138,327,037 | 337,807,280 |
| 2026 | 171,495,000 | - | 171,495,000 | 118,025,620 | 289,520,620 |
| 2027 | 205,855,000 | - | 205,855,000 | 108,845,370 | 314,700,370 |
| 2028 | 174,594,736 | 9,564,819 | 184,159,555 | 113,029,259 | 297,188,814 |
| 2029-2033 | 737,300,000 | - | 737,300,000 | 374,870,094 | 1,112,170,094 |
| 2034-2038 | 472,330,000 | - | 472,330,000 | 237,414,425 | 709,744,425 |
| 2039-2043 | 469,030,000 | - | 469,030,000 | 135,755,775 | 604,785,775 |
| 2044-2048 | 424,965,000 | - | 424,965,000 | 44,595,312 | 469,560,312 |
| | <u>\$ 2,986,996,318</u> | <u>\$ 30,697,270</u> | <u>\$ 3,017,693,588</u> | <u>\$ 1,418,762,667</u> | <u>\$ 4,436,456,255</u> |

| Business-Type Activities | | | |
|---------------------------------|-------------------------|-------------------------|-------------------------|
| Fiscal year | Principal | Interest | Total |
| 2024 | \$ 93,440,000 | \$ 93,472,844 | \$ 186,912,844 |
| 2025 | 89,475,000 | 88,759,325 | 178,234,325 |
| 2026 | 94,370,000 | 84,255,400 | 178,625,400 |
| 2027 | 98,455,000 | 79,556,675 | 178,011,675 |
| 2028 | 102,770,000 | 74,603,638 | 177,373,638 |
| 2029-2033 | 587,160,000 | 290,735,112 | 877,895,112 |
| 2034-2038 | 318,045,000 | 170,635,350 | 488,680,350 |
| 2039-2043 | 264,870,000 | 107,459,000 | 372,329,000 |
| 2044-2048 | 302,045,000 | 45,475,800 | 347,520,800 |
| 2049-2050 | 48,760,000 | 2,700,050 | 51,460,050 |
| | <u>\$ 1,999,390,000</u> | <u>\$ 1,037,653,194</u> | <u>\$ 3,037,043,194</u> |

COVENANTS AND CONDITIONS

The Senior Lien Revenue Bonds and First Lien Revenue Bonds are payable from operating revenues generated from the Toll Roads. The Tax Bonds are secured by and payable from a pledge of the County's unlimited ad valorem taxing power and are also secured by a pledge of and lien on the revenues of the Toll Roads, subordinate to the lien of the Senior Lien Revenue Bonds and First Lien Revenue Bonds. The Toll Road Authority ("Toll Road") has covenanted to assess a maintenance tax to pay project expenses if revenues, after paying debt service, are insufficient. The Authority also has covenanted to collect tolls to produce revenues at the beginning of the third fiscal year following completion of the Toll Roads equal to at least 1.25 times the aggregate debt service on all Senior Lien Revenue Bonds and First Lien Revenue Bonds accruing in such fiscal year. The 1.25 revenue coverage covenant went into effect during fiscal year 1994. The revenue coverage ratio was 5.98 as of September 30, 2023.

B. COMMERCIAL PAPER

In addition to the outstanding bonded debt of the County, the Commissioners Court has established a general obligation commercial paper program secured by ad valorem taxes for the purpose of financing various short-term assets and temporary construction financing for certain long-term capital assets. During the fiscal year ended September 30, 2023, the commercial paper program consisted of

HARRIS COUNTY, TEXAS
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eleven series totaling \$2.3 billion, of which \$350 million are payable from Toll Road revenues and \$1.950 billion are payable from ad valorem taxes levied. As of September 30, 2023, the County had outstanding, \$222.1 million of commercial paper. Commissioners Court, by policy, limits the period allowed for a commercial paper project not to exceed three years. During the length of time the paper is outstanding, the paper may have a maturity term of 1 – 270 days.

The County enters into agreements with credit facilities to provide a line of credit that will act as assurance to the purchaser of the commercial paper that funds will be available to redeem the paper upon demand and that the County can rollover the commercial paper. For Commercial Paper Series A-1, the County has a credit agreement with State Street Bank and Trust Company, which expires August 19, 2027. For this line of credit, the County is assessed a fee of .255% per annum on the daily amount of the commitment. If converted to a term loan, the principal amount for Series A-1 is to be paid in twelve substantially equal installments due quarterly on the last business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date. For Commercial Paper Series B, the County has a credit agreement with State Street Bank and Trust Company, which expires August 19, 2027. For this line of credit, the County is assessed a fee of .255% per annum on the daily amount of commitment. If converted to a term loan, the principal amount for Series B is to be paid in twelve substantially equal installments due quarterly on the last business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date. For Commercial Paper Series C, the County has a credit agreement with Sumitomo Mitsui Banking Corporation, which expires December 9, 2025. For this line of credit, the County is assessed a fee of .20% per annum for Tier 1 amount of \$279,500,000 and .25% per annum for Tier 2 amount of \$107,500,000. If converted to a term loan, the principal amount for Series C is to be paid in twelve substantially equal installments due quarterly on the last business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date.

For Commercial Paper Series D, the County has a credit agreement with JPMorgan Chase Bank, National Association, which expires August 19, 2025. For this line of credit, the County is assessed a fee of .24% per annum on the daily amount of commitment. If converted to a term loan, the principal amount outstanding for Series D is to be paid in twelve substantially equal installments due quarterly on the last business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date. Interest is payable quarterly in arrears, at a rate per annum equal to the bank rate, provided that the principal amount of any term loan not paid when due shall bear interest at a rate per annum equal to the lesser of (A) the default rate (fluctuating rate of per annum interest equal to the greater of (i) the base rate plus 2.00% or (ii) the federal funds rate plus 2.00%) and (B) the highest lawful rate.

For Commercial Paper Series D-2, the County has a credit agreement with State Street Bank and Trust Company, which expires August 19, 2027. For this line of credit, the County is assessed a fee of .24% per annum on the \$200,000,000 commitment and .275% per annum on the additional \$100,000,000 commitment. If converted to a term loan, the principal amount outstanding for Series D-2 is to be paid in twelve substantially equal installments due quarterly on the last business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date. Interest is payable monthly in arrears, at a rate per annum equal to the bank rate, provided that the unpaid principal amount of any term loan not paid when due shall bear interest from and after the

HARRIS COUNTY, TEXAS
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date payment was due until paid in full at the Default Rate (base rate from time to time in effect plus 3.0% per annum.)

For Commercial Paper Series D-3, the County has a credit agreement with Wells Fargo Bank, which expires November 12, 2024. For this line of credit, the County is assessed a fee of .24% per annum on the daily amount of commitment. If converted to a term loan, the principal amount outstanding for Series D-3 is to be paid in twelve substantially equal installments due quarterly on the last business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date. Interest is payable monthly in arrears, at a rate per annum equal to the bank rate, provided that the unpaid principal amount of any term loan not paid when due shall bear interest from and after the date payment was due until paid in full at the Default Rate (base rate from time to time in effect plus 3.0% per annum.)

For Commercial Paper Series J-1, the County has a credit agreement with TD Bank, N.A., which expires June 26, 2028. For this line of credit, the County is assessed a fee of .22% per annum on the daily amount of commitment. If converted to a term loan, the principal amount outstanding for Series J-1 is to be paid in twelve substantially equal installments due quarterly on the first business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date. Interest is payable monthly in arrears, at a rate per annum equal to the bank rate, provided that the unpaid principal amount of any term loan not paid when due shall bear interest from and after the date payment was due until paid in full at the Default Rate (base rate from time to time in effect plus 1.0% per annum).

COMMERCIAL PAPER – FLOOD CONTROL

On November 14, 2017, Commissioners Court authorized a \$64,000,000 commercial paper program designated as the Harris County Flood Control District Limited Tax Commercial Paper Notes, Series H (“Series H Notes”) secured by the District ad valorem taxes, to fund certain Flood Control projects of the District. On October 9, 2018, Commissioners Court authorized to increase the program amount of the Series H Notes from \$64,000,000 to \$250,000,000. On October 29, 2019, Commissioners court authorized to increase the program amount of the Series H Notes from \$250,000,000 to \$500,000,000. On February 8, 2022, Commissioners Court authorized a \$200,000,000 commercial paper program designated as the Harris County Flood Control District Limited Tax Commercial Paper Notes, Series H-2 (“Series H-2 Notes”). As of September 30, 2023, the District has outstanding \$0 of commercial paper in Series H or Series H-2 Notes.

For Commercial Paper Series H, the District has a credit agreement with JP Morgan Chase Bank, which expires December 10, 2024. For this line of credit, the District is assessed a fee of .24% per annum on the daily amount of commitment. If converted to a term loan, the principal amount of Series H shall be due and payable in twelve substantially equal installments due quarterly on the last business day of the month in which such payment is due, commencing with the first such installment due on the term loan commencement date.

For Commercial Paper Series H-2, the District has a credit agreement with PNC Bank, which expires February 24, 2025. For this line of credit, the District is assessed a fee of .19% per annum on the daily amount of commitment. If converted to a term loan, the principal amount of Series H-2 shall be paid

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in twelve substantially equal installments on each amortization payment date, commencing with the first such installment on the term loan commencement date.

COMMERCIAL PAPER – TOLL ROAD

In addition to the outstanding long-term debt of the Toll Road, the Commissioners Court has established a commercial paper program secured by and payable from Toll Road revenues. In 2017, Commissioners Court authorized two additional commercial paper programs, for \$200 million each, designated as Harris County Toll Road Senior Lien Revenue Commercial Paper Notes, Series E-1 and Series E-2 respectively (“Series E-1 and E-2 Notes”) to finance capital projects of the Toll Road. On May 31, 2021 Series E-2 was subsequently terminated. On May 2, 2022, Series E-1 was also terminated. On March 22, 2022, Commissioners Court authorized a new commercial paper program, for \$200 million, designated as the Harris County Toll Road System First Lien Revenue Commercial Paper Notes, Series K, to finance capital projects of Toll Road. On May 16, 2023, Commissioners Court authorized a second commercial paper program, for \$150 million, designated as the Harris County Toll Road System First Lien Revenue Commercial Paper Notes, Series K-2. As of September 30, 2023, Toll Road had outstanding \$111,930,000 of commercial paper combined in Series K and Series K-2 Notes.

For Commercial Paper Series K, Toll Road entered into a Letter of Credit Reimbursement Agreement (the “Series K Letter of Credit”) with PNC Bank, National Association, whereby the Bank supports the Series K Notes by issuing a letter of credit in the original stated amount of \$214,794,521 (representing an amount supporting the total aggregate principal amount of \$200,000,000 plus \$14,794,521 which is 270 days’ accrued interest on such principal amount at the rate of ten percent (10%) per annum computed on a 365 day basis) for the timely payment of the principal of and interest on the Series K Notes at maturity. The Series K Letter of Credit expires April 22, 2025. For this reimbursement agreement the Authority will be assessed a fee of 0.25% per annum on the stated amount of the letter of credit. The Authority also agrees to pay the Bank a non-refundable drawing fee of \$350 for each drawing under the letter of credit. If converted to a term loan, the principal amount of each term loan will be paid in twelve (12) substantially equal quarterly installments on each Amortization Payment Date, commencing with the first such installment on the Term Loan Commencement Date.

For Commercial Paper Series K-2, Toll Road entered into a Letter of Credit Reimbursement Agreement (the “Series K-2 Letter of Credit”) with Barclays Bank PLC, whereby the Bank supports the Series K-2 Notes by issuing a letter of credit in the original stated amount of \$161,095,891 (representing an amount supporting the total aggregate principal amount of \$150,000,000 plus \$11,095,891 which is 270 days’ accrued interest on such principal amount at the rate of ten percent (10%) per annum calculated on the basis of a 365 day year) for the timely payment of the principal of and interest on the Series K-2 Notes at maturity. The Series K-2 Letter of Credit expires June 19, 2026. For this reimbursement agreement the Authority will be assessed a fee of 0.29% per annum on the stated amount of the letter of credit. The Authority also agrees to pay the Bank a non-refundable drawing fee of \$250 for each drawing under the letter of credit. If converted to a term loan, the principal amount of each term loan will be paid in equal semi-annual installments for three years.

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DEBT SERVICE TO MATURITY - COMMERCIAL PAPER

Expected debt service requirements for the various Commercial Paper issuances are shown below. These requirements assume that as of September 30, 2023, the County had drawn down the outstanding principal balance on the lines of credit and letters of credit and subsequently executed term loans with the banks for a principal balance of \$222,100,000 at the average rate for the quarter ended September 30, 2023 by series and reflect the effects of any refundings.

| Fiscal year | Governmental Activities | | | Business-type Activities | | |
|-------------|-------------------------|----------------------|-----------------------|--------------------------|----------------------|-----------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2025 | \$ 1,873,333 | \$ 893,363 | \$ 2,766,696 | \$ - | \$ 2,824,441 | \$ 2,824,441 |
| 2026 | 16,614,167 | 6,201,039 | 22,815,206 | 37,143,333 | 13,886,835 | 51,030,168 |
| 2027 | 20,903,334 | 5,533,362 | 26,436,696 | 37,268,333 | 8,290,231 | 45,558,564 |
| 2028 | 25,470,000 | 5,409,794 | 30,879,794 | 37,310,000 | 2,636,597 | 39,946,597 |
| 2029 | 18,300,833 | 5,155,530 | 23,456,363 | 166,667 | 22,179 | 188,846 |
| 2030 | 15,820,000 | 3,205,283 | 19,025,283 | 41,667 | 1,584 | 43,251 |
| 2031 | 9,380,000 | 1,044,179 | 10,424,179 | - | - | - |
| 2032 | 1,808,333 | 68,754 | 1,877,087 | - | - | - |
| | <u>\$ 110,170,000</u> | <u>\$ 27,511,304</u> | <u>\$ 137,681,304</u> | <u>\$ 111,930,000</u> | <u>\$ 27,661,867</u> | <u>\$ 139,591,867</u> |

C. COMPONENT UNITS' LONG-TERM LIABILITIES

The County has no obligation to assume any liability for the bonds issued by any of the discretely presented component units.

The total long-term liabilities of the Harris Center for Mental Health and IDD were \$9,995,636 as of August 31, 2023 which comprises less than 1% of the total long-term liabilities of the County's discretely presented component units. \$8,263,790 of this liability is related to compensated absences.

The total long-term liabilities of the Harris County Hospital District were \$1,145,753,000 as of September 30, 2023 which comprises over 99% of the total long-term liabilities of the County's discretely presented component units. A portion of this liability is bonds secured by a lien on the pledged revenues of the Harris County Hospital District and certain funds pursuant to the bond order.

The Harris County Hospital District also has defeased bonds, in the amount of \$52,300,000 whereby the proceeds are held as irrevocable deposits of funds sufficient with trustees to pay the principal and interest of such bonds through their maturity. Accordingly, these trustee funds and the related defeased indebtedness are excluded from the Harris County Hospital District's balance sheet as of September 30, 2023.

D. COMPONENT UNITS' CONDUIT DEBT OBLIGATIONS

Harris County Industrial Development Corporation, Harris County Housing Finance Corporation, Harris County Health Facilities Development Corporation and Harris County Cultural Education Facilities Finance Corporation have issued bonds to provide financial assistance to private and public sector entities engaged in activities that are deemed to be in the public interest. These bonds are limited obligations of the issuing entities payable solely from the proceeds of the underlying financing agreements, and in the opinion of legal counsel, do not represent indebtedness or liability to the issuing entity, Harris County, the State of Texas, or any political subdivision; therefore, the bonds are not reported as liabilities in the accompanying financial statements. The Harris County Health Facilities

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Development Corporation and Harris County Cultural Education Facilities Finance Corporation have no other financial activity that would materially affect the County's financial statements, and are not required to issue separate audited financial statements, and as a result are not included in the Reporting Entity disclosure within the accompanying notes to the financial statements. A summary of the debt issued by each entity follows.

Harris County Industrial Development Corporation

The Corporation has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from the payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the Corporation, nor the County, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

As of August 31, 2022, there were two (2) series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable as of August 31, 2023 for the bonds issued after September 1, 1996, was approximately \$250,000,000.

Harris County Housing Finance Corporation

As of December 31, 2022 there were fourteen (14) series of bonds outstanding with an aggregate principal payable of \$179,437,288. These bonds have been issued by the Housing Finance Corporation to provide financing for the purpose of multifamily home projects for low and moderate income owners/residents, and will be repaid from sources defined in the various underlying financing agreements between the Housing Finance Corporation and the entities for whose benefit the bonds were issued.

Harris County Health Facilities Development Corporation

The corporation issues bonds if there is a public benefit or public purpose that is necessary or convenient for health care, research or education. As of September 30, 2023, there were four (4) series of bonds outstanding with an aggregate principal payable of \$386,775,000. The bonds will be repaid from sources defined in the various underlying financing agreements between the Health Facilities Development Corporation and the entities for whose benefit the bonds were issued.

Harris County Cultural Education Facilities Finance Corporation

As of September 30, 2023, there were fifty-four (54) series of Bonds outstanding with an aggregate principal payable of \$4,789,286,858. The bonds were issued for the purpose of refunding certain outstanding obligations, financing costs of acquisition, construction, expansion, renovation as well as equipping facilities pursuant to the Texas Cultural Education Facilities corporation Act, Chapter 337, Texas Local Government Code, and paying costs of issuance for Space Center Houston, Baylor College of Medicine, Memorial Hermann Healthcare System, Methodist Hospital System, Texas Medical Center projects and the Young Men's Christian Association (YMCA) of the Greater Houston Area and others. The bonds of each series are limited obligations of the issuer and the payment and interest on the bonds of each series are payable solely from and secured by the issuer's assignment to each bond trustee of its rights to receive loan payments pursuant to loan agreements and indentures.

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E. UNISSUED AUTHORIZED BONDS

Capital projects are funded primarily by the issuance of bonded debt. The County has received voter approval for the issuance of bonds to maintain an ongoing capital improvement program.

The following is the summary of authorized, issued and unissued bonds:

| <u>Description</u> | <u>Year of Voter Authorization</u> | <u>Amount Authorized</u> | <u>Issued as of 9/30/2023</u> | <u>Authorized but Unissued as of 9/30/2023</u> |
|-----------------------------|--|------------------------------|---------------------------------------|--|
| (amounts in millions) | | | | |
| <u>Ad Valorem Tax Bonds</u> | | | | |
| Toll Road | 1983 | \$ 900.0 | \$ 884.9 | \$ 15.1 |
| Civil Justice Center | 1999 | 119.0 | 86.0 | 33.0 |
| Forensic Lab | 2007 | 80.0 | 74.8 | 5.2 |
| Family Law Center | 2007 | 70.0 | - | 70.0 |
| Parks | 2015 | 60.0 | 48.0 | 12.0 |
| Roads | 2015 | 700.0 | 316.7 | 383.3 |
| Flood | 2018 | 2,500.0 | 1,008.2 | 1,491.8 |
| Parks | 2022 | 200.0 | - | 200.0 |
| Public Safety | 2022 | 100.0 | - | 100.0 |
| Roads | 2022 | 900.0 | - | 900.0 |
| Total Ad Valorem Tax Bonds | | <u>\$ 5,629.0</u> | <u>\$ 2,418.6</u> | <u>\$ 3,210.4</u> |

F. REFUNDING/ISSUANCE OF DEBT

On December 15, 2022, the County issued \$29,725,000 in Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2022, to fund projects at NRG Park County-owned facilities and to pay the cost of such issuance. The annual interest rate is 5.00%. The issuance had a premium of \$3,538,175. The interest accrues semiannually, and the bonds will mature in 2033. The issuance resulted in no savings or economic loss.

On June 6, 2023, the County utilized Ad Valorem tax funds to partially defease \$23,000,000 in Series A-1 Commercial Paper notes and \$22,300,000 in Series D Commercial Paper notes.

On June 14, 2023, the County released \$2,700,000 in US Treasury note pledged to JP Morgan Chase Bank as collateral on the \$72,785,000 interest rate swap for the Series 2007B bonds.

On June 14, 2023, the County released \$2,500,000 in US Treasury bill pledged to Citibank as collateral on the \$72,785,000 interest rate swap for the Series 2007B bonds.

On June 28, 2023, the County issued 119,495,000 in Toll Road First Lien Revenue Refunding Bonds, Series 2023A, to refund the County's outstanding Toll Road Senior Lien Revenue Bonds, Series 2007B and to pay cost of such issuance. The annual interest rate is 5.00%. The issuance had a premium of \$15,598,203. The interest accrues semiannually, and the bonds mature in 2035. The refunding resulted in savings of \$30,121,883 due to a decrease in cash flow requirements and had an economic gain of \$912,897.

On July 12, 2023 the County issued \$211,400,000 in Flood Control District Improvement Refunding Bonds, Series 2023A, to defease the County's outstanding Flood Control District Limited Tax Commercial Paper Notes, Series H & H-2, and to pay the cost of such issuance. The annual interest rates range from 4.00% to 5.00%. The issuance had a premium of \$14,943,524.

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The interest accrues semiannually, and the bonds mature in 2048. No savings or economic loss is recognized due to the defeasance of commercial paper.

On August 23, 2023, the County issued \$119,135,000 in Permanent Improvement Refunding Bonds, Series 2023A to defease a portion of the General Obligation Commercial Paper Notes, Series B, D, and D-2, and to pay the cost of such issuance. The annual interest rate is 5.00%. The issuance had a premium of \$12,168,256. The interest accrues semiannually, and the bonds mature in 2048. No savings or economic loss is recognized due to the defeasance of commercial paper.

On August 23, 2023, the County issued \$96,560,000 in Unlimited Tax Road Refunding Bonds, Series 2023A to defease a portion of the General Obligation Unlimited Tax Commercial Paper Notes, Series C and D-3 and to pay the cost of such issuance. The annual interest rates range from 4.00% to 5.00%. The issuance had a premium of \$4,556,508. The interest accrues semiannually, and the bonds mature in 2048. No savings or economic loss is recognized due to the defeasance of commercial paper.

G. DEFEASANCE OF DEBT

In prior years, the County has defeased certain property tax bonds, revenue bonds, certificates of obligation and Toll Road revenue bonds by placing the proceeds of the refunding bonds in an irrevocable trust to provide for all future debt service on the refunded bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's basic financial statements. As of September 30, 2023, there was no outstanding principal balance of these defeased bonds in trust.

H. ARBITRAGE REBATE LIABILITY

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local government bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due and remit the amount due at least every five years. As of September 30, 2023, there was \$0 in liabilities for arbitrage rebate on the governmental debt or enterprise debt. The Debt Service Funds have typically been used to liquidate arbitrage liabilities in previous years.

I. INTEREST RATE SWAPS TOLL ROAD

The County entered interest rate swaps with Citibank, N.A., New York, and JP Morgan Chase Bank, National Association, relating to the Toll Road Senior Lien Revenue Refunding Bonds, Series 2007B. The purpose of the swaps was to create a fixed cost of funds on certain maturities of the related bonds that is lower than the fixed cost achievable in the cash bond market. These Senior Lien Swap Agreements were terminated on June 28, 2023.

J. SUBSEQUENT DEBT RELATED ACTIVITY

On December 7, 2023, the County utilized reimbursement funds from Series C to defease \$4,050,000 in Series D-3 Commercial Paper notes. The reimbursement was a reallocation of funding originally allocated out of Series D-3 in connection to the road bonds voted authority to Series C.

On December 20, 2023, the County utilized reimbursement funds from CDBG-DR to partially

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deafease \$4,100,000 in Series J-1 Commercial Paper notes.

On March 4, 2024, the County utilized Ad Valorem tax funds to partially defease \$27,000,000 in Series A-1 Commercial Paper notes and \$23,000,000 in Series D Commercial Paper notes.

K. LEASE LIABILITY

The County leases buildings and equipment, the terms of which expire in various years through 2033. Variable payments of certain leases are based upon the Consumer Price Index (Index). The leases were measured based upon the Index at lease commencement. Variable payments based upon the use of the underlying asset are not included in the lease liability because they are not fixed in substance.

The following is a schedule by year of payments under the leases as of September 30, 2023:

| Fiscal Year Ending September 30, | Total to Be Paid | Principal | Interest |
|---|-------------------------|----------------------|---------------------|
| 2024 | \$ 14,216,006 | \$ 12,871,163 | \$ 1,344,843 |
| 2025 | 13,607,502 | 12,515,750 | 1,091,752 |
| 2026 | 11,362,458 | 10,543,514 | 818,944 |
| 2027 | 9,036,818 | 8,440,906 | 595,912 |
| 2028 | 4,916,432 | 4,484,892 | 431,540 |
| 2029-2033 | 15,322,413 | 14,534,264 | 788,149 |
| | <u>\$ 68,461,629</u> | <u>\$ 63,390,489</u> | <u>\$ 5,071,140</u> |

L. SUBSCRIPTION LIABILITY

The County has multi-year information technology subscriptions, the terms of which expire in various years through 2033. Variable payments of certain subscriptions are based upon the Consumer Price Index (Index). The subscriptions were measured based on the Index at last commencement. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

The following is a schedule by year of payments under the subscriptions as of September 30, 2023:

| Fiscal Year Ending September 30, 2023 | Total to Be Paid | Principal | Interest |
|--|-------------------------|----------------------|---------------------|
| 2024 | \$ 25,727,074 | \$ 23,822,685 | \$ 1,904,389 |
| 2025 | 22,820,224 | 21,591,282 | 1,228,942 |
| 2026 | 15,038,581 | 14,306,376 | 732,205 |
| 2027 | 11,146,417 | 10,743,384 | 403,033 |
| 2028 | 3,247,942 | 3,052,443 | 195,499 |
| 2029-2033 | 6,345,846 | 5,994,109 | 351,737 |
| | <u>\$ 84,326,084</u> | <u>\$ 79,510,279</u> | <u>\$ 4,815,805</u> |

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9. RETIREMENT PLAN

Plan Description. Harris County provides retirement, disability, and survivor benefits for all of its employees (excluding temporary) through a nontraditional defined benefit pension plan in the statewide Texas County & District Retirement System (“TCDRS”). Harris County Sports & Convention Corporation (“HCSCC”) also provides retirement, disability, and survivor benefits for all of its employees through a separate nontraditional defined benefit pension plan also in the statewide TCDRS.

Both plans are accounted for as an agent multiple-employer defined benefit pension plan. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system. TCDRS in the aggregate issues an annual comprehensive financial report on a calendar year basis. The annual report is available upon written request from the TCDRS Finance Division, Barton Oaks Plaza IV, Ste. 500, 901 S. MoPac Expy., Austin, TX 78746 or the website at www.TCDRS.org.

Benefits Provided.

Harris County: The County plan provisions are adopted by Commissioners Court of the County, within the options available in the state statutes governing TCDRS (“TCDRS Act”). Members can retire at ages 60 and above with eight or more years of service, with 30 years of service regardless of age, when the sum of their age and years of service equals 75 or more, or if they become disabled. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest and employer-financed monetary credits. The level of these monetary credits is adopted by Commissioners Court, 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. By law, employee accounts earn 7% interest. 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. The County’s current match is 225%.

HCSCC: The approval of plan provisions is the responsibility of the HCSCC Board, within the options available in the state statutes governing TCDRS (“TCDRS Act”). Plan members must work eight years to be vested. Once vested, an employee has earned the right to receive a lifetime monthly retirement benefit and is eligible to retire at either age 60, after 30 years of service or when the sum of their age and years of service totals 75.

Benefits are determined by the sum of the employee’s contributions to the plan, with interest and employer-financed monetary credits. The level of these credits is approved by the HCSCC Board within the actuarial constraints imposed by the TCDRS Act. As a result, benefits can be expected to be adequately financed by HCSCC’s commitment to contribute. By law, employee accounts earn 7% interest. 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

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annuity using annuity purchase rates prescribed by the TCDRS Act. HCSCC’s current match is 225%.

Employees Covered by Benefit Terms. At the measurement date, the following employees were covered by the benefit terms:

| | <u>County</u> | | <u>HCSCC</u> | |
|--|-----------------|-----------------|-----------------|-----------------|
| | <u>12/31/21</u> | <u>12/31/22</u> | <u>12/31/21</u> | <u>12/31/22</u> |
| Inactive employees or beneficiaries currently receiving benefits | 10,196 | 10,705 | 1 | 1 |
| Inactive employees entitled but not yet receiving benefits | 9,800 | 11,802 | 1 | 1 |
| Active employees | 19,921 | 19,088 | 6 | 6 |
| Total | <u>39,917</u> | <u>41,595</u> | <u>8</u> | <u>8</u> |

Contributions.

The County has elected the annually determined contribution rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually as of December 31, two years prior to the end of the fiscal year in which contributions are reported. The County contributed using an actuarially determined rate of 15.1% of covered payroll for the months of the calendar year 2021, 15.7% for the calendar year 2022 and the first 9 months of 2023. HCSCC contributed using an actuarially determined rate of 11.8% of covered payroll for the months of the calendar year 2021, 2022 and the first 9 months of 2023.

The contribution rate payable by the employee members for 2022 and 2023 is 7% as adopted by Commissioners Court and as approved by the HCSCC Board. The Harris County employee contribution rate and the employer contribution rate may be changed by Commissioners Court, and the HCSCC employee and HCSCC contribution rates may be changed by the HCSCC Board, both within the options available in the TCDRS Act.

Actuarial Assumptions. For the fiscal year ended September 30, 2023, the net pension (asset)/liability was measured as of December 31, 2022, and the total pension (asset)/liability used to calculate the net pension (asset)/liability was determined by an actuarial valuation as of that date.

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

| <u>County</u> | | <u>HCSCC</u> | |
|---|------|---|------|
| Inflation | 2.5% | Inflation | 2.5% |
| Salary Increases | 4.7% | Salary Increases | 4.7% |
| Investment rate of return | 7.6% | Investment rate of return | 7.6% |
| (Investment rate of return is gross of administrative expenses) | | (Investment rate of return is gross of administrative expenses) | |

Neither plan has an automatic cost-of-living adjustments (“COLA”) and one is not considered to

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be substantively automatic under GASB No. 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculation or in the funding valuation. Each year, the plans may elect an ad-hoc COLA for its retirees.

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

Mortality rates for depositing members were 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. Service retirees, beneficiaries, and non-depositing members were 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. General Disabled Retirees were 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 actuarial cost method was Entry Age Normal, as required by GASB No. 68. The actuarial assumptions used in the December 31, 2022 valuation for the County were developed from an actuarial experience investigation of TCDRS over the years 2017-2020, except where required to be different by GASB No. 68.

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 numbers shown are based on January 2023 information for a 10-year time horizon and are 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 is reviewed annually for continued compliance with relevant standards of practice.

The following target asset allocation was adopted by the TCDRS board in March 2023. The geometric real rate of return is net of inflation, assumed at 2.3%.

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| Asset Class | Target Allocation | Geometric Real Rate of Return |
|--|-------------------|-------------------------------|
| U.S. Equities | 11.50% | 4.95% |
| Global Equities | 2.50% | 4.95% |
| International Equities - Developed Markets | 5.00% | 4.95% |
| International Equities - Emerging Markets | 6.00% | 4.95% |
| Investment-Grade Bonds | 3.00% | 2.40% |
| Strategic Credit | 9.00% | 3.39% |
| Direct Lending | 16.00% | 6.95% |
| Distressed Debt | 4.00% | 7.60% |
| REIT Equities | 2.00% | 4.15% |
| Master Limited Partnerships | 2.00% | 5.30% |
| Private Real Estate Partnerships | 6.00% | 5.70% |
| Private Equity | 25.00% | 7.95% |
| Hedge Funds | 6.00% | 2.90% |
| Cash Equivalents | 2.00% | 0.20% |
| | 100.00% | |

Discount Rate. The discount rate used to measure the total pension liability was 7.6%. Using the alternative method, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments based on the funding requirements under the County’s funding policy and the legal requirements under the TCDRS Act.

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

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 (asset)/liability of the employer is equal to the long-term assumed rate of return on investments.

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Changes in Net Pension Liability/(Asset):

| Harris County | | | |
|--|----------------------------|---------------------------|----------------------------------|
| <i>(amounts in thousands)</i> | | | |
| | Total Pension Liability | Fiduciary Net Position | Net Pension Liability/(Asset) |
| | (a) | (b) | (a) - (b) |
| Balances as of December 31, 2021 | \$ 8,066,367 | \$ 8,325,113 | \$ (258,746) |
| Changes for the year: | | | |
| Service cost | 202,068 | - | 202,068 |
| Interest on total pension liability | 612,984 | - | 612,984 |
| Effect of economic/demographic gains or loss | (48,873) | - | (48,873) |
| Refund of contributions | (16,227) | (16,227) | - |
| Benefit payments | (397,052) | (397,052) | - |
| Administrative expenses | - | (4,516) | 4,516 |
| Member contributions | - | 88,572 | (88,572) |
| Net investment loss | - | (477,235) | 477,235 |
| Employer contributions | - | 198,225 | (198,225) |
| Other | - | (10,981) | 10,981 |
| Balances as of December 31, 2022 | <u>\$ 8,419,267</u> | <u>\$ 7,705,899</u> | <u>\$ 713,368</u> |

| HCSCC | | | |
|--|----------------------------|---------------------------|----------------------------------|
| | Total Pension Liability | Fiduciary Net Position | Net Pension Liability/(Asset) |
| | (a) | (b) | (a) - (b) |
| Balances as of December 31, 2021 | \$ 791,427 | \$ 1,108,287 | \$ (316,860) |
| Changes for the year: | | | |
| Service cost | 117,298 | - | 117,298 |
| Interest on total pension liability | 68,972 | - | 68,972 |
| Effect of economic/demographic gains or losses | 24,688 | - | 24,688 |
| Benefit payments | (2,444) | (2,444) | - |
| Administrative expenses | - | (691) | 691 |
| Member contributions | - | 48,837 | (48,837) |
| Net investment loss | - | (75,923) | 75,923 |
| Employer contributions | - | 82,046 | (82,046) |
| Other | - | 19,010 | (19,010) |
| Balances as of December 31, 2022 | <u>\$ 999,941</u> | <u>\$ 1,179,122</u> | <u>\$ (179,181)</u> |

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

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| | Harris County | | | HCSCC | | |
|----------------------------------|-------------------------------|-------------------|---------------------|--------------------|---------------------|---------------------|
| | <i>(amounts in thousands)</i> | | | | | |
| | Current | | | Current | | |
| | 1% Decrease | Discount Rate | 1% Increase | 1% Decrease | Discount Rate | 1% Increase |
| | 6.60% | 7.60% | 8.60% | 6.60% | 7.60% | 8.60% |
| Total pension liability | \$ 9,534,731 | \$ 8,419,267 | \$ 7,485,239 | \$ 1,153,678 | \$ 999,942 | \$ 871,227 |
| Fiduciary net position | 7,705,899 | 7,705,899 | 7,705,899 | 1,179,123 | 1,179,123 | 1,179,123 |
| Net pension (asset)/liability | <u>\$ 1,828,832</u> | <u>\$ 713,368</u> | <u>\$ (220,660)</u> | <u>\$ (25,445)</u> | <u>\$ (179,181)</u> | <u>\$ (307,896)</u> |

Pension Plan Fiduciary Net Position. Detailed information about the pension plans' fiduciary net position is available in the separately issued TCDRS financial report.

Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions. For the measurement period ended December 31, 2022, the County recognized pension expense of \$196,767,619 and HCSCC recognized pension expense of \$36,997. County and HCSCC reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

| | Harris County | |
|---|----------------------------------|-----------------------------------|
| | <i>(amounts in thousands)</i> | |
| | Deferred Inflows of Resources | Deferred Outflows of Resources |
| Differences between expected and actual experience | \$ 45,702 | \$ 13,181 |
| Changes of assumptions | - | 222,906 |
| Net difference between projected and actual earnings | - | 140,738 |
| Contributions made subsequent to the measurement date | - | 151,039 |
| Total | <u>\$ 45,702</u> | <u>\$ 527,864</u> |

| | HCSCC | |
|---|----------------------------------|-----------------------------------|
| | <i>(amounts in thousands)</i> | |
| | Deferred Inflows of Resources | Deferred Outflows of Resources |
| Differences between expected and actual experience | \$ 73,953 | \$ 54,055 |
| Changes of assumptions | 777 | 31,611 |
| Net difference between projected and actual earnings | - | 50,593 |
| Contributions made subsequent to the measurement date | - | 64,633 |
| Total | <u>\$ 74,730</u> | <u>\$ 200,892</u> |

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

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| Fiscal Year ending September 30: | Harris County (amounts in thousands) | HCSCC |
|--|---|------------------|
| 2024 | \$ (31,790) | \$ 1,233 |
| 2025 | 62,288 | 6,481 |
| 2026 | 89,471 | 4,046 |
| 2027 | 211,154 | 36,630 |
| 2028 | - | 3,506 |
| Thereafter | - | 9,633 |
| Total | <u>\$ 331,123</u> | <u>\$ 61,529</u> |

Payable to the Pension Plan. At September 30, 2023, the County and HCSCC reported payables of \$33,821,818 and \$11,456, respectively, for the outstanding amount of contributions to the pension plan. Pensions are liquidated from the General Fund.

The above information includes four participating employers to the agent multiple-employer defined benefit pension plan. One of the employers, Community Supervision (“CS”) is not considered a department or a component unit of the County and thus is presented below for consideration as part of the total pension balances. The net pension liability for CS at September 30, 2023 is \$16,170,323.

The deferred inflows and outflows of resources reported for CS at September 30, 2023 were (amounts in thousands):

| | Deferred Inflows of Resources | Deferred Outflows of Resources |
|---|----------------------------------|-----------------------------------|
| Differences between expected and actual experience | \$ 1,036 | \$ 298 |
| Changes of assumptions | - | 5,053 |
| Net difference between projected and actual earnings | - | 3,190 |
| Contributions made subsequent to the measurement date | - | 3,610 |
| Total | <u>\$ 1,036</u> | <u>\$ 12,151</u> |

For the measurement period ended December 31, 2022, CS recognized pension expense of \$3,543,853. The RSI following the notes to the financial statements contains: the schedule of changes in the County’s net pension (asset)/liability and related ratios, and the schedule of County contributions.

10. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”)

THE PLAN:

Plan Description. Harris County administers an agent multiple-employer defined benefit postemployment healthcare plan that covers retired employees of participating governmental entities. The employers in the plan are: the Harris County, Flood Control District, Toll Road, Juvenile Board, Community Supervision, and Emergency 911. The plan provides medical, dental, vision, and basic

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life insurance benefits to plan members. Local Government Code Section 157.101 assigns the authority to establish and amend benefit provisions to Commissioners Court. Harris County’s defined OPEB plan is not considered a trust.

Benefits provided. The County maintains the same healthcare plans for its retirees as for its active employees, except for the “Base Healthy Actions”, and “Plus Healthy Actions” plans. The County's contribution depends on age and years of service with the County at the time of retirement. Employees of Harris County are eligible to retire from the County either: (i) upon being vested with 8 years of creditable Texas County and District Retirement System (TCDRS) service and reaching age 60, or (ii) upon satisfying the "Rule of 75" (age plus vested service equals at least 75.)

As a separate Harris County requirement for eligibility for retiree healthcare benefit contributions, after March 1, 2002 an employee's age plus Harris County service must equal 75 with a minimum of 10 years of County service in order to receive 100% of the County contribution for retiree and dependent coverage.

Retirees whose age plus Harris County service equals 70 but less than 75 are required to pay 20% of the County contribution for retiree and dependent coverage. Employees who retire and whose age plus Harris County service is less than 70 are required to pay 50% of the County contribution for retiree and dependent coverage.

In addition, there are other scenarios where employees may retire using other creditable service such as time from other retirement systems, reinstated service, or disability retirement and still qualify for partial County healthcare contributions. For retirements after March 1, 2002, retirees are required to have a minimum of 4 consecutive years of County service while covered under the County's medical plan immediately prior to retirement to be eligible for County healthcare contributions.

The level of the County's contribution varies by age at retirement and years of service completed according to the following schedule:

| Years of Service | 0-3 | 4-7 | 8 | 9 | 10+ |
|---------------------|-----|-----|-----|-----|------|
| Less than 70 Points | 0% | 50% | 50% | 50% | 50% |
| 70-74 Points | 0% | 50% | 80% | 80% | 80% |
| 75 Points or More | 0% | 50% | 80% | 80% | 100% |

Harris County only pays 50% of the dependent premium if: 1) the dependent was insured at least one year before the employee retired; and 2) if the retiree qualifies for 100% contribution. If an employee retires paying a portion of their own premium (i.e., 20%) then they would pay a proportionately higher premium for their dependents.

Changes pursuant to Commissioners Court Order dated September 26, 2006:

1. Current retirees are grandfathered under the contribution rule under which they retired;
2. Employees who were eligible to retire by February 28, 2011 are grandfathered under the rule they would have been entitled to had they retired as of that date;
3. All other employees must have age plus service of at least 80 points or be at least age 65 and have at least 10 years of creditable County service to receive 100% of the County approved contribution for

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retiree and dependent coverage. They must also pay a contribution for retiree healthcare prior to Medicare eligibility as determined by the Commissioners Court each year. In 2016, Commissioners Court approved this amount to be \$100; and

4. Employees hired after February 28, 2007 must pay a monthly contribution for retiree healthcare as determined by the Commissioners Court each year. The Court's policy also required this group of retirees to pay the full premiums (for both retiree and dependents) for all coverages.

Retiree Healthcare Contribution Policy Update dated October 3, 2011:

Beginning March 1, 2012, retiree-paid premiums for the medical/prescription plans are greater for non-Medicare retirees than for retirees with Medicare, and a new tier was added (retiree plus child and retiree plus spouse now have separate rates).

Retiree Healthcare Contribution Policy Update dated February 14, 2017:

Effective March 1, 2017, employees hired after February 28, 2007 are entitled to retiree healthcare contributions upon reaching eligibility. They must have age plus creditable County service of at least 80 points or be at least age 65 and have at least 10 years of creditable County service to receive 100% of the County contribution for retiree and dependent coverage. They must also pay a monthly contribution of \$100 for retiree healthcare.

Retiree Healthcare Contribution Policy Update dated October 23, 2018:

The following contribution rules are effective March 1, 2019.

Current retirees are “grandfathered” under the contribution rule they retired under.

Employees hired prior to March 1, 2007 have to attain a combination of age plus a minimum of 10 years of non-forfeited Harris County/TCDRS service equal to 80 or be at least age 65 or Medicare age, with a minimum of 10 years of non-forfeited Harris County/TCDRS service to receive the approved County contribution for retiree and dependent healthcare coverage.

Employees hired after March 1, 2007 have to attain a combination of age plus a minimum of 20 years of non-forfeited Harris County/TCDRS service equal to 80 or be at least age 65 or Medicare age, with a minimum of 15 years of non-forfeited Harris County/TCDRS service to receive the approved County contribution for retiree and dependent healthcare coverage.

All employees will be required to have had continuous employment as a Regular employee or to have been covered under the Harris County medical plan as an Active Employee for four consecutive years prior to retirement to be eligible for any County premium contribution. When calculating whether the retiree meets this requirement, the following absences are included: 1) Qualified leave of absence (LOA) only if the person elected COBRA coverage during the LOA; (2) Approved Military Leave; and (3) A break in service of no more than four months only if the person elected COBRA coverage.

Effective March 1, 2019, employees who have fully repurchased previously forfeited Harris County/TCDRS service are allowed to have that service included towards eligibility for County retiree healthcare contributions. Repurchased amounts must be the minimum of what the employee had withdrew from their account at the time of separation. Partial repayments of previously forfeited

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service are eligible if made prior to October 23, 2018.

Grandfathered employees are those who were retired or eligible to retire under the existing rules as of February 28, 2011. It was assumed that an additional contribution for non-grandfathered, under age 65 retirees would be a minimum of the Federal Medicare Part B premium at the beginning of the plan year. In 2016 Commissioners Court approved this amount to be \$100.

On February 22, 2022, Commissioners Court approved to provide Harris County retiree health benefits and contributions to Harris County Sheriff’s Office correctional healthcare employee who become employed with Harris Health System or the University of Houston and who are within 10 years of their retiree health eligibility date and have at least 10 years of Harris County service. Changes in membership or the impact of extending retiree benefit will be reflected in the Total OPEB Liability when the change or impact can be determinable.

The County has reserved the right to amend its benefits (including required contributions) at any time.

Plan membership. At March 1, 2022, the most recent valuation date, membership consisted of the following:

| | |
|--|--------|
| Inactive plan members or beneficiaries currently receiving benefit payments | 6,127 |
| Active plan members | 17,329 |
| | 23,456 |

Contributions. Local Government Code Section 157.102 assigns to Commissioners Court the authority to establish and amend contribution requirements of the plan members and the participating employers.

Total OPEB Liability. The County’s Total OPEB Liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of March 1, 2022. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

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| | |
|---|---|
| Actuarial cost method | Entry Age, Level Percent of Pay |
| Valuation of fiduciary net position | No assets held in an irrevocable trust as of the measurement date. |
| Recognition of deferred inflows and outflows of resources | Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB |
| Salary increases | 3.00 percent |
| Inflation rate | 2.75 percent |
| Healthcare cost trend rate | 6.00 percent for 2023, 5.50 percent for 2024, 5.25 percent for 2025-2029, 5.00 percent for 2030-2039, 4.75 percent for 2040-2049, 4.50 percent for 2050-2069, and 4.00 percent for 2070 and later years |
| Preretirement Mortality | |
| Males | 135% of Pub-2010 General Employees Headcount-Weighted. |
| Females | 120% of Pub-2010 General Employees Headcount-Weighted. |
| Postretirement Mortality | |
| Males | 135% of Pub-2010 General Retirees Headcount-Weighted. |
| Females | 120% of Pub-2010 General Retirees Headcount-Weighted. |
| Mortality Improvement: | 100% of the MP-2021 Ultimate Projection Scale. |

Actuarial assumptions used in the March 1, 2022 valuation were based on a review of plan experience during the period March 1, 2020 to February 28, 2022.

Discount rate. For OPEB Plans That Are Not Administered through Trusts That Meet the Criteria in Paragraph 4, GASB 75 requires a discount rate that is a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate used to measure the County's Total OPEB liability is based on the following information:

| Reporting Date | Measurement Date | Fidelity GO AA 20 Years Municipal Index | Discount Rate ^a |
|--------------------|--------------------|---|----------------------------|
| September 30, 2022 | September 30, 2022 | 4.40% | 4.50% |
| September 30, 2023 | September 30, 2023 | 4.63% | 4.75% |

^a Municipal Index rounded to nearest 25 basis points

Schedule of Changes in Total OPEB Liability (September 30, 2022 to September 30, 2023).

| | <u>Increase (Decrease)</u> Total OPEB Liability (a) |
|--|--|
| Balances as of September 30, 2022 | \$ 2,779,840,257 |
| Changes for the year: | |
| Service cost | 105,267,741 |
| Interest | 128,191,762 |
| Changes of assumptions or other inputs | (117,204,683) |
| Benefit payments (1) | (73,614,398) |
| Balances as of September 30, 2023 | <u>\$ 2,822,480,679</u> |

(1) Includes \$73,614,398 of pay-as-you-go contributions.

There was an increase in the Total OPEB liability mainly due to the increase in interest cost during the fiscal year.

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Sensitivity of the Total OPEB liability to changes in the discount rate. The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.75 percent) or 1-percentage-point higher (5.75 percent) than the current discount rate:

| | | | |
|----------------------|------------------|------------------|------------------|
| Harris County: | 1% Decrease | Discount Rate | 1% Increase |
| | 3.75% | 4.75% | 5.75% |
| Total OPEB liability | \$ 3,334,862,182 | \$ 2,822,480,679 | \$ 2,414,579,462 |

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates. The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| | | | |
|----------------------|----------------------------|------------------|----------------------------|
| Harris County: | 1% Decrease ⁽²⁾ | Trend Rate | 1% Increase ⁽³⁾ |
| Total OPEB liability | \$ 2,338,843,214 | \$ 2,822,480,679 | \$ 3,454,426,719 |

⁽²⁾ Trend rate for each future year reduced by 1.00%.

⁽³⁾ Trend rate for each future year increased by 1.00%.

OPEB Expense and Deferred Inflows/Outflows of Resources Related to OPEB. For the fiscal year ended September 30, 2023, the County recognized OPEB expense of \$214,058,165. At September 30, 2023, the County’s deferred inflows/outflows resources related to OPEB from the following sources are:

| | Deferred Inflows of Resources | Deferred Outflows of Resources |
|--|----------------------------------|-----------------------------------|
| Differences between expected and actual experience | \$ - | \$ 183,225,779 |
| Changes in assumptions or other inputs | 1,262,746,532 | 730,737,050 |
| Total | \$ 1,262,746,532 | \$ 913,962,829 |

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

| Fiscal Year Ending | Deferred Outflows/Inflows of Resources |
|--------------------|---|
| September 30: | |
| 2024 | \$ (19,401,338) |
| 2025 | (19,401,338) |
| 2026 | (19,401,338) |
| 2027 | (26,594,108) |
| 2028 | (105,714,619) |
| Thereafter | (158,270,962) |
| Total | \$ (348,783,703) |

The above information includes five participating employers to the agent multiple employer defined benefit postemployment healthcare plan. Two of the employers, Community Supervision (“CS”)

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and Emergency 911 (“911”) are not considered departments or component units of the County. The Total OPEB liability for CS and 911 at September 30, 2023 is \$16,763,929.

The deferred inflows and outflows reported for CS and 911 at September 30, 2023 were:

| | Deferred Inflows of Resources | Deferred Outflows of Resources |
|--|----------------------------------|-----------------------------------|
| Differences between expected and actual experience | \$ - | \$ 995,289 |
| Changes in assumptions or other inputs | 5,396,544 | 3,969,392 |
| Total | <u>\$ 5,396,544</u> | <u>\$ 4,964,681</u> |

Additional Disclosures. Texas Local Government Code, Chapter 175 allows counties to make available continued health benefits coverage under certain circumstances to retirees and their dependents beyond the end of an individual's employment with the County ("Continuation Coverage") by permitting covered employees to purchase continued health benefits coverage in retirement. Texas Law does not require counties to fund all or any portion of such coverage.

Because the County is given the authority to pay OPEB for its retired employees, it may incur a debt obligation to pay for OPEB so long as the County follows the constitutional requirement that it have sufficient taxing authority available at the time such debt is incurred to provide for the payment of the debt and has in fact levied a tax for such purpose concurrently with the incurrence of the debt. Any debt incurred in contravention of this constitutional requirement is considered void and payment will not be due. The County has not incurred a legal debt obligation for OPEB and has not levied a tax for the same and this is not a practice the County participates in. The County funds the costs associated with OPEB on a current “pay as you go” basis for a single fiscal year through an annual appropriation authorized by Commissioners Court during the County’s annual budget adoption process.

GASB Statement No. 75 requires governmental organizations to recognize an actuarially calculated accrued liability for OPEB, even though it may not have a legally enforceable obligation to pay OPEB benefits. Accordingly, information and amounts presented in the County’s Annual Comprehensive Financial Report relative to OPEB expense/expenditures, related liabilities (assets), note disclosures, and supplementary information are only intended to achieve compliance with the requirements of generally accepted accounting principles and does not constitute or imply that the County has made a commitment or is legally obligated to provide the OPEB benefit.

11. RISK MANAGEMENT

The County’s risk-of-loss exposures include exposure to liability and accidental loss of real and personal property as well as human resources. County operations involve a variety of high risk activities including, but not limited to, law enforcement, cash collections, construction, and maintenance activities. The Office of Human Resources & Risk Management is responsible for identifying, evaluating, and managing risk in order to reduce the exposure from liability and accidental loss of property and human resources.

The County has established the Risk Management Internal Service Fund to account for risk management activity. Beginning in 2021, risk financing activities include the purchase of property insurance, professional liability insurance, and crime and fidelity coverage were paid out of the

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General Fund. Harris County is self-insured for general liability, vehicle liability, and liability from property damage claims. Such non-litigated claims are handled on a pay-as-you-go basis and are expensed as paid; due to immateriality, no liabilities are reported in the financial statements for such claims or for an estimate of any claims which may have been incurred but have not been reported. Any liability arising from operation of motorized equipment will be considered under the Texas Tort Claims Act.

The County is self-insured for workers' compensation claims and reimburses a third-party administrator who evaluates and pays claims in accordance with State statute. The County's workers' compensation self-insurance program provides medical and indemnity payments as required by law for job-related injuries. The liability for outstanding losses includes an actuarially determined amount for incurred but not reported claims.

Departmental billings for premiums for property insurance, professional liability insurance, and crime and fidelity policies, as well as payments to the insurance carriers, are handled through the General Fund. Payments by the County for general, vehicle, and property damage liability claims, for which the County is self-insured, are made through the General Fund unless litigation is involved. The County Attorney's Office handles any claims involving litigation.

The Risk Management Fund (Workers' Compensation) is available to pay claims and administrative costs of the programs and to fund claim reserves. During the fiscal year ended September 30, 2023, a total of \$33,823,251 was paid in benefits and administrative costs. As of September 30, 2023, claims liability, including an actuarial estimate of claims that have been incurred but not reported and accrued unpaid claims administration, totaled \$53,345,509.

The following is a summary of the changes in workers' compensation claims liability for the Risk Management Fund for the fiscal year 2023 and the period ended September 30, 2022:

| | <u>9/30/2023</u> | <u>9/30/2022</u> |
|--|----------------------|----------------------|
| Claims liability, beginning of fiscal year | \$ 33,951,118 | \$ 37,826,527 |
| Incurred claims (including IBNRs) | 26,183,851 | 2,447,741 |
| Claim payments | (6,789,460) | (6,323,150) |
| Claims liability, end of fiscal year | <u>\$ 53,345,509</u> | <u>\$ 33,951,118</u> |

The County currently provides medical, dental, vision, and basic life and disability insurance benefits to eligible employees and retirees. The County pays the full cost of health benefits by paying a flat monthly rate of \$1,437.67 per employee. Employees and retirees can pay an additional premium for a higher level of benefit coverage. Non-Medicare retirees pay an additional amount for their coverage regardless of years of service. The total obligation for health insurance benefits excluding medical is limited to the monthly premiums payable during the year and is based upon the number of enrolled employees, retirees and dependents during the year.

For medical insurance benefits, the County is self-insured and contracts with Cigna to administer the program. Claims liability includes an estimated amount for claims that have been incurred but not reported ("IBNRs"). The result of the process to estimate the claims liability is based on past claim experience. The County has an excess coverage insurance policy that activates when individual claims exceed \$1,125,000. There were no significant reductions in insurance coverage from the prior year.

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During the past three fiscal years, there were no claims paid that exceeded the insurance coverage.

The following is a summary of the changes in medical insurance liability for the Health Insurance Management Fund for the fiscal year 2023 and the period ended September 30, 2022:

| | 9/30/2023 | 9/30/2022 |
|--|---------------|---------------|
| Claims liability, beginning of fiscal year | \$ 44,876,774 | \$ 47,254,468 |
| Incurred claims (including IBNRs) | 398,144,709 | 227,128,581 |
| Claim payments | (375,387,939) | (229,506,275) |
| Claims liability, end of fiscal year | \$ 67,633,544 | \$ 44,876,774 |

12. LANDFILL POSTCLOSURE CARE COST

Harris County operated three permitted and/or licensed landfills which were closed prior to October 1993 according to the rules and regulations at the time. All three sites have completed applicable post closure care requirements and are no longer owned by Harris County. A fourth site, a former unpermitted landfill, now known as Allison R. Peirce, Jr. Wetlands Nature Sanctuary, was part of an enforcement action by the County and acquired by the County to ensure that the site was appropriately remediated under Texas Commission on Environmental Quality (“TCEQ”) requirements. The County received Supplemental Environmental Project (“SEP”) funds as the primary funding of this project. The site has met the requirements of the TCEQ’s Texas Risk Reduction Program. A “No Further Action” letter has been issued by the Texas Risk Reduction Program of the TCEQ for this site. A fifth site was acquired when Harris County Flood Control acquired land for a detention basin. When construction for the detention basin began several years ago, an unpermitted landfill was discovered. This landfill was capped per the requirements at the time. Currently, the Harris County Flood Control District has no regulatory requirement to remediate this site other than to maintain the cap. The costs for this landfill are included with the pollution remediation obligation.

13. COMMITMENTS AND CONTINGENT LIABILITIES

POLLUTION REMEDIATION

The County is subject to numerous Federal, State and local environmental laws and regulations. GASB 49 established standards for the accounting and reporting of obligations incurred to address current or potential detrimental effects of existing pollution. The County recorded in the financial statements pollution remediation liabilities of \$6,818,342. This includes \$806,199 of Flood Control District liabilities. Additional costs, if any, are not expected to have a material effect on the financial condition of the County. The County primarily has ground water and air pollution remediation obligations. The liabilities were calculated based on historical expenditures and professional judgment. The liabilities are an estimate and are subject to revision because of price increases or reductions, changes in technology, changes in applicable laws or regulations, or other circumstances that could cause changes. There are a few potential pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable at this time. These obligations include examples, such as ground water plumes whose extent and reach of contamination is in the process of being delineated under regulatory requirements and thus corrective action has not yet been determined; obligations recently identified and/or not yet quantifiable; and a lawsuit for cost-recovery under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) where

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the matter is under litigation, large numbers of responsible parties have been identified, and cost have not been apportioned yet by the court. Although uncertainties associated with environmental assessment remain and certain costs are not quantifiable, management believes the current provision for such costs is adequate.

LITIGATION

The County is involved in lawsuits and other claims in the ordinary course of operations. Such litigation includes lawsuits alleging personal injuries, discriminatory hiring and firing practices, claims from contractors for amounts under construction contracts, inverse condemnation claims, and various other liability claims. The outcome of most of these lawsuits and other claims are not presently determinable and the resolutions of these matters are not expected to have a material effect on the financial condition of the County. There are several civil cases that have resulted in settlements, consent decrees or are expected to have a financial impact on the County in subsequent fiscal years. Total liabilities of \$5,300,000 for judgments payable have been recorded in the governmental activities of the Government-Wide financial statements.

OTHER

The County received significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, such disallowed claims, if any, will not have a material effect on any financial statements of the individual fund types included herein or on the overall financial position of the County as of September 30, 2023.

The Houston Dynamo Stadium (“BBVA Compass Stadium”) project was completed May 2012 when the stadium opened. Inter-local agreements establish the County’s obligation through Tax Increment Reinvestment Zone (“TIRZ”) Number 15 for the Dynamo Stadium Project. 85% of the increase in property tax revenues collected within the TIRZ will be paid to the TIRZ for Dynamo stadium infrastructure and as reimbursement to the City of Houston for the County’s 50% ownership interest in the stadium site. The County will have no liability for any shortfall or payment other than what is collected by the County on properties within the TIRZ.

An amended agreement between Metro and the County related to the Westpark Corridor was approved by Commissioners Court on May 7, 2013. Per this agreement the County is obligated to reimburse Metro for certain increased project costs if incurred. The County’s liability to Metro under the agreement shall not exceed the cap of \$41 million and the escalation thereof. Ad valorem taxes are irrevocably pledged to the payment.

CONSTRUCTION COMMITMENTS

The County is committed under various contracts in connection with the construction of County facilities, buildings, and roads of \$376,412,595. In addition, the County has construction commitments outstanding relating to the Toll Road of approximately \$230,667,195.

ENCUMBRANCES

The County uses encumbrances to control expenditure commitments for the year. Encumbrances

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represent commitments related to executor contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve portion of applicable appropriations. Depending on the source(s) of funding, encumbrances are reported as part of restricted, committed or assigned fund balance on the governmental funds balance sheet. As of September 30, 2023, the encumbrance balances for the governmental funds are reported as follows:

| | <u>Restricted</u> | <u>Committed</u> | <u>Assigned</u> | <u>Total</u> |
|-----------------------|-----------------------|----------------------|----------------------|-----------------------|
| General Fund | \$ 225,870,544 | \$ 8,123,832 | \$ 34,943,101 | \$ 268,937,477 |
| Nonmajor Governmental | 382,869,142 | 8,147,214 | - | 391,016,356 |
| | <u>\$ 608,739,686</u> | <u>\$ 16,271,046</u> | <u>\$ 34,943,101</u> | <u>\$ 659,953,833</u> |

14. FUND BALANCES

The following non-major governmental funds had negative fund balance at September 30, 2023:

Special Revenue Funds:

| | |
|-----------------------|--|
| | Negative due to timing differences in expenditures and |
| Port Security Program | \$ 144,125 billing procedures. |

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned as described in Note 1. The following is a detail of fund balances for all the major and nonmajor governmental funds at September 30, 2023:

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| Fund Balances: | General Fund | CDBG - DR HARVEY | ARPA | Flood Control Capital Projects | Nonmajor Governmental | Total |
|----------------------------------|-------------------------|---------------------|------------------|-----------------------------------|--------------------------|-------------------------|
| Nonspendable: | | | | | | |
| Inventories | \$ 1,322,591 | \$ 3,553,037 | \$ - | \$ - | \$ - | \$ 4,875,628 |
| Prepays | 24,454,683 | 874,697 | 1,194,800 | 28,832,184 | 19,516,417 | 74,872,781 |
| Advances | 400,000 | - | - | - | 530,000 | 930,000 |
| Total nonspendable | 26,177,274 | 4,427,734 | 1,194,800 | 28,832,184 | 20,046,417 | 80,678,409 |
| Restricted for: | | | | | | |
| Debt service | 68,308,032 | - | - | - | 139,035,920 | 207,343,952 |
| Mobility | 393,799,192 | - | - | - | - | 393,799,192 |
| Infrastructure | 269,026,723 | - | - | - | - | 269,026,723 |
| Flood control | - | - | - | - | 63,806,156 | 63,806,156 |
| Sports & Convention Corporation | - | - | - | - | 29,526,772 | 29,526,772 |
| HC Redevelopment Authority | - | - | - | - | 4,084,440 | 4,084,440 |
| Tourism | - | - | - | - | 48,090,667 | 48,090,667 |
| District attorney administration | - | - | - | - | 52,274 | 52,274 |
| Records management | - | - | - | - | 21,096,863 | 21,096,863 |
| Forfeited funds | - | - | - | - | 15,751,813 | 15,751,813 |
| Affordable housing | - | - | - | - | 6,693,789 | 6,693,789 |
| Donations & other contributions | - | - | - | - | 3,093,307 | 3,093,307 |
| Administration of justice | - | - | - | - | 57,765,046 | 57,765,046 |
| County administration | - | - | - | - | 27,860,023 | 27,860,023 |
| Health and human services | - | - | - | - | 28,779,854 | 28,779,854 |
| Medical programs | - | - | - | - | 7,499,271 | 7,499,271 |
| Grant programs | - | - | - | - | 3,685,849 | 3,685,849 |
| Capital projects | - | - | - | 497,440,202 | 170,974,992 | 668,415,194 |
| Other | 383,789 | - | - | - | - | 383,789 |
| Total restricted | 731,517,736 | - | - | 497,440,202 | 627,797,036 | 1,856,754,974 |
| Committed to: | | | | | | |
| Legislative | 66,334,343 | - | - | - | - | 66,334,343 |
| Other | 1,454,876 | - | - | - | 18,902,468 | 20,357,344 |
| Capital projects | - | - | - | - | 56,513,897 | 56,513,897 |
| Total committed | 67,789,219 | - | - | - | 75,416,365 | 143,205,584 |
| Assigned to: | | | | | | |
| County operations | 34,943,101 | - | - | - | - | 34,943,101 |
| Total assigned | 34,943,101 | - | - | - | - | 34,943,101 |
| Unassigned | 435,829,510 | (4,427,734) | (1,194,800) | - | (15,045,781) | 415,161,195 |
| Total fund balances | \$ 1,296,256,840 | \$ - | \$ - | \$ 526,272,386 | \$ 708,214,037 | \$ 2,530,743,263 |

Public Improvement Contingency Sub-fund

In 2007, the County established a Public Improvement Contingency sub-fund. The purpose of this fund is to assist with capital projects and unforeseen catastrophic events to be a stabilizing component for the County’s total combined tax rate.

The Public Improvement Contingency sub-fund does not meet the criteria for a stabilization arrangement for reporting the funds as either restricted or committed. As such, the Public Improvement Contingency’s fund balance in the amount of \$196,523,900 is reported as nonspendable, assigned, and unassigned fund balances in the General Fund.

15. RECENT ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 99, *Omnibus 2022* – (“GASB 99”), objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial

HARRIS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

guarantees. Except what was implemented as of September 30, 2022, the requirements for guarantees and reporting of derivative instruments will be implemented by the County in the fiscal year ending September 30, 2024 and the impact has not yet been determined.

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62* – (“GASB 100”), The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB 100 will be implemented by the County in the fiscal year ending September 30, 2024 and the impact has not yet been determined.

GASB Statement No. 101, *Compensated Absences* – (“GASB 101”), The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. GASB 101 will be implemented by the County in the fiscal year ending September 30, 2025 and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* – (“GASB 102”), The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. GASB 102 will be implemented by the County in the fiscal year ending September 30, 2025 and the impact has not yet been determined.

REQUIRED SUPPLEMENTARY INFORMATION

HARRIS COUNTY, TEXAS
GENERAL AND OTHER MAJOR FUNDS
SCHEDULE OF AVAILABLE RESOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS
For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>Over (Under)</u> |
|--|---------------------------|----------------------------|----------------------|-------------------------|
| GENERAL FUND - OPERATING | | | | |
| Beginning Cash and Investments | \$ 393,081,337 | \$ 391,879,753 | \$ 375,349,687 | \$ (16,530,066) |
| <u>Revenues and Transfers In:</u> | | | | |
| Taxes | 1,800,930,242 | 1,800,930,242 | 1,711,173,372 | (89,756,870) |
| Intergovernmental | 74,129,237 | 80,608,136 | 92,798,325 | 12,190,189 |
| Charges for Services | 259,877,784 | 261,602,605 | 274,011,793 | 12,409,188 |
| Fines and Forfeitures | 12,025,140 | 12,025,140 | 15,110,687 | 3,085,547 |
| Lease & User Fees | 1,036,874 | 1,037,074 | 1,125,321 | 88,247 |
| Earnings on investments | 1,636,159 | 1,636,159 | 27,734,554 | 26,098,395 |
| Miscellaneous | 46,197,250 | 56,961,005 | 64,517,321 | 7,556,316 |
| Other Transfer In | - | 2,610,209 | 21,908,704 | 19,298,495 |
| Total Revenues and Transfers In | <u>2,195,832,686</u> | <u>2,217,410,570</u> | <u>2,208,380,077</u> | <u>(9,030,493)</u> |
| Total Available Resources - General Fund - Operating | <u>2,588,914,023</u> | <u>2,609,290,323</u> | <u>2,583,729,764</u> | <u>(25,560,559)</u> |
| GENERAL FUND - HURRICANE HARVEY RECOVERY | | | | |
| Beginning Cash and Investments | 718 | 718 | 16,408 | 15,690 |
| <u>Revenues and Transfers In:</u> | | | | |
| Earnings on investments | - | - | 646 | 646 |
| Total Revenues and Transfers In | <u>-</u> | <u>-</u> | <u>646</u> | <u>646</u> |
| Total Available Resources - General Fund - Hurricane Harvey | <u>718</u> | <u>718</u> | <u>17,054</u> | <u>16,336</u> |
| GENERAL FUND - PUBLIC IMPROVEMENT CONTINGENCY | | | | |
| Beginning Cash and Investments | 163,582,169 | 163,582,169 | 162,964,674 | (617,495) |
| <u>Revenues and Transfers In:</u> | | | | |
| Taxes | 88,436 | 88,436 | 382 | (88,054) |
| Earnings on investments | 399,338 | 399,338 | 5,594,224 | 5,194,886 |
| Miscellaneous | 10,110 | 5,943,174 | 6,800,456 | 857,282 |
| Other Transfer In | - | 23,366,487 | 30,157,788 | 6,791,301 |
| Total Revenues and Transfers In | <u>497,884</u> | <u>29,797,435</u> | <u>42,552,850</u> | <u>12,755,415</u> |
| Total Available Resources - General Fund - Public Imp. | <u>164,080,053</u> | <u>193,379,604</u> | <u>205,517,524</u> | <u>12,137,920</u> |
| GENERAL FUND - COVID RESPONSE & RECOVERY | | | | |
| Beginning Cash and Investments | 18,876,448 | 18,876,448 | 7,530,029 | (11,346,419) |
| <u>Revenues and Transfers In:</u> | | | | |
| Earnings on investments | 44,287 | 44,287 | 34,581 | (9,706) |
| Total Revenues and Transfers In | <u>44,287</u> | <u>44,287</u> | <u>34,581</u> | <u>(9,706)</u> |
| Total Available Resources - General Fund - COVID Response | <u>18,920,735</u> | <u>18,920,735</u> | <u>7,564,610</u> | <u>(11,356,125)</u> |
| GENERAL FUND - FLEX FUND | | | | |
| Beginning Cash and Investments | 3,679,326 | 12,345,577 | 12,383,334 | 37,757 |
| <u>Revenues and Transfers In:</u> | | | | |
| Earnings on investments | - | - | 1,330,751 | 1,330,751 |
| Miscellaneous | - | - | 6,250 | 6,250 |
| Transfers In & Other Financing Sources | - | 17,524,217 | 57,655,092 | 40,130,875 |
| Total Revenues and Transfers In | <u>-</u> | <u>17,524,217</u> | <u>58,992,093</u> | <u>41,467,876</u> |
| Total Available Resources - General Fund - Flex Fund | <u>3,679,326</u> | <u>29,869,794</u> | <u>71,375,427</u> | <u>41,505,633</u> |

See notes to required supplementary information.

**HARRIS COUNTY, TEXAS
GENERAL AND OTHER MAJOR FUNDS**

**SCHEDULE OF AVAILABLE RESOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>Over (Under)</u> |
|--|---------------------------|----------------------------|---------------|-------------------------|
| GENERAL FUND - ENERGY EFFICIENCY FUND | | | | |
| Beginning Cash and Investments | - | - | - | - |
| <u>Revenues and Transfers In:</u> | | | | |
| Earnings on investments | - | - | 3,748 | 3,748 |
| Other - Transfers In | - | 150,000 | 150,000 | - |
| Total Revenues and Transfers In | - | 150,000 | 153,748 | 3,748 |
| Total Available Resources - General Fund - Energy Efficiency Fund | - | 150,000 | 153,748 | 3,748 |
| GENERAL FUND - MOBILITY FUND | | | | |
| Beginning Cash and Investments | 345,975,787 | 345,975,776 | 393,540,114 | 47,564,338 |
| <u>Revenues and Transfers In:</u> | | | | |
| Charges for Services | - | - | 654,622 | 654,622 |
| Earnings on investments | 599,727 | 599,727 | 16,309,736 | 15,710,009 |
| Miscellaneous | - | 10,309,371 | 9,761,325 | (548,046) |
| Other - Transfers In | 214,300,000 | 215,325,569 | 215,364,755 | 39,186 |
| Total Revenues and Transfers In | 214,899,727 | 226,234,667 | 242,090,438 | 15,855,771 |
| Total Available Resources - General Fund - Mobility Fund | 560,875,514 | 572,210,443 | 635,630,552 | 63,420,109 |
| GENERAL FUND - INFRASTRUCTURE FUND | | | | |
| Beginning Cash and Investments | 128,239,866 | 175,105,238 | 175,482,166 | 376,928 |
| <u>Revenues and Transfers In:</u> | | | | |
| Earnings on investments | 234,832 | 234,832 | 5,775,707 | 5,540,875 |
| Miscellaneous | - | 5,067,844 | 5,067,844 | - |
| Other Transfer In | 115,000,000 | 115,000,000 | 155,000,000 | 40,000,000 |
| Total Revenues and Transfers In | 115,234,832 | 120,302,676 | 165,843,551 | 45,540,875 |
| Total Available Resources - General Fund - Infrastructure Fund | 243,474,698 | 295,407,914 | 341,325,717 | 45,917,803 |
| GENERAL FUND - DEBT SERVICE | | | | |
| <u>Beginning Cash and Investments:</u> | | | | |
| HC/FC Agreement 2014A CP Refunding | 1,901 | 1,901 | 7,104 | 5,203 |
| HC/FC Agreement 2014B CP Refunding | 293,020 | 293,020 | 7,885 | (285,135) |
| HC/FC Agreement 2015B CP Refunding | 647 | 647 | 2,197 | 1,550 |
| HC/FC Agreement 2017A CP Refunding | 3,716 | 3,716 | 7,360 | 3,644 |
| HC/FC Agreement 2019A CP Refunding | 14,284 | 14,284 | 6,458 | (7,826) |
| Commercial Paper Series A1 | 722,185 | 770,192 | 770,192 | - |
| Commercial Paper Series B | 111,743 | 261,743 | 95,228 | (166,515) |
| Permanent Improvement Commercial Paper Series D | 669,493 | 1,506,511 | 2,209,372 | 702,861 |
| Commercial Paper Series D2 | 529,470 | 959,470 | 455,495 | (503,975) |
| Commercial Paper Series D3 | 331,483 | 932,483 | 40,722 | (891,761) |
| Commercial Paper Series J1 2020 | 293,553 | 585,553 | 225,955 | (359,598) |
| Permanent Improvement Refunding Series 2012A | 2,970,963 | 2,970,963 | - | (2,970,963) |
| Permanent Improvement Refunding Series 2012B | 6,122,820 | 6,122,820 | - | (6,122,820) |
| Permanent Improvement Refunding Series 2015A - DS | 17,457,672 | 17,457,672 | - | (17,457,672) |
| Permanent Improvement Refunding Series 2015B - DS | 2,573,882 | 2,573,882 | - | (2,573,882) |
| Permanent Improvement Refunding Series 2017A - DS | 14,581,746 | 14,581,746 | - | (14,581,746) |
| Permanent Improvement Refunding Series 2019A - DS | 199,223 | 199,223 | - | (199,223) |
| Permanent Improvement Refunding Series 2020A - DS | 18,978,411 | 18,978,411 | - | (18,978,411) |
| Permanent Improvement Refunding Series 2021 - DS | 1,450,387 | 1,450,387 | - | (1,450,387) |
| Permanent Improvement Refunding Series 2021A - DS | 2,099,600 | 2,099,600 | 20,806 | (2,078,794) |
| Permanent Improvement Refunding Series 2022A - DS | - | - | 25,831 | 25,831 |
| Permanent Improvement Refunding Series 2021A - COI | 10 | 10 | - | (10) |
| Permanent Improvement Refunding Series 2022A - COI | 180,409 | 180,409 | 122,878 | (57,531) |
| Tax & Subordinate Lien Refunding Series 2012A DS | 1,044 | 1,044 | - | (1,044) |
| Tax & Subordinate Lien Refunding Series 2019B DS | 1,697 | 1,697 | 7,295 | 5,598 |
| Tax & Subordinate Lien Refunding Series 2022A DS | - | - | 288,657 | 288,657 |
| Tax & Subordinate Lien Refunding Series 2022A COI | 217,496 | 217,496 | 146,814 | (70,682) |
| Revenue Refunding Series 2002 | 213,634 | 213,634 | 213,754 | 120 |
| Total Beginning Cash and Investments | 70,020,489 | 72,378,514 | 4,654,003 | (67,724,511) |

See notes to required supplementary information.

**HARRIS COUNTY, TEXAS
GENERAL AND OTHER MAJOR FUNDS**

**SCHEDULE OF AVAILABLE RESOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>Over (Under)</u> |
|---|---------------------------|----------------------------|--------------------|-------------------------|
| Revenues and Transfers In: | | | | |
| HC/FC Agreement 2014A CP Refunding | 2,944,736 | 2,944,736 | 2,985,492 | 40,756 |
| HC/FC Agreement 2014B CP Refunding | 604,509 | 604,509 | 715,079 | 110,570 |
| HC/FC Agreement 2015B CP Refunding | 1,419,326 | 1,419,326 | 1,446,826 | 27,500 |
| HC/FC Agreement 2017A CP Refunding | 7,763,055 | 7,763,055 | 7,894,045 | 130,990 |
| HC/FC Agreement 2019A CP Refunding | 34,553,852 | 34,553,852 | 35,703,638 | 1,149,786 |
| Commercial Paper Series A1 | 47,181,992 | 23,181,992 | 23,484,086 | 302,094 |
| Commercial Paper Series B | 113,885 | 30,312,298 | 30,316,809 | 4,511 |
| Permanent Improvement Commercial Paper Series D | 661,107 | 58,291,107 | 57,740,776 | (550,331) |
| Commercial Paper Series D2 | 345,946 | 68,344,470 | 68,326,060 | (18,410) |
| Commercial Paper Series D3 | 621,911 | 59,234,594 | 59,243,361 | 8,767 |
| Commercial Paper Series J1 2020 | 232,814 | 496,014 | 459,940 | (36,074) |
| Permanent Improvement Refunding Series 2012A | - | - | 42,743 | 42,743 |
| Permanent Improvement Refunding Series 2012B | 6,568,586 | 6,568,586 | 6,768,259 | 199,673 |
| Permanent Improvement Refunding Series 2015A - DS | 12,077,411 | 12,077,411 | 12,378,678 | 301,267 |
| Permanent Improvement Refunding Series 2015B - DS | 706,653 | 706,653 | 696,954 | (9,699) |
| Permanent Improvement Refunding Series 2017A - DS | 16,802,652 | 16,802,652 | 17,227,539 | 424,887 |
| Permanent Improvement Refunding Series 2019A - DS | 1,873,015 | 1,873,015 | 1,928,045 | 55,030 |
| Permanent Improvement Refunding Series 2020A - DS | 23,551,430 | 23,551,430 | 23,998,755 | 447,325 |
| Permanent Improvement Refunding Series 2021 | 1,981,778 | 1,981,778 | 2,033,034 | 51,256 |
| Permanent Improvement Refunding Series 2021A - DS | 6,536,330 | 6,536,330 | 6,736,496 | 200,166 |
| Permanent Improvement Refunding Series 2022A - DS | 8,430,666 | 8,430,666 | 8,825,125 | 394,459 |
| Permanent Improvement Refunding Series 2023A - DS | - | 131,303,256 | 131,311,552 | 8,296 |
| Permanent Improvement Refunding Series 2022A - COI | - | - | 206 | 206 |
| Permanent Improvement Refunding Series 2023A - COI | - | 360,711 | 361,000 | 289 |
| Tax & Subordinate Lien Refunding Series 2019B DS | 3,444,855 | 3,444,855 | 3,524,695 | 79,840 |
| Tax & Subordinate Lien Refunding Series 2022A DS | 5,219,550 | 5,219,550 | 5,017,544 | (202,006) |
| Tax & Subordinate Lien Refunding Series 2022A - COI | - | - | 245 | 245 |
| Tax & Subordinate Lien Refunding Series 2022 DS | - | 34,258,176 | 34,272,815 | 14,639 |
| Tax & Subordinate Lien Refunding Series 2022 COI | - | 150,310 | 150,970 | 660 |
| Revenue Refunding Series 2002 | 16,210,450 | 16,210,450 | 16,418,282 | 207,832 |
| Total Revenues and Transfers In | <u>199,846,509</u> | <u>556,621,782</u> | <u>560,009,049</u> | <u>3,387,267</u> |
| Total Available Resources: | | | | |
| HC/FC Agreement 2014A CP Refunding | 2,946,637 | 2,946,637 | 2,992,596 | 45,959 |
| HC/FC Agreement 2014B CP Refunding | 897,529 | 897,529 | 722,964 | (174,565) |
| HC/FC Agreement 2015B CP Refunding | 1,419,973 | 1,419,973 | 1,449,023 | 29,050 |
| HC/FC Agreement 2017A CP Refunding | 7,766,771 | 7,766,771 | 7,901,405 | 134,634 |
| HC/FC Agreement 2019A CP Refunding | 34,568,136 | 34,568,136 | 35,710,096 | 1,141,960 |
| Commercial Paper Series A1 | 47,904,177 | 23,952,184 | 24,254,278 | 302,094 |
| Commercial Paper Series B | 225,628 | 30,574,041 | 30,412,037 | (162,004) |
| Permanent Improvement Commercial Paper Series D | 1,330,600 | 59,797,618 | 59,950,148 | 152,530 |
| Commercial Paper Series D2 | 875,416 | 69,303,940 | 68,781,555 | (522,385) |
| Commercial Paper Series D3 | 953,394 | 60,167,077 | 59,284,083 | (882,994) |
| Commercial Paper Series J1 2020 | 526,367 | 1,081,567 | 685,895 | (395,672) |
| Permanent Improvement Refunding Series 2012A | 2,970,963 | 2,970,963 | 42,743 | (2,928,220) |
| Permanent Improvement Refunding Series 2012B | 12,691,406 | 12,691,406 | 6,768,259 | (5,923,147) |
| Permanent Improvement Refunding Series 2015A - DS | 29,535,083 | 29,535,083 | 12,378,678 | (17,156,405) |
| Permanent Improvement Refunding Series 2015B - DS | 3,280,535 | 3,280,535 | 696,954 | (2,583,581) |
| Permanent Improvement Refunding Series 2017A - DS | 31,384,398 | 31,384,398 | 17,227,539 | (14,156,859) |
| Permanent Improvement Refunding Series 2019A - DS | 2,072,238 | 2,072,238 | 1,928,045 | (144,193) |
| Permanent Improvement Refunding Series 2020A - DS | 42,529,841 | 42,529,841 | 23,998,755 | (18,531,086) |
| Permanent Improvement Refunding Series 2021 | 3,432,165 | 3,432,165 | 2,033,034 | (1,399,131) |
| Permanent Improvement Refunding Series 2021A - DS | 8,635,930 | 8,635,930 | 6,757,302 | (1,878,628) |
| Permanent Improvement Refunding Series 2022A - DS | 8,430,666 | 8,430,666 | 8,850,956 | 420,290 |
| Permanent Improvement Refunding Series 2023A - DS | - | 131,303,256 | 131,311,552 | 8,296 |
| Permanent Improvement Refunding Series 2021A - COI | 10 | 10 | - | (10) |
| Permanent Improvement Refunding Series 2022A - COI | 180,409 | 180,409 | 123,084 | (57,325) |
| Permanent Improvement Refunding Series 2023A - COI | - | 360,711 | 361,000 | 289 |
| Tax & Subordinate Lien Refunding Series 2012A DS | 1,044 | 1,044 | - | (1,044) |
| Tax & Subordinate Lien Refunding Series 2019B DS | 3,446,552 | 3,446,552 | 3,531,990 | 85,438 |

See notes to required supplementary information.

HARRIS COUNTY, TEXAS
GENERAL AND OTHER MAJOR FUNDS
SCHEDULE OF AVAILABLE RESOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS
For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>Over (Under)</u> |
|--|---------------------------|----------------------------|-------------------------|---------------------------|
| Tax & Subordinate Lien Refunding Series 2022A DS | 5,219,550 | 5,219,550 | 5,306,201 | 86,651 |
| Tax & Subordinate Lien Refunding Series 2022A - COI | 217,496 | 217,496 | 147,059 | (70,437) |
| Tax & Subordinate Lien Refunding Series 2022 DS | - | 34,258,176 | 34,272,815 | 14,639 |
| Tax & Subordinate Lien Refunding Series 2022 COI | - | 150,310 | 150,970 | 660 |
| Revenue Refunding Series 2002 | 16,424,084 | 16,424,084 | 16,632,036 | 207,952 |
| Total Available Resources - General Fund - Debt Service | <u>269,866,998</u> | <u>629,000,296</u> | <u>564,663,052</u> | <u>(64,337,244)</u> |
| GENERAL FUND - OTHER | | | | |
| <u>Beginning Cash and Investments:</u> | | | | |
| Time Payment Fund | 258,642 | 258,642 | 258,134 | (508) |
| CAD/RMS Project | 1,137,818 | 1,137,818 | 1,143,373 | 5,555 |
| HC Partnership | 849,405 | 86,277 | 86,683 | 406 |
| Total Beginning Cash and Investments | <u>2,245,865</u> | <u>1,482,737</u> | <u>1,488,190</u> | <u>5,453</u> |
| <u>Revenues and Transfers In:</u> | | | | |
| Time Payment Fund | 95,138 | 95,138 | 133,352 | 38,214 |
| CAD/RMS Project | 767 | 767 | 33,044 | 32,277 |
| HC Partnership | 205 | 280,205 | 793,543 | 513,338 |
| Total Revenues and Transfers In | <u>96,110</u> | <u>376,110</u> | <u>959,939</u> | <u>583,829</u> |
| <u>Total Available Resources:</u> | | | | |
| Time Payment Fund | 353,780 | 353,780 | 391,486 | 37,706 |
| CAD/RMS Project | 1,138,585 | 1,138,585 | 1,176,417 | 37,832 |
| HC Partnership | 849,610 | 366,482 | 880,226 | 513,744 |
| Total Available Resources - General Fund - Other | <u>2,341,975</u> | <u>1,858,847</u> | <u>2,448,129</u> | <u>589,282</u> |
| Beginning Cash and Investments | 1,125,702,005 | 1,181,626,930 | 1,133,408,605 | (48,218,325) |
| Revenues and Transfers In | 2,726,452,035 | 3,168,461,744 | 3,279,016,972 | 110,555,228 |
| TOTAL GENERAL FUND | <u>\$ 3,852,154,040</u> | <u>\$ 4,350,088,674</u> | <u>\$ 4,412,425,577</u> | <u>\$ 62,336,903</u> |
| OTHER MAJOR FUNDS | | | | |
| <u>Beginning Cash and Investments:</u> | | | | |
| CDBG-DR HARVEY | - | - | (140,325,606) | (140,325,606) |
| ARPA | - | - | 720,553,410 | 720,553,410 |
| Flood Control - Capital Projects | 537,274,370 | 376,468,934 | 358,705,641 | (17,763,293) |
| Total Beginning Cash and Investments | <u>537,274,370</u> | <u>376,468,934</u> | <u>938,933,445</u> | <u>562,464,511</u> |
| <u>Revenues and Transfers In:</u> | | | | |
| CDBG-DR HARVEY | 636,985,573 | 636,985,573 | 274,426,894 | (362,558,679) |
| ARPA | 791,536,944 | 791,536,944 | 155,736,885 | (635,800,059) |
| Flood Control - Capital Projects | 336,982,635 | 1,076,757,635 | 343,195,188 | (733,562,447) |
| Total Revenues and Transfers In | <u>1,765,505,152</u> | <u>2,505,280,152</u> | <u>773,358,967</u> | <u>(1,731,921,185)</u> |
| <u>Total Available Resources:</u> | | | | |
| CDBG-DR HARVEY | 636,985,573 | 636,985,573 | 134,101,288 | (502,884,285) |
| ARPA | 791,536,944 | 791,536,944 | 876,290,295 | 84,753,351 |
| Flood Control - Capital Projects | 874,257,005 | 1,453,226,569 | 701,900,829 | (751,325,740) |
| Total Available Resources - Other Major Funds | <u>2,302,779,522</u> | <u>2,881,749,086</u> | <u>1,712,292,412</u> | <u>(1,169,456,674)</u> |
| Beginning Cash and Investments | 1,662,976,375 | 1,558,095,864 | 2,072,342,050 | 514,246,186 |
| Revenues and Transfers In | 4,491,957,187 | 5,673,741,896 | 4,052,375,939 | (1,621,365,957) |
| TOTAL GENERAL AND OTHER MAJOR FUNDS | <u>\$ 6,154,933,562</u> | <u>\$ 7,231,837,760</u> | <u>\$ 6,124,717,989</u> | <u>\$ (1,107,119,771)</u> |

See notes to required supplementary information.

**HARRIS COUNTY, TEXAS
GENERAL AND OTHER MAJOR FUNDS
SCHEDULE OF EXPENDITURES AND OTHER USES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| GENERAL FUND DEPARTMENTS | Adopted Budget | Adjusted Budget | Actual | (Over) Under |
|--|---------------------------|----------------------------|---------------|-------------------------|
| PID Shared Operations | \$ - | \$ 7,515 | \$ 7,515 | \$ - |
| Appraisal District | 14,960,000 | 14,960,000 | 14,289,154 | 670,846 |
| County Judge | 9,771,834 | 9,776,249 | 9,230,733 | 545,516 |
| Commissioner Precinct 1 | 71,477,491 | 92,310,952 | 48,844,178 | 43,466,774 |
| Commissioner Precinct 2 | 53,025,844 | 58,769,377 | 37,980,424 | 20,788,953 |
| Commissioner Precinct 3 | 49,080,204 | 51,606,510 | 39,035,052 | 12,571,458 |
| Commissioner Precinct 4 | 60,290,515 | 65,424,215 | 34,513,925 | 30,910,290 |
| Commissioner's Crt Analyst Ofc | 1,343,281 | 884,745 | 879,173 | 5,572 |
| Office of County Administration | 10,390,419 | 8,068,496 | 6,328,559 | 1,739,937 |
| Office of Management & Budget | 7,604,514 | 7,386,187 | 6,661,863 | 724,324 |
| General Administration | 467,729,131 | 289,734,879 | 75,387,116 | 214,347,763 |
| Intergovernmental & Global Affairs | 1,820,938 | 1,798,944 | 1,480,679 | 318,265 |
| Economic Equity & Opportunity | 4,769,091 | 6,604,431 | 5,130,572 | 1,473,859 |
| Justice Administration | 6,202,753 | 6,532,083 | 3,489,590 | 3,042,493 |
| Public Infrastructure - Architecture & Engineering | 59,697,224 | 70,315,136 | 64,100,436 | 6,214,700 |
| Human Resource Risk Management | 7,931,425 | 10,028,129 | 8,783,298 | 1,244,831 |
| Fire Marshal's Office | 11,528,383 | 12,899,529 | 12,207,917 | 691,612 |
| Institute of Forensic Science | 38,436,325 | 38,612,672 | 37,678,092 | 934,580 |
| Pollution Control Department | 9,449,305 | 9,529,686 | 7,773,000 | 1,756,686 |
| Public Health Services | 46,581,022 | 50,294,989 | 44,709,043 | 5,585,946 |
| Veterans Service Office | 1,375,374 | 1,377,043 | 1,373,966 | 3,077 |
| Public Library | 38,217,345 | 40,697,358 | 38,210,175 | 2,487,183 |
| Domestic Relations | 7,323,367 | 7,332,347 | 7,263,503 | 68,844 |
| Community Services | 21,155,243 | 23,738,808 | 19,886,286 | 3,852,522 |
| Universal Services | 75,240,336 | 82,653,981 | 73,080,957 | 9,573,024 |
| US Repairs and Replacement | 12,109,043 | 13,300,000 | 12,903,625 | 396,375 |
| MHMRA | 23,067,171 | 23,067,171 | 23,067,171 | - |
| FPM Utilities and Leases | 19,000,000 | 24,000,000 | 23,297,701 | 702,299 |
| Constable Precinct 1 | 45,364,315 | 52,070,393 | 51,498,887 | 571,506 |
| Constable Precinct 2 | 11,757,948 | 12,942,512 | 12,870,704 | 71,808 |
| Constable Precinct 3 | 19,919,058 | 23,642,224 | 23,113,753 | 528,471 |
| Constable Precinct 4 | 63,147,400 | 69,344,294 | 67,773,494 | 1,570,800 |
| Constable Precinct 5 | 46,582,350 | 51,436,863 | 49,528,064 | 1,908,799 |
| Constable Precinct 6 | 11,414,038 | 11,783,859 | 10,750,451 | 1,033,408 |
| Constable Precinct 7 | 15,647,290 | 15,935,731 | 14,292,892 | 1,642,839 |
| Constable Precinct 8 | 10,039,046 | 10,228,848 | 9,980,932 | 247,916 |
| Justice of the Peace 1-1 | 2,455,754 | 2,451,588 | 2,356,819 | 94,769 |
| Justice of the Peace 1-2 | 2,603,808 | 2,605,000 | 2,243,731 | 361,269 |
| Justice of the Peace 2-1 | 1,175,455 | 1,191,170 | 1,191,170 | - |
| Justice of the Peace 2-2 | 1,116,350 | 1,095,080 | 1,044,953 | 50,127 |
| Justice of the Peace 3-1 | 1,961,367 | 1,964,467 | 1,855,077 | 109,390 |
| Justice of the Peace 3-2 | 1,378,862 | 1,379,339 | 1,210,881 | 168,458 |
| Justice of the Peace 4-1 | 3,381,047 | 3,411,047 | 3,401,970 | 9,077 |
| Justice of the Peace 4-2 | 1,787,394 | 1,787,376 | 1,608,809 | 178,567 |
| Justice of the Peace 5-1 | 2,553,056 | 2,553,771 | 2,338,974 | 214,797 |
| Justice of the Peace 5-2 | 3,415,110 | 3,418,918 | 3,024,049 | 394,869 |
| Justice of the Peace 6-1 | 855,256 | 1,013,434 | 982,478 | 30,956 |
| Justice of the Peace 6-2 | 954,039 | 955,395 | 852,474 | 102,921 |
| Justice of the Peace 7-1 | 1,363,092 | 1,364,284 | 1,212,690 | 151,594 |
| Justice of the Peace 7-2 | 1,184,241 | 1,185,426 | 994,802 | 190,624 |
| Justice of the Peace 8-1 | 1,393,988 | 1,396,619 | 1,246,801 | 149,818 |
| Justice of the Peace 8-2 | 989,710 | 996,210 | 806,554 | 189,656 |
| County Attorney | 32,386,339 | 39,464,307 | 35,591,783 | 3,872,524 |
| County Clerk | 18,698,970 | 19,727,999 | 17,897,743 | 1,830,256 |
| Elections Cost | 13,360,850 | 15,421,189 | 12,916,017 | 2,505,172 |
| County Treasurer | 1,314,899 | 1,314,899 | 1,200,630 | 114,269 |
| Elections Administration | 15,510,684 | 15,266,232 | 14,561,532 | 704,700 |
| Tax Assessor-Collector | 31,679,145 | 33,562,391 | 33,451,638 | 110,753 |

See notes to required supplementary information.

**HARRIS COUNTY, TEXAS
GENERAL AND OTHER MAJOR FUNDS
SCHEDULE OF EXPENDITURES AND OTHER USES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| | Adopted Budget | Adjusted Budget | Actual | (Over) Under |
|--|----------------------|----------------------|----------------------|--------------------|
| County Sheriff | 258,969,789 | 267,632,372 | 263,318,125 | 4,314,247 |
| Dentention | 254,470,133 | 283,841,117 | 282,489,413 | 1,351,704 |
| Dentention Medical | 90,266,505 | 97,547,560 | 94,884,649 | 2,662,911 |
| District Attorney | 99,341,100 | 104,395,938 | 103,100,950 | 1,294,988 |
| District Clerk | 38,856,940 | 39,893,676 | 38,151,770 | 1,741,906 |
| Public Defender Pilot Program | 32,521,150 | 32,665,377 | 30,241,846 | 2,423,531 |
| Community Supervision and Correction | 3,404,755 | 3,493,302 | 3,487,540 | 5,762 |
| Pretrial Services | 25,439,125 | 25,709,193 | 23,798,596 | 1,910,597 |
| County Auditor | 27,671,229 | 27,671,229 | 25,998,877 | 1,672,352 |
| Purchasing Agent | 10,320,325 | 10,879,284 | 10,136,104 | 743,180 |
| District Courts | 32,536,078 | 32,798,568 | 32,131,045 | 667,523 |
| Court Appointed Attorney | 53,500,000 | 80,500,000 | 73,169,985 | 7,330,015 |
| Texas Agrilife Extension Services | 990,977 | 996,396 | 845,147 | 151,249 |
| Juvenile Probation | 88,858,966 | 89,405,007 | 86,666,119 | 2,738,888 |
| Sheriff's Civil Service | 306,264 | 306,502 | 284,363 | 22,139 |
| Protective Services- Children and Adults | 27,822,385 | 28,313,127 | 27,830,294 | 482,833 |
| Children's Assessment Center | 9,108,585 | 10,835,405 | 10,004,083 | 831,322 |
| 1st Court of Appeals | 38,881 | 38,881 | 6,334 | 32,547 |
| 14th Court of Appeals | 38,881 | 38,881 | 4,171 | 34,710 |
| County Courts | 20,684,959 | 21,186,488 | 20,309,931 | 876,557 |
| Court Appointed Attorney | 5,600,000 | 14,871,291 | 14,871,291 | - |
| MAC - Managed Assigned Counsel | 2,229,000 | 2,230,290 | 2,207,199 | 23,091 |
| Probate Court 1 | 1,768,863 | 1,871,785 | 1,802,249 | 69,536 |
| Probate Court 2 | 1,657,523 | 1,659,192 | 1,556,215 | 102,977 |
| Probate Court 3 | 5,840,740 | 5,841,217 | 5,560,315 | 280,902 |
| Probate Court 4 | 1,702,431 | 1,780,948 | 1,745,466 | 35,482 |
| Probate Court 5 | - | 265,000 | - | 265,000 |
| Total General Fund By Department | 2,588,914,023 | 2,609,290,323 | 2,193,996,532 | 415,293,791 |
| Hurricane Harvey Recovery | 718 | 718 | - | 718 |
| Energy Efficiency | - | 150,000 | 88,369 | 61,631 |
| Flex | 3,679,326 | 29,869,794 | 4,050,137 | 25,819,657 |
| Covid Response & Recovery | 18,920,735 | 18,920,735 | 7,369,736 | 11,550,999 |
| Public Improvement Contingency | 164,080,053 | 193,379,604 | 10,237,989 | 183,141,615 |
| Infrastructure | 243,474,698 | 295,407,914 | 54,436,543 | 240,971,371 |
| MOBILITY FUND DEPARTMENTS | | | | |
| PID Shared Operations | 45,786,471 | 61,026,081 | 7,992,239 | 53,033,842 |
| Harris County Commissioner Pct. 1 | 132,871,815 | 136,606,677 | 60,773,055 | 75,833,622 |
| Harris County Commissioner Pct. 2 | 113,335,834 | 119,256,598 | 42,079,840 | 77,176,758 |
| Harris County Commissioner Pct. 3 | 90,230,338 | 94,690,411 | 33,628,932 | 61,061,479 |
| Harris County Commissioner Pct. 4 | 105,802,621 | 111,338,115 | 36,683,608 | 74,654,507 |
| General Administration | 35,318,075 | 8,868,902 | 825,635 | 8,043,267 |
| Public Infrastructure - Architecture & Engineering | 37,368,094 | 39,499,659 | 34,856,626 | 4,643,033 |
| County Attorney | 162,266 | 924,000 | 735,768 | 188,232 |
| Total Mobility Fund By Department | 560,875,514 | 572,210,443 | 217,575,703 | 354,634,740 |

See notes to required supplementary information.

**HARRIS COUNTY, TEXAS
GENERAL AND OTHER MAJOR FUNDS
SCHEDULE OF EXPENDITURES AND OTHER USES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| | Adopted Budget | Adjusted Budget | Actual | (Over) Under |
|--|---------------------------|----------------------------|-------------------------|-------------------------|
| GENERAL FUND DEBT SERVICE | | | | |
| 4603 HC/FC Agreement 2014A CP Refunding | \$ 2,946,637 | \$ 2,946,637 | \$ 2,792,000 | \$ 154,637 |
| 4604 HC/FC Agreement 2014B CP Refunding | 897,529 | 897,529 | 710,000 | 187,529 |
| 4605 HC/FC Agreement 2015B Refunding | 1,419,973 | 1,419,973 | 1,403,000 | 16,973 |
| 4606 HC/FC Agreement 2017A | 7,766,771 | 7,766,771 | 7,674,000 | 92,771 |
| 4608 HC /FC Agreement 2019A D1 | 34,568,136 | 34,568,136 | 34,145,000 | 423,136 |
| 4701 Commercial Paper Series A-1 | 47,904,177 | 23,952,184 | 23,942,365 | 9,819 |
| 4702 Commercial Paper Series B | 225,628 | 30,574,041 | 30,482,120 | 91,921 |
| 4704 Commercial Paper Series D | 1,330,600 | 59,797,618 | 59,552,422 | 245,196 |
| 4706 Commercial Paper Series D2 | 875,416 | 69,303,940 | 68,447,809 | 856,131 |
| 4707 Commercial Paper Series D3 | 953,394 | 60,167,077 | 59,403,003 | 764,074 |
| 4708 Commercial Paper Series J1 2020 | 526,367 | 1,081,567 | 810,547 | 271,020 |
| 4810 Permanent Improvement Refunding Series 2012A | 2,970,963 | 2,970,963 | 45,161 | 2,925,802 |
| 4811 Permanent Improvement Refunding Series 2012B | 12,691,406 | 12,691,406 | 75,612 | 12,615,794 |
| 4812 Tax Permanent Improvement Ref. Series 2015A | 29,535,083 | 29,535,083 | 3,231,019 | 26,304,064 |
| 4813 Permanent Improvement Refunding Series 2015B | 3,280,535 | 3,280,535 | 327,750 | 2,952,785 |
| 4814 Permanent Improvement Ref. Series 2017A | 31,384,398 | 31,384,398 | 2,590,725 | 28,793,673 |
| 4815 Permanent Improvement Ref. Series 2019A | 2,072,238 | 2,072,238 | 195,250 | 1,876,988 |
| 4817 Permanent Improvement Ref. Series 2020A | 42,529,841 | 42,529,841 | 3,548,600 | 38,981,241 |
| 4818 Permanent Improvement Ref. Series 2021 | 3,432,165 | 3,432,165 | 541,819 | 2,890,346 |
| 4819 Permanent Improvement Ref. Series 2021A | 8,635,930 | 8,635,930 | 2,098,225 | 6,537,705 |
| 4820 Permanent Improvement Series 2022A | 8,430,666 | 8,430,666 | 2,943,419 | 5,487,247 |
| 4821 Permanent Improvement Series 2023A | - | 131,303,256 | 131,303,256 | - |
| 4852 Permanent Improvement Ref. Series 2021A - COI | 10 | 10 | - | 10 |
| 4853 Permanent Improvement Series 2022A - COI | 180,409 | 180,409 | 123,084 | 57,325 |
| 4854 Permanent Improvement Series 2023A - COI | - | 360,711 | - | 360,711 |
| 4902 Tax & Subordinate Lien Refunding Series 2012A | 1,044 | 1,044 | - | 1,044 |
| 4903 HC Tax & Sub Lien Hot 2019B | 3,446,552 | 3,446,552 | 3,444,000 | 2,552 |
| 4905 HC Tax & Sublien Hot Bnd 2022A | 5,219,550 | 5,219,550 | 5,219,550 | - |
| 4906 HC Tax & Sublien Hot Bnd 2022A COI | 217,496 | 217,496 | 147,059 | 70,437 |
| 4907 HC Tax & Sublien Hot Series 2022 | - | 34,258,176 | 34,254,009 | 4,167 |
| 4908 HC Tax & Sublien Hot Series 2022 COI | - | 150,310 | 138,095 | 12,215 |
| 4921 Revenue Refunding Series 2002 | 16,424,084 | 16,424,084 | 16,210,000 | 214,084 |
| Total General Fund Debt Service | <u>269,866,998</u> | <u>629,000,296</u> | <u>495,798,899</u> | <u>133,201,397</u> |
| GENERAL FUND OTHER | | | | |
| 2421 Time Payment Fund | 353,780 | 353,780 | - | 353,780 |
| 2701 CAD/RMS Project | 1,138,585 | 1,138,585 | 507,052 | 631,533 |
| 2705 HC Partnership | 849,610 | 366,482 | 86,573 | 279,909 |
| Total General Fund Other | <u>2,341,975</u> | <u>1,858,847</u> | <u>593,625</u> | <u>1,265,222</u> |
| TOTAL GENERAL FUND | <u>\$ 3,852,154,040</u> | <u>\$ 4,350,088,674</u> | <u>2,984,147,533</u> | <u>\$ 1,365,941,141</u> |
| OTHER MAJOR FUNDS | | | | |
| CDBG-DR HARVEY | 636,985,573 | 636,985,573 | 274,426,894 | 362,558,679 |
| ARPA | 791,536,944 | 791,536,944 | 155,736,885 | 635,800,059 |
| Flood Control - Capital Projects | 874,257,005 | 1,453,226,569 | 178,036,359 | 1,275,190,210 |
| Total Other Major Funds | <u>2,302,779,522</u> | <u>2,881,749,086</u> | <u>608,200,138</u> | <u>2,273,548,948</u> |
| TOTAL GENERAL AND OTHER MAJOR FUNDS | <u>\$ 6,154,933,562</u> | <u>\$ 7,231,837,760</u> | <u>\$ 3,592,347,671</u> | <u>\$ 3,639,490,089</u> |

See notes to required supplementary information.

HARRIS COUNTY, TEXAS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023

1. RECONCILIATION OF ACCOUNTING BASIS

A reconciliation of revenues and expenditures on a cash basis (“budgetary basis”) compared to modified accrual (GAAP) for the general fund is as follows:

| | GENERAL FUND |
|--|-------------------------|
| REVENUES AND OTHER SOURCES | |
| Cash (budgetary) basis | \$ 4,412,425,577 |
| Beginning Cash and Investments | (1,133,408,605) |
| Accrued in period ended 9/30/2022, received in FYE 2023 | (162,031,642) |
| Entry to eliminate transfers between funds | (197,033,304) |
| Accrued in FYE 2023, to be received in 2024 | 213,692,554 |
| Internal special revenue funds | 68,683 |
| Revenues and other sources on modified accrual (GAAP) basis | 3,133,713,263 |
| EXPENDITURES AND OTHER USES | |
| Cash (budgetary) basis | 2,984,147,533 |
| Incurred during period ended 9/30/2022, paid in FYE 2023 | (714,217,154) |
| Entry to eliminate transfers between funds | (197,033,304) |
| Incurred during FYE 2023, payable in 2024 | 735,488,840 |
| Internal special revenue funds | 474,340 |
| Expenditures and other uses on modified accrual (GAAP) basis | 2,808,860,255 |
| Changes in Fund Balances | \$ 324,853,008 |

2. ANALYSIS OF SIGNIFICANT EXPENDITURE VARIANCES

In four departments, the Public Improvement Contingency Sub-fund, the Infrastructure Sub-fund, the Mobility Sub-fund and several general fund debt service accounts, there were significant variances between the budgeted amount and actual expenditures.

Four of the departments with significant variances are the Commissioner Precincts, which have a combined positive variance of \$107,737,475. The precinct budgets include capital projects for roads and bridges. These budgets are set at the beginning of the projects and roll year-to-year. Therefore, these variances are anticipated. The other department is General Administration which has a positive variance of \$214,347,763 which is primarily the reserve.

The Public Improvement Contingency Sub-fund has a positive variance of \$183,141,615. These funds are set aside by Commissioners Court to assist with capital projects and for use in unforeseen emergency events.

The Infrastructure Sub-fund has a positive variance of \$240,971,371. These funds are set aside for the study, design, construction, maintenance, repair or operation of roads, streets, highways, or other related facilities. The Mobility Sub-fund has a positive variance of \$354,634,740. These funds are set aside to increase general mobility within the County.

The combined positive variance for all the general fund debt service accounts was \$133,201,397. The County’s practice is to have a full year’s worth of payments available for tax supported debt. As the tax year and budget year are not the same, there will always be a variance between the budget and actual expenditures. In these cases, the debt payment amounts are high enough to cause a significant variance, and will continue to cause significant variances in the future.

HARRIS COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(Amounts in thousands)

| | Year Ended February 28 2019 | Year Ended February 29 2020 | Year Ended February 28 2021 | Year Ended February 28 2022 | Period Ended September 30 2022 | Year Ended September 30 2023 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|------------------------------------|
| TOTAL OPEB LIABILITY | | | | | | |
| Service cost | \$ 79,163 | \$ 81,736 | \$ 251,727 | \$ 209,843 | \$ 118,068 | \$ 105,268 |
| Interest cost | 70,460 | 74,038 | 69,221 | 91,781 | 53,688 | 128,192 |
| Difference between expected and actual experience | - | - | 85,687 | - | 165,734 | - |
| Effect of assumption changes or inputs | - | 733,663 | 397,977 | 215,789 | (1,461,485) | (117,205) |
| Benefit payments | <u>(55,161)</u> | <u>(58,457)</u> | <u>(62,087)</u> | <u>(67,710)</u> | <u>(40,931)</u> | <u>(73,614)</u> |
| Net change in total OPEB liability | 94,462 | 830,980 | 742,525 | 449,703 | (1,164,926) | 42,641 |
| Total OPEB liability, beginning | 1,827,096 | 1,921,558 | 2,752,538 | 3,495,063 | 3,944,766 | 2,779,840 |
| Total OPEB liability, ending | <u>\$ 1,921,558</u> | <u>\$ 2,752,538</u> | <u>\$ 3,495,063</u> | <u>\$ 3,944,766</u> | <u>\$ 2,779,840</u> | <u>\$ 2,822,481</u> |
| Covered employee payroll | \$ 1,042,892 | \$ 1,112,112 | \$ 1,164,474 | \$ 1,195,886 | \$ 1,214,294 | \$ 1,337,993 |
| Total OPEB liability as a % of covered payroll | 184.25% | 247.51% | 300.14% | 329.86% | 228.93% | 210.95% |

Notes to schedule

There are no assets in a qualifying trust, as defined by GASB 75, to pay related benefits.

The County implemented GASB 75 in fiscal year 2019. Information prior to fiscal year 2019 is not available, therefore, ten years of data will accumulate over time.

HARRIS COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS
LAST EIGHT MEASUREMENT YEARS
(Amounts in thousands)

| | Year Ended December 31 | | | | | | | |
|--|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| TOTAL PENSION LIABILITY | | | | | | | | |
| Service cost | \$ 131,567 | \$ 149,334 | \$ 146,841 | \$ 148,122 | \$ 151,462 | \$ 163,444 | \$ 199,137 | \$ 202,068 |
| Interest on total pension liability | 411,525 | 437,989 | 468,982 | 496,916 | 524,085 | 553,564 | 583,779 | 612,984 |
| Effect of plan changes | (28,883) | - | - | - | - | - | - | - |
| Effect of assumption changes or inputs | 51,149 | - | 10,614 | - | - | 440,283 | 4,607 | - |
| Effect of economic/demographic (gains) or losses | (7,458) | (27,493) | (6,851) | (8,053) | 11,006 | 19,026 | (8,769) | (48,873) |
| Benefit payments/refunds of contributions | (220,100) | (238,220) | (263,941) | (288,552) | (321,909) | (347,776) | (382,112) | (413,279) |
| Net change in total pension liability | 337,800 | 321,610 | 355,645 | 348,433 | 364,644 | \$ 828,541 | \$ 396,642 | \$ 352,900 |
| Total pension liability, beginning | 5,113,052 | 5,450,852 | 5,772,462 | 6,128,107 | 6,476,540 | 6,841,184 | 7,669,725 | 8,066,367 |
| Total pension liability, ending (a) | <u>\$ 5,450,852</u> | <u>\$ 5,772,462</u> | <u>\$ 6,128,107</u> | <u>\$ 6,476,540</u> | <u>\$ 6,841,184</u> | <u>\$ 7,669,725</u> | <u>\$ 8,066,367</u> | <u>\$ 8,419,267</u> |
| FIDUCIARY NET POSITION | | | | | | | | |
| Employer contributions | \$ 132,346 | \$ 136,391 | \$ 142,896 | \$ 149,663 | \$ 167,499 | \$ 182,824 | \$ 189,304 | \$ 198,225 |
| Member contributions | 66,878 | 68,371 | 71,869 | 72,343 | 77,914 | 85,012 | 88,129 | 88,572 |
| Investment income net of investment expenses | (30,646) | 349,499 | 733,526 | (107,132) | 908,411 | 656,508 | 1,509,284 | (477,235) |
| Benefit payments/refunds of contributions | (220,100) | (238,220) | (263,941) | (288,552) | (321,909) | (347,776) | (382,113) | (413,279) |
| Administrative expenses | (3,419) | (3,799) | (3,797) | (4,443) | (4,844) | (5,068) | (4,504) | (4,516) |
| Other | 363 | (7,961) | (605) | (1,386) | (1,750) | (1,963) | (1,048) | (10,981) |
| Net change in fiduciary net position | (54,578) | 304,281 | 679,948 | (179,507) | 825,321 | 569,537 | 1,399,052 | (619,214) |
| Fiduciary net position, beginning | 4,781,059 | 4,726,481 | 5,030,762 | 5,710,710 | 5,531,203 | 6,356,524 | 6,926,061 | 8,325,113 |
| Fiduciary net position, ending (b) | <u>\$ 4,726,481</u> | <u>\$ 5,030,762</u> | <u>\$ 5,710,710</u> | <u>\$ 5,531,203</u> | <u>\$ 6,356,524</u> | <u>\$ 6,926,061</u> | <u>\$ 8,325,113</u> | <u>\$ 7,705,899</u> |
| Net pension liability/(asset), ending = (a) - (b) | <u>\$ 724,371</u> | <u>\$ 741,700</u> | <u>\$ 417,397</u> | <u>\$ 945,337</u> | <u>\$ 484,660</u> | <u>\$ 743,664</u> | <u>\$ (258,746)</u> | <u>\$ 713,368</u> |
| Fiduciary net position as a % of total pension liability | 86.71% | 87.15% | 93.19% | 85.40% | 92.92% | 90.30% | 103.21% | 91.53% |
| Pension covered payroll | \$ 953,501 | \$ 974,217 | \$ 1,020,708 | \$ 1,032,142 | \$ 1,110,437 | \$ 1,211,895 | \$ 1,255,581 | \$ 1,263,558 |
| Net pension liability/(asset) as a % of covered payroll | 75.97% | 76.13% | 40.89% | 91.59% | 43.65% | 61.36% | -20.61% | 56.46% |

Note: The County implemented GASB 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available, ten years of data will accumulate over time.

HARRIS COUNTY SPORTS & CONVENTION CORPORATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS
LAST SEVEN MEASUREMENT YEARS

| | Year Ended December 31 | | | | | | |
|--|------------------------|-------------|-------------|--------------|--------------|--------------|--------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| TOTAL PENSION LIABILITY | | | | | | | |
| Service cost | \$ 98,958 | \$ 97,369 | \$ 117,305 | \$ 92,036 | \$ 123,204 | \$ 136,534 | \$ 117,298 |
| Interest on total pension liability | 3,930 | 16,228 | 28,020 | 30,784 | 45,967 | 60,992 | 68,972 |
| Effect of economic/demographic (gains) or losses | 85 | 31,424 | (64,351) | 35,903 | 7,638 | (69,749) | 24,688 |
| Effect of assumption changes or inputs | - | 234 | - | - | 47,325 | (1,089) | - |
| Benefit payments/refunds of contributions | - | - | (39,988) | (2,444) | (2,444) | (2,444) | (2,444) |
| Net change in total pension liability | 102,973 | 145,255 | 40,986 | 156,279 | 221,690 | 124,244 | 208,514 |
| Total pension liability, beginning | - | 102,973 | 248,228 | 289,214 | 445,493 | 667,183 | 791,427 |
| Total pension liability, ending (a) | \$ 102,973 | \$ 248,228 | \$ 289,214 | \$ 445,493 | \$ 667,183 | \$ 791,427 | \$ 999,941 |
| FIDUCIARY NET POSITION | | | | | | | |
| Employer contributions | \$ 76,701 | \$ 106,623 | \$ 86,440 | \$ 85,053 | \$ 87,659 | \$ 86,840 | \$ 82,046 |
| Member contributions | 35,370 | 49,167 | 46,438 | 49,408 | 52,178 | 51,691 | 48,837 |
| Investment income net of investment expenses | - | 19,112 | (4,376) | 62,527 | 60,227 | 187,287 | (75,923) |
| Benefit payments/refunds of contributions | - | - | (39,988) | (2,444) | (2,444) | (2,444) | (2,444) |
| Administrative expenses | - | (193) | (306) | (442) | (572) | (600) | (691) |
| Other | 1,697 | 2,086 | 2,797 | 4,601 | 4,123 | 4,071 | 19,010 |
| Net change in fiduciary net position | 113,768 | 176,795 | 91,005 | 198,703 | 201,171 | 326,845 | 70,835 |
| Fiduciary net position, beginning | - | 113,768 | 290,563 | 381,568 | 580,271 | 781,442 | 1,108,287 |
| Fiduciary net position, ending (b) | 113,768 | 290,563 | 381,568 | 580,271 | 781,442 | 1,108,287 | 1,179,122 |
| Net pension liability/(asset), ending = (a) - (b) | \$ (10,795) | \$ (42,335) | \$ (92,354) | \$ (134,778) | \$ (114,259) | \$ (316,860) | \$ (179,181) |
| Fiduciary net position as a % of total pension liability | 110.48% | 117.06% | 131.93% | 130.25% | 117.13% | 140.04% | 117.92% |
| Pension covered payroll | \$ 505,279 | \$ 702,390 | \$ 663,396 | \$ 705,835 | \$ 745,399 | \$ 738,436 | \$ 697,669 |
| Net pension liability/(asset) as a % of covered payroll | -2.14% | -6.03% | -13.92% | -19.09% | -15.33% | -42.91% | -25.68% |

Note: The HCSCC implemented GASB 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available, ten years of data will accumulate over time.

**HARRIS COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS**

HARRIS COUNTY

| Fiscal Year | Actuarially Determined Contribution (1) | Actual Employer Contribution (1) | Contribution Deficiency (Excess) | Pensionable Covered Payroll (2) | Actual Contribution as a % of Covered Payroll |
|-------------|---|--|--|---------------------------------------|---|
| 2014 | 92,818,576 | 98,731,288 | (5,912,712) | 840,350,352 | 11.7% |
| 2015 | 106,802,688 | 110,837,562 | (4,034,874) | 871,490,916 | 12.7% |
| 2016 | 132,345,738 | 128,702,142 | 3,643,596 | 925,999,776 | 13.9% |
| 2017 | 132,006,399 | 137,799,357 | (5,792,958) | 984,281,203 | 14.0% |
| 2018 | 140,449,509 | 143,768,463 | (3,318,954) | 1,021,330,992 | 14.1% |
| 2019 | 148,112,422 | 152,053,334 | (3,940,912) | 1,041,771,836 | 14.6% |
| 2020 | 157,570,971 | 169,342,839 | (11,771,868) | 1,121,475,025 | 15.1% |
| 2021 | 180,814,784 | 185,368,474 | (4,553,690) | 1,227,928,655 | 15.1% |
| 2022 (3) | 189,304,375 | 190,456,110 | (1,151,735) | 1,261,574,010 | 15.1% |
| 2023 | 198,225,380 | 197,327,647 | 897,733 | 1,295,515,500 | 15.2% |

HARRIS COUNTY SPORTS & CONVENTION CORPORATION

| Fiscal Year | Actuarially Determined Contribution (1) | Actual Employer Contribution (1) | Contribution Deficiency (Excess) | Pensionable Covered Payroll (2) | Actual Contribution as a % of Covered Payroll |
|-------------|---|--|--|---------------------------------------|---|
| 2017 | \$ 76,701 | \$ 77,846 | \$ (1,145) | \$ 512,815 | 15.2% |
| 2018 | 106,623 | 107,415 | (792) | 723,606 | 14.8% |
| 2019 | 86,440 | 85,011 | 1,429 | 660,718 | 12.9% |
| 2020 | 85,053 | 86,350 | (1,297) | 719,581 | 12.0% |
| 2021 | 87,659 | 87,703 | (44) | 745,774 | 11.8% |
| 2022 (3) | 86,840 | 84,774 | 2,066 | 720,865 | 11.8% |
| 2023 | 71,651 | 83,843 | (12,192) | 712,954 | 11.8% |

Additional years for HCSCC will be added as they become available.

(1) TCDRS calculated actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

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

(3) As of September 30, 2022 there was no new actuarial valuation for TCDRS. The actual employer contribution for the 7-month period ended September 30, 2022 was \$121,477,256 for the County and \$47,936 for HCSCC.

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry Age

Amortization method Level percentage of payroll, closed

**HARRIS COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS**

| | |
|---|--|
| Remaining amortization period | HC: 18.0 years (based on contribution rate calculated in 12/31/2022 valuation) HCSCC: 0.0 years (based on contribution rate calculated in 12/31/2022 valuation) |
| Asset valuation method | 5-year smoothed market |
| Inflation | 2.50% |
| Salary increases | Varies by age and service. 4.7% average over career including inflation. |
| Investment rate of return | 7.50%, net of administrative and investment expenses, including inflation |
| Retirement age | Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61. |
| Mortality | 135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. |
| Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions* | 2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected. |
| Changes in Plan Provisions Reflected in the Schedule of Employer Contributions* | 2015: HC - Employer contributions reflect that the member contribution rate was increased to 7%. 2015: HCSCC - No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule. 2022: No changes in plan provisions were reflected in the Schedule. |

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

NONMAJOR GOVERNMENTAL FUNDS

HARRIS COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
September 30, 2023

| | Special Revenue | Debt Service | Capital Projects | Total Nonmajor Governmental Funds |
|---|-----------------------|-----------------------|-----------------------|---|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 315,809,685 | \$ - | \$ 118,290,985 | \$ 434,100,670 |
| Investments | 21,473,530 | - | 117,643,107 | 139,116,637 |
| Receivables: | | | | |
| Taxes, net | 977,246 | 1,115,829 | - | 2,093,075 |
| Accounts, net | 311,989,562 | - | 367,142 | 312,356,704 |
| Leases | 28,225 | - | - | 28,225 |
| Accrued interest | 75,543 | - | 1,152,417 | 1,227,960 |
| Other, net | 25,966,591 | 1,611 | 9,100 | 25,977,302 |
| Due from other funds | 88,570,628 | - | 60,901,934 | 149,472,562 |
| Prepays and other assets | 19,001,019 | - | 515,398 | 19,516,417 |
| Advances to other funds | 530,000 | - | - | 530,000 |
| Restricted cash and cash equivalents | 4,194,758 | 139,034,309 | - | 143,229,067 |
| Long term notes receivable | 5,756,926 | - | - | 5,756,926 |
| Total assets | <u>794,373,713</u> | <u>140,151,749</u> | <u>298,880,083</u> | <u>1,233,405,545</u> |
| LIABILITIES | | | | |
| Vouchers payable | 45,282,177 | - | 39,353,055 | 84,635,232 |
| Accrued payroll | 9,914,736 | - | 268,369 | 10,183,105 |
| Retainage payable | 3,818,880 | - | 9,088,708 | 12,907,588 |
| Due to other funds | 327,994,900 | - | 16,575,432 | 344,570,332 |
| Due to other units | 358,570 | - | - | 358,570 |
| Customer deposits | 3,887,186 | - | - | 3,887,186 |
| Advances from other funds | 930,000 | - | - | 930,000 |
| Unearned revenue | 52,369,858 | - | 5,439,836 | 57,809,694 |
| Total liabilities | <u>444,556,307</u> | <u>-</u> | <u>70,725,400</u> | <u>515,281,707</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | 977,246 | 1,115,829 | - | 2,093,075 |
| Unavailable revenue - other | 7,636,479 | - | 150,396 | 7,786,875 |
| Deferred lease revenues | 29,851 | - | - | 29,851 |
| Total deferred inflows of resources | <u>8,643,576</u> | <u>1,115,829</u> | <u>150,396</u> | <u>9,909,801</u> |
| FUND BALANCES | | | | |
| Nonspendable | 19,531,019 | - | 515,398 | 20,046,417 |
| Restricted | 317,786,124 | 139,035,920 | 170,974,992 | 627,797,036 |
| Committed | 18,902,468 | - | 56,513,897 | 75,416,365 |
| Unassigned | (15,045,781) | - | - | (15,045,781) |
| Total fund balances | <u>341,173,830</u> | <u>139,035,920</u> | <u>228,004,287</u> | <u>708,214,037</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 794,373,713</u> | <u>\$ 140,151,749</u> | <u>\$ 298,880,083</u> | <u>\$ 1,233,405,545</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
For The Fiscal Year Ended September 30, 2023

| | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|----------------------------|-------------------------|-----------------------------|--|
| REVENUES | | | | |
| Taxes | \$ 164,587,853 | \$ 123,207,737 | \$ - | \$ 287,795,590 |
| Charges for services | 71,006,157 | - | - | 71,006,157 |
| Lease revenue | 862,650 | - | - | 862,650 |
| Intergovernmental | 244,933,915 | - | 5,721,292 | 250,655,207 |
| Earnings on investments | 13,749,112 | 2,867,201 | 8,928,162 | 25,544,475 |
| Miscellaneous | 50,456,342 | 36,948 | 49,045,261 | 99,538,551 |
| Total revenues | <u>545,596,029</u> | <u>126,111,886</u> | <u>63,694,715</u> | <u>735,402,630</u> |
| EXPENDITURES | | | | |
| Current operating: | | | | |
| Administration of justice | 104,306,531 | - | 21,842,535 | 126,149,066 |
| Parks | 11,049,140 | - | 1,461,493 | 12,510,633 |
| County administration | 56,353,158 | - | 122,376,362 | 178,729,520 |
| Health and human services | 73,962,396 | - | 3,470,108 | 77,432,504 |
| Flood control | 96,493,031 | - | - | 96,493,031 |
| Tax administration | 1,252,667 | - | - | 1,252,667 |
| Roads and bridges | 907,569 | - | 2,737,826 | 3,645,395 |
| Capital outlay | 60,723,565 | - | 178,173,363 | 238,896,928 |
| Debt Service: | | | | |
| Principal retirement | 1,005,903 | - | - | 1,005,903 |
| Payment on loans | 1,519,019 | - | - | 1,519,019 |
| Debt issuance costs | - | 2,523,984 | 753,399 | 3,277,383 |
| Interest and fiscal charges | 67,556 | 45,646,472 | - | 45,714,028 |
| Total expenditures | <u>407,640,535</u> | <u>48,170,456</u> | <u>330,815,086</u> | <u>786,626,077</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>137,955,494</u> | <u>77,941,430</u> | <u>(267,120,371)</u> | <u>(51,223,447)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 19,469,820 | 53,595,181 | 35,082,530 | 108,147,531 |
| Transfers out | (89,069,608) | (100,441,231) | (2,526,475) | (192,037,314) |
| Commercial paper issued | - | - | 288,345,000 | 288,345,000 |
| Sale of capital assets | 8,736,028 | - | 7,240 | 8,743,268 |
| Refunding of bonds issued | - | 307,960,000 | - | 307,960,000 |
| Premium on bonds issued | - | 19,500,032 | - | 19,500,032 |
| Payments to defease commercial paper | - | (225,000,000) | - | (225,000,000) |
| Total other financing sources (uses) | <u>(60,863,760)</u> | <u>55,613,982</u> | <u>320,908,295</u> | <u>315,658,517</u> |
| Net changes in fund balances | 77,091,734 | 133,555,412 | 53,787,924 | 264,435,070 |
| Fund balances, beginning | 264,082,096 | 5,480,508 | 174,216,363 | 443,778,967 |
| Fund balances, ending | <u>\$ 341,173,830</u> | <u>\$ 139,035,920</u> | <u>\$ 228,004,287</u> | <u>\$ 708,214,037</u> |

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Special Revenue Funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

FLOOD CONTROL - This fund is used to account for all revenues and expenditures relating to general operations of Harris County Flood Control District. The Flood Control District is responsible for developing a flood control plan for the County, carrying out an ongoing capital improvement program, maintaining district facilities and providing flood watch and flood alert programs.

SPORTS & CONVENTION CORPORATION - This fund was established under the Texas Transportation Act for the purpose of aiding and acting on behalf in managing, operating, maintaining, and developing the sports and entertainment complex located on property owned by the County.

HOTEL OCCUPANCY TAX REVENUE - This fund was established in September 1987, per Texas Tax Code Chapter 352, to account for revenues primarily generated from a hotel occupancy tax and expenditures that serve the purpose of attracting visitors and promoting tourism.

DISTRICT COURT RECORDS ARCHIVE - This fund was established in accordance with Chapter 51 of the Texas Government Code that authorizes the commissioners court of a county to adopt a district court records archive fee for the filing of a suit, including an appeal from an inferior court, or a cross-action, counterclaim, intervention, contempt action, motion for a new trial, or third-party petition in a district court in the county as part of the county's annual budget. These funds may be expended only for preservation and restoration of the district court records archive and for records management and preservation purposes.

PORT SECURITY PROGRAM - This fund was established for the Houston Ship Channel Security District (the District) reimbursement and prepayment of specific operational costs to include security and maintenance that the County has incurred related to the Houston Ship Channel Security District.

DELIVERY SYSTEM REFORM INCENTIVE PROGRAMS - This fund was established through an agreement between Harris County and Centers for Medicaid and Medicare Services for the Texas 1115 Medicaid waiver program. These funds were established to provide payments to hospitals and other providers upon their achieving goals that are intended to improve the quality and lower the cost of healthcare. Funds are to be used for the general costs on medical programs.

DEED RESTRICTION ENFORCEMENT - This fund was established with Chapter 202 and 203 of the Texas Property Code and provides for fees to administer the enforcement of deed restriction violations affecting real property subdivisions. These fees are used only for enforcement of the deed restriction violations, and any unused funds are to be refunded to the complainants.

CONCESSION FEE - This fund was established in accordance with Texas Local Government Code section 331.006. The proceeds of the sales and leases may be used only for the improvement and operation of the park, museum, or site.

CARE FOR ELDERS - This fund was established through a contractual agreement between Harris County and United Way of Greater Houston. The purpose of the Care for Elders program is to assist the elderly with access to services, improve the quality of care and enhance the quality of life by providing critical goods or services for Harris County residents where other forms of resources are limited or unavailable. Through the contractual agreement, no funds will be issued directly to clients. All checks must be made out to vendors or providers of needed services, including relatives or others providing care.

CHILD SUPPORT ENFORCEMENT - This fund was established in accordance with Chapter 231 of the Texas Family Code which authorizes filing fees and, fees for issuance and delivery of order, service of process, fees for transfer, writs and the fee that the sheriffs and constables are authorized to charge for serving.

FAMILY PROTECTION - This fund was established in accordance with Texas Government Code Section 51.961 (d) and (e) Family Protection Fee and authorizes the commissioners court of the county to charge a court fee for each divorce case filed. This fund may be used by the commissioner's court of the county only to fund a service provider located in that county or an adjacent county. A service provider may provide family violence and child abuse prevention, intervention, family strengthening, mental health, and counseling, legal, and marriage preservation services to families that are at risk of experiencing or that have experienced family violence or the abuse or neglect of a child.

PROBATE COURT SUPPORT - This fund was established in accordance with Section 51.704 of the Texas Government Code, which requires the clerks of statutory probate courts to collect a "filing fee in each probate, guardianship, mental health, or civil case filed in the court." These funds are to be used only for the support of statutory probate courts in the County.

APPELLATE JUDICIAL SYSTEM - This fund is authorized under the Texas Government Code Sections 22.2021, 22.2031 and 22.2061 and provides for a court fee for each civil suit filed in county court, statutory county court, probate court, or district court in the county to be used for expenditures by the courts of appeals for the court of appeals district courts.

COUNTY ATTORNEY ADMINISTRATION - This fund was established in accordance with Section 284.2032 of the Texas Transportation Code which allows a county with a population of 3.3 million or more to impose an administrative charge in association with collecting a toll or charge for each event of nonpayment of a required toll or charge imposed under Section 284.069 of the Texas Transportation Code. The fees collected for this charge are to be administered by the County Attorney and may be used only to defray the salaries and expenses of the County Attorney's office, but not to supplement the County Attorney's salary.

DISTRICT ATTORNEY ADMINISTRATION - This fund is authorized under Texas Code of Criminal Procedures Chapter 102 under Articles 102.007, related to fees for writing a worthless check (hot check). Fees collected in connection with processing hot checks may only be used to defray the salaries and expenses of the prosecutor's office.

JUSTICE COURT COURTHOUSE SECURITY - This fund was established in accordance with the Texas Government Code 291.008 and Texas Code of Criminal Procedure 102.017 and requires a defendant convicted of a misdemeanor offense in a justice court shall pay a security fee as a cost of court. Fees collected are to be used to provide security, services, and items for a justice court located in a building that is not the county courthouse.

RECORDS MANAGEMENT - This fund is authorized under Texas Code of Criminal Procedures Chapter 102, Local Government Code Chapter 118 and Texas Government Code Chapter 51, and Texas Senate Bill 41 to account for fees collected for records management and preservation services when documents are filed in the offices of the court clerks.

DONATION FUND - This fund is used to account for outside cash donations accepted by Commissioners' Court for designated purposes / programs including Senior Citizen Programs and DARE. Expenditures are made in accordance with designations.

SENATE BILL 41 FEES - This fund is enacted by the legislature of the State of Texas for the Commissioners' court to use the court costs fee collected as provided by Sections 133.151(a)(6) and 133.1511(a)(4), Local Government Code, for each civil suit filed in county court, statutory county court, statutory probate court, or district court in the county. The court costs fee does not apply to a suit filed by any governmental entity or to a suite for delinquent taxes.

JUSTICE COURT TECHNOLOGY - This fund was established in accordance with the Texas Code of Criminal Procedure, Article 102.0173, and justice court technology fee paid by defendants convicted of misdemeanor offenses in a justice court. The funds are to be used for the purchase and maintenance of technological enhancements for a justice court and continuing education and training for enhancement for a justice court.

CHILD ABUSE PREVENTION - This fund is authorized by Senate Bill 6, and the Texas Code of Criminal Procedure, Article 102.0186 and allows the clerks of the respective courts to collect a fee for every person convicted of certain offenses against children. The funds may be used to fund child abuse prevention programs in the county where the court is located.

BAIL BOND BOARD - This fund was established under House Bill 1442, 83rd Legislature, Section 1704.101 Occupational Code, amends provisions relating to fees collected by a county bail bond board in certain counties. The bill authorizes a board in an affected county to deposit the fees in a separate county fund as an alternative to depositing such fees in the county general fund. The funds may be used only to administer and enforce section 1704.101 Occupation Code, including reimbursement for reasonable expenses incurred by the board in enforcing this chapter and actual expenses incurred by the board member in serving the board.

JUVENILE CASE MANAGER FEE - This fund was authorized under Texas Code of Criminal Procedure, Article 102.0174 and provides for a fee to be assessed to defendants convicted of fine-only misdemeanor offenses in a justice court, county court, or county court at law. The funds may only be used for the salary and benefits of a juvenile case manager.

TAX ASSESSOR CHAPTER 19 - This fund was established in accordance with Chapter 19 of the Texas Election Code for purposes of aiding counties with financing voter registration. Funds disbursed under this chapter may be used only to defray expenses of the registrar's office in connection with voter registration.

STAR DRUG COURTS - This fund was created in accordance with Texas Code of Criminal Procedures 102.0178 and provides for a fee to be assessed for certain intoxication and drug convictions. The funds are to be used exclusively for the development and maintenance of drug court programs operated within the County.

COUNTY & DISTRICT TECHNOLOGY FEE - This fund was established in accordance with the Texas Code of Criminal Procedure, Article 102.0169, for purposes of financing continuing education and training for county court, statutory county court, or district court judges and clerks regarding technological enhancements and purchases and maintenance of technological enhancements including computer systems, networks, hardware, software, imaging systems, electronic kiosks, and docket management systems.

DA DWI PRE-TRIAL INTERVENTION PROGRAM - This fund was created in accordance with Texas Code of Criminal Procedures Article 102.0121 to account for a fee to reimburse the county for expenses related to a defendant's participation in a pretrial intervention program offered by the county. The funds must be used for expenditures related to pretrial intervention programs.

GULF OF MEXICO ENERGY SECURITY ACT - These funds were established to implement the provisions of the US Minerals Management Service (MMS). The MMS under the Gulf of Mexico Energy Security Act of 2006 distributes revenues to coastal producing states from the Outer Continental Shelf lease in Planning Area 181 Eastern and South Zones. These funds are to be used in projects and activities for the purpose of coastal conservation, coastal restoration, hurricane protection and infrastructure directly affected by coastal wetland losses.

VETERINARY PUBLIC HEALTH - This fund was established under Impoundment Fees TX Health and Safety Code Section 826.031 and Harris County Animal Regulations. All funds collected may be used only for defraying the expense of administration and enforcement of these regulations.

ENVIRONMENTAL PROGRAMS - This fund was established to account for donations and monies received under the terms of court settlements involving restitution for pollution violations (Federal, State, and or Local laws) enforced by the County, restitution for pollution violations enforced by the Texas Commission on Environmental Quality, court settlements involving Household Hazardous Waste violations, and court orders of which the defendant volunteer to contribute to the Victim's Right Division of the District Attorney's Office. Funds are primarily used for cleanup, preservation, and related purposes.

ENVIRONMENTAL ENFORCEMENT - This fund was established account for funds pursuant to an interlocal agreement with the City of Houston for the purpose of purchasing equipment and supplies to be used in the enforcement and investigation of environmental crimes.

ELECTION SERVICES - This fund was established pursuant to Texas Election Code 31.1 and 271 for purposes of defraying expenses of the County Clerk's Office in conducting Harris County elections.

LAW ENFORCEMENT FORFEITED FUND - This fund was established to account for transactions associated with the various asset forfeiture programs pursuant to the Federal Comprehensive Crime Control Act of 1984, Texas Code of Criminal Procedure Chapter 59, Texas Code of Criminal Procedure Chapter 18, and Guide to Equitable Sharing for Foreign Counties and Federal, State, and Local Law Enforcement Agencies. Expenditures are for law enforcement purposes and are further defined by the statutes associated with the source of the forfeited funds.

CRIMINAL COURTS AUDIO/VISUAL - This fund was established in accordance with Texas Code of Criminal Procedure Chapter 59, to be used to upgrade audio-visual equipment in the District and County criminal courts.

MEDICAID ADMINISTRATIVE CLAIM-REIMBURSEMENT - This fund is used to account for the receipt of Medicaid Administrative Claim reimbursements and the associated expenditures for health-related services for clients. These funds are authorized under the Medicaid State Plan under Title XIX of the Social Security Act.

DISPUTE RESOLUTION - This fund was established in accordance with Section 152.004 of the Texas Civil Practice and Remedies Code and is used to account for fees assessed on cases to fund an alternative system for the peaceable and expeditious resolution of citizen disputes not requiring formal court action.

FIRE CODE FEE - This fund is authorized under Texas Local Government Code 233.065, to account for the fees for issuance of a building permit for the administration and enforcement of the fire code. Fees may be used only for the administration and enforcement of the fire code.

BOARDING HOME FINES & FEES - This fund is authorized under Texas Health and Safety Code 260.005(b), to account for fees related to the issuance and renewal of permits, and inspections for boarding home facilities. This fund also accounts for fines imposed for noncompliance with the County boarding home facility regulations. Fees collected and fines imposed by the County must be used to administer the County permitting program or for other purposes directly related to providing boarding home facility or other assisted living services to elderly persons and persons with disabilities.

LEOSE LAW ENFORCEMENT - This fund was established under the Texas Administrative Code, Title 37, Part 7 for purposes of accounting for state monies to law enforcement agencies utilized for the continuing education of law enforcement personnel.

LIBRARY CONTRIBUTION FUND - This fund accounts for revenues from donations / contributions made to the Harris County Library. Many of these donations are from "Friends of the Library" groups that are active in raising funds for their respective library branches through book sales and other activities based on concession agreements approved by Commissioners Court. The funds are used for library related expenditures.

JUVENILE PROBATION FEE - This fund was established pursuant to Sections 54.061 and 54.0411 of the Texas Family Code to account for the fees charged while a juvenile is on probation. The fees may be used only for juvenile probation or community based juvenile corrections services or facilities.

FOOD PERMIT FEE - This fund was established pursuant to Sections 437.003 and 437.0123 of the Texas Health and Safety Code to account for the fees associated with issuing food permits and enforcing the associating statutory provisions. The fees may be used for reviewing and acting on a permit, amending and renewing a permit, and inspecting a facility for the purpose of issuing a food permit.

COURT REPORTER SERVICES - This fund was established in accordance with Section 51.601 of the Texas Government Code and allows for a fee for each new case filed in a court that has an official court reporter. These fees may be used to assist in the payment of court reporter related services.

JUVENILE DELINQUENCY PREVENTION - This fund was established pursuant to the Texas Code of Criminal Procedure 102.0171 and accounts for fees charged when a child is adjudicated for graffiti-related offenses. These fees are restricted to be used for graffiti eradication.

SUPPLEMENTAL GUARDIANSHIP - This fund was established under Sections 118.052 and 118.067 of the Texas Local Government Code which allows for a supplemental court-initiated guardianship fee to be charged for a probate original action. These fees may be used only to supplement other county funds used to pay the compensation of a guardian ad litem, pay the compensation of an attorney ad litem, and or fund local guardianship programs that provide guardians for indigent incapacitated persons who do not have family members suitable and willing to serve as guardians.

COURTHOUSE SECURITY - This fund was authorized under Texas Local Government Code 291.008 and Texas Code of Criminal Procedure 102.017 to account for fees collected and expended for purposes of defraying the costs of courthouse security.

LAW LIBRARY - This fund was established under the authority of Section 323.023 of the Texas Local Government Code, to account for fees assessed for each civil case filed in County and District Courts of Harris County. The funds are to be used for purchasing or leasing law library materials or acquiring equipment, including computers, software, subscriptions to obtain access to electronic research networks for use by judges in the County.

POOL PERMIT FEES - This fund will serve as the repository for the fees associated with the Rules for Regulation of Swimming Pools and Spas in the Unincorporated Areas of Harris County, Texas. These funds will be committed to offset expenses associated with the activities to enforce the associated regulations of Swimming Pools and Spas in the Unincorporated Areas of Harris County.

COUNTY JURY FUND— This fund is authorized under Senate Bill 346 related to the consolidation, allocation, classification and repeal of certain criminal court costs and other court-related costs, fines and fees; imposing certain court costs and fees and increasing and decreasing the amounts of certain other court costs and fees. Its purpose is to collect Jury Funds for the purpose of remitting Jury Service expenditures in the District Courts.

TIRZ AFFORDABLE HOUSING / OTHER RESTRICTED FUNDS - This fund was established in accordance with Section 311.011 of the Texas Tax Code to account for Tax Increment Reinvestment Zone (TIRZ) related activity including the establishment of affordable housing; the revitalization and redevelopment of unproductive, underproductive, or blighted areas and other restricted revenues and expenditures defined in the associated interlocal agreements.

COMMITTED BY COMMISSIONERS' COURT - These funds are used for specific purposes determined by Commissioners' Court to include Hay Center Youth Program, Preparation for Adult living (Pal), Utility Bill Assistance Program, DA First Chance Intervention Program, El Franco Lee, Stormwater Management, Charity Care, Community Development Financial Sureties, Facilities and Property Management Property Maintenance, IFS Training, and Environmental Settlements.

HARRIS COUNTY REDEVELOPMENT AUTHORITY - This fund is used to account for all revenues and expenditures relating to the general operations of the Harris County Redevelopment Authority (Authority). The Authority is a local government corporation created by Commissioners Court for the purposes of administering certain economic development programs on behalf of the County, including administering, managing, and operating tax increment improvement districts.

HARRIS COUNTY JUVENILE BOARD - This fund was established to account for juvenile probation services fund by the Texas Juvenile Justice Department. The funds may only be used for juvenile probation or community based juvenile corrections services or facilities.

FLOOD CONTROL GRANTS - These funds were established to account for grant programs applicable to the Harris County Flood Control District.

QATAR HARVEY FUND & RIVERSIDE HOSPITAL - These funds were established for the renovation and expansion of the Riverside Hospital in Houston's Third Ward neighborhood, which was originally opened in 1926 and closed in 2015. The site was purchased by the Houston Endowment, a private foundation that makes grants to strengthen Houston communities and enhance civic assets and transferred to Harris County for renovation.

STATE & LOCAL GRANTS - These funds were established to account for grant programs applicable to the County. There are a total of 169 state and local grants included in these totals.

FEDERAL GRANTS - These funds were established to account for grant programs applicable to the County. There are a total of 388 federal grants included in these totals.

HARRIS COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE
September 30, 2023

| | Flood Control | Sports & Convention Corporation | Hotel Occupancy Tax Revenue | District Court Records Archive | Port Security Program | DSRIP Programs | Deed Restriction Enforcement | Concession Fee |
|--|--------------------------|--|--|---|--------------------------------------|---------------------------|---|---------------------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 44,657,275 | \$ 13,569,868 | \$ 35,235,987 | \$ 197,688 | \$ - | \$ 6,491,859 | \$ 23,021 | \$ 7,017,224 |
| Investments | 5,884,408 | - | 2,321,864 | 13,027 | - | 427,779 | 1,517 | 462,398 |
| Receivables: | | | | | | | | |
| Taxes, net | 977,246 | - | - | - | - | - | - | - |
| Accounts, net | 6,340 | - | - | - | 95,020 | - | - | 14,750 |
| Leases | 28,225 | - | - | - | - | - | - | - |
| Accrued interest | 262 | - | 13,580 | 76 | - | 2,502 | 9 | 2,705 |
| Other | 17,238 | 12,541,892 | 12,454,988 | - | 9,278 | - | - | 111,247 |
| Due from other funds | 83,799,205 | 38,033 | 382,218 | - | - | - | - | - |
| Prepays and other assets | - | 197,404 | 2,741,396 | - | - | - | - | - |
| Advances to other funds | - | - | - | - | - | - | - | - |
| Restricted cash and cash equivalents | - | 4,194,758 | - | - | - | - | - | - |
| Long term notes receivable | - | 5,225,000 | - | - | - | - | - | - |
| Total assets | 135,370,199 | 35,766,955 | 53,150,033 | 210,791 | 104,298 | 6,922,140 | 24,547 | 7,608,324 |
| LIABILITIES | | | | | | | | |
| Vouchers payable | 4,738,540 | 1,159,313 | 2,129,918 | - | 95,663 | 520,553 | - | 124 |
| Accrued payroll | 2,707,485 | - | - | - | - | 55,786 | - | - |
| Retainage payable | 673,502 | - | - | - | - | - | - | - |
| Customer deposits | - | - | - | - | - | - | - | - |
| Due to other funds | 62,073,070 | 382,218 | 38,033 | - | 115,373 | - | - | - |
| Due to other units | 358,009 | - | - | - | - | - | - | - |
| Advances from other funds | - | - | - | - | - | - | - | - |
| Unearned revenue | - | 436,012 | - | - | - | - | - | 167 |
| Total liabilities | 70,550,606 | 1,977,543 | 2,167,951 | - | 211,036 | 576,339 | - | 291 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable revenue - property taxes | 977,246 | - | - | - | - | - | - | - |
| Unavailable revenue - other | 6,340 | 4,065,236 | 150,019 | - | 37,387 | - | - | 10,000 |
| Deferred lease revenues | 29,851 | - | - | - | - | - | - | - |
| Total deferred inflows of resources | 1,013,437 | 4,065,236 | 150,019 | - | 37,387 | - | - | 10,000 |
| FUND BALANCES | | | | | | | | |
| Nonspendable | - | 197,404 | 2,741,396 | - | - | - | - | - |
| Restricted | 63,806,156 | 29,526,772 | 48,090,667 | 210,791 | - | 6,345,801 | 24,547 | 7,598,033 |
| Committed | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | (144,125) | - | - | - |
| Total fund balances | 63,806,156 | 29,724,176 | 50,832,063 | 210,791 | (144,125) | 6,345,801 | 24,547 | 7,598,033 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 135,370,199 | \$ 35,766,955 | \$ 53,150,033 | \$ 210,791 | \$ 104,298 | \$ 6,922,140 | \$ 24,547 | \$ 7,608,324 |

(continued)

| | Care for Elders | Child Support Enforcement | Family Protection | Probate Court Support | Appellate Judicial System | County Attorney Administration | District Attorney Administration | Justice Court Courthouse Security | Records Management | Donation Fund |
|----|--------------------|---------------------------------|----------------------|-----------------------------|---------------------------------|--------------------------------------|--|---|----------------------------|-------------------------|
| \$ | 19,912 | \$ 285,514 18,814 | \$ 202,952 13,373 | \$ 1,529,034 100,755 | \$ 228,093 15,030 | \$ 21,496,238 1,415,664 | \$ 52,274 - | \$ 2,279,057 150,178 | \$ 20,425,494 1,345,931 | \$ 2,133,064 140,550 |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | 202,288 | - | - | - | - | 90 |
| | - | 110 | 78 | 589 | 88 | 8,280 | - | 878 | 7,873 | 822 |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | 474,656 | - |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | - |
| | 19,912 | 304,438 | 216,403 | 1,630,378 | 445,499 | 22,920,182 | 52,274 | 2,430,113 | 22,253,954 | 2,274,526 |
| | - | - | - | - | 5,533 | 277,646 | - | - | 480,382 | 26,418 |
| | - | - | 2,919 | - | 4,171 | 21,418 | - | - | 192,508 | - |
| | - | - | - | - | - | 9,411 | - | - | 9,545 | - |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | 2,919 | - | 9,704 | 308,475 | - | - | 682,435 | 26,418 |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | 46,073 | - | - | - | - | 90 |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | 46,073 | - | - | - | - | 90 |
| | - | - | - | - | - | - | - | - | 474,656 | - |
| | 19,912 | 304,438 | 213,484 | 1,630,378 | 389,722 | 22,611,707 | 52,274 | 2,430,113 | 21,096,863 | 2,248,018 |
| | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | - |
| | 19,912 | 304,438 | 213,484 | 1,630,378 | 389,722 | 22,611,707 | 52,274 | 2,430,113 | 21,571,519 | 2,248,018 |
| \$ | 19,912 | \$ 304,438 | \$ 216,403 | \$ 1,630,378 | \$ 445,499 | \$ 22,920,182 | \$ 52,274 | \$ 2,430,113 | \$ 22,253,954 | \$ 2,274,526 |

(continued)

HARRIS COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE
September 30, 2023

| | Senate Bill 41 Fees | Justice Court Technology | Child Abuse Prevention | Bail Bond Board | Juvenile Case Manager Fee | Tax Assessor Chapter 19 | Star Drug Courts | County & District Technology Fee |
|--|------------------------|--------------------------------|---------------------------|--------------------|---------------------------------|-------------------------------|---------------------|--|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 14,727,915 | \$ 1,820,357 | \$ 144,240 | \$ 96,362 | \$ 3,463,951 | \$ 321 | \$ 2,068,868 | \$ 542,005 |
| Investments | 970,491 | 119,950 | 9,505 | 6,350 | 228,254 | - | 136,327 | 35,715 |
| Receivables: | | | | | | | | |
| Taxes, net | - | - | - | - | - | - | - | - |
| Accounts, net | 2,938 | - | - | - | - | - | - | - |
| Leases | - | - | - | - | - | - | - | - |
| Accrued Interest | 5,675 | 702 | 56 | 37 | 1,335 | - | 797 | 209 |
| Other | - | - | - | - | - | - | - | 1 |
| Due from other funds | - | - | - | - | - | - | - | - |
| Prepays and other assets | - | - | - | - | - | - | - | - |
| Advances to other funds | - | - | - | - | - | - | - | - |
| Restricted cash and cash equivalents | - | - | - | - | - | - | - | - |
| Long term notes receivable | - | - | - | - | - | - | - | - |
| Total assets | <u>15,707,019</u> | <u>1,941,009</u> | <u>153,801</u> | <u>102,749</u> | <u>3,693,540</u> | <u>321</u> | <u>2,205,992</u> | <u>577,930</u> |
| LIABILITIES | | | | | | | | |
| Vouchers payable | 24,598 | - | - | - | - | - | 65,918 | 1 |
| Accrued payroll | 199,776 | 12,960 | - | - | 58,291 | - | - | - |
| Retainage payable | - | - | - | - | - | - | - | - |
| Customer deposits | - | - | - | - | - | - | - | - |
| Due to other funds | - | - | - | - | - | - | - | - |
| Due to other units | - | - | - | - | - | - | - | - |
| Advances from other funds | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - | - | - |
| Total liabilities | <u>224,374</u> | <u>12,960</u> | <u>-</u> | <u>-</u> | <u>58,291</u> | <u>-</u> | <u>65,918</u> | <u>1</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable revenue - property taxes | - | - | - | - | - | - | - | - |
| Unavailable revenue - other | 2,938 | - | - | - | - | - | - | - |
| Deferred lease revenues | - | - | - | - | - | - | - | - |
| Total deferred inflows of resources | <u>2,938</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - |
| Restricted | 15,479,707 | 1,928,049 | 153,801 | 102,749 | 3,635,249 | 321 | 2,140,074 | 577,929 |
| Committed | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - |
| Total fund balances | <u>15,479,707</u> | <u>1,928,049</u> | <u>153,801</u> | <u>102,749</u> | <u>3,635,249</u> | <u>321</u> | <u>2,140,074</u> | <u>577,929</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 15,707,019</u> | <u>\$ 1,941,009</u> | <u>\$ 153,801</u> | <u>\$ 102,749</u> | <u>\$ 3,693,540</u> | <u>\$ 321</u> | <u>\$ 2,205,992</u> | <u>\$ 577,930</u> |

(continued)

| DA DWI Pre-trial Intervention Program | Gulf of Mexico Energy Security Act | Veterinary Public Health | Environmental Programs | Environmental Enforcement | Election Services | Law Enforcement Forfeited Fund | Criminal Courts Audio Visual | Medicaid Administrative Claim Reimbursement | Dispute Resolution |
|---|--|-----------------------------|---------------------------|------------------------------|-------------------------|--------------------------------------|------------------------------------|---|-------------------------|
| \$ 2,740,782 180,603 | \$ 12,755,550 840,523 | \$ 1,069,319 70,423 | \$ 3,061 202 | \$ 102,309 6,742 | \$ 6,072,792 400,165 | \$ 16,617,430 - | \$ 61,612 4,060 | \$ 941,542 62,036 | \$ 2,302,233 151,705 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | 597 | - | - | 2,444,220 | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| 1,056 | 4,916 | 412 | 1 | 39 | 2,341 | - | 24 | 363 | 887 |
| 9,802 | - | - | - | - | - | 72,381 | - | 288,033 | - |
| - | - | - | - | - | - | 57,555 | - | - | - |
| - | - | - | - | - | 107,263 | 454,732 | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| 2,932,243 | 13,600,989 | 1,140,751 | 3,264 | 109,090 | 9,026,781 | 17,202,098 | 65,696 | 1,291,974 | 2,454,825 |
| - | - | - | - | 22,232 | 4,081 | 788,163 | - | 126,673 | 114,965 |
| 28,994 | - | 11,472 | - | - | - | - | - | 11,831 | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 207,390 | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| 28,994 | - | 11,472 | - | 22,232 | 4,081 | 995,553 | - | 138,504 | 114,965 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | 597 | - | - | 2,433,069 | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | 597 | - | - | 2,433,069 | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | 107,263 | 454,732 | - | - | - |
| 2,903,249 | 13,600,989 | 1,128,682 | 3,264 | 86,858 | 6,482,368 | 15,751,813 | 65,696 | 1,153,470 | 2,339,860 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| 2,903,249 | 13,600,989 | 1,128,682 | 3,264 | 86,858 | 6,589,631 | 16,206,545 | 65,696 | 1,153,470 | 2,339,860 |
| \$ 2,932,243 | \$ 13,600,989 | \$ 1,140,751 | \$ 3,264 | \$ 109,090 | \$ 9,026,781 | \$ 17,202,098 | \$ 65,696 | \$ 1,291,974 | \$ 2,454,825 |

(continued)

HARRIS COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE
September 30, 2023

| | Fire Code Fee | Boarding Home Fines & Fees | LEOSE Law Enforcement | Library Contribution Fund | Juvenile Probation Fee | Food Permit Fee | Court Reporter Services | Juvenile Delinquency Prevention |
|--|----------------------|----------------------------------|-----------------------------|---------------------------------|------------------------------|-----------------------|-------------------------------|---------------------------------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 11,374,106 | \$ 58,973 | \$ 459,700 | \$ 793,135 | \$ 581,090 | \$ 1,823,697 | \$ 4,464,319 | \$ 182 |
| Investments | 749,493 | 3,886 | 30,292 | 52,263 | - | 120,159 | 294,175 | 12 |
| Receivables: | | | | | | | | |
| Taxes, net | - | - | - | - | - | - | - | - |
| Accounts, net | 208,320 | 578,531 | - | - | 1,108 | 11,813 | - | - |
| Leases | - | - | - | - | - | - | - | - |
| Accrued Interest | 4,384 | 23 | 177 | 306 | - | 703 | 1,721 | - |
| Other | 54,710 | 54,000 | - | - | 4,069 | - | - | - |
| Due from other funds | - | - | - | - | - | - | - | - |
| Prepays and other assets | - | - | - | - | - | - | - | - |
| Advances to other funds | - | - | - | - | - | - | - | - |
| Restricted cash and cash equivalents | - | - | - | - | - | - | - | - |
| Long term notes receivable | - | - | - | - | - | - | - | - |
| Total assets | <u>12,391,013</u> | <u>695,413</u> | <u>490,169</u> | <u>845,704</u> | <u>586,267</u> | <u>1,956,372</u> | <u>4,760,215</u> | <u>194</u> |
| LIABILITIES | | | | | | | | |
| Vouchers payable | 3,742 | - | 16,290 | - | - | 202,871 | 1,446 | - |
| Accrued payroll | 337,290 | - | - | 415 | - | 151,228 | - | - |
| Retainage payable | - | - | - | - | - | - | - | - |
| Customer deposits | - | - | - | - | - | - | - | - |
| Due to other funds | - | - | - | - | - | - | - | - |
| Due to other units | - | - | - | - | - | - | - | - |
| Advances from other funds | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - | - | - |
| Total liabilities | <u>341,032</u> | <u>-</u> | <u>16,290</u> | <u>415</u> | <u>-</u> | <u>354,099</u> | <u>1,446</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable revenue - property taxes | - | - | - | - | - | - | - | - |
| Unavailable revenue - other | 205,175 | 630,527 | - | - | 1,108 | 11,813 | - | - |
| Deferred lease revenues | - | - | - | - | - | - | - | - |
| Total deferred inflows of resources | <u>205,175</u> | <u>630,527</u> | <u>-</u> | <u>-</u> | <u>1,108</u> | <u>11,813</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - |
| Restricted | 11,844,806 | 64,886 | 473,879 | 845,289 | 585,159 | 1,590,460 | 4,758,769 | 194 |
| Committed | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - |
| Total fund balances | <u>11,844,806</u> | <u>64,886</u> | <u>473,879</u> | <u>845,289</u> | <u>585,159</u> | <u>1,590,460</u> | <u>4,758,769</u> | <u>194</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 12,391,013</u> | <u>\$ 695,413</u> | <u>\$ 490,169</u> | <u>\$ 845,704</u> | <u>\$ 586,267</u> | <u>\$ 1,956,372</u> | <u>\$ 4,760,215</u> | <u>\$ 194</u> |

(continued)

| Supplemental Guardianship | Courthouse Security | Law Library | Pool Permit Fees | County Jury Fund | TIRZ Affordable Housing / Other Restricted Funds | Committed by Commissioners' Court | Harris County Redevelopment Authority | Harris County Juvenile Board | Flood Control Grants |
|---------------------------|---------------------|--------------|------------------|------------------|--|-----------------------------------|---------------------------------------|------------------------------|----------------------|
| \$ 1,621,405 | \$ 1,488,450 | \$ 4,018,458 | \$ 205,949 | \$ 1,338,891 | \$ 6,550,976 | \$ 17,699,322 | \$ 1,404,924 | \$ 12,684,134 | \$ 4,082,273 |
| 106,842 | 98,081 | 264,742 | 13,558 | 88,226 | 233,120 | 1,166,292 | 2,718,050 | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | 230 | 14,304 | - | - | 69,184 | - | - | 42,444 | 205,751,880 |
| - | - | - | - | - | - | - | - | - | - |
| 625 | 574 | 1,548 | 79 | 516 | 1,363 | 6,822 | - | - | - |
| - | 2 | 827 | - | - | 289,053 | 56,722 | - | 258 | - |
| - | - | - | - | - | - | - | - | 5,534 | 30,105 |
| - | - | 123,912 | - | - | - | - | - | 64,811 | 2,448,201 |
| - | - | - | - | - | 530,000 | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| 1,728,872 | 1,587,337 | 4,423,791 | 219,586 | 1,427,633 | 7,673,696 | 18,929,158 | 4,122,974 | 12,797,181 | 212,312,459 |
| - | 1 | 9,500 | - | 136 | 324,961 | 24,741 | 38,534 | 667,409 | 5,650,296 |
| 3,818 | 131,483 | 90,412 | 2,927 | - | 41,038 | - | - | 1,733,886 | 832 |
| - | - | - | - | - | - | 1,949 | - | - | 2,979,017 |
| - | - | - | - | - | - | - | - | - | 3,887,186 |
| - | - | - | - | - | - | - | - | 310 | 199,517,096 |
| - | - | - | - | - | - | - | - | 561 | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | 48,031 | - | - | 10,395,015 | 278,032 |
| 3,818 | 131,484 | 99,912 | 2,927 | 136 | 414,030 | 26,690 | 38,534 | 12,797,181 | 212,312,459 |
| - | - | - | - | - | - | - | - | - | - |
| - | 230 | - | - | - | 35,877 | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | 230 | - | - | - | 35,877 | - | - | - | - |
| - | - | 123,912 | - | - | 530,000 | - | - | 64,811 | 2,448,201 |
| 1,725,054 | 1,455,623 | 4,199,967 | 216,659 | 1,427,497 | 6,693,789 | - | 4,084,440 | - | - |
| - | - | - | - | - | - | 18,902,468 | - | - | - |
| - | - | - | - | - | - | - | - | (64,811) | (2,448,201) |
| 1,725,054 | 1,455,623 | 4,323,879 | 216,659 | 1,427,497 | 7,223,789 | 18,902,468 | 4,084,440 | - | - |
| \$ 1,728,872 | \$ 1,587,337 | \$ 4,423,791 | \$ 219,586 | \$ 1,427,633 | \$ 7,673,696 | \$ 18,929,158 | \$ 4,122,974 | \$ 12,797,181 | \$ 212,312,459 |

(continued)

HARRIS COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE
September 30, 2023

| | Riverside Hospital Qatar | Riverside Hospital Other | Harris County State & Local Grants | Harris County Federal & Other Grants | Total |
|--|---|---|---|---|-----------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 2,500,000 | \$ 1,185,849 | \$ 12,570,055 | \$ 7,528,594 | \$ 315,809,685 |
| Investments | - | - | - | - | 21,473,530 |
| Receivables: | | | | | |
| Taxes, net | - | - | - | - | 977,246 |
| Accounts, net | - | - | 3,428,018 | 99,117,487 | 311,989,562 |
| Leases | - | - | - | - | 28,225 |
| Accrued Interest | - | - | - | - | 75,543 |
| Other | - | - | - | 2,090 | 25,966,591 |
| Due from other funds | - | - | 312 | 4,257,666 | 88,570,628 |
| Prepays and other assets | - | - | 12,387,501 | 1,143 | 19,001,019 |
| Advances to other funds | - | - | - | - | 530,000 |
| Restricted cash and cash equivalents | - | - | - | - | 4,194,758 |
| Long term notes receivable | - | - | - | 531,926 | 5,756,926 |
| Total assets | <u>2,500,000</u> | <u>1,185,849</u> | <u>28,385,886</u> | <u>111,438,906</u> | <u>794,373,713</u> |
| LIABILITIES | | | | | |
| Vouchers payable | - | - | 16,239,548 | 11,521,981 | 45,282,177 |
| Accrued payroll | - | - | 644,634 | 3,469,162 | 9,914,736 |
| Retainage payable | - | - | 37,724 | 107,732 | 3,818,880 |
| Customer deposits | - | - | - | - | 3,887,186 |
| Due to other funds | - | - | 1,988 | 65,659,422 | 327,994,900 |
| Due to other units | - | - | - | - | 358,570 |
| Advances from other funds | - | - | 405,000 | 525,000 | 930,000 |
| Unearned revenue | - | - | 11,056,992 | 30,155,609 | 52,369,858 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>28,385,886</u> | <u>111,438,906</u> | <u>444,556,307</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable revenue - property taxes | - | - | - | - | 977,246 |
| Unavailable revenue - other | - | - | - | - | 7,636,479 |
| Deferred lease revenues | - | - | - | - | 29,851 |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,643,576</u> |
| FUND BALANCES | | | | | |
| Nonspendable | - | - | 12,387,501 | 1,143 | 19,531,019 |
| Restricted | 2,500,000 | 1,185,849 | - | - | 317,786,124 |
| Committed | - | - | - | - | 18,902,468 |
| Unassigned | - | - | (12,387,501) | (1,143) | (15,045,781) |
| Total fund balances | <u>2,500,000</u> | <u>1,185,849</u> | <u>-</u> | <u>-</u> | <u>341,173,830</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 2,500,000</u> | <u>\$ 1,185,849</u> | <u>\$ 28,385,886</u> | <u>\$ 111,438,906</u> | <u>\$ 794,373,713</u> |

(concluded)

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
For The Fiscal Year Ended September 30, 2023

| | Flood Control | Sports & Convention Corporation | Hotel Occupancy Tax Revenue | District Court Records Archive | Port Security Program | DSRIP Programs | Deed Restriction Enforcement | Concession Fee |
|--|--------------------------|--|--|---|--------------------------------------|---------------------------|---|---------------------------|
| REVENUES | | | | | | | | |
| Taxes | \$ 112,299,245 | \$ - | \$ 52,288,608 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Charges for services | - | - | 18,323 | 84,451 | - | - | - | 169,654 |
| Intergovernmental | 194,273 | - | - | - | 503,837 | - | - | - |
| Lease revenue | 59,134 | - | - | - | - | - | - | 803,516 |
| Earnings on investments | 2,901,631 | 897,523 | 1,284,852 | 8,965 | 45 | 435,212 | 1,106 | 316,571 |
| Miscellaneous | 2,242,143 | 11,291,020 | 1,120,464 | - | - | 39,109 | - | - |
| Total revenues | <u>117,696,426</u> | <u>12,188,543</u> | <u>54,712,247</u> | <u>93,416</u> | <u>503,882</u> | <u>474,321</u> | <u>1,106</u> | <u>1,289,741</u> |
| EXPENDITURES | | | | | | | | |
| Current operating: | | | | | | | | |
| Administration of justice | - | - | - | 2,042 | 135,499 | - | - | 122 |
| Parks | - | 10,941,089 | 8,460 | - | - | - | - | 57,413 |
| County administration | - | - | 13,351,593 | - | 459,201 | - | - | 2,606 |
| Health and human services | - | - | - | - | - | 4,747,516 | - | - |
| Flood control | 93,089,614 | - | - | - | - | - | - | - |
| Tax administration | 1,252,667 | - | - | - | - | - | - | - |
| Road and Bridges | - | - | - | - | - | - | - | - |
| Capital outlay | 651,476 | 2,324,186 | - | - | 20,751 | - | - | 8,835 |
| Debt service: | | | | | | | | |
| Principal retirement | 1,005,903 | - | - | - | - | - | - | - |
| Payment on loans | - | 1,519,019 | - | - | - | - | - | - |
| Interest and fiscal charges | 67,556 | - | - | - | - | - | - | - |
| Total expenditures | <u>96,067,216</u> | <u>14,784,294</u> | <u>13,360,053</u> | <u>2,042</u> | <u>615,451</u> | <u>4,747,516</u> | <u>-</u> | <u>68,976</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>21,629,210</u> | <u>(2,595,751)</u> | <u>41,352,194</u> | <u>91,374</u> | <u>(111,569)</u> | <u>(4,273,195)</u> | <u>1,106</u> | <u>1,220,765</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers in | 138,628 | - | - | - | - | - | - | - |
| Transfers out | (4,064,500) | - | (25,667,000) | - | - | - | - | - |
| Sale of capital assets | 29,775 | 8,706,253 | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>(3,896,097)</u> | <u>8,706,253</u> | <u>(25,667,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net changes in fund balances | 17,733,113 | 6,110,502 | 15,685,194 | 91,374 | (111,569) | (4,273,195) | 1,106 | 1,220,765 |
| Fund balances, beginning | 46,073,043 | 23,613,674 | 35,146,869 | 119,417 | (32,556) | 10,618,996 | 23,441 | 6,377,268 |
| Fund balances, ending | <u>\$ 63,806,156</u> | <u>\$ 29,724,176</u> | <u>\$ 50,832,063</u> | <u>\$ 210,791</u> | <u>(\$144,125)</u> | <u>\$ 6,345,801</u> | <u>\$ 24,547</u> | <u>\$ 7,598,033</u> |

(continued)

| Care for Elders | Child Support Enforcement | Family Protection | Probate Court Support | Appellate Judicial System | County Attorney Administration | District Attorney Administration | Justice Court Courthouse Security | Records Management | Donation Fund |
|-----------------|---------------------------|-------------------|-----------------------|---------------------------|--------------------------------|----------------------------------|-----------------------------------|--------------------|---------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | 154 | - | 509,326 | 12,582,811 | 4,920 | 134,620 | 10,458,134 | - |
| - | - | - | 439,934 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| 149 | 13,704 | 9,836 | 67,850 | 10,499 | 714,583 | 2,587 | 105,766 | 946,984 | 19,744 |
| - | - | - | - | 279,885 | - | 2,850 | - | 598 | 925,880 |
| 149 | 13,704 | 9,990 | 507,784 | 799,710 | 13,297,394 | 10,357 | 240,386 | 11,405,716 | 945,624 |
| - | - | 12,430 | - | 661,473 | 1,954,213 | - | - | 2,510,774 | 22,055 |
| - | - | - | - | - | - | - | - | - | 13,769 |
| - | - | - | 395,016 | - | 1,755 | - | - | 6,028,133 | 58,361 |
| - | - | 20,427 | - | - | - | - | - | - | 342,797 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | 100,606 | 40,018 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | 32,857 | 395,016 | 661,473 | 1,955,968 | - | - | 8,639,513 | 477,000 |
| 149 | 13,704 | (22,867) | 112,768 | 138,237 | 11,341,426 | 10,357 | 240,386 | 2,766,203 | 468,624 |
| - | - | - | - | - | - | - | - | 109,281 | - |
| - | - | - | - | - | - | - | - | - | (355,000) |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | 109,281 | (355,000) |
| 149 | 13,704 | (22,867) | 112,768 | 138,237 | 11,341,426 | 10,357 | 240,386 | 2,875,484 | 113,624 |
| 19,763 | 290,734 | 236,351 | 1,517,610 | 251,485 | 11,270,281 | 41,917 | 2,189,727 | 18,696,035 | 2,134,394 |
| \$ 19,912 | \$ 304,438 | \$ 213,484 | \$ 1,630,378 | \$ 389,722 | \$ 22,611,707 | \$ 52,274 | \$ 2,430,113 | \$ 21,571,519 | \$ 2,248,018 |

(continued)

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
For The Fiscal Year Ended September 30, 2023

| | Senate Bill 41 Fees | Justice Court Technology | Child Abuse Prevention | Bail Bond Board | Juvenile Case Manager Fee | Tax Assessor Chapter 19 | Star Drug Courts | County & District Technology Fee |
|--|------------------------|--------------------------------|---------------------------|--------------------|---------------------------------|-------------------------------|---------------------|--|
| REVENUES | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Charges for services | 13,141,042 | 443,681 | 10,609 | 10,507 | 554,517 | - | 111,800 | 20,017 |
| Intergovernmental | - | - | - | - | - | 501,088 | - | - |
| Lease revenue | - | - | - | - | - | - | - | - |
| Earnings on investments | 523,737 | 103,933 | 6,683 | 4,911 | 171,224 | 91 | 104,271 | 26,456 |
| Miscellaneous | - | - | - | - | 149 | - | - | - |
| Total revenues | <u>13,664,779</u> | <u>547,614</u> | <u>17,292</u> | <u>15,418</u> | <u>725,890</u> | <u>501,179</u> | <u>216,071</u> | <u>46,473</u> |
| EXPENDITURES | | | | | | | | |
| Current operating: | | | | | | | | |
| Administration of justice | 4,028,048 | 724,435 | - | 25,372 | - | - | 360,508 | 20,662 |
| Parks | - | - | - | - | - | - | - | - |
| County administration | 2,325,044 | 323,077 | - | - | - | 1,001,088 | - | - |
| Health and human services | - | - | - | - | 806,543 | - | - | - |
| Flood Control | - | - | - | - | - | - | - | - |
| Tax administration | - | - | - | - | - | - | - | - |
| Road and Bridges | - | - | - | - | - | - | - | - |
| Capital outlay | - | 78,482 | - | - | - | - | - | - |
| Debt service: | | | | | | | | |
| Principal retirement | - | - | - | - | - | - | - | - |
| Payment on loans | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - |
| Total expenditures | <u>6,353,092</u> | <u>1,125,994</u> | <u>-</u> | <u>25,372</u> | <u>806,543</u> | <u>1,001,088</u> | <u>360,508</u> | <u>20,662</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>7,311,687</u> | <u>(578,380)</u> | <u>17,292</u> | <u>(9,954)</u> | <u>(80,653)</u> | <u>(499,909)</u> | <u>(144,437)</u> | <u>25,811</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net changes in fund balances | 7,311,687 | (578,380) | 17,292 | (9,954) | (80,653) | (499,909) | (144,437) | 25,811 |
| Fund balances, beginning | 8,168,020 | 2,506,429 | 136,509 | 112,703 | 3,715,902 | 500,230 | 2,284,511 | 552,118 |
| Fund balances, ending | <u>\$ 15,479,707</u> | <u>\$ 1,928,049</u> | <u>\$ 153,801</u> | <u>\$ 102,749</u> | <u>\$ 3,635,249</u> | <u>\$ 321</u> | <u>\$ 2,140,074</u> | <u>\$ 577,929</u> |

(continued)

| DA DWI Pre-trial Intervention Program | Gulf of Mexico Energy Security Act | Veterinary Public Health | Environmental Programs | Environmental Enforcement | Election Services | Law Enforcement Forfeited Fund | Criminal Courts Audio Visual | Medicaid Administrative Claim Reimbursement | Dispute Resolution |
|---|--|-----------------------------|---------------------------|------------------------------|----------------------|--------------------------------------|------------------------------------|---|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1,695,250 | - | 571,205 | - | - | - | 132,910 | - | 36,743 | 2,206,756 |
| - | 3,781,652 | - | - | - | - | 89,075 | - | 1,235,879 | - |
| - | - | - | - | - | - | - | - | - | - |
| 110,901 | 606,775 | 55,409 | 135 | 5,843 | 76,634 | 811,834 | 2,957 | 66,347 | 83,910 |
| - | - | - | - | 1,000 | 11,767,446 | 2,760,981 | - | 6,944 | - |
| <u>1,806,151</u> | <u>4,388,427</u> | <u>626,614</u> | <u>135</u> | <u>6,843</u> | <u>11,844,080</u> | <u>3,794,800</u> | <u>2,957</u> | <u>1,345,913</u> | <u>2,290,666</u> |
| 810,244 | - | - | - | 45,601 | - | 8,274,323 | - | - | 1,185,668 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | 12,705 | - | 6,838,285 | 74,877 | - | - | - |
| - | - | 702,660 | - | - | - | - | - | 1,285,252 | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | 10,540 | - | 22,232 | 92,527 | 945,569 | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| <u>810,244</u> | <u>-</u> | <u>713,200</u> | <u>12,705</u> | <u>67,833</u> | <u>6,930,812</u> | <u>9,294,769</u> | <u>-</u> | <u>1,285,252</u> | <u>1,185,668</u> |
| 995,907 | 4,388,427 | (86,586) | (12,570) | (60,990) | 4,913,268 | (5,499,969) | 2,957 | 60,661 | 1,104,998 |
| - | - | - | - | - | 667 | - | - | - | - |
| - | (4,400,000) | - | - | - | - | (23,831) | - | (279,814) | - |
| - | - | - | - | - | - | - | - | - | - |
| - | <u>(4,400,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>667</u> | <u>(23,831)</u> | <u>-</u> | <u>(279,814)</u> | <u>-</u> |
| 995,907 | (11,573) | (86,586) | (12,570) | (60,990) | 4,913,935 | (5,523,800) | 2,957 | (219,153) | 1,104,998 |
| 1,907,342 | 13,612,562 | 1,215,268 | 15,834 | 147,848 | 1,675,696 | 21,730,345 | 62,739 | 1,372,623 | 1,234,862 |
| <u>\$ 2,903,249</u> | <u>\$ 13,600,989</u> | <u>\$ 1,128,682</u> | <u>\$ 3,264</u> | <u>\$ 86,858</u> | <u>\$ 6,589,631</u> | <u>\$ 16,206,545</u> | <u>\$ 65,696</u> | <u>\$ 1,153,470</u> | <u>\$ 2,339,860</u> |

(continued)

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
For The Fiscal Year Ended September 30, 2023

| | Fire Code Fee | Boarding Home Fines & Fees | LEOSE Law Enforcement | Library Contribution Fund | Juvenile Probation Fee | Food Permit Fee | Court Reporter Services | Juvenile Delinquency Prevention |
|--|----------------------|----------------------------------|-----------------------------|---------------------------------|------------------------------|-----------------------|-------------------------------|---------------------------------------|
| REVENUES | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Charges for services | 12,651,320 | 37,733 | 4,572 | - | 42,980 | 4,296,965 | 2,547,710 | 54 |
| Intergovernmental | - | - | 554,527 | 5,000 | - | - | - | - |
| Lease revenue | - | - | - | - | - | - | - | - |
| Earnings on investments | 375,474 | 1,911 | 20,242 | 37,306 | 4,166 | 76,048 | 202,111 | 8 |
| Miscellaneous | 194,052 | - | - | 162,737 | - | 8,606 | - | - |
| Total revenues | <u>13,220,846</u> | <u>39,644</u> | <u>579,341</u> | <u>205,043</u> | <u>47,146</u> | <u>4,381,619</u> | <u>2,749,821</u> | <u>62</u> |
| EXPENDITURES | | | | | | | | |
| Current operating: | | | | | | | | |
| Administration of justice | 5,389,700 | - | 339,080 | - | 132 | - | 1,773,390 | - |
| Parks | - | - | - | - | - | - | - | - |
| County administration | 562,775 | - | - | - | - | - | - | - |
| Health and human services | - | - | - | 116,733 | - | 3,920,862 | - | - |
| Flood Control | - | - | - | - | - | - | - | - |
| Tax administration | - | - | - | - | - | - | - | - |
| Road and Bridges | - | - | - | - | - | - | - | - |
| Capital outlay | 172,075 | - | - | - | - | - | - | - |
| Debt service: | | | | | | | | |
| Principal retirement | - | - | - | - | - | - | - | - |
| Payment on loans | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - |
| Total expenditures | <u>6,124,550</u> | <u>-</u> | <u>339,080</u> | <u>116,733</u> | <u>132</u> | <u>3,920,862</u> | <u>1,773,390</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>7,096,296</u> | <u>39,644</u> | <u>240,261</u> | <u>88,310</u> | <u>47,014</u> | <u>460,757</u> | <u>976,431</u> | <u>62</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers in | 1,170 | - | - | 2,778 | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>1,170</u> | <u>-</u> | <u>-</u> | <u>2,778</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net changes in fund balances | 7,097,466 | 39,644 | 240,261 | 91,088 | 47,014 | 460,757 | 976,431 | 62 |
| Fund balances, beginning | 4,747,340 | 25,242 | 233,618 | 754,201 | 538,145 | 1,129,703 | 3,782,338 | 132 |
| Fund balances, ending | <u>\$ 11,844,806</u> | <u>\$ 64,886</u> | <u>\$ 473,879</u> | <u>\$ 845,289</u> | <u>\$ 585,159</u> | <u>\$ 1,590,460</u> | <u>\$ 4,758,769</u> | <u>\$ 194</u> |

(continued)

| Supplemental Guardianship | Courthouse Security | Law Library | Pool Permit Fees | County Jury Fund | TIRZ Affordable Housing/Other Restricted Funds | Committed by Commissioners' Court | Harris County Redevelopment Authority | Harris County Juvenile Board | Flood Control Grants |
|---------------------------|---------------------|---------------------|-------------------|---------------------|--|-----------------------------------|---------------------------------------|------------------------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 302,310 | 3,094,330 | 3,558,482 | - | 1,030,458 | 10 | 525,730 | - | - | - |
| - | - | - | - | - | 638,293 | 12,625 | - | 26,545,748 | 54,440,590 |
| - | - | - | - | - | - | - | - | - | - |
| 75,293 | 55,401 | 153,896 | 7,931 | 47,739 | 381,048 | 671,872 | 127,880 | 596,398 | 180,765 |
| - | - | 29,779 | 144,400 | - | 1,734,920 | 8,567,692 | 5,243,258 | - | 278,188 |
| <u>377,603</u> | <u>3,149,731</u> | <u>3,742,157</u> | <u>152,331</u> | <u>1,078,197</u> | <u>2,754,271</u> | <u>9,777,919</u> | <u>5,371,138</u> | <u>27,142,146</u> | <u>54,899,543</u> |
| - | 2,509,182 | 2,013,505 | - | 308,075 | - | 8,146 | - | 30,371,831 | - |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 47,788 | 4,733,635 | - | - |
| 185,315 | - | - | 78,326 | - | 3,276,339 | 546,732 | - | - | - |
| - | - | - | - | - | - | - | - | - | 3,403,417 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | 9,423 | - | - | - | 194,637 | - | 19,328 | 47,713,312 |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - | - |
| <u>185,315</u> | <u>2,509,182</u> | <u>2,022,928</u> | <u>78,326</u> | <u>308,075</u> | <u>3,276,339</u> | <u>797,303</u> | <u>4,733,635</u> | <u>30,391,159</u> | <u>51,116,729</u> |
| 192,288 | 640,549 | 1,719,229 | 74,005 | 770,122 | (522,068) | 8,980,616 | 637,503 | (3,249,013) | 3,782,814 |
| - | - | - | - | - | - | - | - | 3,257,292 | 7,284,853 |
| - | - | - | - | - | (2,769,683) | (757) | - | (8,279) | (11,067,667) |
| - | - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | (2,769,683) | (757) | - | 3,249,013 | (3,782,814) |
| 192,288 | 640,549 | 1,719,229 | 74,005 | 770,122 | (3,291,751) | 8,979,859 | 637,503 | - | - |
| 1,532,766 | 815,074 | 2,604,650 | 142,654 | 657,375 | 10,515,540 | 9,922,609 | 3,446,937 | - | - |
| <u>\$ 1,725,054</u> | <u>\$ 1,455,623</u> | <u>\$ 4,323,879</u> | <u>\$ 216,659</u> | <u>\$ 1,427,497</u> | <u>\$ 7,223,789</u> | <u>\$ 18,902,468</u> | <u>\$ 4,084,440</u> | <u>\$ -</u> | <u>\$ -</u> |

(continued)

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
For The Fiscal Year Ended September 30, 2023

| | Riverside Hospital Qatar | Riverside Hospital Other | Harris County State & Local Grants | Harris County Federal & Other Grants | Total |
|--|--------------------------------|--------------------------------|--|--|-----------------------|
| REVENUES | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ 164,587,853 |
| Charges for services | - | - | - | 16,073 | 71,006,157 |
| Intergovernmental | - | - | 25,317,269 | 130,674,125 | 244,933,915 |
| Lease revenue | - | - | - | - | 862,650 |
| Earnings on investments | - | - | 162,718 | 71,247 | 13,749,112 |
| Miscellaneous | - | - | - | 3,654,241 | 50,456,342 |
| Total revenues | <u>-</u> | <u>-</u> | <u>25,479,987</u> | <u>134,415,686</u> | <u>545,596,029</u> |
| EXPENDITURES | | | | | |
| Current operating: | | | | | |
| Administration of justice | - | - | 11,953,068 | 28,866,953 | 104,306,531 |
| Parks | - | - | - | 28,409 | 11,049,140 |
| County administration | - | 7,933 | 7,326,593 | 12,802,693 | 56,353,158 |
| Health and human services | - | - | 3,708,552 | 54,224,342 | 73,962,396 |
| Flood Control | - | - | - | - | 96,493,031 |
| Tax administration | - | - | - | - | 1,252,667 |
| Road and Bridges | - | - | 865,270 | 42,299 | 907,569 |
| Capital outlay | - | - | 313,647 | 8,005,921 | 60,723,565 |
| Debt service: | | | | | |
| Principal retirement | - | - | - | - | 1,005,903 |
| Payment on loans | - | - | - | - | 1,519,019 |
| Interest and fiscal charges | - | - | - | - | 67,556 |
| Total expenditures | <u>-</u> | <u>7,933</u> | <u>24,167,130</u> | <u>103,970,617</u> | <u>407,640,535</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>(7,933)</u> | <u>1,312,857</u> | <u>30,445,069</u> | <u>137,955,494</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | 476,432 | 8,198,719 | 19,469,820 |
| Transfers out | - | - | (1,789,289) | (38,643,788) | (89,069,608) |
| Sale of capital assets | - | - | - | - | 8,736,028 |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>(1,312,857)</u> | <u>(30,445,069)</u> | <u>(60,863,760)</u> |
| Net changes in fund balances | - | (7,933) | - | - | 77,091,734 |
| Fund balances, beginning | 2,500,000 | 1,193,782 | - | - | 264,082,096 |
| Fund balances, ending | <u>\$ 2,500,000</u> | <u>\$ 1,185,849</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 341,173,830</u> |

(concluded)

**HARRIS COUNTY, TEXAS
SPECIAL REVENUE FUNDS**

**SCHEDULE OF AVAILABLE RESOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>Over (Under)</u> |
|---------------------------------|---------------------------|----------------------------|-----------------------|---------------------------|
| Beginning Cash and Investments | \$ 217,463,592 | \$ 316,277,614 | \$ 73,068,390 | \$ (243,209,224) |
| Revenues and Transfers In: | | | | |
| Taxes | 180,722,154 | 180,722,154 | 166,722,339 | (13,999,815) |
| Charges for Services | 50,786,995 | 61,864,258 | 72,070,262 | 10,206,004 |
| Forfeitures | - | 100,461 | 139,147 | 38,686 |
| Lease & User Fees | 1,041,001 | 1,041,001 | 878,507 | (162,494) |
| Intergovernmental | 1,124,641,754 | 2,181,062,584 | 271,263,744 | (1,909,798,840) |
| Earnings on investments | 349,134 | 413,407 | 12,402,105 | 11,988,698 |
| Miscellaneous | 7,146,398 | 33,215,645 | 37,941,626 | 4,725,981 |
| Other - Transfers In | 233,103,143 | 300,609,245 | 75,066,688 | (225,542,557) |
| Total Revenues and Transfers In | <u>1,597,790,579</u> | <u>2,759,028,755</u> | <u>636,484,418</u> | <u>(2,122,544,337)</u> |
| Total Available Resources | <u>\$ 1,815,254,171</u> | <u>\$ 3,075,306,369</u> | <u>\$ 709,552,808</u> | <u>\$ (2,365,753,561)</u> |

**HARRIS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF EXPENDITURES AND OTHER USES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| | Adopted Budget | Adjusted Budget | Actual | (Over) Under |
|---------------------------------------|---------------------------|----------------------------|---------------|-------------------------|
| Flood Control | \$ 214,761,328 | \$ 214,761,328 | \$ 99,321,967 | \$ 115,439,361 |
| Sports & Convention Corporation | 10,414,740 | 10,414,740 | 8,713,986 | 1,700,754 |
| Hotel Occupancy Tax Revenue | 66,273,770 | 66,273,770 | 40,496,771 | 25,776,999 |
| District Court Records Archive | 120,899 | 120,899 | 45,487 | 75,412 |
| Port Security Program | 1,239,231 | 1,970,656 | 584,295 | 1,386,361 |
| DSRIP Programs | 17,245,231 | 17,245,532 | 4,752,007 | 12,493,525 |
| Deed Restriction Enforcement | 23,642 | 23,642 | - | 23,642 |
| Concession Fee | 7,364,556 | 7,416,301 | 68,855 | 7,347,446 |
| Care For Elders | 15,662 | 15,662 | - | 15,662 |
| Child Support Enforcement | 293,202 | 293,202 | - | 293,202 |
| Family Protection | 222,586 | 222,586 | 34,071 | 188,515 |
| Probate Court Support | 2,178,693 | 2,178,693 | 437,908 | 1,740,785 |
| Appellate Judicial System | 524,403 | 854,575 | 660,529 | 194,046 |
| County Attorney Administration | 10,485,573 | 21,485,573 | 1,774,522 | 19,711,051 |
| District Attorney Administration | 43,879 | 43,879 | - | 43,879 |
| Justice Court Courthouse Security | 2,295,400 | 2,295,400 | - | 2,295,400 |
| Records Management | 32,433,808 | 32,239,337 | 8,811,709 | 23,427,628 |
| Donation Fund | 2,190,435 | 3,100,326 | 817,801 | 2,282,525 |
| Senate Bill 41 Fees | 18,224,537 | 18,224,537 | 6,335,025 | 11,889,512 |
| Justice Court Technology | 2,916,503 | 2,916,503 | 1,128,955 | 1,787,548 |
| Child Abuse Prevention | 147,958 | 147,958 | - | 147,958 |
| Bail Bond Board | 129,100 | 129,100 | 25,372 | 103,728 |
| Juvenile Case Manager Fee | 4,287,976 | 4,287,976 | 797,855 | 3,490,121 |
| Tax Assessor Chapter 19 | 1,200,230 | 1,200,230 | 1,001,088 | 199,142 |
| Star Drug Courts | 2,494,681 | 2,494,681 | 348,144 | 2,146,537 |
| County & District Technology Fee | 663,122 | 663,122 | 20,662 | 642,460 |
| DA DWI Pre-Trial Intervention Program | 2,894,769 | 2,894,769 | 819,584 | 2,075,185 |
| Gulf of Mexico Energy Security Act | 13,725,841 | 17,507,493 | 4,400,000 | 13,107,493 |
| Veterinary Public Health | 2,559,067 | 2,559,067 | 718,101 | 1,840,966 |
| Environmental Programs | 15,005 | 15,005 | 12,705 | 2,300 |
| Environmental Enforcement | 154,333 | 159,333 | 45,602 | 113,731 |
| Election Services | 1,518,847 | 10,993,977 | 7,193,537 | 3,800,440 |
| Law Enforcement Forfeited Fund | 21,663,533 | 22,778,102 | 9,134,056 | 13,644,046 |
| Criminal Courts Audio/Visual | 63,270 | 63,270 | - | 63,270 |
| Medicaid Admin Claim Reimbursement | 4,066,676 | 4,071,567 | 1,720,532 | 2,351,035 |
| Dispute Resolution | 2,942,063 | 2,942,063 | 1,216,677 | 1,725,386 |
| Fire Code Fee | 12,682,242 | 14,338,167 | 6,190,757 | 8,147,410 |
| Boarding Home Fines & Fees | 207,490 | 216,891 | - | 216,891 |
| LEOSE - Law Enforcement | 345,386 | 610,573 | 347,192 | 263,381 |
| Library Contribution Fund | 856,457 | 856,457 | 142,177 | 714,280 |
| Juvenile Probation Fee | 562,415 | 562,415 | 133 | 562,282 |
| Food Permit Fees | 5,968,323 | 5,993,141 | 3,847,313 | 2,145,828 |
| Court Reporter Services | 6,063,100 | 6,063,100 | 2,046,283 | 4,016,817 |
| Supplemental Guardianship | 1,880,923 | 1,880,923 | 182,779 | 1,698,144 |
| Courthouse Security | 2,734,654 | 2,734,654 | 2,504,166 | 230,488 |
| Law Library | 5,596,639 | 5,596,639 | 2,097,316 | 3,499,323 |

**HARRIS COUNTY, TEXAS
SPECIAL REVENUE FUNDS
SCHEDULE OF EXPENDITURES AND OTHER USES
BUDGET AND ACTUAL - BUDGETARY BASIS**

For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>(Over) Under</u> |
|--|--------------------------------|--------------------------------|------------------------------|--------------------------------|
| Pool Permit Fees | 247,735 | 247,735 | 75,399 | 172,336 |
| County Jury Fund | 398,882 | 881,222 | 308,074 | 573,148 |
| TIRZ Affordable Housing/Other Restricted Funds | 5,854,646 | 10,122,689 | 5,731,874 | 4,390,815 |
| Committed by Commissioners' Court | 9,929,125 | 18,738,957 | 805,225 | 17,933,732 |
| Harris County Redevelopment Authority | 5,470,646 | 5,470,646 | 4,726,326 | 744,320 |
| Harris County Juvenile Board | 36,798,246 | 37,592,874 | 29,599,755 | 7,993,119 |
| Flood Control Grants | 862,556,537 | 994,307,642 | 65,704,023 | 928,603,619 |
| Riverside Hospital Qatar | 2,500,000 | 2,500,000 | - | 2,500,000 |
| Riverside Hospital Other | 1,193,782 | 1,193,782 | 7,933 | 1,185,849 |
| Harris County State & Local Grants | 69,010,640 | 80,308,792 | 41,921,295 | 38,387,497 |
| Harris County Federal & Other Grants | 336,601,754 | 1,410,084,216 | 215,838,068 | 1,194,246,148 |
| Total Special Revenue Fund | <u>\$ 1,815,254,171</u> | <u>\$ 3,075,306,369</u> | <u>\$ 583,513,891</u> | <u>\$ 2,491,792,478</u> |

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**HARRIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE
September 30, 2023**

| | <u>Roads</u> | <u>Flood Control</u> | <u>Total</u> |
|---|--------------------------|--------------------------|---------------------------|
| ASSETS | | | |
| Restricted cash and cash equivalents | \$ 54,512,503 | \$ 84,521,806 | \$ 139,034,309 |
| Taxes receivable, net | 727,825 | 388,004 | 1,115,829 |
| Other receivables | 754 | 857 | 1,611 |
| Total assets | <u>55,241,082</u> | <u>84,910,667</u> | <u>140,151,749</u> |
| LIABILITIES | | | |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue - property taxes | 727,825 | 388,004 | 1,115,829 |
| Total deferred inflows of resources | <u>727,825</u> | <u>388,004</u> | <u>1,115,829</u> |
| FUND BALANCES | | | |
| Restricted | <u>54,513,257</u> | <u>84,522,663</u> | <u>139,035,920</u> |
| Total fund balances | <u>54,513,257</u> | <u>84,522,663</u> | <u>139,035,920</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 55,241,082</u> | <u>\$ 84,910,667</u> | <u>\$ 140,151,749</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE
For The Fiscal Year Ended September 30, 2023

| | <u>Roads</u> | <u>Flood Control</u> | <u>Total</u> |
|---|----------------------|--------------------------|-----------------------|
| REVENUES | | | |
| Taxes - property | \$ 67,570,433 | \$ 55,637,304 | \$ 123,207,737 |
| Earnings on investments | 1,657,508 | 1,209,693 | 2,867,201 |
| Miscellaneous | 6,213 | 30,735 | 36,948 |
| Total revenues | <u>69,234,154</u> | <u>56,877,732</u> | <u>126,111,886</u> |
| EXPENDITURES | | | |
| Debt service: | | | |
| Debt issuance costs | 664,519 | 1,859,465 | 2,523,984 |
| Interest and fiscal charges | 17,861,536 | 27,784,936 | 45,646,472 |
| Total expenditures | <u>18,526,055</u> | <u>29,644,401</u> | <u>48,170,456</u> |
| Excess (deficiency) of revenue over (under) expenditures | <u>50,708,099</u> | <u>27,233,331</u> | <u>77,941,430</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 190,418 | 53,404,763 | 53,595,181 |
| Transfers out | (100,441,231) | - | (100,441,231) |
| Refunding bonds issued | 96,560,000 | 211,400,000 | 307,960,000 |
| Premium on bonds issued | 4,556,508 | 14,943,524 | 19,500,032 |
| Payments to defease commercial paper | - | (225,000,000) | (225,000,000) |
| Total other financing sources (uses) | <u>865,695</u> | <u>54,748,287</u> | <u>55,613,982</u> |
| Net changes in fund balances | 51,573,794 | 81,981,618 | 133,555,412 |
| Fund balances, beginning | 2,939,463 | 2,541,045 | 5,480,508 |
| Fund balances, ending | <u>\$ 54,513,257</u> | <u>\$ 84,522,663</u> | <u>\$ 139,035,920</u> |

HARRIS COUNTY, TEXAS
DEBT SERVICE FUND
SCHEDULE OF AVAILABLE RESOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS
For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>Over (Under)</u> |
|---------------------------------|---------------------------|----------------------------|-----------------------|-------------------------|
| Beginning Cash and Investments | \$ 120,290,402 | \$ 121,074,754 | \$ 6,399,839 | \$ (114,674,915) |
| Revenues and Transfers In: | | | | |
| Taxes | 139,237,376 | 139,237,376 | 123,256,335 | (15,981,041) |
| Earnings on investments | 392,025 | 392,848 | 2,870,819 | 2,477,971 |
| Miscellaneous | 44,598 | 44,598 | 36,948 | (7,650) |
| Other | 46,636,240 | 642,713,181 | 649,727,948 | 7,014,767 |
| Total Revenues and Transfers In | <u>186,310,239</u> | <u>782,388,003</u> | <u>775,892,050</u> | <u>(6,495,953)</u> |
| Total Available Resources | <u>\$ 306,600,641</u> | <u>\$ 903,462,757</u> | <u>\$ 782,291,889</u> | <u>\$ (121,170,868)</u> |

HARRIS COUNTY, TEXAS
DEBT SERVICE FUND
SCHEDULE OF EXPENDITURES AND OTHER USES
BUDGET AND ACTUAL - BUDGETARY BASIS
For The Fiscal Year Ended September 30, 2023

| | Adopted Budget | Adjusted Budget | Actual | (Over) Under |
|--|---------------------------|----------------------------|-----------------------|-------------------------|
| Roads | | | | |
| Road Refunding Series 2010A | \$ 13,440,466 | \$ 13,440,466 | \$ 516,775 | \$ 12,923,691 |
| Road Refunding Series 2012B | 12,890,894 | 12,890,894 | 146,700 | 12,744,194 |
| Road Refunding Series 2014A | 10,295,786 | 10,295,786 | 3,363,750 | 6,932,036 |
| Road Refunding Series 2015A | 15,265,815 | 15,265,815 | 5,027,250 | 10,238,565 |
| Road Refunding Series 2017A | 11,631,710 | 11,631,710 | 755,350 | 10,876,360 |
| Road Refunding Series 2019A | 17,653,393 | 17,653,393 | 106,375 | 17,547,018 |
| Road Refunding Series 2021 | 10,866,185 | 10,866,185 | 997,235 | 9,868,950 |
| Road Refunding Series 2022A | 31,621,181 | 31,621,181 | 7,464,875 | 24,156,306 |
| Road Refunding Series 2023A | - | 101,116,508 | 101,116,508 | - |
| Road Refunding Series COI 2022A | 465,271 | 465,271 | 316,750 | 148,521 |
| Road Refunding Series COI 2023A | - | 299,460 | - | 299,460 |
| Total Roads | 124,130,701 | 225,546,669 | 119,811,568 | 105,735,101 |
| Commercial Paper Series C | 884,770 | 43,923,171 | 43,823,710 | 99,461 |
| Flood Control | | | | |
| Flood Control Improvement Refunding Bond 2014 | 2,794,929 | 2,794,929 | 905,000 | 1,889,929 |
| Flood Control Contract Tax Bond 2014A | 4,368,341 | 4,368,341 | 1,455,625 | 2,912,716 |
| Flood Control Contract Tax Bond 2014B | 1,073,828 | 1,073,828 | 356,020 | 717,808 |
| Flood Control Improvement Refunding Bond 2015A | 3,276,177 | 3,276,177 | 1,055,025 | 2,221,152 |
| Flood Control Contract Tax Bond 2015B | 2,104,705 | 2,104,705 | 701,075 | 1,403,630 |
| Flood Control Contract Tax Bond 2017A | 11,513,386 | 11,513,386 | 3,837,400 | 7,675,986 |
| Flood Control Contract Tax Refunding Ser 2019A | 66,124,178 | 66,124,178 | 990,500 | 65,133,678 |
| Flood Control Improvement Refunding 2020A | 27,483,916 | 27,483,916 | 4,920,875 | 22,563,041 |
| Flood Control Improvement Refunding 2021A | 26,390,364 | 26,390,364 | 5,260,575 | 21,129,789 |
| Flood Control Improvement Refunding 2022A | 32,782,336 | 32,782,336 | 5,496,980 | 27,285,356 |
| Flood Control Improvement Refunding 2023A | - | 226,343,524 | 226,343,524 | - |
| Flood Control Commercial Paper Series H | 2,949,894 | 223,949,894 | 223,410,899 | 538,995 |
| Flood Control Commercial Paper Series H2 | 712,942 | 4,712,942 | 4,459,926 | 253,016 |
| Flood Control Contract Tax Refunding COI 2020A | 2,797 | 2,797 | - | 2,797 |
| Flood Control Improvement Refunding Bond COI 2021A | 7,377 | 7,377 | - | 7,377 |
| Flood Control Improvement Refunding Bond COI 2022A | - | 535,376 | 535,376 | - |
| Flood Control Improvement Refunding Bond COI 2023A | - | 528,847 | 513,806 | 15,041 |
| Total Flood Control | 181,585,170 | 633,992,917 | 480,242,606 | 153,750,311 |
| Total Debt Service Funds | \$ 306,600,641 | \$ 903,462,757 | \$ 643,877,884 | \$ 259,584,873 |

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Capital Projects Funds are used to account for bond sale proceeds and other revenues which are used for the construction and acquisition of major capital projects of the County and Flood Control District.

ROADS - This fund is used for construction and improvement of roads in the County.

PERMANENT IMPROVEMENTS - Permanent Improvement bonds are used for purchase, construction or improvement of office and courts buildings, juvenile facilities, parks and other public facilities.

HARRIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS
September 30, 2023

| | <u>Roads</u> | <u>Permanent Improvements</u> | <u>Total</u> |
|--|-----------------------|-----------------------------------|-----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 67,727,629 | \$ 50,563,356 | \$ 118,290,985 |
| Investments | 116,990,600 | 652,507 | 117,643,107 |
| Accounts receivable, net | 150,396 | 216,746 | 367,142 |
| Accrued interest receivable | 1,148,601 | 3,816 | 1,152,417 |
| Other receivables, net | 9,100 | - | 9,100 |
| Due from other funds | 30,411,437 | 30,490,497 | 60,901,934 |
| Prepays and other assets | 274,571 | 240,827 | 515,398 |
| Total assets | <u>216,712,334</u> | <u>82,167,749</u> | <u>298,880,083</u> |
| LIABILITIES | | | |
| Vouchers payable | 11,119,650 | 28,233,405 | 39,353,055 |
| Accrued payroll | - | 268,369 | 268,369 |
| Retainage payable | 3,903,203 | 5,185,505 | 9,088,708 |
| Due to other funds | 12,379,917 | 4,195,515 | 16,575,432 |
| Unearned revenue | 2,009,739 | 3,430,097 | 5,439,836 |
| Total liabilities | <u>29,412,509</u> | <u>41,312,891</u> | <u>70,725,400</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue - other | 150,396 | - | 150,396 |
| Total deferred inflows of resources | <u>150,396</u> | <u>-</u> | <u>150,396</u> |
| FUND BALANCES | | | |
| Nonspendable | 274,571 | 240,827 | 515,398 |
| Restricted | 140,882,747 | 30,092,245 | 170,974,992 |
| Committed | 45,992,111 | 10,521,786 | 56,513,897 |
| Total fund balance | <u>187,149,429</u> | <u>40,854,858</u> | <u>228,004,287</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 216,712,334</u> | <u>\$ 82,167,749</u> | <u>\$ 298,880,083</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS
For The Fiscal Year Ended September 30, 2023

| | <u>Roads</u> | <u>Permanent Improvements</u> | <u>Total</u> |
|--|-----------------------|-----------------------------------|-----------------------|
| REVENUES | | | |
| Intergovernmental | \$ 5,721,292 | \$ - | \$ 5,721,292 |
| Earnings on investments | 7,704,182 | 1,223,980 | 8,928,162 |
| Miscellaneous | 45,859,180 | 3,186,081 | 49,045,261 |
| Total revenues | <u>59,284,654</u> | <u>4,410,061</u> | <u>63,694,715</u> |
| EXPENDITURES | | | |
| Parks | 297,474 | 1,164,019 | 1,461,493 |
| County administration | 30,595,004 | 91,781,358 | 122,376,362 |
| Roads and bridges | 1,733,687 | 1,004,139 | 2,737,826 |
| Administration of justice | - | 21,842,535 | 21,842,535 |
| Health and human services | - | 3,470,108 | 3,470,108 |
| Capital outlay | 83,643,545 | 94,529,818 | 178,173,363 |
| Debt service: | | | |
| Debt issuance costs | 263,247 | 490,152 | 753,399 |
| Total expenditures | <u>116,532,957</u> | <u>214,282,129</u> | <u>330,815,086</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(57,248,303)</u> | <u>(209,872,068)</u> | <u>(267,120,371)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 542,806 | 34,539,724 | 35,082,530 |
| Transfers out | (2,298,838) | (227,637) | (2,526,475) |
| Commercial paper issued | 69,620,000 | 218,725,000 | 288,345,000 |
| Sale of capital assets | - | 7,240 | 7,240 |
| Total other financing sources (uses) | <u>67,863,968</u> | <u>253,044,327</u> | <u>320,908,295</u> |
| Net change in fund balances | 10,615,665 | 43,172,259 | 53,787,924 |
| Fund balances, beginning | 176,533,764 | (2,317,401) | 174,216,363 |
| Fund balances, ending | <u>\$ 187,149,429</u> | <u>\$ 40,854,858</u> | <u>\$ 228,004,287</u> |

**HARRIS COUNTY, TEXAS
CAPITAL PROJECTS FUND
SCHEDULE OF AVAILABLE RESOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS
For The Fiscal Year Ended September 30, 2023**

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>Over (Under)</u> |
|--|---------------------------|----------------------------|-----------------------|---------------------------|
| Beginning Cash and Investments | \$ 285,412,415 | \$ 214,152,690 | \$ 195,344,022 | \$ (18,808,668) |
| Revenues and Transfers In: | | | | |
| Earnings on investments | - | 3,931,882 | 7,420,777 | 3,488,895 |
| Miscellaneous | - | 50,329,579 | 52,508,298 | 2,178,719 |
| Intergovernmental | - | 7,688,724 | 5,584,227 | (2,104,497) |
| Other Transfers In & Other Financing Sources | <u>977,300,000</u> | <u>1,488,162,166</u> | <u>323,427,529</u> | <u>(1,164,734,637)</u> |
| Total Revenues and Transfers In | <u>977,300,000</u> | <u>1,550,112,351</u> | <u>388,940,831</u> | <u>(1,161,171,520)</u> |
| Total Available Resources | <u>\$ 1,262,712,415</u> | <u>\$ 1,764,265,041</u> | <u>\$ 584,284,853</u> | <u>\$ (1,179,980,188)</u> |

**HARRIS COUNTY, TEXAS
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND OTHER USES
BUDGET AND ACTUAL - BUDGETARY BASIS
HARRIS COUNTY, TEXAS**

For The Fiscal Year Ended September 30, 2023

| | <u>Adopted Budget</u> | <u>Adjusted Budget</u> | <u>Actual</u> | <u>(Over) Under</u> |
|----------------------------------|---------------------------|----------------------------|-----------------------|-------------------------|
| Roads | | | | |
| METRO Street Improvement | \$ 1,245,660 | \$ 1,300,813 | \$ 6,679 | \$ 1,294,134 |
| METRO Designated Projects | 120,055,531 | 160,976,270 | 14,453,960 | 146,522,310 |
| Road Capital Projects | 44,213,721 | 56,640,067 | 9,049,643 | 47,590,424 |
| Road Refunding 2004B | 110,073 | 50,007 | 24,036 | 25,971 |
| Road Refunding 2006B | 5,521,136 | 5,794,183 | 269,628 | 5,524,555 |
| Commercial Paper Series C | 307,587,276 | 421,031,150 | 89,446,735 | 331,584,415 |
| Total Roads | <u>478,733,397</u> | <u>645,792,490</u> | <u>113,250,681</u> | <u>532,541,809</u> |
| Permanent Improvements | | | | |
| Buildings/Parks/Library Projects | 9,191,888 | 9,768,090 | 1,998,391 | 7,769,699 |
| NRG Park Project Series 2022 | - | 33,653,734 | 8,028,719 | 25,625,015 |
| Commercial Paper Series A-1 | 92,220,208 | 112,171,776 | 38,954,363 | 73,217,413 |
| Commercial Paper Series B | 30,298,019 | 60,171,781 | 687,756 | 59,484,025 |
| Commercial Paper Series D | 194,118,877 | 241,073,430 | 67,297,499 | 173,775,931 |
| Commercial Paper Series D2 | 176,733,264 | 336,235,334 | 47,737,402 | 288,497,932 |
| Commercial Paper Series D3 | 202,676,742 | 246,656,980 | 52,261,681 | 194,395,299 |
| Commercial Paper Series J1 | 78,740,020 | 78,741,426 | 173,493 | 78,567,933 |
| Total Permanent Improvements | <u>783,979,018</u> | <u>1,118,472,551</u> | <u>217,139,304</u> | <u>901,333,247</u> |
| Total Capital Projects Funds | <u>\$ 1,262,712,415</u> | <u>\$ 1,764,265,041</u> | <u>\$ 330,389,985</u> | <u>\$ 1,433,875,056</u> |



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Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

PARKING FACILITIES - This fund is used to account for the acquisition, operation and maintenance of the County's parking facilities. These facilities are financed primarily through user charges.

SHERIFF'S COMMISSARY - This fund is used to account for the operation of a commissary for jail inmates. The Commissary is funded primarily through profits on sales of commissary items to inmates.

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF NET POSITION - NONMAJOR ENTERPRISE FUNDS
September 30, 2023

| | <u>Parking Facilities</u> | <u>Sheriff's Commissary</u> | <u>Total</u> |
|---|-------------------------------|---------------------------------|----------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 24,690,101 | \$ 20,164,334 | \$ 44,854,435 |
| Investments | 1,626,946 | 16,767 | 1,643,713 |
| Accounts receivable, net | - | 381,021 | 381,021 |
| Accrued interest receivable | 9,516 | 98 | 9,614 |
| Other receivables | 396,328 | 136,630 | 532,958 |
| Total current assets | <u>26,722,891</u> | <u>20,698,850</u> | <u>47,421,741</u> |
| Noncurrent assets: | | | |
| Land and construction in progress | 3,963,598 | 289,341 | 4,252,939 |
| Land improvements | 2,400,604 | - | 2,400,604 |
| Buildings | 22,732,391 | 155,000 | 22,887,391 |
| Equipment | 109,049 | 5,928,610 | 6,037,659 |
| Accumulated depreciation | (13,522,434) | (5,442,390) | (18,964,824) |
| Total noncurrent assets | <u>15,683,208</u> | <u>930,561</u> | <u>16,613,769</u> |
| Total assets | <u>42,406,099</u> | <u>21,629,411</u> | <u>64,035,510</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Vouchers payable | 477,456 | 462,884 | 940,340 |
| Accrued payroll | 31,643 | 47,790 | 79,433 |
| Unearned revenue | - | 5,315 | 5,315 |
| Current portion of long-term liabilities | 8,569 | 18,144 | 26,713 |
| Total current liabilities | <u>517,668</u> | <u>534,133</u> | <u>1,051,801</u> |
| Noncurrent liabilities: | | | |
| Noncurrent portion of compensatory time payable | 8,527 | 18,054 | 26,581 |
| Total noncurrent liabilities | <u>8,527</u> | <u>18,054</u> | <u>26,581</u> |
| Total liabilities | <u>526,195</u> | <u>552,187</u> | <u>1,078,382</u> |
| NET POSITION | | | |
| Net investment in capital assets | 15,683,208 | 930,561 | 16,613,769 |
| Unrestricted | 26,196,696 | 20,146,663 | 46,343,359 |
| Total net position | <u>\$ 41,879,904</u> | <u>\$ 21,077,224</u> | <u>\$ 62,957,128</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - NONMAJOR ENTERPRISE FUNDS
For The Fiscal Year Ended September 30, 2023

| | <u>Parking Facilities</u> | <u>Sheriff's Commissary</u> | <u>Total</u> |
|---|-------------------------------|---------------------------------|----------------------|
| OPERATING REVENUES | | | |
| Sales | \$ - | \$ 12,516,498 | \$ 12,516,498 |
| User fees | 5,261,056 | - | 5,261,056 |
| Miscellaneous | - | 151,538 | 151,538 |
| Total operating revenues | <u>5,261,056</u> | <u>12,668,036</u> | <u>17,929,092</u> |
| OPERATING EXPENSES | | | |
| Salaries | 94,579 | 548,106 | 642,685 |
| Materials and supplies | - | 1,462,482 | 1,462,482 |
| Services and fees | 3,509,784 | 2,556,692 | 6,066,476 |
| Utilities | 146,560 | - | 146,560 |
| Depreciation | 643,152 | 159,440 | 802,592 |
| Total operating expenses | <u>4,394,075</u> | <u>4,726,720</u> | <u>9,120,795</u> |
| Operating income (loss) | <u>866,981</u> | <u>7,941,316</u> | <u>8,808,297</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Interest revenue (expense) | 1,121,529 | 991,256 | 2,112,785 |
| Gain (loss) on sale of capital asset | - | 3,390 | 3,390 |
| Total nonoperating revenue (expenses) | <u>1,121,529</u> | <u>994,646</u> | <u>2,116,175</u> |
| Income (loss) before transfers | <u>1,988,510</u> | <u>8,935,962</u> | <u>10,924,472</u> |
| Change in net position | 1,988,510 | 8,935,962 | 10,924,472 |
| Net position, beginning | 39,891,394 | 12,141,262 | 52,032,656 |
| Net position, ending | <u>\$ 41,879,904</u> | <u>\$ 21,077,224</u> | <u>\$ 62,957,128</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For The Fiscal Year Ended September 30, 2023

| | <u>Parking Facilities</u> | <u>Sheriff's Commissary</u> | <u>Total</u> |
|---|-------------------------------|---------------------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | \$ 5,906,568 | \$ 5,356,722 | \$ 11,263,290 |
| Payments to employees | (56,516) | (547,061) | (603,577) |
| Payments to vendors | (3,516,997) | (4,882,023) | (8,399,020) |
| Net cash provided by (used for) operating activities | <u>2,333,055</u> | <u>(72,362)</u> | <u>2,260,693</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Purchases of capital assets | - | (285,953) | (285,953) |
| Net cash used for capital and related financing activities | <u>-</u> | <u>(285,953)</u> | <u>(285,953)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of investments | - | (5,649,935) | (5,649,935) |
| Proceeds from sales and maturities of investments | - | 12,600,000 | 12,600,000 |
| Interest received | 12,346,157 | 1,178,256 | 13,524,413 |
| Net cash provided by (used for) investing activities | <u>12,346,157</u> | <u>8,128,321</u> | <u>20,474,478</u> |
| Net change in cash and cash equivalents | 14,679,212 | 7,770,006 | 22,449,218 |
| Cash and cash equivalents, beginning | 10,010,889 | 12,394,328 | 22,405,217 |
| Cash and cash equivalents, ending | <u>\$ 24,690,101</u> | <u>\$ 20,164,334</u> | <u>\$ 44,854,435</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities: | | | |
| Operating income (loss) | \$ 866,981 | \$ 7,941,316 | \$ 8,808,297 |
| Adjustment to reconcile operating gain (loss) to net cash provided by (used for) operating activities: | | | |
| Depreciation/amortization | 643,152 | 159,440 | 802,592 |
| Change in current assets and liabilities: | | | |
| Receivables, net | 645,512 | (386,517) | 258,995 |
| Vouchers payable and accrued liabilities | 139,347 | (862,849) | (723,502) |
| Other liabilities | - | (6,924,797) | (6,924,797) |
| Compensatory time payable | 38,063 | 1,045 | 39,108 |
| Net cash provided by (used for) operating activities | <u>\$ 2,333,055</u> | <u>\$ (72,362)</u> | <u>\$ 2,260,693</u> |
| Non-Cash Investing Activities: | | | |
| Increase/(decrease) in the fair value of investments | \$ (11,208,644) | \$ (7,131,000) | \$ (18,339,644) |

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

VEHICLE MAINTENANCE - This fund is used to account for the operation and maintenance of the County's Vehicle Maintenance Department which is financed through user charges.

RADIO OPERATIONS - This fund is used to account for the operation of County radios which is financed through user charges.

INMATE INDUSTRIES - This fund is used to account for the operation of the printing services provided by inmates to County departments which is financed by user charges.

HEALTH INSURANCE MANAGEMENT - This fund is used to account for County employees' group health insurance activities.

RISK MANAGEMENT - This fund is used to account for the County's workers' compensation and other risk management activities. Workers' Compensation includes medical and indemnity payments as required by law for on-the-job related injuries. Other risk management activities include coordination of all insurance policies and management of self-insured risk.

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
September 30, 2023

| | Vehicle Maintenance | Radio Operations | Inmate Industries | Health Insurance Management | Risk Management | Total |
|---|--------------------------------|-----------------------------|------------------------------|--|----------------------------|----------------------|
| ASSETS | | | | | | |
| Current assets: | | | | | | |
| Cash and cash equivalents | \$ 30,295,584 | \$ 10,231,208 | \$ 152,602 | \$ 65,802,531 | \$ 23,797,860 | \$ 130,279,785 |
| Investments | 1,995,228 | 674,182 | 10,056 | 4,336,036 | 21,352,404 | 28,367,906 |
| Receivables: | | | | | | |
| Accounts | 13,820 | 366,777 | - | 2,618,772 | 24,724 | 3,024,093 |
| Accrued | 11,670 | 3,943 | 59 | 25,361 | 91,087 | 132,120 |
| Other | 5,979 | 22,949 | 2,059 | 11,246 | 11,988,615 | 12,030,848 |
| Due from other funds | 727,178 | 26,232 | - | 953,507 | 3,275 | 1,710,192 |
| Prepays and other assets | - | 282,064 | - | - | 900,000 | 1,182,064 |
| Inventory | 1,348,684 | 56,505 | - | - | - | 1,405,189 |
| Total current assets | <u>34,398,143</u> | <u>11,663,860</u> | <u>164,776</u> | <u>73,747,453</u> | <u>58,157,965</u> | <u>178,132,197</u> |
| Noncurrent assets: | | | | | | |
| Land and construction in progress | 245,308 | 34,891 | - | - | - | 280,199 |
| Buildings | 1,468,568 | - | - | - | - | 1,468,568 |
| Equipment | 75,696,007 | 3,724,844 | 13,409 | - | 468 | 79,434,728 |
| Accumulated depreciation | <u>(68,686,330)</u> | <u>(2,935,890)</u> | <u>(9,907)</u> | <u>-</u> | <u>(468)</u> | <u>(71,632,595)</u> |
| Total noncurrent assets | <u>8,723,553</u> | <u>823,845</u> | <u>3,502</u> | <u>-</u> | <u>-</u> | <u>9,550,900</u> |
| Total assets | <u>43,121,696</u> | <u>12,487,705</u> | <u>168,278</u> | <u>73,747,453</u> | <u>58,157,965</u> | <u>187,683,097</u> |
| LIABILITIES | | | | | | |
| Current liabilities: | | | | | | |
| Vouchers payable | 2,855,927 | 142,870 | - | 18,787,190 | 612,513 | 22,398,500 |
| Accrued payroll | 423,200 | 312,717 | - | 92,296 | 83,034 | 911,247 |
| Estimated outstanding claims | - | - | - | - | 43,743,694 | 43,743,694 |
| Incurred but not reported claims | - | - | - | 33,032,106 | 9,601,815 | 42,633,921 |
| Due to other funds | 34,896 | - | - | 14,560,793 | 663,110 | 15,258,799 |
| Unearned revenue | - | - | - | - | 187,665 | 187,665 |
| Current portion of long-term liabilities | 86,227 | 71,005 | - | 19,800 | 18,950 | 195,982 |
| Total current liabilities | <u>3,400,250</u> | <u>526,592</u> | <u>-</u> | <u>66,492,185</u> | <u>54,910,781</u> | <u>125,329,808</u> |
| Noncurrent liabilities: | | | | | | |
| Noncurrent portion of long-term liabilities | 85,800 | 70,654 | - | 19,702 | 18,856 | 195,012 |
| Total noncurrent liabilities | <u>85,800</u> | <u>70,654</u> | <u>-</u> | <u>19,702</u> | <u>18,856</u> | <u>195,012</u> |
| Total liabilities | <u>3,486,050</u> | <u>597,246</u> | <u>-</u> | <u>66,511,887</u> | <u>54,929,637</u> | <u>125,524,820</u> |
| NET POSITION | | | | | | |
| Net investment in capital assets | 8,723,553 | 823,845 | 3,502 | - | - | 9,550,900 |
| Unrestricted | 30,912,093 | 11,066,614 | 164,776 | 7,235,566 | 3,228,328 | 52,607,377 |
| Total net position | <u>\$ 39,635,646</u> | <u>\$ 11,890,459</u> | <u>\$ 168,278</u> | <u>\$ 7,235,566</u> | <u>\$ 3,228,328</u> | <u>\$ 62,158,277</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - INTERNAL SERVICE FUNDS
For The Fiscal Year Ended September 30, 2023

| | Vehicle Maintenance | Radio Operations | Inmate Industries | Health Insurance Management | Risk Management | Total |
|---|--------------------------------|-----------------------------|------------------------------|--|----------------------------|----------------------|
| OPERATING REVENUES | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ 2,913,849 | \$ - | \$ 2,913,849 |
| Charges to departments | 33,492,989 | 9,189,594 | 78,922 | 391,575,097 | 12,034,498 | 446,371,100 |
| Total operating revenues | <u>33,492,989</u> | <u>9,189,594</u> | <u>78,922</u> | <u>394,488,946</u> | <u>12,034,498</u> | <u>449,284,949</u> |
| OPERATING EXPENSES | | | | | | |
| Salaries | 6,276,640 | 4,527,607 | - | 1,766,855 | 2,347,020 | 14,918,122 |
| Materials and supplies | 4,353,335 | 453,763 | 34,211 | 28,138 | 10,000 | 4,879,447 |
| Services and fees | 8,485,696 | 1,827,306 | 67,174 | 1,049,537 | 5,281,805 | 16,711,518 |
| Utilities | 99,316 | 259,920 | - | - | - | 359,236 |
| Transportation and travel | 17,379,842 | 165,995 | - | 13,381 | 575 | 17,559,793 |
| Incurred claims | - | - | - | 423,834,567 | 4,932,347 | 428,766,914 |
| Estimated claims | - | - | - | 7,875,065 | 21,251,504 | 29,126,569 |
| Cost of goods sold | 107,924 | 9,967 | - | - | - | 117,891 |
| Depreciation | 5,826,067 | 238,899 | 2,385 | - | - | 6,067,351 |
| Total operating expenses | <u>42,528,820</u> | <u>7,483,457</u> | <u>103,770</u> | <u>434,567,543</u> | <u>33,823,251</u> | <u>518,506,841</u> |
| Operating income (loss) | <u>(9,035,831)</u> | <u>1,706,137</u> | <u>(24,848)</u> | <u>(40,078,597)</u> | <u>(21,788,753)</u> | <u>(69,221,892)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Earnings on investments | 1,354,224 | 448,307 | 7,684 | 3,022,060 | 2,064,176 | 6,896,451 |
| Gain (loss) on sale of capital assets | 1,130,089 | - | (2,951) | - | - | 1,127,138 |
| Other nonoperating revenues (expenses) | 82,579 | (13,608) | - | 5,794,682 | - | 5,863,653 |
| Total nonoperating revenues (expenses) | <u>2,566,892</u> | <u>434,699</u> | <u>4,733</u> | <u>8,816,742</u> | <u>2,064,176</u> | <u>13,887,242</u> |
| Income (loss) before transfers | <u>(6,468,939)</u> | <u>2,140,836</u> | <u>(20,115)</u> | <u>(31,261,855)</u> | <u>(19,724,577)</u> | <u>(55,334,650)</u> |
| Transfers in | 605,976 | 44,273 | - | - | 2,209 | 652,458 |
| Transfers out | (8,000,000) | - | - | - | - | (8,000,000) |
| Total transfers | <u>(7,394,024)</u> | <u>44,273</u> | <u>-</u> | <u>-</u> | <u>2,209</u> | <u>(7,347,542)</u> |
| Change in net position | <u>(13,862,963)</u> | <u>2,185,109</u> | <u>(20,115)</u> | <u>(31,261,855)</u> | <u>(19,722,368)</u> | <u>(62,682,192)</u> |
| Net position, beginning | 53,498,609 | 9,705,350 | 188,393 | 38,497,421 | 22,950,696 | 124,840,469 |
| Net position, ending | <u>\$ 39,635,646</u> | <u>\$ 11,890,459</u> | <u>\$ 168,278</u> | <u>\$ 7,235,566</u> | <u>\$ 3,228,328</u> | <u>\$ 62,158,277</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
For The Fiscal Year Ended September 30, 2023

| | Vehicle Maintenance | Radio Operations | Inmate Industries | Health Insurance Management | Risk Management | Total |
|---|--------------------------------|-----------------------------|------------------------------|--|----------------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| Receipts from customers | \$ 33,829,226 | \$ 9,349,994 | \$ 78,923 | \$ 394,334,975 | \$ 12,851,840 | \$ 450,444,958 |
| Payments to employees | (6,258,990) | (4,465,836) | - | (1,725,342) | (2,310,161) | (14,760,329) |
| Payments to vendors | (30,661,643) | (2,847,713) | (102,735) | 16,034,072 | (4,867,313) | (22,445,332) |
| Claims paid | - | - | - | (426,257,926) | (6,789,460) | (433,047,386) |
| Other receipts/(payments) | 82,579 | (13,608) | - | 5,794,682 | - | 5,863,653 |
| Net cash provided by (used for) operating activities | <u>(3,008,828)</u> | <u>2,022,837</u> | <u>(23,812)</u> | <u>(11,819,539)</u> | <u>(1,115,094)</u> | <u>(13,944,436)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | | |
| Transfers from other funds | 605,976 | 44,273 | - | - | 2,209 | 652,458 |
| Transfers to other funds | (8,000,000) | - | - | - | - | (8,000,000) |
| Net cash provided by (used for) noncapital financing activities | <u>(7,394,024)</u> | <u>44,273</u> | <u>-</u> | <u>-</u> | <u>2,209</u> | <u>(7,347,542)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | |
| Receipts from sale of capital assets | 1,051,023 | - | 1 | - | - | 1,051,024 |
| Purchases of capital assets | - | (301,608) | - | - | - | (301,608) |
| Net cash provided by (used for) capital and related financing activities | <u>1,051,023</u> | <u>(301,608)</u> | <u>1</u> | <u>-</u> | <u>-</u> | <u>749,416</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| Purchase of investments | - | - | - | - | (24,847,880) | (24,847,880) |
| Proceeds from sales and maturities of investments | - | - | - | - | 21,181,117 | 21,181,117 |
| Interest received | 21,982,646 | 4,659,742 | 98,134 | 43,061,270 | 6,293,225 | 76,095,017 |
| Net cash provided by (used for) investing activities | <u>21,982,646</u> | <u>4,659,742</u> | <u>98,134</u> | <u>43,061,270</u> | <u>2,626,462</u> | <u>72,428,254</u> |
| Net change in cash and cash equivalents | 12,630,817 | 6,425,244 | 74,323 | 31,241,731 | 1,513,577 | 51,885,692 |
| Cash and cash equivalents, beginning | 17,664,767 | 3,805,964 | 78,279 | 34,560,800 | 22,284,283 | 78,394,093 |
| Cash and cash equivalents, ending | <u>\$ 30,295,584</u> | <u>\$ 10,231,208</u> | <u>\$ 152,602</u> | <u>\$ 65,802,531</u> | <u>\$ 23,797,860</u> | <u>\$ 130,279,785</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | | | |
| Operating income (loss) | \$ (9,035,831) | \$ 1,706,137 | \$ (24,848) | \$ (40,078,597) | \$ (21,788,753) | \$ (69,221,892) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | | |
| Depreciation expense | 5,826,067 | 238,899 | 2,385 | - | - | 6,067,351 |
| Other non-operating expenses | 82,579 | (13,608) | - | 5,794,682 | - | 5,863,653 |
| Change in assets and liabilities: | | | | | | |
| Receivables, net | 336,237 | 160,400 | 1 | (153,971) | 782,146 | 1,124,813 |
| Prepays and other assets | - | (202,672) | - | - | 663,239 | 460,567 |
| Inventories | (187,591) | 9,967 | - | - | - | (177,624) |
| Vouchers payable and accrued liabilities | (16,965) | 99,670 | (1,350) | 22,614,651 | 19,156,348 | 41,852,354 |
| Unearned revenue | - | - | - | - | 35,067 | 35,067 |
| Compensatory time payable | (13,324) | 24,044 | - | 3,696 | 36,859 | 51,275 |
| Net cash provided by (used for) operating activities | <u>\$ (3,008,828)</u> | <u>\$ 2,022,837</u> | <u>\$ (23,812)</u> | <u>\$ (11,819,539)</u> | <u>\$ (1,115,094)</u> | <u>\$ (13,944,436)</u> |
| Non-Cash Investing Activities: | | | | | | |
| Increase (decrease) in the fair value of investments | \$ (20,595,212) | \$ (4,205,683) | \$ (90,310) | \$ (39,976,536) | \$ (43,326,614) | \$ (108,194,355) |

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FIDUCIARY FUNDS:

DISTRICT CLERK REGISTRY - Established for the purpose of accounting for monies held in the custody of the District Clerk under orders of various Harris County courts.

COUNTY CLERK REGISTRY - Established for the purpose of accounting for monies held in the custody of the County Clerk under orders of various Harris County courts.

COMMUNITY DEVELOPMENT BLOCK GRANT HOMEOWNER ASSISTANCE PROGRAM – This fund is used to account for collections received from homeowners who have entered into an agreement with the County and the contractor. The County will hold the funds to be disbursed to the contractor for home construction rehab.

OFFICERS' FEES - This fund is used to hold cash bonds and excess tax sales collections until they are distributed out to other entities.

BAIL SECURITY - Assets pledged by Bail Bond licensees as collateral are accounted for in this fund.

TAX COLLECTOR'S - Tax collections are deposited in the Tax Collector's fiduciary fund pending audit and distribution to other taxing jurisdictions.

INMATE PROPERTY - This fund is used to account for jail inmates' properties held in the custody of Harris County.

TREASURER ESCHEAT - This fund is used to account for unclaimed property \$100 or less held in the custody of Harris County.

JUVENILE RESTITUTION - This fund is used to account for collection and distribution of monies for Harris County Juvenile Probation Department clients ordered by courts to make victim restitution payments.

DA FRAUD FEE RESTITUTION - This fund is used to distribute restitution funds collected by the Harris County District Attorney's office.

DA VICTIMS RIGHTS RESTITUTION - This fund is used to account for collection and distribution of monies ordered by the court paid by a defendant convicted of an offense to make restitution to the victim of the offense or, if the victim is deceased, to the victim's estate.

DA SEIZED ASSETS - This fund is used to account for assets seized pursuant to the state forfeiture law Chapter 59, Code of Criminal Procedure.

CUSTODIAL - This fund is used to account for the County Guardianship Program bank accounts and the individual wards that have bank accounts.

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

| | <u>District Clerk Registry</u> | <u>County Clerk Registry</u> | <u>CDBGDR HAP Agency</u> | <u>Officers' Fees</u> | <u>Bail Security</u> | <u>Tax Collector's</u> |
|---|------------------------------------|----------------------------------|------------------------------|-----------------------|----------------------|----------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 46,467,733 | \$ 18,075,730 | \$ 106,723 | \$ 23,852,859 | \$ 8,743,288 | \$ 70,423,384 |
| Investments | 124,249,450 | 30,395,280 | 7,033 | 1,267,367 | 291,848 | 39,539,900 |
| Accounts receivable | 512,172 | 4,585,550 | - | - | - | - |
| Total assets | <u>\$ 171,229,355</u> | <u>\$ 53,056,560</u> | <u>\$ 113,756</u> | <u>\$ 25,120,226</u> | <u>\$ 9,035,136</u> | <u>\$ 109,963,284</u> |
| LIABILITIES | | | | | | |
| Held for others | \$ 1,354,383 | \$ 189,116 | \$ - | \$ - | \$ - | \$ - |
| Due to other governments | - | - | - | - | - | 109,963,284 |
| Total liabilities | <u>1,354,383</u> | <u>189,116</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>109,963,284</u> |
| NET POSITION | | | | | | |
| Restricted for: | | | | | | |
| Individuals, organizations, and other governments | 169,874,972 | 52,867,444 | 113,756 | 25,120,226 | 9,035,136 | - |
| Total net position | <u>\$ 169,874,972</u> | <u>\$ 52,867,444</u> | <u>\$ 113,756</u> | <u>\$ 25,120,226</u> | <u>\$ 9,035,136</u> | <u>\$ -</u> |

(continued)

| Inmate Property | Treasurer Escheat | Juvenile Restitution | DA Fraud Fee | DA Victims Witness | Seized Assets | Custodial | Total Fiduciary |
|----------------------------|------------------------------|---------------------------------|-------------------------|-------------------------------|--------------------------|---------------------|----------------------------|
| \$ 1,529,609 | \$ 1,768,240 | \$ 351,746 | \$ 12,560 | \$ 179,649 | \$ 13,545,370 | \$ 4,671,575 | \$ 189,728,466 |
| - | - | - | - | - | - | - | 195,750,878 |
| - | - | - | - | - | - | - | 5,097,722 |
| <u>\$ 1,529,609</u> | <u>\$ 1,768,240</u> | <u>\$ 351,746</u> | <u>\$ 12,560</u> | <u>\$ 179,649</u> | <u>\$ 13,545,370</u> | <u>\$ 4,671,575</u> | <u>\$ 390,577,066</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,543,499 |
| - | - | - | - | - | - | - | 109,963,284 |
| - | - | - | - | - | - | - | 111,506,783 |
| 1,529,609 | 1,768,240 | 351,746 | 12,560 | 179,649 | 13,545,370 | 4,671,575 | 279,070,283 |
| <u>\$ 1,529,609</u> | <u>\$ 1,768,240</u> | <u>\$ 351,746</u> | <u>\$ 12,560</u> | <u>\$ 179,649</u> | <u>\$ 13,545,370</u> | <u>\$ 4,671,575</u> | <u>\$ 279,070,283</u> |

(concluded)

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For The Fiscal Year Ended September 30, 2023

| | <u>District Clerk Registry</u> | <u>County Clerk Registry</u> | <u>CDBGDR HAP Agency</u> | <u>Officers' Fees</u> | <u>Bail Security</u> | <u>Tax Collector's</u> |
|---------------------------------------|------------------------------------|----------------------------------|------------------------------|-----------------------|----------------------|----------------------------|
| ADDITIONS | | | | | | |
| Tax collections for other governments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 15,820,861,745 |
| Held for others | 104,895,670 | 79,961,991 | - | 12,691,954 | 1,631,086 | - |
| Interest on investments | 4,288,236 | 1,646,789 | 631 | - | - | - |
| Total additions | <u>109,183,906</u> | <u>81,608,780</u> | <u>631</u> | <u>12,691,954</u> | <u>1,631,086</u> | <u>15,820,861,745</u> |
| DEDUCTIONS | | | | | | |
| Payments to other governments | - | - | - | - | - | 15,796,025,794 |
| Payments to individuals | 65,324,567 | 71,339,737 | - | 12,762,136 | 1,801,161 | - |
| Total deductions | <u>65,324,567</u> | <u>71,339,737</u> | <u>-</u> | <u>12,762,136</u> | <u>1,801,161</u> | <u>15,796,025,794</u> |
| Changes in fiduciary net position | 43,859,339 | 10,269,043 | 631 | (70,182) | (170,075) | 24,835,951 |
| Net position - beginning | 126,015,633 | 42,598,401 | 113,125 | 25,190,408 | 9,205,211 | (24,835,951) |
| Net position - ending | <u>\$ 169,874,972</u> | <u>\$ 52,867,444</u> | <u>\$ 113,756</u> | <u>\$ 25,120,226</u> | <u>\$ 9,035,136</u> | <u>\$ -</u> |

(continued)

| Inmate Property | Treasurer Escheat | Juvenile Restitution | DA Fraud Fee | DA Victims Witness | Seized Assets | Custodial | Total Fiduciary |
|----------------------------|------------------------------|---------------------------------|-------------------------|-------------------------------|--------------------------|---------------------|----------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 15,820,861,745 |
| 12,607,309 | 518,100 | 27,186 | 53,479 | 1,469,752 | 811,309 | 17,315,174 | 231,983,010 |
| - | - | - | - | - | - | - | 5,935,656 |
| <u>12,607,309</u> | <u>518,100</u> | <u>27,186</u> | <u>53,479</u> | <u>1,469,752</u> | <u>811,309</u> | <u>17,315,174</u> | <u>16,058,780,411</u> |
| - | - | - | - | - | - | - | 15,796,025,794 |
| <u>13,757,832</u> | <u>200</u> | <u>11,774</u> | <u>54,338</u> | <u>1,453,876</u> | <u>-</u> | <u>17,114,054</u> | <u>183,619,675</u> |
| <u>13,757,832</u> | <u>200</u> | <u>11,774</u> | <u>54,338</u> | <u>1,453,876</u> | <u>-</u> | <u>17,114,054</u> | <u>15,979,645,469</u> |
| (1,150,523) | 517,900 | 15,412 | (859) | 15,876 | 811,309 | 201,120 | 79,134,942 |
| <u>2,680,132</u> | <u>1,250,340</u> | <u>336,334</u> | <u>13,419</u> | <u>163,773</u> | <u>12,734,061</u> | <u>4,470,455</u> | <u>199,935,341</u> |
| <u>\$ 1,529,609</u> | <u>\$ 1,768,240</u> | <u>\$ 351,746</u> | <u>\$ 12,560</u> | <u>\$ 179,649</u> | <u>\$ 13,545,370</u> | <u>\$ 4,671,575</u> | <u>\$ 279,070,283</u> |

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Discretely presented component units are legally separate organizations that, because of the nature and significance of their relationship with the primary government, are included in the financial reporting entity but shown separately from the primary government's financial activities.

HARRIS COUNTY HOUSING FINANCE CORPORATION - This organization was established under the Texas Housing Finance Corporation Act as a separate non-profit corporate entity. The corporation was created in 1980 by the Commissioners Court of Harris County, but it is not a political subdivision of Harris County under state law. The corporation is exempt from federal income tax and is authorized to issue debt instruments for the purpose of purchasing single family home mortgages and providing financing for multifamily projects, both relating to low and moderate income owners/residents.

HARRIS COUNTY INDUSTRIAL DEVELOPMENT CORPORATION - This corporation was created in 1981 to approve the issuance of industrial and manufacturing bonds which promote and encourage employment and the public welfare in Harris County. Its Board of Directors is appointed by the Commissioners Court of Harris County. The corporation is a tax-exempt entity. Although it may issue debt that Harris County has no obligation to assume, Commissioners Court must approve the debt issuance.

CHILDREN'S ASSESSMENT CENTER FOUNDATION, INC. - This foundation was established in 1995 to provide a professional, compassionate and coordinated approach to the treatment of sexually abused children and their families and to serve as an advocate for all children in our community. The foundation is a tax-exempt entity.

FRIENDS OF COUNTYPETS - This corporation was organized to aid and act on behalf of Harris County, Texas in providing funds for the operation, maintenance, and improvement of veterinary public health programs of Harris County Public Health and Environmental Services.

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF NET POSITION - NONMAJOR COMPONENT UNITS
September 30, 2023

| | Harris County Housing Finance Corporation | Harris County Industrial Development Corporation | Children's Assessment Center Foundation | Friends of CountyPets | Total |
|---|--|---|--|----------------------------------|----------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 5,755,900 | \$ 178,558 | \$ 8,567,522 | \$ 284,189 | \$ 14,786,169 |
| Investments, including accrued interest | 1,329,332 | - | 2,379,651 | - | 3,708,983 |
| Receivables: | | | | | |
| Accounts | 66,278 | 114,000 | 1,594,608 | - | 1,774,886 |
| Prepays and other assets | 113,300 | 710 | 121,819 | - | 235,829 |
| Restricted cash and investments | - | - | 51,659 | - | 51,659 |
| Capital assets: | | | | | |
| Land, improvements and construction in progress | - | - | 5,965,681 | - | 5,965,681 |
| Other capital assets, net of depreciation | - | - | 25,999,446 | - | 25,999,446 |
| Total assets | <u>7,264,810</u> | <u>293,268</u> | <u>44,680,386</u> | <u>284,189</u> | <u>52,522,653</u> |
| LIABILITIES | | | | | |
| Vouchers payable and accrued liabilities | 5,993 | 7,759 | 39,625 | 2,849 | 56,226 |
| Unearned revenue | - | - | 1,265,459 | - | 1,265,459 |
| Total liabilities | <u>5,993</u> | <u>7,759</u> | <u>1,305,084</u> | <u>2,849</u> | <u>1,321,685</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | - | - | 31,965,127 | - | 31,965,127 |
| Restricted for: | | | | | |
| Donor restrictions | - | - | 617,772 | - | 617,772 |
| Unrestricted net position | <u>7,258,817</u> | <u>285,509</u> | <u>10,792,403</u> | <u>281,340</u> | <u>18,618,069</u> |
| Total net position | <u>\$ 7,258,817</u> | <u>\$ 285,509</u> | <u>\$ 43,375,302</u> | <u>\$ 281,340</u> | <u>\$ 51,200,968</u> |

HARRIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR COMPONENT UNITS
For The Fiscal Year Ended September 30, 2023

| | Harris County Housing Finance Corporation | Harris County Industrial Development Corporation | Children's Assessment Center Foundation | Friends of CountyPets | Total |
|------------------------------------|--|---|--|----------------------------------|----------------------|
| REVENUES | | | | | |
| Program Revenues: | | | | | |
| Charges for services | \$ 28,768 | \$ 114,000 | \$ 1,571,053 | \$ 110,811 | \$ 1,824,632 |
| Operating grants and contributions | 113,300 | - | 6,849,530 | - | 6,962,830 |
| Total program revenues | <u>142,068</u> | <u>114,000</u> | <u>8,420,583</u> | <u>110,811</u> | <u>8,787,462</u> |
| EXPENSES | <u>164,098</u> | <u>36,586</u> | <u>9,330,927</u> | <u>80,776</u> | <u>9,612,387</u> |
| Net (expenses) program revenues | <u>(22,030)</u> | <u>77,414</u> | <u>(910,344)</u> | <u>30,035</u> | <u>(824,925)</u> |
| General Revenues (Expenses): | | | | | |
| Earnings on investments | 53,459 | 2,689 | 344,418 | 1,845 | 402,411 |
| Other | 460,231 | - | - | 1,375 | 461,606 |
| Net general revenues (expenses) | <u>513,690</u> | <u>2,689</u> | <u>344,418</u> | <u>3,220</u> | <u>864,017</u> |
| Change in net position | 491,660 | 80,103 | (565,926) | 33,255 | 39,092 |
| Net position, beginning | <u>6,767,157</u> | <u>205,406</u> | <u>43,941,228</u> | <u>248,085</u> | <u>51,161,876</u> |
| Net position, ending | <u>\$ 7,258,817</u> | <u>\$ 285,509</u> | <u>\$ 43,375,302</u> | <u>\$ 281,340</u> | <u>\$ 51,200,968</u> |



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

Listed below are the areas covered in the statistical section:

FINANCIAL TRENDS – These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.

REVENUE CAPACITY – These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.

DEBT CAPACITY – These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.

OPERATING INFORMATION – These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the service the County provides and the activities it performs.

OTHER INFORMATION – These schedules contain information that although is not required, is presented to help the reader obtain additional insights into County activities and finances.



Table 1

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

| | 2015 | 2016* | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 9/30/2022** | 2023 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 9,092,658 | \$ 9,146,605 | \$ 9,415,321 | \$ 9,712,616 | \$ 9,970,087 | \$ 10,064,606 | \$ 10,067,771 | \$ 10,110,639 | \$ 10,137,033 | \$ 10,183,592 |
| Restricted for: | | | | | | | | | | |
| Debt service | 257,820 | 293,732 | 306,366 | 211,745 | 267,772 | 310,410 | 326,528 | 302,467 | 10,383 | 147,106 |
| Capital projects | 27,245 | 35,510 | 56,630 | 56,260 | 62,473 | 91,716 | 171,239 | 58,131 | 92,710 | 88,747 |
| Donor temporarily restricted/Other | 76 | 9 | 247 | 874 | 4,140 | 4,037 | - | 252,851 | 248,786 | 3,873 |
| Legislative | 1,936 | 2,486 | 1,699 | 1,615 | 1,616 | 1,615 | - | - | - | - |
| Mobility and infrastructure program | 272,168 | 302,455 | 307,729 | 263,146 | 267,881 | 278,580 | 565,673 | 544,327 | 535,124 | 662,826 |
| Unrestricted | 358,144 | 178,752 | 190,071 | (783,634) | (753,770) | (726,255) | (1,055,388) | (1,397,180) | (2,515,410) | (2,318,770) |
| Total governmental activities net position | <u>\$ 10,010,047</u> | <u>\$ 9,959,549</u> | <u>\$ 10,278,063</u> | <u>\$ 9,462,622</u> | <u>\$ 9,820,199</u> | <u>\$ 10,024,709</u> | <u>\$ 10,075,823</u> | <u>\$ 9,871,235</u> | <u>\$ 8,508,626</u> | <u>\$ 8,767,374</u> |
| Business-type activities: | | | | | | | | | | |
| Net investment in capital assets | \$ (20,925) | \$ 99,644 | \$ 309,590 | \$ 478,076 | \$ 652,407 | \$ 849,643 | \$ 952,718 | \$ 1,018,442 | \$ 1,060,499 | \$ 1,081,555 |
| Restricted for: | | | | | | | | | | |
| Debt service | 271,478 | 256,456 | 258,573 | 286,222 | 305,490 | 305,094 | 301,562 | 275,033 | 316,888 | 157,995 |
| Capital projects | 7,460 | 148,612 | 11,253 | 9,452 | 9,390 | 6,905 | 3,030 | 15,855 | 11,294 | 9,848 |
| Operating reserve per bond covenants | 32,611 | 37,670 | 39,823 | 42,198 | 45,145 | 46,154 | 49,261 | 74,463 | 105,122 | 87,888 |
| Toll road | 553,931 | 566,977 | 722,002 | 749,091 | 833,464 | 964,823 | 477,101 | 492,278 | 522,270 | 609,545 |
| Unrestricted | 17,447 | 20,996 | 21,752 | (4,539) | 29,005 | 35,578 | 36,602 | 37,445 | 34,906 | 46,343 |
| Total business-type activities net position | <u>\$ 862,002</u> | <u>\$ 1,130,355</u> | <u>\$ 1,362,993</u> | <u>\$ 1,560,500</u> | <u>\$ 1,874,901</u> | <u>\$ 2,208,197</u> | <u>\$ 1,820,274</u> | <u>\$ 1,913,516</u> | <u>\$ 2,050,979</u> | <u>\$ 1,993,174</u> |
| Primary government: | | | | | | | | | | |
| Net investment in capital assets | \$ 9,071,733 | \$ 9,246,249 | \$ 9,724,911 | \$ 10,190,692 | \$ 10,622,494 | \$ 10,914,249 | \$ 11,020,489 | \$ 11,129,081 | \$ 11,197,532 | \$ 11,265,147 |
| Restricted | 1,424,725 | 1,643,907 | 1,704,322 | 1,620,603 | 1,797,371 | 2,009,334 | 1,894,394 | 2,015,405 | 1,842,577 | 1,767,828 |
| Unrestricted | 375,591 | 199,748 | 211,823 | (788,173) | (724,765) | (690,677) | (1,018,786) | (1,359,735) | (2,480,504) | (2,272,427) |
| Total primary government net position | <u>\$ 10,872,049</u> | <u>\$ 11,089,904</u> | <u>\$ 11,641,056</u> | <u>\$ 11,023,122</u> | <u>\$ 11,695,100</u> | <u>\$ 12,232,906</u> | <u>\$ 11,896,097</u> | <u>\$ 11,784,751</u> | <u>\$ 10,559,605</u> | <u>\$ 10,760,548</u> |

*GASB Statement 68, Accounting and Financial Reporting for Pensions, was implemented during FY 2016.

**The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Per Note 1, the County has restated beginning net position for the year ended September 30, 2023. These adjustments are not reflected within this schedule for prior years.

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 9/30/2022* | 2023 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| EXPENSES | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Administration of Justice | \$ 1,016,759 | \$ 1,090,318 | \$ 1,223,737 | \$ 1,804,032 | \$ 1,316,001 | \$ 1,410,077 | \$ 1,704,309 | \$ 1,565,921 | \$ 922,214 | \$ 1,610,750 |
| Parks | 96,828 | 123,243 | 139,801 | 191,790 | 139,468 | 137,178 | 98,979 | 94,277 | 53,025 | 92,061 |
| County Administration | 323,699 | 356,256 | 434,656 | 731,297 | 480,751 | 566,569 | 1,101,709 | 1,118,979 | 558,306 | 975,098 |
| Health and Human Services | 202,202 | 206,560 | 215,736 | 311,012 | 234,787 | 274,826 | 374,695 | 598,997 | 295,447 | 516,582 |
| Flood Control | 99,231 | 109,294 | 103,756 | 166,456 | 154,163 | 250,438 | 292,764 | 261,280 | 141,917 | 210,400 |
| Tax Administration | 36,667 | 41,533 | 43,536 | 64,657 | 46,213 | 50,382 | 52,894 | 54,356 | 23,083 | 51,504 |
| Roads and Bridges | 349,827 | 354,830 | 386,723 | 449,405 | 402,487 | 380,530 | 381,644 | 347,203 | 217,652 | 392,850 |
| Interest and Fiscal Charges | 109,651 | 111,514 | 102,778 | 99,626 | 90,280 | 83,702 | 72,307 | 68,221 | 21,244 | 118,174 |
| Total governmental activities expenses | 2,234,864 | 2,393,548 | 2,650,723 | 3,818,275 | 2,864,150 | 3,153,702 | 4,079,301 | 4,109,234 | 2,232,888 | 3,967,419 |
| Business-type activities: | | | | | | | | | | |
| Toll Road | 590,656 | 423,261 | 435,454 | 432,715 | 422,434 | 438,090 | 406,470 | 467,943 | 270,687 | 525,111 |
| Subscriber Access | 154 | - | - | - | - | - | - | - | - | - |
| Parking Facilities | 1,877 | 2,334 | 2,425 | 2,838 | 2,783 | 2,341 | 4,828 | 6,342 | 2,901 | 4,394 |
| Sheriff's Commissary | 7,477 | 9,886 | 7,389 | 6,111 | 5,889 | 5,388 | 6,094 | 6,970 | 3,723 | 4,727 |
| Total business-type activities expenses | 600,164 | 435,481 | 445,268 | 441,664 | 431,106 | 445,819 | 417,392 | 481,255 | 277,311 | 534,232 |
| Total primary government expenses | \$ 2,835,028 | \$ 2,829,029 | \$ 3,095,991 | \$ 4,259,939 | \$ 3,295,256 | \$ 3,599,521 | \$ 4,496,693 | \$ 4,590,489 | \$ 2,510,199 | \$ 4,501,651 |
| PROGRAM REVENUES | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Administration of Justice | \$ 130,455 | \$ 137,335 | \$ 142,605 | \$ 141,075 | \$ 157,846 | \$ 132,684 | \$ 133,166 | \$ 159,341 | \$ 110,664 | \$ 214,457 |
| Parks | 743 | 801 | 670 | 902 | 1,611 | 1,666 | 1,938 | 3,277 | 2,135 | 4,334 |
| County Administration | 60,420 | 56,604 | 66,236 | 61,304 | 58,927 | 59,649 | 61,464 | 64,702 | 40,817 | 68,197 |
| Health and Human Services | 12,508 | 11,670 | 14,047 | 12,108 | 12,218 | 10,624 | 9,243 | 10,874 | 11,230 | 10,054 |
| Flood Control | 540 | 6,228 | 687 | 5,226 | 628 | 648 | 1,187 | 1,136 | 368 | 2,402 |
| Tax Administration | 30,283 | 30,213 | 30,443 | 28,755 | 29,481 | 29,475 | 24,161 | 28,369 | 9,901 | 29,368 |
| Roads and Bridges | 49,531 | 49,462 | 49,229 | 48,366 | 51,464 | 50,960 | 37,472 | 43,222 | 27,377 | 45,569 |
| Operating grants and contributions | 199,882 | 171,162 | 189,357 | 234,858 | 221,395 | 278,083 | 734,817 | 739,588 | 364,437 | 660,100 |
| Capital grants and contributions | 149,106 | 175,360 | 345,026 | 300,963 | 343,532 | 401,554 | 342,260 | 300,869 | 91,898 | 175,323 |
| Total governmental activities program revenues | 633,468 | 638,835 | 838,300 | 833,557 | 877,102 | 965,343 | 1,345,708 | 1,351,378 | 658,827 | 1,209,804 |

| | | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Toll Road | 688,921 | 759,276 | 774,026 | 740,272 | 828,454 | 854,849 | 551,278 | 808,932 | 532,151 | 896,351 |
| Parking Facilities | 5,289 | 5,713 | 5,974 | 5,793 | 5,825 | 6,005 | 3,021 | 4,353 | 2,608 | 5,261 |
| Sheriff's Commissary | 8,999 | 9,210 | 5,581 | 5,962 | 6,547 | 6,936 | 7,818 | 9,293 | 766 | 12,668 |
| Operating grants and contributions | - | 2,995 | 19,176 | - | 1,403 | - | - | - | - | - |
| Total business-type activities program revenues | <u>703,209</u> | <u>777,194</u> | <u>804,757</u> | <u>752,027</u> | <u>842,229</u> | <u>867,790</u> | <u>562,117</u> | <u>822,578</u> | <u>535,525</u> | <u>914,280</u> |
| Total primary government program revenues | <u>\$ 1,336,677</u> | <u>\$ 1,416,029</u> | <u>\$ 1,643,057</u> | <u>\$ 1,585,584</u> | <u>\$ 1,719,331</u> | <u>\$ 1,833,133</u> | <u>\$ 1,907,825</u> | <u>\$ 2,173,956</u> | <u>\$ 1,194,352</u> | <u>\$ 2,124,084</u> |
| NET (EXPENSE)/REVENUE | | | | | | | | | | |
| Governmental activities | \$ (1,601,396) | \$ (1,754,713) | \$ (1,812,423) | \$ (2,984,718) | \$ (1,987,048) | \$ (2,188,359) | \$ (2,733,593) | \$ (2,757,856) | \$ (1,574,061) | \$ (2,757,615) |
| Business-type activities | 103,045 | 341,713 | 359,489 | 310,363 | 411,123 | 421,971 | 144,725 | 341,323 | 258,214 | 380,048 |
| Total primary government net expense | <u>\$ (1,498,351)</u> | <u>\$ (1,413,000)</u> | <u>\$ (1,452,934)</u> | <u>\$ (2,674,355)</u> | <u>\$ (1,575,925)</u> | <u>\$ (1,766,388)</u> | <u>\$ (2,588,868)</u> | <u>\$ (2,416,533)</u> | <u>\$ (1,315,847)</u> | <u>\$ (2,377,567)</u> |
| GENERAL REVENUES AND OTHER CHANGES IN NET POSITION | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property taxes | \$ 1,546,685 | \$ 1,722,361 | \$ 1,865,975 | \$ 1,879,359 | \$ 2,021,093 | \$ 2,032,872 | \$ 2,057,057 | \$ 2,106,882 | \$ 25,304 | \$ 2,120,504 |
| Hotel occupancy taxes | 41,911 | 40,138 | 37,851 | 43,411 | 43,969 | 47,777 | 28,171 | 41,910 | - | 58,027 |
| Earnings on investments | 8,495 | 7,112 | 14,559 | 8,500 | 43,518 | 56,586 | 123,292 | 6,052 | 2,874 | 154,275 |
| Miscellaneous | 108,137 | 94,453 | 78,552 | 110,392 | 100,570 | 118,767 | 31,039 | 144,469 | 59,366 | 182,010 |
| Capital asset donations | - | - | - | - | - | - | - | - | - | 132,247 |
| Transfers | 121,768 | 124,031 | 134,000 | 127,615 | 135,474 | 136,867 | 545,148 | 253,955 | 123,908 | 369,300 |
| Total governmental activities | <u>1,826,996</u> | <u>1,988,095</u> | <u>2,130,937</u> | <u>2,169,277</u> | <u>2,344,624</u> | <u>2,392,869</u> | <u>2,784,707</u> | <u>2,553,268</u> | <u>211,452</u> | <u>3,016,363</u> |
| Business-type activities: | | | | | | | | | | |
| Earnings on investments | 20,494 | 16,030 | 7,130 | 13,708 | 36,560 | 42,730 | 11,333 | 3,294 | 1,499 | 39,014 |
| Miscellaneous | 22 | 46,093 | 19 | 1,051 | 2,192 | 5,462 | 1,167 | 2,580 | 1,658 | 1,956 |
| Transfers | (121,768) | (124,031) | (134,000) | (127,615) | (135,474) | (136,867) | (545,148) | (253,955) | (123,908) | (369,300) |
| Total business-type activities | <u>(101,252)</u> | <u>(61,908)</u> | <u>(126,851)</u> | <u>(112,856)</u> | <u>(96,722)</u> | <u>(88,675)</u> | <u>(532,648)</u> | <u>(248,081)</u> | <u>(120,751)</u> | <u>(328,330)</u> |
| Total primary government | <u>\$ 1,725,744</u> | <u>\$ 1,926,187</u> | <u>\$ 2,004,086</u> | <u>\$ 2,056,421</u> | <u>\$ 2,247,902</u> | <u>\$ 2,304,194</u> | <u>\$ 2,252,059</u> | <u>\$ 2,305,187</u> | <u>\$ 90,701</u> | <u>\$ 2,688,033</u> |
| CHANGE IN NET POSITION | | | | | | | | | | |
| Governmental activities | \$ 225,600 | \$ 233,382 | \$ 318,514 | \$ (815,441) | \$ 357,576 | \$ 204,510 | \$ 51,114 | \$ (204,588) | \$ (1,362,609) | \$ 258,748 |
| Business-type activities | 1,793 | 279,805 | 232,638 | 197,507 | 314,401 | 333,296 | (387,923) | 93,242 | 137,463 | 51,718 |
| Total primary government | <u>\$ 227,393</u> | <u>\$ 513,187</u> | <u>\$ 551,152</u> | <u>\$ (617,934)</u> | <u>\$ 671,977</u> | <u>\$ 537,806</u> | <u>\$ (336,809)</u> | <u>\$ (111,346)</u> | <u>\$ (1,225,146)</u> | <u>\$ 310,466</u> |

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30. Per Note 1, the County has restated beginning net position for the year ended September 30, 2023. These adjustments are not reflected within this schedule for prior years.

Table 3

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

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>9/30/2022*</u> | <u>2023</u> |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|
| General Fund: | | | | | | | | | | |
| Nonspendable | \$ 6,805 | \$ 7,958 | \$ 8,733 | \$ 8,406 | \$ 9,325 | \$ 13,053 | \$ 5,193 | \$ 6,701 | \$ 14,109 | \$ 26,177 |
| Restricted | 462,289 | 530,903 | 546,614 | 512,963 | 532,074 | 533,152 | 994,738 | 781,834 | 541,094 | 731,518 |
| Committed | - | - | - | - | - | - | - | 73,236 | 19,438 | 67,789 |
| Assigned | 16,833 | 27,856 | 23,822 | 50,988 | 40,139 | 31,299 | 27,414 | 56,832 | 60,844 | 34,943 |
| Unassigned | 549,705 | 782,372 | 1,008,332 | 1,162,835 | 1,287,968 | 1,473,158 | 1,379,658 | 1,297,205 | 335,919 | 435,830 |
| Total general fund | <u>\$ 1,035,632</u> | <u>\$ 1,349,089</u> | <u>\$ 1,587,501</u> | <u>\$ 1,735,192</u> | <u>\$ 1,869,506</u> | <u>\$ 2,050,662</u> | <u>\$ 2,407,003</u> | <u>\$ 2,215,808</u> | <u>\$ 971,404</u> | <u>\$ 1,296,257</u> |
| All Other Governmental Funds: | | | | | | | | | | |
| Nonspendable | \$ 13,819 | \$ 3,028 | \$ 12,994 | \$ 7,340 | \$ 3,359 | \$ 7,747 | \$ 35,249 | \$ 37,496 | \$ 24,894 | \$ 54,501 |
| Restricted | 611,773 | 601,109 | 632,733 | 617,564 | 555,070 | 548,252 | 470,110 | 699,114 | 712,450 | 1,125,237 |
| Committed | 27,757 | 43,376 | 44,955 | 48,407 | 46,797 | 44,738 | 57,354 | 63,698 | 59,307 | 75,416 |
| Unassigned | (2,294) | (3,793) | (4,740) | (3,699) | (4,030) | (4,528) | (3,689) | (6,493) | (32) | (20,668) |
| Total all other governmental funds | <u>\$ 651,055</u> | <u>\$ 643,720</u> | <u>\$ 685,942</u> | <u>\$ 669,612</u> | <u>\$ 601,196</u> | <u>\$ 596,209</u> | <u>\$ 559,024</u> | <u>\$ 793,815</u> | <u>\$ 796,619</u> | <u>\$ 1,234,486</u> |

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 4

HARRIS COUNTY, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (modified accrual basis of accounting)
(amounts in thousands)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 9/30/2022* | 2023 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|
| REVENUES | | | | | | | | | | |
| Taxes | \$ 1,587,176 | \$ 1,760,021 | \$ 1,892,479 | \$ 1,958,994 | \$ 2,021,820 | \$ 2,089,579 | \$ 2,115,879 | \$ 2,118,494 | \$ 52,921 | \$ 2,172,802 |
| Charges for services | 278,118 | 290,409 | 270,780 | 271,495 | 286,526 | 284,204 | 260,705 | 310,767 | 158,234 | 342,131 |
| User fees | 98 | 125 | 93 | 168 | 443 | 122 | 53 | 1,142 | 11 | 162 |
| Fines and forfeitures | 20,190 | 19,312 | 18,645 | 19,340 | 16,031 | 13,540 | 9,896 | 10,862 | 7,687 | 15,143 |
| Lease revenue | 2,596 | 2,390 | 1,887 | 1,542 | 1,278 | 1,410 | 1,847 | 2,030 | 1,036 | 1,865 |
| Intergovernmental | 253,380 | 218,551 | 281,020 | 295,043 | 349,723 | 473,530 | 929,502 | 930,063 | 425,721 | 800,122 |
| Earnings on investments | 9,059 | 4,619 | 12,486 | 18,203 | 41,385 | 52,282 | 22,232 | 3,223 | 4,832 | 145,280 |
| Miscellaneous | 87,343 | 108,003 | 212,846 | 177,008 | 109,500 | 161,667 | 136,914 | 148,038 | 75,035 | 227,562 |
| Total revenues | 2,237,960 | 2,403,430 | 2,690,236 | 2,741,793 | 2,826,706 | 3,076,334 | 3,477,028 | 3,524,619 | 725,477 | 3,705,067 |
| EXPENDITURES | | | | | | | | | | |
| Administration of Justice | 958,429 | 1,007,880 | 1,086,684 | 1,105,798 | 1,162,140 | 1,250,212 | 1,473,048 | 1,441,828 | 916,928 | 1,514,294 |
| Parks | 70,841 | 95,219 | 107,313 | 107,291 | 104,685 | 105,429 | 81,100 | 80,330 | 47,767 | 78,865 |
| County Administration | 283,947 | 314,136 | 368,051 | 443,485 | 422,873 | 507,939 | 904,316 | 967,519 | 449,112 | 783,022 |
| Health and Human Services | 184,340 | 185,100 | 198,372 | 209,854 | 214,944 | 251,923 | 343,567 | 578,492 | 292,704 | 500,567 |
| Flood Control | 60,271 | 56,253 | 67,797 | 92,114 | 117,798 | 211,568 | 249,325 | 221,714 | 107,108 | 150,300 |
| Tax Administration | 35,311 | 39,499 | 39,767 | 40,585 | 42,129 | 45,251 | 45,942 | 50,624 | 22,903 | 48,725 |
| Roads and Bridges | 83,653 | 84,806 | 107,441 | 136,136 | 128,023 | 114,333 | 115,881 | 84,765 | 64,109 | 115,267 |
| Capital outlay | 203,856 | 295,205 | 346,869 | 388,042 | 421,479 | 450,092 | 418,592 | 455,663 | 310,531 | 509,344 |
| Debt service: | | | | | | | | | | |
| Debt issuance costs | 2,742 | 3,631 | 74 | 2,379 | 520 | 1,298 | 2,972 | 2,665 | 3,153 | 4,245 |
| Interest and fiscal charges | 135,101 | 142,247 | 145,073 | 143,319 | 118,713 | 117,715 | 101,411 | 97,648 | 99,598 | 90,550 |
| Principal retirement | 90,711 | 117,238 | 128,363 | 137,877 | 159,655 | 153,323 | 236,880 | 162,380 | 157,291 | 36,111 |
| Payments to defease commercial paper | - | - | - | - | 68,200 | 76,400 | - | - | - | 45,300 |
| Payment on loans | - | - | - | - | 1,888 | 1,901 | 1,714 | 1,519 | 1,519 | 1,519 |
| | 2,109,202 | 2,341,214 | 2,595,804 | 2,806,880 | 2,963,047 | 3,287,384 | 3,974,748 | 4,145,147 | 2,472,723 | 3,878,109 |
| Excess (deficiency) of revenues over (under) expenditures | 128,758 | 62,216 | 94,432 | (65,087) | (136,341) | (211,050) | (497,720) | (620,528) | (1,747,246) | (173,042) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Proceeds from borrowings | 90,360 | 112,037 | 108,053 | 126,175 | 133,780 | 301,130 | 353,155 | 531,333 | 469,625 | 513,345 |
| Proceeds from refundings | 421,163 | 613,618 | - | 402,378 | - | 171,460 | 561,254 | 535,716 | 704,045 | 492,027 |
| Payments to escrow agent | (188,658) | (389,527) | - | (330,120) | - | (170,581) | (199,939) | (21,402) | (229,522) | - |
| Payments to defease commercial paper | (265,152) | (218,338) | (48,068) | (118,315) | - | - | (436,800) | (637,600) | (564,025) | (455,000) |
| Payment on loans | - | - | - | (1,876) | - | - | - | - | - | - |
| Proceeds from insurance recovery | 589 | 189 | 84 | - | - | - | - | - | - | - |
| Proceeds from software license | - | - | - | - | 20,397 | - | - | - | - | - |
| Sale of capital assets | 702 | 4,523 | 356 | 330 | 7 | 309 | 4,897 | 6,054 | 3,741 | 8,743 |
| Transfers in | 506,014 | 322,271 | 299,314 | 298,658 | 337,839 | 306,079 | 748,130 | 467,965 | 486,686 | 681,812 |
| Transfers out | (390,883) | (200,867) | (173,537) | (180,782) | (289,783) | (221,179) | (213,821) | (217,942) | (364,904) | (305,165) |
| Total other financing sources (uses) | 174,135 | 243,906 | 186,202 | 196,448 | 202,240 | 387,218 | 816,876 | 664,124 | 505,646 | 935,762 |
| Net change in fund balances | \$ 302,893 | \$ 306,122 | \$ 280,634 | \$ 131,361 | \$ 65,899 | \$ 176,168 | \$ 319,156 | \$ 43,596 | \$ (1,241,600) | \$ 762,720 |
| Debt service as a percentage of noncapital expenditures | 10.9% | 11.9% | 12.7% | 12.2% | 11.6% | 11.3% | 9.5% | 7.0% | 11.9% | 3.8% |

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 5

**HARRIS COUNTY, TEXAS
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
(EXCEPT FLOOD CONTROL DISTRICT)
LAST TEN FISCAL YEARS
(amounts in thousands)**

| Fiscal Year | Real Property | Personal Property | Less Exemptions (a) | Total Taxable Assessed Value | Total Direct Tax Rate |
|--------------------|----------------------|--------------------------|----------------------------|-------------------------------------|------------------------------|
| 2015 | \$ 384,362,133 | \$ 65,476,453 | \$ 99,412,873 | \$ 350,425,713 | 0.41731 |
| 2016 | 425,362,614 | 74,298,323 | 108,139,145 | 391,521,792 | 0.41923 |
| 2017 | 465,761,511 | 71,377,390 | 115,700,039 | 421,438,862 | 0.41656 |
| 2018 | 486,039,747 | 67,481,606 | 117,128,669 | 436,392,684 | 0.41801 |
| 2019 | 506,160,004 | 69,574,097 | 127,319,737 | 448,414,364 | 0.41858 |
| 2020 | 545,499,934 | 72,456,577 | 135,755,513 | 482,200,998 | 0.40713 |
| 2021 | 580,139,657 | 72,974,712 | 148,263,829 | 504,850,540 | 0.39116 |
| 2022 | 606,314,651 | 67,781,102 | 156,340,901 | 517,754,852 | 0.37693 |
| 9/30/2022 * | 600,642,473 | 68,343,557 | 157,799,669 | 511,186,361 | 0.37693 |
| 2023 | 676,223,909 | 79,797,758 | 177,212,850 | 578,808,817 | 0.34373 |

(a) The majority of exemptions are made up of the optional 20% homestead property exemption. In addition, persons 65 years of age or older or disabled receive an exemption up to a maximum individual amount of \$250,000.

Source: Harris County Appraisal District.

Note: Property in the County must be revalued every three years. Property is assessed at market value; therefore, the taxable values are equal to market value less applicable exemptions. Tax rates are per \$100 of assessed value.

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 6

**HARRIS COUNTY, TEXAS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 FLOOD CONTROL DISTRICT
 LAST TEN FISCAL YEARS
 (amounts in thousands)**

| Fiscal Year | Real Property | Personal Property | Less Exemptions (a) | Total Taxable Assessed Value | Total Direct Tax Rate |
|--------------------|----------------------|--------------------------|----------------------------|-------------------------------------|------------------------------|
| 2015 | \$ 395,193,725 | \$ 54,596,861 | \$ 110,245,889 | \$ 339,544,697 | 0.02736 |
| 2016 | 425,362,576 | 74,247,450 | 120,048,579 | 379,561,447 | 0.02733 |
| 2017 | 465,759,857 | 71,320,820 | 125,836,117 | 411,244,560 | 0.02829 |
| 2018 | 486,029,940 | 67,420,210 | 125,837,228 | 427,612,922 | 0.02831 |
| 2019 | 506,158,994 | 69,511,372 | 136,759,064 | 438,911,302 | 0.02877 |
| 2020 | 545,499,929 | 72,394,476 | 145,993,686 | 471,900,719 | 0.02792 |
| 2021 | 580,134,307 | 72,912,240 | 158,161,248 | 494,885,299 | 0.03142 |
| 2022 | 606,314,651 | 67,715,665 | 165,180,324 | 508,849,992 | 0.03349 |
| 9/30/2022 * | 600,642,473 | 68,278,121 | 166,635,076 | 502,285,518 | 0.03349 |
| 2023 | 676,226,321 | 79,719,976 | 189,077,744 | 566,868,553 | 0.03055 |

(a) The majority of exemptions are made up of the optional 20% homestead property exemption. In addition, persons 65 years of age or older or disabled receive an exemption up to a maximum individual amount of \$250,000.

The Flood Control District has an exemption for goods exported from Texas ("Freeport Exemption").

Source: Harris County Appraisal District.

Note: Property in the County must be revalued every three years. Property is assessed at market value; therefore, the taxable values are equal to market value less applicable exemptions. Tax rates are per \$100 of assessed value.

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 7

**HARRIS COUNTY, TEXAS
COUNTY-WIDE AD VALOREM TAX RATES
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)**

| Purpose | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Harris County - | | | | | | | | | | |
| General Fund | \$0.34547 | \$0.34547 | \$0.34547 | \$0.34500 | \$0.34500 | \$0.35000 | \$0.34174 | \$0.34028 | \$0.33500 | \$0.30105 |
| General Bonds Debt Service | 0.05158 | 0.04802 | 0.05237 | 0.05111 * | 0.05234 * | 0.05084 | 0.04711 | 0.05088 | 0.04193 | 0.04268 |
| Total - Constitutional Funds | 0.39705 | 0.39349 | 0.39784 | 0.39611 * | 0.39734 * | 0.40084 | 0.38885 | 0.39116 | 0.37693 | 0.34373 |
| County-Wide Road Debt Service | 0.01750 | 0.02382 | 0.02139 | 0.02045 * | 0.02067 * | 0.01774 | 0.01828 | 0.00000 | 0.00000 | 0.00000 |
| Total - Harris County | 0.41455 | 0.41731 | 0.41923 | 0.41656 | 0.41801 | 0.41858 | 0.40713 | 0.39116 | 0.37693 | 0.34373 |
| Flood Control District - | | | | | | | | | | |
| Maintenance | 0.02620 | 0.02620 | 0.02620 | 0.02745 | 0.02736 | 0.02738 | 0.02670 | 0.02649 | 0.02599 | 0.02043 |
| Debt Service | 0.00207 | 0.00116 | 0.00113 | 0.00084 | 0.00095 | 0.00139 | 0.00122 | 0.00493 | 0.00750 | 0.01012 |
| Total - Flood Control | 0.02827 | 0.02736 | 0.02733 | 0.02829 | 0.02831 | 0.02877 | 0.02792 | 0.03142 | 0.03349 | 0.03055 |
| Port of Houston Authority - | | | | | | | | | | |
| Debt Service | 0.01716 | 0.01531 | 0.01342 | 0.01334 | 0.01256 | 0.01155 | 0.01074 | 0.00991 | 0.00872 | 0.00799 |
| Hospital District - | | | | | | | | | | |
| General | 0.17000 | 0.17000 | 0.17000 | 0.17000 | 0.17000 | 0.17000 | 0.16491 | 0.16491 | 0.16047 | 0.14678 |
| Debt Service | 0.00000 | 0.00000 | 0.00000 | 0.00179 | 0.00110 | 0.00108 | 0.00100 | 0.00180 | 0.00174 | 0.00153 |
| Total - Hospital District | 0.17000 | 0.17000 | 0.17000 | 0.17179 | 0.17110 | 0.17108 | 0.16591 | 0.16671 | 0.16221 | 0.14831 |
| Total | \$0.62998 | \$0.62998 | \$0.62998 | \$0.62998 | \$0.62998 | \$0.62998 | \$0.61170 | \$0.59920 | \$0.58135 | \$0.53058 |

Source: Harris County Auditor.

*2018 and 2019 corrected to annual tax rate distribution

Table 8

**HARRIS COUNTY, TEXAS
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(rates per \$100 of assessed value)**

| Purpose | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| County-Wide Taxing Jurisdiction: | | | | | | | | | | |
| Harris County | \$ 0.4146 | \$ 0.4173 | \$ 0.4192 | \$ 0.4166 | \$ 0.4180 | \$ 0.4186 | \$ 0.40713 | \$ 0.39116 | \$ 0.37693 | \$ 0.34373 |
| Harris County Flood Control District | 0.0283 | 0.0274 | 0.0273 | 0.0283 | 0.0283 | 0.0288 | 0.02792 | 0.03142 | 0.03349 | 0.03055 |
| Port of Houston Authority | 0.0171 | 0.0153 | 0.0134 | 0.0133 | 0.0126 | 0.0116 | 0.01074 | 0.00991 | 0.00872 | 0.00799 |
| Harris County Hospital District | 0.1700 | 0.1700 | 0.1700 | 0.1718 | 0.1711 | 0.1711 | 0.16591 | 0.16671 | 0.16221 | 0.14831 |
| Total | <u>\$ 0.6300</u> | <u>\$ 0.61170</u> | <u>\$ 0.59920</u> | <u>\$ 0.58135</u> | <u>\$ 0.53058</u> |
| Cities: | | | | | | | | | | |
| Baytown | 0.8220 | 0.8220 | 0.8220 | 0.8220 | 0.8220 | 0.8120 | 0.8020 | 0.7952 | 0.7850 | 0.7500 |
| Bellaire | 0.3999 | 0.3936 | 0.3936 | 0.3805 | 0.3874 | 0.4313 | 0.4473 | 0.4473 | 0.4473 | 0.4473 |
| Deer Park | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 |
| Houston | 0.6388 | 0.6311 | 0.6311 | 0.6011 | 0.5864 | 0.5842 | 0.5883 | 0.5679 | 0.5618 | 0.5336 |
| La Porte | 0.7100 | 0.7100 | 0.7100 | 0.7100 | 0.7100 | 0.7100 | 0.7100 | 0.7100 | 0.7100 | 0.7100 |
| League City | 0.5970 | 0.5970 | 0.5735 | 0.5700 | 0.5650 | 0.5638 | 0.5486 | 0.5284 | 0.5150 | 0.4253 |
| Missouri City | 0.5738 | 0.5650 | 0.5447 | 0.5601 | 0.6000 | 0.6300 | 0.6300 | 0.5980 | 0.5780 | 0.5738 |
| Pasadena | 0.5916 | 0.5769 | 0.5754 | 0.5754 | 0.5754 | 0.6155 | 0.5703 | 0.5337 | 0.5159 | 0.4976 |
| Pearland | 0.7051 | 0.7121 | 0.7053 | 0.6812 | 0.6812 | 0.6851 | 0.7412 | 0.7200 | 0.7014 | 0.6238 |
| Seabrook | 0.6652 | 0.6400 | 0.6126 | 0.5652 | 0.5749 | 0.5520 | 0.5520 | 0.5436 | 0.5244 | 0.4765 |
| South Houston | 0.6699 | 0.6445 | 0.6995 | 0.6322 | 0.6433 | 0.6505 | 0.6999 | 0.6981 | 0.6900 | 0.6334 |
| Webster | 0.2696 | 0.2487 | 0.2345 | 0.2845 | 0.3173 | 0.3479 | 0.3620 | 0.3736 | 0.3933 | 0.3648 |
| West University Place | 0.3741 | 0.3618 | 0.3318 | 0.3168 | 0.3168 | 0.3168 | 0.3092 | 0.2941 | 0.2755 | 0.2774 |
| School Districts and Community Colleges: | | | | | | | | | | |
| Aldine | 1.3284 | 1.3059 | 1.2859 | 1.3234 | 1.3734 | 1.4359 | 1.3471 | 1.2744 | 1.2669 | 1.2217 |
| Alief | 1.2900 | 1.2800 | 1.2800 | 1.3050 | 1.3300 | 1.3300 | 1.2441 | 1.2048 | 1.2048 | 1.1611 |
| Clear Creek | 1.3600 | 1.4000 | 1.4000 | 1.4000 | 1.4000 | 1.4000 | 1.3100 | 1.2659 | 1.1797 | 1.1146 |
| Cypress-Fairbanks | 1.4500 | 1.4500 | 1.4400 | 1.4400 | 1.4400 | 1.4400 | 1.4400 | 1.3700 | 1.3555 | 1.2948 |
| Deer Park | 1.5567 | 1.5567 | 1.5567 | 1.5567 | 1.5567 | 1.5387 | 1.4151 | 1.0796 | 1.3496 | 1.2822 |
| Galena Park | 1.5134 | 1.5134 | 1.5134 | 1.5633 | 1.5633 | 1.5733 | 1.7465 | 1.1281 | 1.3496 | 1.3542 |
| Goose Creek | 1.3868 | 1.3868 | 1.4319 | 1.4319 | 1.4319 | 1.4319 | 1.3543 | 1.3543 | 1.3680 | 1.2817 |
| Houston | 1.1867 | 1.1967 | 1.1967 | 1.2067 | 1.2067 | 1.2067 | 1.1137 | 1.1331 | 1.0944 | 1.0372 |
| Humble | 1.5200 | 1.5200 | 1.5200 | 1.5200 | 1.5200 | 1.5200 | 1.5200 | 1.0684 | 1.3841 | 1.2929 |
| Katy | 1.5266 | 1.5266 | 1.5266 | 1.5166 | 1.5166 | 1.5166 | 1.5166 | 1.4431 | 1.3888 | 1.3048 |
| Klein | 1.4300 | 1.3900 | 1.4100 | 1.4300 | 1.4300 | 1.4300 | 1.4300 | 1.3600 | 1.3373 | 1.2300 |
| La Porte | 1.3300 | 1.4500 | 1.4500 | 1.4200 | 1.3800 | 1.3800 | 1.2800 | 1.2697 | 1.2565 | 1.2565 |
| Lone Star College System | 0.1160 | 0.1081 | 0.1079 | 0.1078 | 0.1078 | 0.1078 | 0.1078 | 0.1078 | 0.1078 | 0.1078 |
| Pasadena | 1.3500 | 1.3500 | 1.3500 | 1.3500 | 1.4800 | 1.4800 | 1.3784 | 1.3830 | 1.3812 | 1.3353 |
| Pearland | 1.4157 | 1.4157 | 1.4156 | 1.4156 | 1.4156 | 1.4194 | 1.4156 | 1.3185 | 1.3152 | 1.3027 |
| San Jacinto College | 0.1856 | 0.1856 | 0.1758 | 0.1824 | 0.1833 | 0.1793 | 0.1173 | 0.1694 | 0.1680 | 0.1556 |
| Sheldon | 1.4300 | 1.4300 | 1.4100 | 1.4100 | 1.4170 | 1.4700 | 1.4484 | 1.5016 | 1.4550 | 1.4150 |
| Spring | 1.5700 | 1.5100 | 1.4700 | 1.4700 | 1.5100 | 1.5100 | 1.4300 | 1.3843 | 1.3128 | 1.2546 |
| Spring Branch | 1.3945 | 1.3945 | 1.3945 | 1.3945 | 1.3945 | 1.3945 | 1.3210 | 1.3073 | 1.3043 | 1.2688 |
| Tomball | 1.3600 | 1.3600 | 1.3400 | 1.3400 | 1.3400 | 1.3400 | 1.2900 | 1.2900 | 1.2900 | 1.2300 |

Table 9

**HARRIS COUNTY, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(amounts in thousands)**

| Taxpayers | 2023 | | | 2015 | | |
|-----------------------------|--------------------------------|------|---|--------------------------------|------|---|
| | 2022 Taxable Valuations (a) | Rank | Percentage of Total 2022 Taxable Valuation (b) | 2014 Taxable Valuations (a) | Rank | Percentage of Total 2014 Taxable Valuation (c) |
| CenterPoint Energy Inc | \$ 5,128,946 | 1 | 0.89% | \$ 2,780,025 | 2 | 0.79% |
| Exxon Mobil Corp | 4,648,561 | 2 | 0.80 | 3,224,580 | 1 | 0.92 |
| Chevron Chemical Company | 3,582,258 | 3 | 0.62 | 2,156,757 | 5 | 0.62 |
| Lyondell Chemical | 2,570,845 | 4 | 0.44 | 2,447,954 | 4 | 0.70 |
| Equistar Chemicals LP | 1,963,001 | 5 | 0.34 | | | |
| Shell Oil Co | 1,246,146 | 6 | 0.22 | 2,502,412 | 3 | 0.71 |
| Phillips 66 Company | 1,163,407 | 7 | 0.20 | | | |
| Palmetto TransOceanic LLC | 1,121,239 | 8 | 0.19 | 534,722 | 15 | 0.15 |
| Walmart | 1,073,237 | 9 | 0.19 | | | |
| HEB Grocery Co LP | 1,026,928 | 10 | 0.18 | | | |
| Liberty Property | 954,334 | 11 | 0.16 | | | |
| OilTanking Houston | 915,321 | 12 | 0.16 | | | |
| Total Petrochemicals | 880,678 | 13 | 0.15 | | | |
| Kinder Morgan | 820,348 | 14 | 0.14 | | | |
| Daikin Comfort Technologies | 817,707 | 15 | 0.14 | | | |
| NOV Wilson LP | | | | 1,237,770 | 6 | 0.35 |
| Crescent Real Estate | | | | 1,217,931 | 7 | 0.35 |
| Cousins Greenway | | | | 1,013,393 | 8 | 0.29 |
| Hewlett Packard Company | | | | 965,729 | 9 | 0.28 |
| BP Amoco | | | | 917,216 | 10 | 0.26 |
| AT&T Mobility LLC | | | | 733,859 | 11 | 0.21 |
| Baker Hughes | | | | 718,557 | 12 | 0.21 |
| United Airlines Inc. | | | | 714,957 | 13 | 0.20 |
| Busycon Properties LLC | | | | 536,990 | 14 | 0.15 |
| Total | \$ 27,912,956 | | 4.83% | \$ 21,702,852 | | 6.19% |

Source: Harris County Appraisal District.

- (a) Amounts shown for these taxpayers do not include taxable valuations, which may be substantial, attributable to certain subsidiaries and affiliates which are not grouped on the tax rolls with the taxpayers shown.
- (b) Based on the County's total taxable value as of September 30, 2023.
- (c) Based on the County's total taxable value as of February 28, 2015.

**HARRIS COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
(EXCEPT FLOOD CONTROL DISTRICT)**

**LAST TEN FISCAL YEARS
(amounts in thousands)**

| <u>Fiscal Year</u> | <u>Taxes Levied for the Fiscal Year</u> | <u>Adjusted Levy as of End of Current Fiscal Year</u> | <u>Collected within the Fiscal Year of the Levy</u> | | <u>Collections in Subsequent Years*</u> | <u>Total Collections to Date</u> | |
|--------------------|---|---|---|---------------------------|---|----------------------------------|---------------------------|
| | | | <u>Amount</u> | <u>Percentage of Levy</u> | | <u>Amount</u> | <u>Percentage of Levy</u> |
| 2015 | \$ 1,459,066 | \$ 1,439,860 | \$ 1,390,628 | 95.3% | \$ 46,338 | \$ 1,436,966 | 99.8% |
| 2016 | 1,637,031 | 1,621,499 | 1,554,734 | 95.0 | 63,266 | 1,618,000 | 99.8 |
| 2017 | 1,754,007 | 1,714,260 | 1,663,289 | 94.8 | 47,682 | 1,710,971 | 99.8 |
| 2018 | 1,822,187 | 1,788,551 | 1,723,979 | 94.6 | 60,601 | 1,784,580 | 99.8 |
| 2019 | 1,876,068 | 1,841,809 | 1,787,008 | 95.3 | 50,591 | 1,837,599 | 99.8 |
| 2020 | 1,961,756 | 1,916,925 | 1,867,058 | 95.2 | 44,092 | 1,911,150 | 99.7 |
| 2021 | 1,972,700 | 1,911,149 | 1,838,347 | 93.2 | 64,738 | 1,903,085 | 99.6 |
| 2022 | 1,951,928 | 1,951,928 | 1,853,156 | 94.9 | - | 1,853,156 | 94.9 |
| 9/30/2022 ** | 1,940,734 | 1,904,378 | 1,853,156 | 95.5 | 40,224 | 1,893,380 | 99.4 |
| 2023 | 1,990,871 | 1,974,087 | 1,941,333 | 97.5 | - | 1,941,333 | 98.3 |

* For reporting purposes refunds associated with a prior year are netted against the prior year collections.

**The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 11

**HARRIS COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
FLOOD CONTROL DISTRICT**

**LAST TEN FISCAL YEARS
(amounts in thousands)**

| Fiscal Year | Taxes Levied for the Fiscal Year | Adjusted Levy as of End of Current Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years* | Total Collections to Date | |
|------------------------|---|---|---|-------------------------------|---|----------------------------------|-------------------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2015 | \$ 92,695 | \$ 91,453 | \$ 88,298 | 95.3% | \$ 2,965 | \$ 91,263 | 99.8% |
| 2016 | 103,462 | 102,456 | 98,187 | 94.9 | 4,043 | 102,230 | 99.8 |
| 2017 | 116,242 | 113,574 | 110,175 | 94.8 | 3,177 | 113,352 | 99.8 |
| 2018 | 120,935 | 118,677 | 114,368 | 94.6 | 4,040 | 118,408 | 99.8 |
| 2019 | 126,222 | 123,880 | 120,203 | 95.2 | 3,388 | 123,591 | 99.8 |
| 2020 | 131,680 | 128,594 | 125,227 | 95.1 | 2,972 | 128,199 | 99.7 |
| 2021 | 155,348 | 150,416 | 144,762 | 93.2 | 5,009 | 149,771 | 99.6 |
| 2022 | 170,454 | 170,454 | 161,806 | 94.9 | - | 161,806 | 94.9 |
| 9/30/2022 ** | 169,460 | 166,233 | 161,806 | 95.5 | 3,451 | 165,257 | 99.4 |
| 2023 | 166,359 | 171,810 | 168,903 | 98.3 | - | 168,903 | 98.3 |

* For reporting purposes refunds associated with a prior year are netted against the prior year collections.

**The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 12

**HARRIS COUNTY, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts in thousands, except per capita)**

| Fiscal Year | Governmental Activities | | | | Business-Type Activities | | | Total Primary Government | Percentage of Personal Income (b) | Debt Per Capita (b) |
|-------------|-------------------------|------------------|----------------|--------------|-----------------------------------|------------|------------------|--------------------------|-----------------------------------|---------------------|
| | General Bonded Debt (a) | Commercial Paper | Capital Leases | Loan Payable | Senior & First Lien Revenue Bonds | Tax Bonds | Commercial Paper | | | |
| 2015 | \$ 2,794,035 | \$ 152,573 | \$ 11,266 | \$ 31,127 | \$ 1,931,461 | \$ 383,667 | \$ - | \$ 5,304,129 | 2.10% | \$ 1,194 |
| 2016 | 2,862,708 | 31,655 | 9,557 | 37,759 | 1,877,899 | 341,250 | - | 5,160,828 | 2.06 | 1,137 |
| 2017 | 2,685,620 | 83,267 | 7,736 | 42,724 | 1,859,570 | 313,243 | - | 4,992,160 | 2.07 | 1,088 |
| 2018 | 2,575,786 | 91,127 | - | 25,670 | 2,200,904 | 285,113 | 17,040 | 5,195,640 | 2.10 | 1,117 |
| 2019 | 2,381,687 | 156,707 | - | 35,728 | 2,109,032 | 256,302 | 97,390 | 5,036,846 | 1.90 | 1,072 |
| 2020 | 2,193,709 | 381,437 | - | 33,287 | 2,016,816 | 226,785 | 173,505 | 5,025,539 | 1.78 | 1,066 |
| 2021 | 2,280,185 | 297,792 | - | 27,921 | 2,415,821 | 196,529 | - | 5,218,248 | 1.83 | 1,099 |
| 2022 | 2,593,543 | 191,525 | - | 35,886 | 2,304,662 | 176,274 | - | 5,301,890 | 1.70 | 1,121 |
| 9/30/2022 * | 2,880,145 | 97,125 | - | 34,132 | 2,203,156 | 155,598 | 36,600 | 5,406,756 | n/a | 1,113 |
| 2023 | 3,311,718 | 110,170 | - | 4,412 | 2,099,635 | 134,209 | 111,930 | 5,772,074 | 1.75 | 1,207 |

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(a) See Table 13 for detail of general bonded debt.

(b) See Table 17 for personal income and population data. These ratios are calculated using the personal income and population for the prior year calendar year.

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 13

HARRIS COUNTY, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(amounts in thousands, except per capita)

| Fiscal Year | General Bonded Debt Outstanding | | | Less: Restricted for Debt Payments | Total Net General Bonded Debt | Percentage of Actual Taxable Value of Property (a) | Percentage of Personal Income (b) | Debt Per Capita (b) | Net Debt Per Capita (b) |
|-------------|---------------------------------|--|--------------|------------------------------------|-------------------------------|--|-----------------------------------|---------------------|-------------------------|
| | General Obligation Bonds | Tax and Subordinate Lien Revenue Bonds | Total | | | | | | |
| 2015 | \$ 2,577,961 | \$ 216,074 | \$ 2,794,035 | \$ 257,820 | \$ 2,536,215 | 0.80 | 1.11 | \$ 629 | \$ 571 |
| 2016 | 2,651,616 | 211,092 | 2,862,708 | 293,732 | 2,568,976 | 0.73 | 1.15 | 631 | 566 |
| 2017 | 2,479,635 | 205,985 | 2,685,620 | 306,365 | 2,379,255 | 0.64 | 1.12 | 585 | 518 |
| 2018 | 2,375,035 | 200,751 | 2,575,786 | 211,746 | 2,364,040 | 0.59 | 1.04 | 554 | 508 |
| 2019 | 2,186,315 | 195,372 | 2,381,687 | 301,889 | 2,079,798 | 0.53 | 0.90 | 507 | 443 |
| 2020 | 2,004,119 | 189,590 | 2,193,709 | 310,410 | 1,883,299 | 0.45 | 0.78 | 465 | 400 |
| 2021 | 2,110,501 | 169,684 | 2,280,185 | 304,914 | 1,975,271 | 0.45 | 0.81 | 480 | 416 |
| 2022 | 2,444,151 | 149,392 | 2,593,543 | 302,467 | 2,291,076 | 0.50 | 0.83 | 549 | 485 |
| 9/30/2022 * | 2,761,281 | 118,864 | 2,880,145 | 10,383 | 2,869,762 | 0.56 | n/a | 593 | 591 |
| 2023 | 3,165,524 | 146,194 | 3,311,718 | 147,106 | 3,164,612 | 0.57 | 1.00 | 686 | 656 |

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(a) See Table 5 for property value data.

(b) See Table 17 for personal income and population data. These ratios are calculated using the personal income and population for the prior year calendar year.

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

HARRIS COUNTY, TX
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT
September 30, 2023

| | Percentage Applicable To Name of Government | Total Debt (Thousands) |
|---|---|---------------------------|
| County-Wide Jurisdiction: | | |
| Harris County (9/30/23) | 100.00% | \$ 1,845,761 |
| Harris County Flood Control District (9/30/23) | 100.00 | 1,465,957 |
| Port of Houston Authority (9/30/23) | 100.00 | 445,749 |
| Total County-Wide Direct Debt | | 3,757,467 |
| Cities: | | |
| Baytown (9/30/23) | 94.42 | 174,309 |
| Bellaire (9/30/23) | 100.00 | 98,695 |
| Bunker Hill Village (9/30/23) | 100.00 | 10,600 |
| Deer Park (9/30/23) | 100.00 | 124,055 |
| Friendswood (9/30/23) | 18.25 | 13,365 |
| Houston (6/30/23) | 99.16 | 3,089,640 |
| Missouri City (9/30/23) | 6.62 | 11,353 |
| Morgan's Point (9/30/23) | 100.00 | 11,138 |
| Pasadena (9/30/23) | 100.00 | 177,030 |
| Pearland (9/30/23) | 10.78 | 41,886 |
| Seabrook (9/30/23) | 100.00 | 28,204 |
| Spring Valley (9/30/23) | 100.00 | 11,831 |
| Tomball (9/30/23) | 100.00 | 42,710 |
| Webster (9/30/23) | 100.00 | 20,160 |
| West University Place (9/30/23) | 100.00 | 80,240 |
| Other Cities (a) | 100.00 | 67,318 |
| Sub-Total Cities | | 4,002,534 |
| School Districts and Community Colleges: | | |
| Aldine (6/30/23) | 100.00 | 1,457,331 |
| Alief (8/31/23) | 100.00 | 389,495 |
| Channelview (9/30/23) | 100.00 | 275,990 |
| Clear Creek (9/30/23) | 63.89 | 635,054 |
| Crosby (6/30/23) | 100.00 | 188,975 |
| Cypress-Fairbanks (9/30/23) | 100.00 | 3,549,625 |
| Deer Park (9/30/23) | 100.00 | 323,435 |
| Galena Park (8/31/23) | 100.00 | 26,075 |
| Goose Creek (9/30/23) | 76.18 | 488,160 |
| Houston Community College (8/31/23) | 95.31 | 532,329 |
| Houston (9/30/23) | 100.00 | 2,110,165 |
| Huffman (6/30/23) | 100.00 | 87,279 |
| Humble (9/30/23) | 100.00 | 1,103,745 |
| Katy (9/30/23) | 57.21 | 1,297,123 |
| Klein (6/30/23) | 100.00 | 1,119,885 |
| La Porte (6/30/23) | 99.99 | 346,820 |
| Lone Star College System (8/31/23) | 72.21 | 420,194 |
| Pasadena (9/30/23) | 100.00 | 760,255 |
| San Jacinto College (9/30/23) | 100.00 | 537,657 |
| Sheldon (6/30/23) | 100.00 | 643,680 |
| Spring (6/30/23) | 100.00 | 1,360,964 |
| Spring Branch (9/30/23) | 100.00 | 1,186,205 |
| Tomball (6/30/23) | 92.34 | 908,748 |
| Waller (8/31/23) | 54.37 | 221,758 |
| Other Schools (b) | 100.00 | 48,805 |
| Sub-Total School Districts and Community Colleges | | 20,019,752 |
| Utility Districts and Other Jurisdictions (c) | 100.00 | 7,865,065 |
| Total Overlapping Debt | | 31,887,351 |
| Total Direct and Overlapping Debt (Estimated \$7,385 Per Capita) (d) | | \$ 35,644,818 |

(a) Aggregate debt of 15 cities, each of which had debt less than \$10,000,000.

(b) Aggregate debt of 4 schools, each of which had debt less than \$25,000,000.

(c) Estimated aggregate debt of several hundred utility districts and other jurisdictions. Source: Municipal Advisory Council.

(d) 2023 population estimated at 4,826,539. Source: U.S. Bureau of Economic Analysis.

The total direct debt amounts above, except for that which related to Harris County and the Harris County Flood Control District, were provided by each governmental unit. The percentage of debt applicable to the County was provided by MAC. Overlapping governments are those that coincide, at least in part, with geographic boundaries of the County. This table estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Harris County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire burden borne by the taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for the debt, of each overlapping government.

**HARRIS COUNTY FLOOD CONTROL DISTRICT
A COMPONENT UNIT OF HARRIS COUNTY, TEXAS
HARRIS COUNTY'S LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts in thousands)**

Legal Debt Margin Calculation for Fiscal Year Ended 9/30/2023

| | |
|--|-----------------------|
| Assessed Value of All Taxable Property | \$ 756,021,667 |
| Assessed Value of Real Property | \$ 676,223,909 |
| Debt Limit (25% of real property assessed value) (a) | 169,055,977 |
| Amount of Debt Applicable to Constitutional Debt Limit: | |
| Total Bonded Applicable Debt | 899,840 |
| Less: Debt Service Funds Cash | <u>(139,034)</u> |
| Total Net Debt Applicable to Limit | <u>760,806</u> |
| Legal Debt Margin, Bonds Issued Under Article III, Section 52 of the Texas Constitution | <u>\$ 168,295,171</u> |

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 9/30/2022* | 2023 |
|---|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Debt Limit | \$ 96,090,533 | \$ 106,340,654 | \$ 116,440,378 | \$ 121,509,937 | \$ 126,540,001 | \$ 136,374,982 | \$ 145,034,914 | \$ 151,578,663 | \$ 150,160,618 | \$ 169,055,977 |
| Total Net Debt Applicable to Limit | 1,115,260 | 1,028,995 | 967,875 | 901,402 | 830,858 | 808,249 | 701,023 | 663,591 | 818,588 | 760,806 |
| Legal Debt Margin | <u>\$ 94,975,273</u> | <u>\$ 105,311,659</u> | <u>\$ 115,472,503</u> | <u>\$ 120,608,535</u> | <u>\$ 125,709,143</u> | <u>\$ 135,566,733</u> | <u>\$ 144,333,891</u> | <u>\$ 150,915,072</u> | <u>\$ 149,342,030</u> | <u>\$ 168,295,171</u> |
| Total Net Debt Applicable to the Limit as a percentage of Debt Limit | 1.16% | 0.97% | 0.83% | 0.74% | 0.66% | 0.59% | 0.48% | 0.44% | 0.55% | 0.45% |

(a) The County is authorized under Article III, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to the rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the County.

Bonds Issued Under Article VIII, Section 9:

In addition to unlimited tax bonds, the County may issue statutorily authorized bonds payable from the proceeds of a limited ad valorem tax provided for in Article VIII, Section 9 of the State Constitution. Such constitutional provision provides that a county is limited to an ad valorem tax rate of \$0.80 per \$100 of assessed valuation for general fund, permanent improvement fund, road and bridge fund and jury fund purposes.

Certain of the County's bonds payable from such limited tax may be issued under the provisions of Chapter 1301, Subtitle D, Title 9, Vernon's Texas Civil Statutes. The principal amount of all bonds, which may be issued under the provisions of such Chapter, is limited in aggregate to 5% of the assessed valuation. The debt limit under Chapter 1301, Subtitle D, Title 9 is approximately \$37,801,083 compared to applicable bonds outstanding at September 30, 2023 of \$-0-

Bonds Issued Under Article XVI, Section 59:

The Harris County Flood Control District issues bonds pursuant to Article XVI, Section 59 of the State Constitution. No limits are prescribed in such constitutional provision; however, Chapter 407, Acts of 50th Legislature of Texas, Regular Session 1947 provides for a tax limit of \$0.30 per \$100 of taxable valuation for operational and debt service funds. A tax of \$0.03055 per \$100 of taxable value, which includes \$0.01012 per \$100 of taxable value for debt service, was levied by the Flood Control District in tax year 2022.

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

**HARRIS COUNTY, TEXAS
REVENUE BOND COVERAGES
LAST TEN FISCAL YEARS
(amounts in thousands)**

| Fiscal Year | Gross Revenues | Net Revenue Available for Debt Service | Debt Service Requirements | | | Coverage |
|--------------------------------|-----------------------|---|----------------------------------|-----------------|--------------|-----------------|
| | | | Principal | Interest | Total | |
| TOLL ROAD REVENUE BONDS | | | | | | |
| 2015 | \$ 688,921 | \$ 688,921 | \$ 57,025 | \$ 85,702 | \$ 142,727 | 4.83 |
| 2016 | 759,276 | 759,276 | 67,205 | 69,053 | 136,258 | 5.57 |
| 2017 | 774,026 | 774,026 | 70,600 | 77,408 | 148,008 | 5.23 |
| 2018 | 740,272 | 740,272 | 71,735 | 90,838 | 162,573 | 4.55 |
| 2019 | 829,857 | 829,857 | 72,455 | 89,016 | 161,471 | 5.14 |
| 2020 | 854,849 | 854,849 | 75,570 | 81,475 | 157,045 | 5.44 |
| 2021 | 551,278 | 551,278 | 84,715 | 98,054 | 182,769 | 3.02 |
| 2022 | 808,932 | 808,932 | 64,035 | 93,358 | 157,393 | 5.14 |
| 9/30/2022 * | 532,151 | 532,151 | 66,820 | 90,394 | 157,214 | 3.38 |
| 2023 | 896,351 | 896,351 | 72,275 | 86,626 | 158,901 | 5.64 |

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 17

**HARRIS COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

| Calendar Year | Population | Unemployment Rate | Personal Income (amounts in thousands) | Per Capita Personal Income |
|----------------------|-------------------|--------------------------|---|-----------------------------------|
| 2014 | 4,441,370 | 4.0% | \$ 252,694,912 | \$ 56,896 |
| 2015 | 4,538,028 | 4.6% | 249,989,494 | 55,088 |
| 2016 | 4,589,928 | 5.3% | 240,752,454 | 52,452 |
| 2017 | 4,652,980 | 5.0% | 247,482,118 | 53,188 |
| 2018 | 4,698,619 | 4.4% | 265,351,328 | 56,474 |
| 2019 | 4,713,325 | 3.8% | 282,809,166 | 60,002 |
| 2020 | 4,746,600 | 8.0% | 285,664,628 | 60,183 |
| 2021 | 4,728,030 | 6.5% | 311,430,719 | 65,869 |
| 2022 | 4,780,913 * | 4.5% | 313,193,267 | 65,509 |
| 2023 | 4,826,539 | 4.4% | 330,617,356 | 68,500 |

Sources: Population - U.S. Bureau of Economic Analysis/ World Population Review
 Unemployment Rate - Texas Workforce Commission
 Personal Income - U.S. Bureau of Labor Statistics
 *2022 Population updated

**HARRIS COUNTY, TEXAS
PRINCIPAL CORPORATE EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(listed alphabetically)**

| 2023 | 2014 |
|---------------------------------|--------------------------------|
| Amazon | ARAMARK Corporation |
| CHI St. Luke's Health | B.P. America Inc. |
| ExxonMobil | Baylor College of Medicine |
| HCA Houston Healthcare | Chevron |
| H-E-B | ExxonMobil |
| Houston Methodist | Houston Methodist |
| Kroger | Kroger |
| Memorial Hermann Health System | Memorial Hermann Health System |
| Schlumberger | National Oilwell Varco |
| SLB | Schlumberger |
| Texas Children's Hospital | Shell Oil Company |
| University of Houston | United Airlines |
| UT Health Science Center | |
| UT Medical Branch Health System | |
| Walmart | |
| Wood Group | |

Total county employment for 2023 was an estimated 3,4730,000 and for 2014 was 2,972,910.

Sources: Greater Houston Partnership Research, U.S. Bureau of Labor Statistics.

Note: Starting with fiscal year 2023 number of employer's percentage of total employment is not available for disclosure. Prior year information has been modified to the format consistent with current year fiscal year for presentation purposes.

Table 19

**HARRIS COUNTY, TEXAS
FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 9/30/22* | 2023 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------|-------------|
| Administration of Justice | 9,625 | 9,768 | 9,824 | 10,275 | 10,181 | 10,909 | 11,194 | 11,115 | 10,937 | 10,883 |
| Parks | 805 | 867 | 892 | 913 | 924 | 899 | 613 | 587 | 554 | 614 |
| County Administration | 3,166 | 3,280 | 3,406 | 3,460 | 3,481 | 3,054 | 3,222 | 3,331 | 3,416 | 3,587 |
| Health and Human Services | 1,369 | 1,432 | 1,450 | 1,488 | 1,487 | 1,622 | 1,582 | 1,653 | 1,667 | 1,793 |
| Flood Control | 291 | 287 | 293 | 290 | 316 | 325 | 331 | 347 | 350 | 329 |
| Tax Administration | 348 | 368 | 353 | 368 | 365 | 418 | 382 | 377 | 371 | 392 |
| Roads and Bridges | 448 | 451 | 563 | 568 | 542 | 659 | 489 | 364 | 381 | 371 |

Note: (1) As of September 30, 2023, it is estimated that approximately 5,501 of the County's employees were members of various labor organizations, some of which are unions affiliated with the AFL-CIO. The County does not maintain collective bargaining agreements with any unions.

(2) This schedule represents the number of County employees at the end of each fiscal year.

*The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Source: Harris County HR and Payroll system

Table 20

**HARRIS COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

| <u>Function/Program</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>Administration of Justice</u> | | | | | | | | | | |
| Law Enforcement Vehicles | 2,080 | 2,042 | 2,259 | 2,472 | 2,510 | 2,667 | 2,675 | 3,577 | 3,699 | 3,376 |
| Jail Facilities (Incl. Only Jails Owned by County) | 2 | 2 | 2 | 2 | 2 | 3 | 4 | 4 | 4 | 4 |
| Juvenile Probation Facilities (Incl. Only County Owned Facilities) | 5 | 5 | 5 | 5 | 5 | 3 | 4 | 4 | 4 | 4 |
| Forensic Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| <u>Parks</u> | | | | | | | | | | |
| Number of Active Parks | 185 | 187 | 189 | 189 | 168 | 181 | 179 | 186 | 181 | 187 |
| <u>County Administration</u> | | | | | | | | | | |
| Stadiums | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Exhibition Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Arena | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Ferries | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| <u>Health and Human Services</u> | | | | | | | | | | |
| Libraries (Incl. Only Library Buildings Owned by County) | 19 | 19 | 19 | 19 | 20 | 19 | 20 | 17 | 20 | 19 |
| Veterinary Public Health Shelter | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| <u>Flood Control</u> | | | | | | | | | | |
| Sites by Acreage (Incl. Easements and Fee Simple Ownership) | | | | | | | | | | |
| Basins | 16,342 | 16,385 | 16,516 | 16,686 | 16,848 | 17,012 | 17,490 | 18,579 | 19,952 | 20,130 |
| Buyouts | 1,040 | 1,043 | 1,046 | 1,065 | 1,087 | 1,133 | 1,300 | 1,921 | 1,985 | 2,054 |
| Channels | 21,286 | 21,429 | 21,581 | 21,630 | 22,014 | 22,470 | 23,166 | 23,813 | 25,402 | 25,653 |
| <u>Roads and Bridges</u> | | | | | | | | | | |
| Road Miles | 6,441 | 6,353 | 6,436 | 6,483 | 6,567 | 6,697 | 6,724 | 6,811 | 6,872 | 6,979 |
| Bridge Miles | 23 | 23 | 24 | 23 | 23 | 24 | 23 | 24 | 24 | 25 |
| <u>Toll Road</u> | | | | | | | | | | |
| Road Miles | 120 | 127 | 127 | 128 | 127 | 128 | 128 | 132 | 128 | 128 |
| Lane Miles | 704 | 747 | 747 | 753 | 753 | 753 | 807 | 810 | 807 | 807 |

Source: Various County Departments.

Table 21

**HARRIS COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

| <u>Function/Program</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>Administration of Justice</u> | | | | | | | | | | |
| District Courts* | | | | | | | | | | |
| Criminal Courts- Cases Filed with District Clerk**** | 51,281 | 49,043 | 50,120 | 52,803 | 46,994 | 48,117 | 49,802 | 51,034 | 68,963 | 40,127 |
| Civil Courts- Cases Filed with District Clerk**** | 56,424 | 57,139 | 59,443 | 63,168 | 70,606 | 71,755 | 71,398 | 60,201 | 70,621 | 43,918 |
| Family & Juv. Courts- Cases Filed with District Clerk**** | 65,905 | 63,453 | 69,761 | 68,588 | 72,146 | 70,658 | 64,582 | 55,643 | 53,211 | 31,680 |
| County Courts* | | | | | | | | | | |
| Criminal Courts- New Cases Filed**** | 79,879 | 79,583 | 79,438 | 74,017 | 68,053 | 69,130 | 67,538 | 56,796 | 72,990 | 40,153 |
| Civil Courts- New Cases Filed | 16,065 | 15,374 | 15,313 | 15,861 | 17,793 | 22,809 | 24,124 | 13,588 | 16,233 | 11,838 |
| Civil Courts- New Instruments Filed | 267,185 | 235,806 | 232,281 | 165,157 | 284,715 | 301,583 | 282,382 | 70,435 | 88,843 | 122,138 |
| Justices of the Peace Courts | | | | | | | | | | |
| Criminal Filings | 508,093 | 510,825 | 477,898 | 460,201 | 482,261 | 423,324 | 363,853 | 88,886 | 284,864 | 195,469 |
| Civil Filings | 93,170 | 93,027 | 92,827 | 105,096 | 109,427 | 128,494 | 147,073 | 219,844 | 88,913 | 82,428 |
| Fire Marshal | | | | | | | | | | |
| Fire Safety Inspections | 12,411 | 10,941 | 11,260 | 9,217 | 13,779 | 12,275 | 16,950 | 13,510 | 12,884 | 15,742 |
| Constables | | | | | | | | | | |
| Traffic Tickets Issued | 160,923 | 117,471 | 191,810 | 156,435 | 182,496 | 213,997 | 10,500 | 204,034 | 15,051 | 11,556 |
| Civil Papers Executed | 412,525 | 382,340 | 367,348 | 481,133 | 506,159 | 537,343 | 25,397 | 21,181 | 23,440 | 30,351 |
| Criminal Warrants Executed | 106,640 | 148,834 | 115,591 | 118,557 | 72,152 | 73,486 | 14,682 | 60,651 | 12,737 | 9,169 |
| Juvenile Probation | | | | | | | | | | |
| Juvenile Probation Referrals | 13,298 | 13,293 | 12,260 | 11,425 | 10,860 | 11,044 | 9,747 | 5,083 | 5,838 | 4,635 |
| Average Daily Population at Facilities | 506 | 493 | 545 | 575 | 518 | 424 | 353 | 174 | 190 | 201 |
| Sheriff | | | | | | | | | | |
| Jail Prisoners, Average/Day | 8,693 | 8,678 | 8,531 | 9,267 | 8,355 | 9,357 | 8,352 | 8,586 | 8,889 | 9,537 |
| District Attorney | | | | | | | | | | |
| Cases Filed DA Intake | 101,977 | 106,866 | 106,007 | 113,891 | 92,706 | 96,736 | 96,458 | 90,864 | 98,075 | 55,741 |
| Medical Examiner | | | | | | | | | | |
| Harris County Autopsies** | 4,389 | 4,388 | 4,659 | 4,973 | 4,759 | 4,474 | 4,130 | 5,811 | 5,984 | 3,095 |
| Cases Investigated | 10,879 | 10,836 | 11,111 | 11,094 | 11,983 | 11,496 | 10,876 | 13,898 | 14,489 | 7,197 |
| <u>Parks</u> | | | | | | | | | | |
| Precincts | | | | | | | | | | |
| Number of Park Concessionaire Agreements | 81 | 76 | 77 | 83 | 80 | 79 | 79 | 75 | 81 | 78 |
| Number of Bus Trips | 7,740 | 7,523 | 8,815 | 7,972 | 7,107 | 7,883 | 7,555 | 2,541 | 4,026 | 2,998 |
| <u>County Administration</u> | | | | | | | | | | |
| County Auditor | | | | | | | | | | |
| Accounts Payable Checks and EFTs Issued *** | 109,858 | 111,107 | 112,206 | 117,595 | 115,644 | 120,012 | 117,794 | 77,565 | 80,471 | 51,484 |
| Payroll Checks/Direct Deposit/Pay Cards Processed | 421,842 | 423,168 | 429,564 | 439,473 | 447,990 | 462,902 | 478,517 | 485,711 | 490,950 | 590,896 |
| Audit Chargeable Service Hours | 21,701 | 26,081 | 26,892 | 37,277 | 45,448 | 39,962 | 43,140 | 42,819 | 49,461 | 35,784 |
| Purchasing | | | | | | | | | | |
| Number of Purchase Orders Issued (for Harris County) | 16,475 | 18,188 | 18,015 | 19,105 | 19,946 | 18,979 | 22,324 | 30,112 | 20,351 | 13,039 |
| Management Services | | | | | | | | | | |
| Tort Claims Incidents | 2,752 | 3,133 | 3,040 | 3,331 | 3,136 | 3,136 | 3,746 | 3,910 | 4,404 | 2,225 |
| Information Technology Center | | | | | | | | | | |
| Traffic on Harris County Web Sites | 296,585,554 | 297,098,374 | 203,745,789 | 269,514,827 | 258,325,044 | 154,053,090 | 139,200,435 | 327,089,590 | 15,100,000 | 25,693,392 |
| County Clerk | | | | | | | | | | |
| Marriage and Informal Marriage Licenses | 33,792 | 35,154 | 38,443 | 39,994 | 37,701 | 34,514 | 33,458 | 13,288 | 31,836 | 18,269 |
| Real Property Filings | 636,019 | 583,185 | 587,732 | 589,976 | 573,186 | 579,918 | 589,868 | 657,170 | 752,280 | 382,580 |

Table 21

**HARRIS COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

| Function/Program | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Assumed Name Certificates (DBAs) | 62,663 | 64,409 | 66,564 | 68,351 | 66,409 | 66,052 | 65,064 | 30,241 | 67,429 | 31,079 |
| Health and Human Services | | | | | | | | | | |
| Public Health and Environmental Services | | | | | | | | | | |
| Food Inspections | 16,936 | 15,189 | 15,742 | 16,209 | 17,583 | 18,285 | 19,125 | 16,401 | 17,273 | 10,373 |
| Animals Adopted | 1,839 | 1,894 | 2,757 | 3,858 | 5,372 | 5,952 | 6,227 | 5,539 | 5,401 | 2,197 |
| Protective Services for Children & Adults | | | | | | | | | | |
| Children in Conservatorship at Year End (August) | 4,158 | 3,806 | 3,974 | 4,143 | 4,135 | 3,801 | 3,175 | 2,454 | 1,865 | 1,862 |
| Adults Served by the Guardianship Program | 1,343 | 1,296 | 1,215 | 1,204 | 1,210 | 2,362 | 1,158 | 2,226 | 2,232 | 1,123 |
| County Library | | | | | | | | | | |
| Library Program Attendance | 422,926 | 441,793 | 430,992 | 446,356 | 446,935 | 442,462 | 469,242 | 84,241 | 99,244 | 188,004 |
| Library Books/Materials Circulated | 9,758,250 | 9,495,197 | 8,878,962 | 8,182,971 | 7,425,013 | 9,898,821 | 9,868,775 | 6,288,472 | 10,152,370 | 8,663,914 |
| Flood Control | | | | | | | | | | |
| Developer Plans Approved- Watershed Mgt. | 2,431 | 2,250 | 2,122 | 1,852 | 2,447 | 2,109 | 2,143 | 1,737 | 1,702 | 1,183 |
| Citizen Services Requests | 1,385 | 1,376 | 1,692 | 1,933 | 1,779 | 1,663 | 1,509 | 1,532 | 2,202 | 1,399 |
| Tax Administration | | | | | | | | | | |
| Tax Assessor-Collector | | | | | | | | | | |
| Tax Account/Statements | 1,566,167 | 1,595,574 | 1,610,793 | 1,623,874 | 1,623,874 | 1,639,530 | 1,447,798 | 1,389,761 | 1,505,009 | 185,353 |
| Auto Licenses/Registrations | 3,588,535 | 3,814,888 | 3,777,824 | 3,673,827 | 3,664,488 | 3,994,447 | 3,783,884 | 3,154,167 | 3,379,765 | 2,606,156 |
| Beer and Wine Licenses Issued | 3,342 | 2,873 | 2,530 | 3,907 | 2,934 | 4,195 | 4,018 | 3,681 | 3,150 | 1,581 |
| Liquor Licenses Issued | 5,825 | 4,751 | 6,053 | 4,288 | 4,163 | 2,556 | 4,442 | 2,859 | 3,819 | 1,160 |
| Voter Registration | 2,005,512 | 2,006,280 | 2,111,284 | 2,193,149 | 2,264,051 | 2,366,086 | 2,390,864 | 2,434,137 | 2,514,659 | 2,597,792 |
| Roads and Bridges | | | | | | | | | | |
| Engineering Department | | | | | | | | | | |
| Traffic Studies/Counts | 407 | 521 | 559 | 720 | 422 | 472 | 560 | 186 | 113 | 214 |
| Road Crossing Inspections | 1,618 | 2,198 | 2,528 | 2,588 | 1,885 | 2,838 | 2,993 | 2,609 | 3,295 | 1,524 |
| Road Crossing Permits | 809 | 1,149 | 1,264 | 1,295 | 1,426 | 2,407 | 2,513 | 2,158 | 2,859 | 4,151 |
| Toll Road | | | | | | | | | | |
| Traffic Transactions | 443,256,890 | 485,444,170 | 523,949,934 | 523,791,019 | 524,992,123 | 569,940,677 | 577,125,120 | 461,268,659 | 599,472,503 | 368,598,440 |

Source: Various County Departments

* Criminal Courts - Incoming Cases Include: Misdemeanor Indictments, Felony Indictments, Complaints, Motion to Revoke Probation and Motions to Adjudicate and Order for New Trials.

Civil Courts - Includes Tax Cases. Also includes bond forfeiture actions (as of 2011).

Family & Juv. Courts - Includes CPS and Delinquency Cases, including Motions to Revoke Probation and Motions to Adjudicate Guilt.

**Harris County Autopsies - includes autopsies and external exams.

*** Based on available data it appears that the reduction in recent years is due to a change in how electronic funds transfers related to payroll are counted.

**** 2014 number was corrected by the department.

Table 22**HARRIS COUNTY, TEXAS
TAX DEBT OUTSTANDING**

| | <u>County's Total Outstanding Tax Debt (a)</u> |
|--|--|
| Limited Tax Debt | \$ 891,456,318 |
| Unlimited Tax Debt | 769,205,000 |
| Flood Control | 317,320,000 |
| Toll Road Tax Bonds | <u>130,635,000</u> |
| Total | \$ 2,108,616,318 |
| Less: Toll Road Tax Bonds | <u>(130,635,000)</u> |
| Total (Approximately 0.26% of 2022 Assessed Value) | <u><u>\$ 1,977,981,318</u></u> |

(a) Excluding Flood Control District debt of \$1,009,015,000 paid for by the District's ad valorem tax revenues. Amounts expressed at gross value, not considering unamortized premium or discount or accretion of capital appreciation bonds.

Table 23

**HARRIS COUNTY, TEXAS
HISTORICAL TAX DEBT OUTSTANDING**

The following table sets forth the County's ad valorem tax debt outstanding, as of the end of the Fiscal Year 2015 through 2023.

| Fiscal Year | County's Debt Outstanding (a) (thousands) | Taxable Value (b) (thousands) | Outstanding as a Percentage of Taxable Value | Estimated Population (c) | Debt Outstanding Per Capita | Per Capita Excluding Toll Road |
|--------------|--|----------------------------------|--|--------------------------|-----------------------------|--------------------------------|
| 2015 | \$ 2,765,888 | \$ 350,425,713 | 0.79% | 4,441,370 | \$ 623 | \$ 539 |
| 2016 | 2,759,388 | 391,521,792 | 0.70 | 4,538,028 | 608 | 535 |
| 2017 | 2,606,518 | 421,438,862 | 0.62 | 4,589,928 | 568 | 502 |
| 2018 | 2,484,769 | 436,392,684 | 0.57 | 4,652,980 | 534 | 475 |
| 2019 | 2,299,408 | 448,414,364 | 0.51 | 4,698,619 | 489 | 436 |
| 2020 | 2,105,487 | 482,200,998 | 0.44 | 4,713,325 | 447 | 400 |
| 2021 | 1,863,677 | 504,850,540 | 0.37 | 4,746,600 | 393 | 352 |
| 2022 | 1,854,567 | 517,754,852 | 0.36 | 4,728,030 | 392 | 356 |
| 9/30/2022 ** | 1,892,052 | 511,186,361 | 0.37 | 4,735,287 * | 400 * | 358 |
| 2023 | 2,108,616 | 578,808,817 | 0.36 | 4,826,539 | 437 | 410 |

(a) Includes debt paid for by the County's ad valorem tax revenues. Excludes Flood Control debt paid by District's ad valorem tax revenues.

(b) Taxable values are net of exemptions and abatements. Property is assessed at 100% of appraised value.

(c) Source: Population - U.S. Bureau of Economic Analysis/ World Population Review
*9/30/2022 Population updated

**The County changed its fiscal year-end from February 28/29 to September 30 year-end. This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

Table 24

HARRIS COUNTY, TEXAS
COUNTY-WIDE LIMITED TAX DEBT SERVICE REQUIREMENTS
(amounts in thousands)

| Fiscal Year | Hotel Occupancy Tax Bonds | | | Other Limited Tax Bonds | | | Total Limited Tax Debt | | |
|--------------|---------------------------|------------------|-------------------|-------------------------|-------------------|---------------------|------------------------|-------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2024 | \$ 6,922 | \$ 18,110 | \$ 25,032 | \$ 47,175 | \$ 34,723 | \$ 81,898 | \$ 54,097 | \$ 52,833 | \$ 106,930 |
| 2025 | 6,764 | 18,265 | 25,029 | 75,860 | 31,428 | 107,288 | 82,624 | 49,693 | 132,317 |
| 2026 | 17,050 | 6,215 | 23,265 | 46,885 | 28,362 | 75,247 | 63,935 | 34,577 | 98,512 |
| 2027 | 17,980 | 5,363 | 23,343 | 71,340 | 25,410 | 96,750 | 89,320 | 30,773 | 120,093 |
| 2028 | 6,830 | 18,424 | 25,254 | 46,810 | 22,460 | 69,270 | 53,640 | 40,884 | 94,524 |
| 2029 | 19,095 | 4,320 | 23,415 | 44,350 | 20,185 | 64,535 | 63,445 | 24,505 | 87,950 |
| 2030 | 20,110 | 3,365 | 23,475 | 24,775 | 18,461 | 43,236 | 44,885 | 21,826 | 66,711 |
| 2031 | 21,195 | 2,360 | 23,555 | 25,785 | 17,220 | 43,005 | 46,980 | 19,580 | 66,560 |
| 2032 | 22,330 | 1,300 | 23,630 | 26,795 | 15,948 | 42,743 | 49,125 | 17,248 | 66,373 |
| 2033 | 3,665 | 183 | 3,848 | 20,690 | 14,791 | 35,481 | 24,355 | 14,974 | 39,329 |
| 2034 | - | - | - | 21,725 | 13,755 | 35,480 | 21,725 | 13,755 | 35,480 |
| 2035 | - | - | - | 22,780 | 12,678 | 35,458 | 22,780 | 12,678 | 35,458 |
| 2036 | - | - | - | 23,890 | 11,549 | 35,439 | 23,890 | 11,549 | 35,439 |
| 2037 | - | - | - | 23,190 | 10,431 | 33,621 | 23,190 | 10,431 | 33,621 |
| 2038 | - | - | - | 24,275 | 9,339 | 33,614 | 24,275 | 9,339 | 33,614 |
| 2039 | - | - | - | 25,400 | 8,206 | 33,606 | 25,400 | 8,206 | 33,606 |
| 2040 | - | - | - | 26,555 | 7,038 | 33,593 | 26,555 | 7,038 | 33,593 |
| 2041 | - | - | - | 27,740 | 5,834 | 33,574 | 27,740 | 5,834 | 33,574 |
| 2042 | - | - | - | 18,895 | 4,852 | 23,747 | 18,895 | 4,852 | 23,747 |
| 2043 | - | - | - | 19,640 | 4,116 | 23,756 | 19,640 | 4,116 | 23,756 |
| 2044 | - | - | - | 20,385 | 3,336 | 23,721 | 20,385 | 3,336 | 23,721 |
| 2045 | - | - | - | 17,015 | 2,581 | 19,596 | 17,015 | 2,581 | 19,596 |
| 2046 | - | - | - | 17,715 | 1,878 | 19,593 | 17,715 | 1,878 | 19,593 |
| 2047 | - | - | - | 15,370 | 1,190 | 16,560 | 15,370 | 1,190 | 16,560 |
| 2048 | - | - | - | 14,475 | 536 | 15,011 | 14,475 | 536 | 15,011 |
| Total | \$ 141,941 | \$ 77,905 | \$ 219,846 | \$ 749,515 | \$ 326,307 | \$ 1,075,822 | \$ 891,456 | \$ 404,212 | \$ 1,295,668 |

Table 25

**HARRIS COUNTY, TEXAS
COUNTY-WIDE AD VALOREM TAX DEBT SERVICE REQUIREMENTS
(amounts in thousands)**

| Fiscal Year | Limited Tax Debt (b) | | | Unlimited Tax Debt | | | Toll Road Unlimited Tax & Subordinate Lien Revenue Bonds | | | Flood Control (a) | | | Total County-Wide Tax Debt | | |
|--------------|----------------------|-------------------|---------------------|--------------------|-------------------|---------------------|--|------------------|-------------------|---------------------|-------------------|---------------------|----------------------------|---------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2024 | \$ 54,097 | \$ 52,833 | 106,930 | \$ 34,975 | \$ 35,578 | \$ 70,553 | \$ 21,165 | \$ 6,847 | \$ 28,012 | \$ 53,145 | \$ 59,489 | \$ 112,634 | \$ 163,382 | \$ 154,747 | \$ 318,129 |
| 2025 | 82,624 | 49,693 | 132,317 | 48,960 | 33,286 | 82,246 | 12,070 | 5,747 | 17,817 | 57,625 | 55,349 | 112,974 | 201,279 | 144,075 | 345,354 |
| 2026 | 63,935 | 34,577 | 98,512 | 53,885 | 30,723 | 84,608 | 12,090 | 5,114 | 17,204 | 53,675 | 52,725 | 106,400 | 183,585 | 123,139 | 306,724 |
| 2027 | 89,320 | 30,773 | 120,093 | 58,495 | 27,950 | 86,445 | 12,115 | 4,479 | 16,594 | 58,040 | 50,122 | 108,162 | 217,970 | 113,324 | 331,294 |
| 2028 | 53,640 | 40,884 | 94,524 | 59,280 | 25,009 | 84,289 | 12,135 | 3,843 | 15,978 | 61,675 | 47,136 | 108,811 | 186,730 | 116,872 | 303,602 |
| 2029 | 63,445 | 24,505 | 87,950 | 60,220 | 22,025 | 82,245 | 12,160 | 3,206 | 15,366 | 64,385 | 43,992 | 108,377 | 200,210 | 93,728 | 293,938 |
| 2030 | 44,885 | 21,826 | 66,711 | 50,780 | 19,253 | 70,033 | 12,185 | 2,567 | 14,752 | 65,210 | 40,759 | 105,969 | 173,060 | 84,405 | 257,465 |
| 2031 | 46,980 | 19,580 | 66,560 | 49,110 | 16,760 | 65,870 | 12,210 | 1,928 | 14,138 | 54,365 | 37,947 | 92,312 | 162,665 | 76,215 | 238,880 |
| 2032 | 49,125 | 17,248 | 66,373 | 50,195 | 14,311 | 64,506 | 12,240 | 1,287 | 13,527 | 42,750 | 35,696 | 78,446 | 154,310 | 68,542 | 222,852 |
| 2033 | 24,355 | 14,974 | 39,329 | 26,605 | 12,434 | 39,039 | 12,265 | 644 | 12,909 | 44,890 | 33,561 | 78,451 | 108,115 | 61,613 | 169,728 |
| 2034 | 21,725 | 13,755 | 35,480 | 27,930 | 11,093 | 39,023 | - | - | - | 47,045 | 31,416 | 78,461 | 96,700 | 56,264 | 152,964 |
| 2035 | 22,780 | 12,678 | 35,458 | 29,320 | 9,685 | 39,005 | - | - | - | 49,200 | 29,220 | 78,420 | 101,300 | 51,583 | 152,883 |
| 2036 | 23,890 | 11,549 | 35,439 | 13,350 | 8,662 | 22,012 | - | - | - | 51,460 | 26,984 | 78,444 | 88,700 | 47,195 | 135,895 |
| 2037 | 23,190 | 10,431 | 33,621 | 13,925 | 8,084 | 22,009 | - | - | - | 53,700 | 24,699 | 78,399 | 90,815 | 43,214 | 134,029 |
| 2038 | 24,275 | 9,339 | 33,614 | 14,490 | 7,520 | 22,010 | - | - | - | 56,050 | 22,300 | 78,350 | 94,815 | 39,159 | 133,974 |
| 2039 | 25,400 | 8,206 | 33,606 | 15,075 | 6,932 | 22,007 | - | - | - | 58,515 | 19,855 | 78,370 | 98,990 | 34,993 | 133,983 |
| 2040 | 26,555 | 7,038 | 33,593 | 15,640 | 6,364 | 22,004 | - | - | - | 60,960 | 17,362 | 78,322 | 103,155 | 30,764 | 133,919 |
| 2041 | 27,740 | 5,834 | 33,574 | 16,230 | 5,773 | 22,003 | - | - | - | 48,175 | 15,133 | 63,308 | 92,145 | 26,740 | 118,885 |
| 2042 | 18,895 | 4,852 | 23,747 | 16,845 | 5,157 | 22,002 | - | - | - | 50,000 | 13,296 | 63,296 | 85,740 | 23,305 | 109,045 |
| 2043 | 19,640 | 4,116 | 23,756 | 17,490 | 4,516 | 22,006 | - | - | - | 51,870 | 11,321 | 63,191 | 89,000 | 19,953 | 108,953 |
| 2044 | 20,385 | 3,336 | 23,721 | 18,185 | 3,818 | 22,003 | - | - | - | 53,970 | 9,171 | 63,141 | 92,540 | 16,325 | 108,865 |
| 2045 | 17,015 | 2,581 | 19,596 | 18,960 | 3,048 | 22,008 | - | - | - | 56,190 | 6,915 | 63,105 | 92,165 | 12,544 | 104,709 |
| 2046 | 17,715 | 1,878 | 19,593 | 19,755 | 2,245 | 22,000 | - | - | - | 58,505 | 4,567 | 63,072 | 95,975 | 8,690 | 104,665 |
| 2047 | 15,370 | 1,190 | 16,560 | 20,595 | 1,406 | 22,001 | - | - | - | 44,850 | 2,444 | 47,294 | 80,815 | 5,040 | 85,855 |
| 2048 | 14,475 | 536 | 15,011 | 18,910 | 559 | 19,469 | - | - | - | 30,085 | 901 | 30,986 | 63,470 | 1,996 | 65,466 |
| Total | \$ 891,456 | \$ 404,212 | \$ 1,295,668 | \$ 769,205 | \$ 322,191 | \$ 1,091,396 | \$ 130,635 | \$ 35,662 | \$ 166,297 | \$ 1,326,335 | \$ 692,360 | \$ 2,018,695 | \$ 3,117,631 | \$ 1,454,425 | \$ 4,572,056 |

(a) Includes Flood Control District debt paid for by the District's ad valorem tax revenues and debt paid for by the County's ad valorem tax revenues as a result of refunded commercial paper.

(b) See Table 24 for more detail of Limited Tax Debt Service Requirements.

Table 26

HARRIS COUNTY, TEXAS
COUNTY-WIDE BONDED DEBT SERVICE REQUIREMENTS
(amounts in thousands)

| Fiscal Year | County-Wide Tax Debt (a) | | | Toll Road Senior & 1st Lien Revenue Bonds | | | Total County-Wide Bonded Debt | | |
|--------------|--------------------------|---------------------|---------------------|---|---------------------|---------------------|-------------------------------|---------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2024 | \$ 163,382 | \$ 154,747 | \$ 318,129 | \$ 72,275 | \$ 86,626 | \$ 158,901 | \$ 235,657 | \$ 241,373 | \$ 477,030 |
| 2025 | 201,279 | 144,075 | 345,354 | 77,405 | 83,012 | 160,417 | 278,684 | 227,087 | 505,771 |
| 2026 | 183,585 | 123,139 | 306,724 | 82,280 | 79,142 | 161,422 | 265,865 | 202,281 | 468,146 |
| 2027 | 217,970 | 113,324 | 331,294 | 86,340 | 75,078 | 161,418 | 304,310 | 188,402 | 492,712 |
| 2028 | 186,730 | 116,872 | 303,602 | 90,635 | 70,761 | 161,396 | 277,365 | 187,633 | 464,998 |
| 2029 | 200,210 | 93,728 | 293,938 | 95,180 | 66,229 | 161,409 | 295,390 | 159,957 | 455,347 |
| 2030 | 173,060 | 84,405 | 257,465 | 99,980 | 61,470 | 161,450 | 273,040 | 145,875 | 418,915 |
| 2031 | 162,665 | 76,215 | 238,880 | 104,960 | 56,471 | 161,431 | 267,625 | 132,686 | 400,311 |
| 2032 | 154,310 | 68,542 | 222,852 | 110,250 | 51,223 | 161,473 | 264,560 | 119,765 | 384,325 |
| 2033 | 108,115 | 61,613 | 169,728 | 115,730 | 45,711 | 161,441 | 223,845 | 107,324 | 331,169 |
| 2034 | 96,700 | 56,264 | 152,964 | 61,475 | 40,044 | 101,519 | 158,175 | 96,308 | 254,483 |
| 2035 | 101,300 | 51,583 | 152,883 | 63,555 | 37,095 | 100,650 | 164,855 | 88,678 | 253,533 |
| 2036 | 88,700 | 47,195 | 135,895 | 69,320 | 34,047 | 103,367 | 158,020 | 81,242 | 239,262 |
| 2037 | 90,815 | 43,214 | 134,029 | 60,660 | 30,883 | 91,543 | 151,475 | 74,097 | 225,572 |
| 2038 | 94,815 | 39,159 | 133,974 | 63,035 | 28,566 | 91,601 | 157,850 | 67,725 | 225,575 |
| 2039 | 98,990 | 34,993 | 133,983 | 52,005 | 26,155 | 78,160 | 150,995 | 61,148 | 212,143 |
| 2040 | 103,155 | 30,764 | 133,919 | 53,970 | 23,863 | 77,833 | 157,125 | 54,627 | 211,752 |
| 2041 | 92,145 | 26,740 | 118,885 | 48,540 | 21,476 | 70,016 | 140,685 | 48,216 | 188,901 |
| 2042 | 85,740 | 23,305 | 109,045 | 53,995 | 19,215 | 73,210 | 139,735 | 42,520 | 182,255 |
| 2043 | 89,000 | 19,953 | 108,953 | 56,360 | 16,750 | 73,110 | 145,360 | 36,703 | 182,063 |
| 2044 | 92,540 | 16,325 | 108,865 | 58,715 | 14,172 | 72,887 | 151,255 | 30,497 | 181,752 |
| 2045 | 92,165 | 12,544 | 104,709 | 61,155 | 11,723 | 72,878 | 153,320 | 24,267 | 177,587 |
| 2046 | 95,975 | 8,690 | 104,665 | 63,490 | 9,171 | 72,661 | 159,465 | 17,861 | 177,326 |
| 2047 | 80,815 | 5,040 | 85,855 | 65,990 | 6,562 | 72,552 | 146,805 | 11,602 | 158,407 |
| 2048 | 63,470 | 1,996 | 65,466 | 52,695 | 3,847 | 56,542 | 116,165 | 5,843 | 122,008 |
| 2049 | - | - | - | 25,325 | 1,817 | 27,142 | 25,325 | 1,817 | 27,142 |
| 2050 | - | - | - | 23,435 | 883 | 24,318 | 23,435 | 883 | 24,318 |
| Total | \$ 3,117,631 | \$ 1,454,425 | \$ 4,572,056 | \$ 1,868,755 | \$ 1,001,992 | \$ 2,870,747 | \$ 4,986,386 | \$ 2,456,417 | \$ 7,442,803 |

(a) See Table 25 for more detail of Tax Debt Service Requirements.

**Harris County, Texas
County-Wide Authorized but Unissued Bonds
(Amounts in Thousands)**

As of September 30, 2023, the following County-wide ad valorem tax bonds authorized by the voters at elections held in September 1983, November 1999, November 2007, November 2015, August 2018 and November 2022 remain unissued.

The Table reflects the County’s use of voted authority when it issues general obligation commercial paper notes pursuant to its Series B (parks and libraries), Series C (roads and bridges), Series D (parks and libraries) and Series D-3 (roads and bridges) programs.

County Ad Valorem Tax Bonds

| | | |
|---|------------------|---------------------|
| Limited Tax: | | |
| Civil Justice Center | \$ 33,000 | |
| Parks | 211,968 | |
| Forensic Lab | 5,180 | |
| Family Law Center | 70,000 | |
| Public Safety | <u>100,000</u> | |
| Total Limited Tax Bonds | | \$ 420,148 |
| Unlimited Tax: | | |
| Road Bonds | <u>1,283,330</u> | |
| Total Unlimited Tax Bonds | | 1,283,330 |
| Combination Unlimited Tax and Revenue: | | |
| Toll Roads | <u>15,148</u> | |
| Total Unlimited Tax and Revenue Bonds | | 15,148 |
| Harris County Flood Control District Limited Tax Bonds: | | |
| Flood Bonds | <u>1,491,775</u> | |
| Total Flood Control Limited Tax Bonds | | <u>1,491,775</u> |
| Total Authorized but Unissued Bonds | | <u>\$ 3,210,401</u> |

Table 28

**HARRIS COUNTY, TEXAS
HOTEL OCCUPANCY TAX REVENUE**

| <u>Fiscal Year</u> | <u>Revenues</u> | <u>Percentage Change From Prior Year</u> |
|--------------------|-----------------|--|
| 2015 | \$ 41,910,703 | 15.11% |
| 2016 | 40,138,059 | -4.23% |
| 2017 | 37,850,932 | -5.70% |
| 2018 | 43,410,623 | 14.69% |
| 2019 | 43,968,621 | 1.29% |
| 2020 | 47,776,464 | 8.66% |
| 2021 | 28,170,657 | -41.04% |
| 2022 | 41,909,789 | 48.77% |
| 9/30/2022 | * 28,441,053 | -32.14% |
| 2023 | 58,027,382 | 104.03% |

Note: This table is prepared on the accrual basis.

*The County changed its fiscal year-end from February 28/29 to September 30 year-end.

This reflects a short 7-month period, and then subsequent to that a full 12 months ended 9/30.

**HARRIS COUNTY, TEXAS
OPERATING FUNDS BUDGET FOR THE COUNTY'S FISCAL YEAR 2023-2024
(Unaudited)**

On September 19, 2023 the Commissioners Court adopted the budget for the County for the Fiscal Year 2023-2024. The Fiscal Year budget included appropriations for some capital projects, which are financed from current revenues. The following is a summary of the Fiscal Year 2023-2024 budget for County's Current Operating Fund:

| | |
|------------------------------------|-------------------------|
| Cash Balance as of October 1, 2023 | \$ 351,635,668 |
| Estimated Revenues: | |
| Ad Valorem and Miscellaneous Taxes | 1,918,858,041 |
| Charges for Services | 288,103,955 |
| Fines and Forfeitures | 15,135,500 |
| Intergovernmental Revenues | 81,342,172 |
| Interest | 29,186,350 |
| Other | 55,442,745 |
| Total Cash and Estimated Revenues | <u>\$ 2,739,704,431</u> |
| Appropriations: | |
| Current Operating Expenses | \$ 2,725,294,329 |
| Capital Outlay: | |
| Roads | 3,923,315 |
| Parks | 10,486,787 |
| Total Appropriations | <u>\$ 2,739,704,431</u> |

Table 30

**HARRIS COUNTY, TEXAS
COUNTY CAPITAL PROJECTS FUNDS BUDGETING**

County Capital Projects Funds are used in projects including construction of roads, office and court buildings, jails, juvenile home facilities, parks and libraries. Cash and investments on hand in the Capital Projects Funds at September 30, 2023 derived from the sale of bonds and other sources and the investment income (except investment income may be used for debt service) thereon, are designated to be spent over a period of several years for the following purposes:

| | |
|------------------------|-----------------------|
| Roads | \$ 184,718,229 |
| Permanent Improvements | 51,215,863 |
| Flood Control | 403,410,544 |
| Total | <u>\$ 639,344,636</u> |

Table 31

HARRIS COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023

| | General Operating | Public Contingency | Mobility Fund | Infrastructure Fund | General Debt | Other | Total General Fund |
|--|-----------------------|-----------------------|-----------------------|------------------------|----------------------|---------------------|-------------------------|
| ASSETS | | | | | | | |
| Cash and investments: | | | | | | | |
| Cash and cash equivalents | \$ 104,550,485 | \$ 37,154,331 | \$ 61,090,965 | \$ 42,516,286 | \$ - | \$ 1,494,669 | \$ 246,806,736 |
| Investments | 47,451,833 | 157,924,001 | 366,211,886 | 254,865,338 | - | 98,490 | 826,551,548 |
| Receivables: | | | | | | | |
| Taxes, net | 14,441,824 | - | - | - | - | - | 14,441,824 |
| Accounts | 25,855,845 | 1,907 | 411,937 | - | - | 250,000 | 26,519,689 |
| Accrued interest | 54,710 | 1,537,812 | 2,551,324 | 1,775,595 | - | 576 | 5,920,017 |
| Lease | 1,999,801 | - | - | - | - | - | 1,999,801 |
| Other | 28,584,963 | - | - | - | 2,496 | 58 | 28,587,517 |
| Due from other funds | 379,847,636 | 801,493 | 6,537,321 | 821,136 | - | - | 388,007,586 |
| Prepays and other assets | 21,219,718 | - | 1,519,854 | 1,614,524 | - | 100,587 | 24,454,683 |
| Inventories | 1,322,591 | - | - | - | - | - | 1,322,591 |
| Restricted cash and cash equivalents | - | - | - | - | 70,510,019 | - | 70,510,019 |
| Advances to other funds | 200,000 | 200,000 | - | - | - | - | 400,000 |
| Total assets | <u>625,529,406</u> | <u>197,619,544</u> | <u>438,323,287</u> | <u>301,592,879</u> | <u>70,512,515</u> | <u>1,944,380</u> | <u>1,635,522,011</u> |
| LIABILITIES | | | | | | | |
| Vouchers payable | 83,211,599 | 847,581 | 17,189,458 | 14,941,006 | 84,483 | 5,128 | 116,279,255 |
| Accrued payroll and compensated absences | 135,465,807 | - | 4,629,215 | 175,989 | - | - | 140,271,011 |
| Due to other funds | 3,634,239 | 247,690 | 14,867,693 | 9,904,935 | 2,120,000 | - | 30,774,557 |
| Retainage payable | 882,428 | - | 5,073,668 | 2,647,385 | - | - | 8,603,481 |
| Other liabilities | 151,461 | - | - | - | - | - | 151,461 |
| Unearned revenue | 8,936,201 | - | 1,242,302 | 3,282,317 | - | - | 13,460,820 |
| Total liabilities | <u>232,281,735</u> | <u>1,095,271</u> | <u>43,002,336</u> | <u>30,951,632</u> | <u>2,204,483</u> | <u>5,128</u> | <u>309,540,585</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable revenue - property taxes | 14,441,824 | - | - | - | - | - | 14,441,824 |
| Unavailable revenue - other | 13,317,958 | 373 | 1,905 | - | - | - | 13,320,236 |
| Deferred lease revenues | 1,962,526 | - | - | - | - | - | 1,962,526 |
| Total deferred inflows of resources | <u>29,722,308</u> | <u>373</u> | <u>1,905</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>29,724,586</u> |
| FUND BALANCES | | | | | | | |
| Nonspendable | 22,742,309 | 200,000 | 1,519,854 | 1,614,524 | - | 100,587 | 26,177,274 |
| Restricted | - | - | 393,799,192 | 269,026,723 | 68,308,032 | 383,789 | 731,517,736 |
| Committed | 66,334,343 | - | - | - | - | 1,454,876 | 67,789,219 |
| Assigned | 32,533,034 | 2,410,067 | - | - | - | - | 34,943,101 |
| Unassigned | 241,915,677 | 193,913,833 | - | - | - | - | 435,829,510 |
| Total fund balances | <u>363,525,363</u> | <u>196,523,900</u> | <u>395,319,046</u> | <u>270,641,247</u> | <u>68,308,032</u> | <u>1,939,252</u> | <u>1,296,256,840</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 625,529,406</u> | <u>\$ 197,619,544</u> | <u>\$ 438,323,287</u> | <u>\$ 301,592,879</u> | <u>\$ 70,512,515</u> | <u>\$ 1,944,380</u> | <u>\$ 1,635,522,011</u> |

HARRIS COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Fiscal Year Ended September 30, 2023

| | General Operating | Public Contingency | Mobility Fund | Infrastructure Fund | General Debt | Other | Consolidating Entries | Total General Fund |
|--|-----------------------|-----------------------|-----------------------|------------------------|----------------------|---------------------|--------------------------|--------------------------|
| REVENUES | | | | | | | | |
| Taxes | \$ 1,710,821,392 | \$ 59 | \$ - | \$ - | \$ 174,184,868 | \$ - | \$ - | \$ 1,885,006,319 |
| Charges for services | 270,843,203 | - | 162,320 | - | - | 119,276 | - | 271,124,799 |
| Intergovernmental | 98,994,720 | - | - | - | - | 500,000 | - | 99,494,720 |
| User fees | 162,281 | - | - | - | - | - | - | 162,281 |
| Fines and forfeitures | 15,143,252 | - | - | - | - | - | - | 15,143,252 |
| Lease revenue | 1,001,822 | - | - | - | - | - | - | 1,001,822 |
| Earnings on investments | 31,254,422 | 7,531,040 | 21,525,796 | 8,739,071 | 3,871,834 | 68,683 | - | 72,990,846 |
| Miscellaneous | 63,308,029 | 6,800,456 | 9,258,908 | 1,785,526 | 179,909 | 280,000 | - | 81,612,828 |
| Total revenues | <u>2,191,529,121</u> | <u>14,331,555</u> | <u>30,947,024</u> | <u>10,524,597</u> | <u>178,236,611</u> | <u>967,959</u> | <u>-</u> | <u>2,426,536,867</u> |
| EXPENDITURES | | | | | | | | |
| Current operating: | | | | | | | | |
| Administration of justice | 1,342,266,084 | 994,641 | 751,982 | - | - | - | - | 1,344,012,707 |
| Parks | 58,766,249 | - | 7,587,896 | - | - | - | - | 66,354,145 |
| County administration | 431,441,927 | 6,174,472 | 48,010,427 | 36,128,268 | - | 474,340 | - | 522,229,434 |
| Health and human services | 164,739,923 | 952,003 | - | - | - | - | - | 165,691,926 |
| Tax administration | 47,472,206 | - | - | - | - | - | - | 47,472,206 |
| Roads and bridges | 8,833,363 | - | 102,788,173 | - | - | - | - | 111,621,536 |
| Capital outlay | 11,958,767 | 478,506 | 61,084,705 | 24,648,610 | - | - | - | 98,170,588 |
| Debt service: | | | | | | | | |
| Principal retirement | 26,949,237 | - | - | - | 8,155,806 | - | - | 35,105,043 |
| Bond issuance costs | - | - | - | - | 965,830 | - | - | 965,830 |
| Interest and fiscal charges | 2,479,804 | - | - | - | 42,356,073 | - | - | 44,835,877 |
| Payments to defease commercial paper | - | - | - | - | 45,300,000 | - | - | 45,300,000 |
| Total expenditures | <u>2,094,907,560</u> | <u>8,599,622</u> | <u>220,223,183</u> | <u>60,776,878</u> | <u>96,777,709</u> | <u>474,340</u> | <u>-</u> | <u>2,481,759,292</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>96,621,561</u> | <u>5,731,933</u> | <u>(189,276,159)</u> | <u>(50,252,281)</u> | <u>81,458,902</u> | <u>493,619</u> | <u>-</u> | <u>(55,222,425)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers in | 79,713,795 | 30,157,788 | 215,364,755 | 155,000,000 | 259,406,930 | - | (197,033,304) | 542,609,964 |
| Transfers out | (81,289,369) | - | - | - | (212,844,898) | - | 197,033,304 | (97,100,963) |
| Refunding bonds issued | - | - | - | - | 148,860,000 | - | - | 148,860,000 |
| Premium on bonds issued | - | - | - | - | 15,706,432 | - | - | 15,706,432 |
| Payments to defease commercial paper | - | - | - | - | (230,000,000) | - | - | (230,000,000) |
| Total other financing sources (uses) | <u>(1,575,574)</u> | <u>30,157,788</u> | <u>215,364,755</u> | <u>155,000,000</u> | <u>(18,871,536)</u> | <u>-</u> | <u>-</u> | <u>380,075,433</u> |
| Net changes in fund balances | 95,045,987 | 35,889,721 | 26,088,596 | 104,747,719 | 62,587,366 | 493,619 | - | 324,853,008 |
| Fund balances, beginning | 268,479,376 | 160,634,179 | 369,230,450 | 165,893,528 | 5,720,666 | 1,445,633 | - | 971,403,832 |
| Fund balances, ending | <u>\$ 363,525,363</u> | <u>\$ 196,523,900</u> | <u>\$ 395,319,046</u> | <u>\$ 270,641,247</u> | <u>\$ 68,308,032</u> | <u>\$ 1,939,252</u> | <u>\$ -</u> | <u>\$ 1,296,256,840</u> |

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

County Judge Lina Hidalgo and
Members of Commissioners Court of
Harris County, Texas:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Harris County, Texas's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-004. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004 to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Deloitte & Touche LLP

March 28, 2024

REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY TXGMS

INDEPENDENT AUDITOR'S REPORT

County Judge Lina Hidalgo and
Members of Commissioners Court of
Harris County, Texas:

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Harris County, Texas's (the "County") compliance with the types of compliance requirements identified as subject to audit in the State of Texas Grant Management Standards ("TxGMS") that could have a direct and material effect on each of the County's major state programs for the year ended September 30, 2023. The County's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended September 30, 2023.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of TxGMS. Our responsibilities under those standards and TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's state programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and TxGMS, we

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

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

Report on Internal Control Over Compliance

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

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

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

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

Deloitte & Touche LLP

March 28, 2024

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

INDEPENDENT AUDITOR'S REPORT

County Judge Lina Hidalgo
and Members of Commissioners
Court of Harris County, Texas:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Harris County, Texas (the "County"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 28, 2024. Our report includes a reference to other auditors who audited the financial statements of Harris County Sports & Convention Corporation, Harris County Redevelopment Authority, Harris County Hospital District, Harris Center for Mental Health and IDD, Harris County Housing Finance Corporation, and Children's Assessment Center Foundation, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Harris County Sports & Convention Corporation, Harris County Redevelopment Authority, and Harris County Housing Finance Corporation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Harris County Sports & Convention Corporation, Harris County Redevelopment Authority, and Harris County Housing Finance Corporation.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-003 to be a significant deficiency.

Report on Compliance and Other Matters

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

The County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

Deloitte & Touche LLP

March 28, 2024

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|---|---|---------------------------|-------------------------|---------------------------------------|-----------------------|----------------------------------|
| FEDERAL GRANTS | | | | | | |
| U.S. DEPARTMENT OF AGRICULTURE | | | | | | |
| PASS THROUGH PROGRAMS, TEXAS A&M AGRILIFE EXTENSION SERVICE (College Station): | | | | | | |
| 9065 | Children, Youth, and Families at Risk (CYFAR) Total ALN 10.500 | 10.500 | 20174152026853 | M2102374 | \$ (2,114) (2,114) | \$ - - |
| PASS THROUGH PROGRAMS, TEXAS HEALTH AND HUMAN SERVICES COMMISSION: | | | | | | |
| 8320 | Women, Infant and Children's Nutrition Grant Program - WIC | 10.557 | 216TX527W5003 | HHS000804400001 | (236) | - |
| 8320 | Women, Infant and Children's Nutrition Grant Program - WIC | 10.557 | 226TX507W1003 | HHS000804400001 | 130,379 | - |
| 8320 | Women, Infant and Children's Nutrition Grant Program - WIC | 10.557 | 236TX507W1003 | HHS000804400001 | 6,924,572 | - |
| | Total ALN 10.557 | | | | 7,054,715 | - |
| 8320 | Women, Infant and Children's Nutrition Grant Program - WIC | 10.561 | 236TX105S2514 | HHS000804400001 | 20,150 | - |
| | Total SNAP Cluster (ALN 10.561) | | | | 20,150 | - |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | | | 7,072,751 | - |
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7237 | NSP RLF 1 | 14.218 | N/A | - | 902,284 | 865,239 |
| 7660 | Community Development Block Grant/Entitlement Grants 2015 | 14.218 | B-15-UC-48-0002 | - | 126,150 | - |
| 7660 | Community Development Block Grant/Entitlement Grants 2016 | 14.218 | B-16-UC-48-0002 | - | 188,791 | - |
| 7660 | Community Development Block Grant/Entitlement Grants 2017 | 14.218 | B-17-UC-48-0002 | - | 32,180 | - |
| 7660 | Community Development Block Grant/Entitlement Grants 2018 | 14.218 | B-18-UC-48-0002 | - | 581,887 | 36,171 |
| 7660 | Community Development Block Grant/Entitlement Grants 2019 | 14.218 | B-19-UC-48-0002 | - | 1,158,322 | 107,856 |
| 7660 | Community Development Block Grant/Entitlement Grants 2020 | 14.218 | B-20-UC-48-0002 | - | 1,965,423 | 25,613 |
| 7660 | Community Development Block Grant/Entitlement Grants 2021 | 14.218 | B-21-UC-48-0002 | - | 1,910,124 | 266,859 |
| 7660 | Community Development Block Grant/Entitlement Grants 2022 | 14.218 | B-22-UC-48-0002 | - | 7,146,784 | 3,098,582 |
| 9037 | (COVID-19) Community Development Block Grant - CARES Act Round 2 (CDBG-CV2) | 14.218 | B-20-UW-48-0002 | - | 517,495 | 517,418 |
| 9037 | (COVID-19) Community Development Block Grant - CARES Act Round 3 (CDBG-CV2) | 14.218 | B-20-UW-48-0002 | - | 3,116,166 | 372,222 |
| | Total CDBG - Entitlement Grants Cluster (ALN 14.218) | | | | 17,645,606 | 5,289,960 |
| 7130 | Emergency Shelter Grant Program 2021 | 14.231 | E-21-UC-48-0002 | - | 521,362 | - |
| 7130 | Emergency Shelter Grant Program 2022 | 14.231 | E-22-UC-48-0002 | - | 402,746 | 322,361 |
| 9041 | (COVID-19) Emergency Shelter Grant Program _ CARES Act Round 1 (ESG-CV1) | 14.231 | E-20-UW-48-0002 | - | 1,436,485 | 1,298,107 |
| 9041 | (COVID-19) Emergency Shelter Grant Program _ CARES Act Round 2 (ESG-CV2) | 14.231 | E-20-UW-48-0002 | - | 1,498,724 | 1,343,951 |
| PASS THROUGH FROM CITY OF HOUSTON VIA CHILD CARE COUNCIL OF GREATER HOUSTON: | | | | | | |
| 7135 | Child Care Council 22 ESG | 14.231 | N/A | N/A | 166,949 | - |
| 7135 | Child Care Council 23 ESG | 14.231 | N/A | N/A | 41,014 | - |
| | Total ALN 14.231 | | | | 4,067,280 | 2,964,419 |
| DIRECT PROGRAMS: | | | | | | |
| 7140 | HOME Investment Partnership Program 2014 | 14.239 | M-14-UC-48-0215 | - | (267,105) | (267,105) |
| 7140 | HOME Investment Partnership Program 2015 | 14.239 | M-15-UC-48-0215 | - | (445,262) | (445,262) |
| 7140 | HOME Investment Partnership Program 2016 | 14.239 | M-16-UC-48-0215 | - | (736,391) | (406,415) |
| 7140 | HOME Investment Partnership Program 2017 | 14.239 | M-17-UC-48-0215 | - | (479,046) | - |
| 7140 | HOME Investment Partnership Program 2018 | 14.239 | M-18-UC-48-0215 | - | 983,354 | 825,513 |
| 7140 | HOME Investment Partnership Program 2019 | 14.239 | M-19-UC-48-0215 | - | 670,349 | 122,483 |
| 7140 | HOME Investment Partnership Program 2020 | 14.239 | M-20-UC-48-0215 | - | 95,099 | - |
| 7140 | HOME Investment Partnership Program 2021 | 14.239 | M-21-UC-48-0215 | - | 34,530 | - |
| 7140 | HOME Investment Partnership Program 2022 | 14.239 | M-22-UC-48-0215 | - | 302,924 | - |
| | Total ALN 14.239 | | | | 158,452 | (170,786) |
| 7200 | Continuum Care Program 2020 | 14.267 | TX0313L6E00210 | - | 120,581 | - |
| 7200 | Continuum Care Program 2021 | 14.267 | TX0313L6E002111 | - | 540,874 | - |
| | Total ALN 14.267 | | | | 661,455 | - |
| 7252 | Lead-Based Paint Hazard Control Grant | 14.900 | TXLHB0708-18 | - | 129,622 | - |
| 7252 | Lead-Based Paint Hazard Control Grant | 14.900 | TXLHD0473-21 | - | 907,887 | - |
| | Total ALN 14.900 | | | | 1,037,509 | - |
| PASS THROUGH PROGRAMS, TEXAS GENERAL LAND OFFICE: | | | | | | |
| 8112 | Community Development Block Grant/Disaster Recovery | 14.228 | N/A | 12-494-000-6692 | 195,420 | - |
| 7569 | Community Development Block Grant/Disaster Recovery - Hurricane Harvey | 14.228 | B-17-DL-48-0002 | 18-495-000-B220 | 22,137,889 | 15,800,000 |
| 7654 | Community Development Block Grant/Disaster Recovery - 2016 Flood Allocation | 14.228 | B-16-DL-48-0001 | 18-545-000-B292 | 7,587,168 | 5,056,569 |
| 7655 | Community Development Block Grant/Disaster Recovery - Non-Housing '16 | 14.228 | B-16-DL-48-0001 | 19-076-007-B356 | 1,729,755 | 1,531,932 |
| 7657 | CDBG Disaster Recovery Program - Harvey Round 1 Funding | 14.228 | B-17-DM-48-0001 | 19-147-002-B490 | 224,478,211 | 52,996,228 |
| 9073 | CDBG- MIT Cloverleaf Drainage Improvements | 14.228 | B-18-DP-48-0002 | 22-082-010-D210 | 129,336 | - |
| 9108 | CDBG- MIT Infrastructure and Planning Projects | 14.228 | B-18-DP-48-0002 | 22-129-000-D405 | 127,473 | - |
| | Total ALN 14.228 | | | | 256,385,252 | 75,384,729 |
| TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | | 279,955,554 | 83,468,322 |
| U.S. DEPARTMENT OF JUSTICE | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 9002 | Bringing Home the Wanderers: Search and Rescue for the Cognitively Impaired | 16.015 | 2020-J1-BX-0007 | - | 73,700 | - |
| | Total ALN 16.015 | | | | 73,700 | - |
| 9082 | Community Based Violence Intervention and Prevention Initiative | 16.045 | 15PBJA-22-GG-04740-CV1P | - | 6,673 | - |
| | Total ALN 16.045 | | | | 6,673 | - |
| 7794 | Victim Advocates | 16.582 | 2019-V3-GX-0134 | - | 154,769 | - |
| | Total ALN 16.582 | | | | 154,769 | - |
| 1000 | State Criminal Alien Assistance Program (SCAAP) | 16.606 | 15PBJA-21-RR-05110-SCAA | - | 3,871,362 | - |
| | Total ALN 16.606 | | | | 3,871,362 | - |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients | |
|--|---|---------------------------|--------------------------|---------------------------------------|----------------------|----------------------------------|------------------|
| 8605 | GY21 Bulletproof Vest Partnership Program | 16.607 | 2021BOBX21026507 | - | 41,825 | - | |
| 8605 | GY22 Bulletproof Vest Partnership Program | 16.607 | 2022BOBX22030113 | - | 116,051 | - | |
| | Total ALN 16.607 | | | | 157,876 | - | |
| 9018 | FY 2020 COPS Hiring Program (CHP) | 16.710 | 2020ULWX0042 | - | 79,393 | - | |
| 9018 | FY 2022 COPS Hiring Program (CHP) | 16.710 | 15JCOPS-22-GG-03419-UHPX | - | 231,071 | - | |
| 9071 | Community Policing Development De-Escalation Training Solicitation | 16.710 | 15JCOPS-21-GG-02450-SPPS | - | 66,132 | - | |
| | Total ALN 16.710 | | | | 376,596 | - | |
| 9076 | FY21 Implementing the PREA Standards | 16.735 | 15PBJA-21-GG-02780-PREA | - | 20,031 | - | |
| | Total ALN 16.735 | | | | 20,031 | - | |
| 8778 | DNA Capacity Enhancement and Backlog Reduction Program | 16.741 | 15PBJA-21-GG-03192-DNAX | - | 744,070 | - | |
| 8778 | DNA Capacity Enhancement and Backlog Reduction Program | 16.741 | 15PBJA-22-GG-01727-DNAX | - | 80,167 | - | |
| | Total ALN 16.741 | | | | 824,237 | - | |
| 9029 | Family First Reentry Program | 16.812 | 2020-CZ-BX-0013 | - | 191,052 | - | |
| | Total ALN 16.812 | | | | 191,052 | - | |
| 2015 | Constable Pct.3 Federal Forfeiture Assets - Justice Funds | 16.922 | TX1014800 | - | 12,571 | - | |
| 2013 | Sheriff Seized Assets - Justice Funds | 16.922 | TX1010000 | - | 766,488 | - | |
| 2034 | County Attorney Forfeited Assets - Special Prosecutor Justice Funds | 16.922 | TX101013A | - | 159,865 | - | |
| 2011 | DA Forfeited Assets - Justice Funds | 16.922 | TX101015A | - | 171,312 | - | |
| | Total ALN 16.922 | | | | 1,110,236 | - | |
| 9075 | FY 2022 Local Law Enforcement Crime Gun Intelligence Center (CGIC) Integration Initiative | 16.738 | 15PBJA-22-GG-01750-JAGP | - | 190,321 | - | |
| PASS THROUGH PROGRAMS, TEXAS OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION: | | | | | | | |
| 9039 | Less-Lethal Launchers | 16.738 | 2020-DJ-BX-0034 | 4016002 | 99,883 | - | |
| 9028 | Child Abuse Unit | 16.738 | 2020-DJ-BX-0034 | 4011202 | 14,311 | - | |
| 9028 | Child Abuse Unit | 16.738 | 15PBJA-21-GG-00289-JAGX | 4011203 | 74,950 | - | |
| 9077 | Criminal Justice Grant Program | 16.738 | 2020-DJ-BX-0034 | 4249601 | 86,906 | - | |
| 7789 | Crime Scene Unit | 16.738 | 2020-DJ-BX-0034 | 4284801 | 66,000 | - | |
| 9093 | Law Enforcement Equipment Grant | 16.738 | 15PBJA-21-GG-00289-JAGX | 4430901 | 79,994 | - | |
| 9077 | Criminal Justice Grant Program | 16.738 | 15PBJA-21-GG-00289-JAGX | 4438001 | 88,665 | - | |
| 9089 | Violent Crimes Unit | 16.738 | 15PBJA-21-GG-00289-JAGX | 4476301 | 99,312 | - | |
| 7480 | Patrol Division Equipment | 16.738 | 15PBJA-21-GG-00289-JAGX | 4520401 | 119,133 | - | |
| PASS THROUGH PROGRAMS, CITY OF HOUSTON: | | | | | | | |
| 8715 | 2018 Justice Assistance Grant (JAG) Program | 16.738 | 2018-DJ-BX-0413 | 2018-DJ-BX-0413 | 155,517 | - | |
| 8715 | 2019 Justice Assistance Grant (JAG) Program | 16.738 | 2019-DJ-BX-0564 | 2019-DJ-BX-0564 | 581,172 | - | |
| 8715 | 2020 Justice Assistance Grant (JAG) Program | 16.738 | 2020-DJ-BX-0242 | 2020-DJ-BX-0242 | 335,731 | - | |
| 8715 | 2021 Justice Assistance Grant (JAG) Program | 16.738 | 15PBJA-21-GG-01880-JAGX | 15PBJA-21-GG-01880-JAGX | 244,677 | - | |
| 8715 | 2022 Justice Assistance Grant (JAG) Program | 16.738 | 15PBJA-22-GG-02108-JAGX | 15PBJA-22-GG-02108-JAGX | 250,876 | - | |
| | Total ALN 16.738 | | | | 2,487,448 | - | |
| PASS THROUGH PROGRAMS, CITY OF HOUSTON: | | | | | | | |
| 7626 | Human Trafficking Rescue Alliance Task Force | 16.320 | 2019-VT-BX-K025 | N/A | 68,121 | - | |
| | Total ALN 16.320 | | | | 68,121 | - | |
| PASS THROUGH PROGRAMS, TEXAS OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION: | | | | | | | |
| 7737 | Victim Assistance Specialist | 16.575 | 2020-V2-GX-0004 | 2460108 | 2,357 | - | |
| 7496 | Family Victimization Support Services | 16.575 | 2020-V2-GX-0004 | 2812605 | 1,904 | - | |
| 7246 | HCDAO Victim Assistance Project | 16.575 | 2018-V2-GX-0040 | 2877903 | 16,044 | - | |
| 7246 | HCDAO Victim Assistance Project | 16.575 | 2020-V2-GX-0004 | 2877904 | 64,862 | - | |
| 8006 | Senior Justice Assessment Center | 16.575 | 2019-V2-GX-0011 | 3052004 | 40,213 | - | |
| 7099 | Domestic Violence Advocacy | 16.575 | 2020-V2-GX-0004 | 3103404 | 4,973 | - | |
| 7072 | Crime Victim's Assistance Unit | 16.575 | 2020-V2-GX-0004 | 3332005 | (1,951) | - | |
| 7341 | Victim Assistance Program Domestic Violence Deputy | 16.575 | 2020-V2-GX-0004 | 3376505 | 126 | - | |
| 7348 | Continuum: TRIAD Child Sex Trafficking Project | 16.575 | 15POVC-21-GG-00600-ASSI | 3514605 | 720,492 | - | |
| 7664 | 2022 ELTR: Girls Inspiring Future Triumphs (GIFT) | 16.575 | 2020-V2-GX-0004 | 3554303 | 47,283 | - | |
| 7664 | 2022 ELTR: Girls Inspiring Future Triumphs (GIFT) | 16.575 | 15POVC-21-GG-00600-ASSI | 3554304 | 355,663 | - | |
| 7673 | Family Victimization Services For Children Referred to Supervised Possession | 16.575 | 2019-V2-GX-0011 | 3576703 | (4,925) | - | |
| 7662 | Domestic Violence Outreach and Response Team | 16.575 | 2018-V2-GX-0040 | 3599202 | 10,318 | - | |
| 9088 | Human Trafficking Advocacy Program | 16.575 | 15POVC-21-GG-00600-ASSI | 4459401 | 33,853 | - | |
| | Total ALN 16.575 | | | | 1,291,212 | - | |
| 7572 | Special Victims Prosecution and Protective Order Project | 16.588 | 15JOVW-22-GG-00453-STOP | 1720419 | 224,281 | - | |
| 7572 | Special Victims Prosecution and Protective Order Project | 16.588 | 15JOVW-23-GG-00603-MUMU | 1720420 | 29,494 | - | |
| 7641 | HCD A Adult Sex Crimes | 16.588 | 15JOVW-22-GG-00453-STOP | 3336906 | 160,000 | - | |
| | Total ALN 16.588 | | | | 413,775 | - | |
| 8410 | Residential Substance Abuse Treatment | 16.593 | 15PBJA-22-GG-00512-RSAT | 1487725 | 1,230,295 | 1,230,295 | |
| 7224 | The Freedom Project | 16.593 | 15PBJA-21-GG-00083-RSAT | 1487824 | 4,175 | - | |
| 7224 | The Freedom Project | 16.593 | 15PBJA-21-GG-00083-RSAT | 1487825 | 251,602 | - | |
| | Total ALN 16.593 | | | | 1,486,072 | 1,230,295 | |
| 7786 | Operation North Star | 16.609 | 15PBJA-21-GG-03068-GUNP | 3915304 | 99,158 | - | |
| 9070 | Project Safe Neighborhoods Program | 16.609 | 2020-GP-BX-0057 | 4259001 | 177 | - | |
| | Total ALN 16.609 | | | | 99,335 | - | |
| 8676 | Forensic Science Improvement Project | 16.742 | 15PBJA-21-GG-02933-COVE | 1748016 | 6,532 | - | |
| 8676 | Paul Coverdell Forensic Science Improvement Grant Program | 16.742 | 15PBJA-22-GG-02029-COVE | 1748017 | 238,029 | - | |
| | Total ALN 16.742 | | | | 244,561 | - | |
| PASS THROUGH PROGRAMS, TEXAS OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION VIA CITY OF HOUSTON: | | | | | | | |
| 7267 | Internet Crimes Against Children Task Force | 16.543 | 15JDP-21-GK-03801-MECP | 2745207 | 54,010 | - | |
| | Total ALN 16.543 | | | | 54,010 | - | |
| TOTAL U.S. DEPARTMENT OF JUSTICE | | | | | | 12,931,066 | 1,230,295 |
| U.S. DEPARTMENT OF TRANSPORTATION | | | | | | | |
| DIRECT PROGRAMS: | | | | | | | |
| 7054 | Houston Urbanized Area Grant - FY16 FTA 5307 | 20.507 | TX-2019-015-00 | - | 439,050 | - | |
| 7054 | Houston Urbanized Area Grant - FY17 FTA 5307 | 20.507 | TX-2019-015-00 | - | 102,222 | - | |
| 7054 | Houston Urbanized Area Grant - FY18 FTA 5307 | 20.507 | TX-2019-060-00 | - | 718,212 | - | |
| 7054 | Houston Urbanized Area Grant - FY19 FTA 5307 | 20.507 | TX-2023-016-00 | - | 1,954,884 | - | |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|---|---|---------------------------|----------------------|---------------------------------------|----------------------|----------------------------------|
| 7054 | (COVID-19) Houston Urbanized Area Grant - FY21 FTA 5307 (ARPA Allocation) | 20.507 | TX-2023-038-00 | - | 247,406 | - |
| 9042 | (COVID-19) Houston Urbanized Area Grant - FY20 FTA 5307 CARES Act | 20.507 | TX-2020-145-00 | - | 1,284,137 | - |
| | Total Federal Transit Cluster (ALN 20.507) | | | | <u>4,745,911</u> | <u>-</u> |
| 7416 | FY16 FTA 5310 RIDES Program Grant | 20.513 | TX-2017-043-00 | - | 63,283 | - |
| 7416 | FY17 FTA 5310 RIDES Program Grant | 20.513 | TX-2019-055-00 | - | 45,122 | - |
| 7416 | FY18 FTA 5310 RIDES Program Grant | 20.513 | TX-2020-050-00 | - | 83,639 | - |
| 7416 | FY19 FTA 5310 RIDES Program Grant | 20.513 | TX-2021-120-00 | - | 527,496 | - |
| 7416 | FY20 FTA 5310 RIDES Program Grant | 20.513 | TX-2022-066-00 | - | 249,618 | - |
| | Total Transit Services Programs Cluster (ALN 20.513) | | | | <u>969,158</u> | <u>-</u> |
| PASS THROUGH PROGRAMS, HOUSTON-GALVESTON AREA COUNCIL: | | | | | | |
| 7692 | Towing Program | 20.205 | N/A | TDOT.19.0608-02 | 761,471 | - |
| 8910 | Motorist Assistance Program & Incident Management Unit | 20.205 | N/A | TDOT.19.0605-01 | (252,629) | - |
| 8910 | Motorist Assistance Program & Incident Management Unit | 20.205 | N/A | TDOT.22.0608-01 | 2,493,357 | - |
| 8910 | Motorist Assistance Program & Incident Management Unit | 20.205 | N/A | TDOT.23.0608-01 | 855,234 | - |
| | Total ALN 20.205 | | | | <u>3,857,433</u> | <u>-</u> |
| PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF TRANSPORTATION: | | | | | | |
| 9102 | STEP - Operation Slowdown | 20.600 | 69A37523300004020TX0 | 2023-HarrisCo-OpSlow-00022 | 8,128 | - |
| 7219 | STEP - 2020 Comprehensive | 20.600 | 69A37520300004020TX0 | 2020-HarrisP1-S-1YG-00018 | 281 | - |
| 7219 | STEP - 2022 Comprehensive | 20.600 | 69A37522300004020TX0 | 2022-HarrisP1-S-1YG-00115 | 229 | - |
| 7219 | STEP - 2023 Comprehensive | 20.600 | 69A37523300004020TX0 | 2023-HarrisP1-S-1YG-00078 | 67,323 | - |
| 8895 | STEP - 2022 Comprehensive | 20.600 | 18X9204020TX22 | 2022-HarrisCo-S-1YG-00028 | 264 | - |
| 8895 | STEP - 2023 Comprehensive | 20.600 | 18X9204020TX22 | 2023-HarrisCo-S-1YG-00087 | 365,850 | - |
| 8865 | STEP - 2023 Comprehensive | 20.600 | 69A37523300004020TX0 | 2023-Harris4-S-1YG-00141 | 42,324 | - |
| 9051 | STEP - 2022 Comprehensive | 20.600 | 18X9204020TX22 | 2022-HarrisP5-S-1YG-00118 | (965) | - |
| 9051 | STEP - 2023 Comprehensive | 20.600 | 69A37523300004020TX0 | 2023-HarrisP5-S-1YG-00028 | 32,990 | - |
| 7779 | STEP - Commercial Motor Vehicle | 20.600 | 69A37523300004020TX0 | 2023-HarrisP1-S-CMV-00022 | 11,712 | - |
| 8897 | STEP - Commercial Motor Vehicle | 20.600 | 69A37522300004020TX0 | 2022-HarrisCo-S-CMV-00013 | 2,957 | - |
| 8897 | STEP - Commercial Motor Vehicle | 20.600 | 69A37523300004020TX0 | 2023-HarrisCo-S-CMV-00027 | 85,981 | - |
| 9034 | STEP - Commercial Motor Vehicle | 20.600 | 69A37523300004020TX0 | 2023-HarrisP5-S-CMV-00011 | 46,070 | - |
| 9125 | RideONE Program | 20.600 | 69A37523300004020TX0 | 2023-HaCoCmpl-G-1YG-0132 | 22,580 | - |
| 7793 | STEP - Impaired Driving Mobilization | 20.616 | 18X920405DXTX19 | 2020-HarrisP1-IDM-00010 | 482 | - |
| 7376 | STEP - Impaired Driving Mobilization | 20.616 | 18X920405DXTX19 | 2022-HarrisP5-IDM-00008 | (939) | - |
| 7459 | STEP - Impaired Driving Mobilization | 20.616 | 18X920405DXTX19 | 2021-Harris4-IDM-00026 | (62) | - |
| 7459 | STEP - Impaired Driving Mobilization | 20.616 | 69A3752330000405DXTM | 2023-Harris4-IDM-00045 | 32,516 | - |
| 9086 | STEP - Impaired Driving Mobilization | 20.616 | 69A3752330000405DXTM | 2023-HarrisCo-IDM-00032 | 30,674 | - |
| 9103 | STEP - Click It or Ticket | 20.616 | 69A3752330000405BTHX | 2023-HarrisCo-CJOT-00028 | 9,178 | - |
| 7562 | No Refusal DWI Program | 20.616 | 69A3752130000405DXTM | 2021-HarrisDA-G-1YG-0112 | (587) | - |
| 7562 | No Refusal DWI Program | 20.616 | 69A3752230000405DXTM | 2022-HarrisDA-G-1YG-0109 | 8,133 | - |
| 7562 | No Refusal DWI Program | 20.616 | 69A3752330000405DXTM | 2023-HarrisDA-G-1YG-0098 | 286,144 | - |
| 9024 | Intoxication Source and Prevention | 20.616 | 69A3752230000405DXTM | 2022-HarrisDA-G-1YG-0110 | (946) | - |
| 9024 | Intoxication Source and Prevention | 20.616 | 69A3752330000405DXTM | 2023-HarrisDA-G-1YG-0113 | 241,698 | - |
| | Total Highway Safety Cluster (ALN 20.600, 20.616) | | | | <u>1,292,015</u> | <u>-</u> |
| TOTAL U.S. DEPARTMENT OF TRANSPORTATION | | | | | <u>10,864,517</u> | <u>-</u> |
| U.S. DEPARTMENT OF THE TREASURY | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 2032 | Sheriff Forfeiture Assets - Treasury | 21.016 | TX1010000 | - | 105,572 | - |
| | Total ALN 21.016 | | | | <u>105,572</u> | <u>-</u> |
| 9050 | (COVID-19) Emergency Rental Assistance | 21.023 | ERA-2101060088 | - | 6,496,090 | 6,273,180 |
| 9059 | (COVID-19) Emergency Rental Assistance (ERA2) | 21.023 | ERA2-0298 | - | (2,036,655) | (2,117,149) |
| | Total ALN 21.023 | | | | <u>4,459,435</u> | <u>4,156,031</u> |
| 9105 | (COVID-19) Local Assistance and Tribal Consistency Fund (LATCF) | 21.032 | LATCF00818 | - | 59,468 | - |
| | Total ALN 21.032 | | | | <u>59,468</u> | <u>-</u> |
| 2651 | (COVID-19) ARPA Coronavirus State and Local Fiscal Recovery Funds | 21.027 | SLT-0582 | - | 150,534,568 | 23,682,301 |
| PASS THROUGH PROGRAMS, TEXAS OFFICE OF THE GOVERNOR- DISASTER RELIEF VIA TEXAS OFFICE OF COURT ADMINISTRATION: | | | | | | |
| 9081 | (COVID-19) ARPA Criminal Backlog | 21.027 | 2021-CS-21027 | 4553701 | 530,753 | - |
| PASS THROUGH PROGRAMS, TEXAS OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION: | | | | | | |
| 7496 | (COVID-19) Family Victimization Support Services | 21.027 | 2021-CS-21027 | 2812606 | 136,965 | - |
| 7246 | (COVID-19) HCDAO Victim Assistance Project | 21.027 | 2021-CS-21027 | 2877905 | 3,053,609 | - |
| 7663 | (COVID-19) Harris County Victim Services | 21.027 | 2021-CS-21027 | 3052005 | 701,516 | - |
| 7099 | (COVID-19) Domestic Violence Advocacy | 21.027 | 2021-CS-21027 | 3103405 | 325,557 | - |
| 7072 | (COVID-19) Crime Victim's Assistance Unit | 21.027 | 2021-CS-21027 | 3332006 | 128,241 | - |
| 7673 | (COVID-19) Family Victimization Services For Children Referred to Supervised Possession | 21.027 | 2021-CS-21027 | 3576705 | 370,500 | - |
| 9030 | (COVID-19) Victim Assistance Program | 21.027 | 2021-CS-21027 | 3960703 | 64,485 | 64,485 |
| 7251 | (COVID-19) General Victim Assistance Grant Program, FY2023 | 21.027 | 2021-CS-21027 | 4411501 | 42,119 | - |
| 7801 | (COVID-19) First Responder Mental Health Program | 21.027 | 2021-CS-21027 | 4453001 | 307,411 | - |
| | Total ALN 21.027 | | | | <u>156,195,724</u> | <u>23,746,786</u> |
| TOTAL U.S. DEPARTMENT OF TREASURY | | | | | <u>160,820,199</u> | <u>27,902,817</u> |
| FEDERAL COMMUNICATIONS COMMISSION | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 9100 | Aldine Pilot Project | 32.011 | ACOGP2340019 | - | 18,527 | - |
| 9100 | Harris County Digital Navigators | 32.011 | ACOGP2340065 | - | 15,205 | - |
| | Total ALN 32.011 | | | | <u>33,732</u> | <u>-</u> |
| TOTAL FEDERAL COMMUNICATIONS COMMISSION | | | | | <u>33,732</u> | <u>-</u> |
| INSTITUTE OF MUSEUM AND LIBRARY SERVICES (IMLS) | | | | | | |
| PASS THROUGH PROGRAMS, TEXAS STATE LIBRARY | | | | | | |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|--|--|---------------------------|----------------------|---------------------------------------|----------------------|----------------------------------|
| AND ARCHIVES COMMISSION: | | | | | | |
| 8286 | (COVID-19) Texas Digital Navigators 2022 | 45.310 | LS-250239-OLS-21 | TDN-22003 | (22,118) | - |
| 8286 | FY22 Interlibrary Loan | 45.310 | LS-249990-OLS-21 | 903479 | 32,567 | - |
| | Total ALN 45.310 | | | | 10,449 | - |
| TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES | | | | | 10,449 | - |
| <u>NATIONAL SCIENCE FOUNDATION</u> | | | | | | |
| PASS THROUGH PROGRAM, VANDERBILT UNIVERSITY | | | | | | |
| 9036 | NSF Convergence Accelerator Track D, Phase II - R&D | 47.083 | 2134862 | UNIV62469 | 240,378 | - |
| | Total Research and Development Cluster (ALN 47.083) | | | | 240,378 | - |
| TOTAL NATIONAL SCIENCE FOUNDATION | | | | | 240,378 | - |
| <u>U.S. DEPARTMENT OF VETERANS AFFAIRS</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 9084 | VA Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPG) | 64.055 | TX-SSG-1237-22 | - | 495,207 | 274 |
| | Total ALN 64.055 | | | | 495,207 | 274 |
| TOTAL U.S. DEPARTMENT OF VETERANS AFFAIRS | | | | | 495,207 | 274 |
| <u>U.S. ELECTION ASSISTANCE COMMISSION</u> | | | | | | |
| PASS THROUGH PROGRAM, TEXAS SECRETARY OF STATE | | | | | | |
| 9014 | 2020 Help America Vote Act (HAVA) Election Security | 90.404 | N/A | TX18101001-01-101 | 113,412 | - |
| | Total ALN 90.404 | | | | 113,412 | - |
| TOTAL U.S. ELECTION ASSISTANCE COMMISSION | | | | | 113,412 | - |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| CENTERS FOR DISEASE CONTROL AND PREVENTION (CDC): | | | | | | |
| 7778 | Harris County Opioid Surveillance and Prevention - (OD2A) | 93.136 | 5NU17CE924976-03-00 | - | 414,761 | - |
| 7778 | Harris County Opioid Surveillance and Prevention - (OD2A) | 93.136 | 6NU17CE924976-03-03 | - | 689,156 | - |
| 7778 | Overdose Data to Action: Limiting Overdose Collaborative Actions (Local) | 93.136 | NH28CE003568 | - | 146 | - |
| | Total ALN 93.136 | | | | 1,104,063 | - |
| 7632 | Childhood lead Poisoning Prevention | 93.197 | 1NUE2EH001418-01-00 | - | 13,610 | - |
| 7632 | Childhood lead Poisoning Prevention | 93.197 | 5NUE2EH001418-02-00 | - | 251,672 | - |
| | Total ALN 93.197 | | | | 265,282 | - |
| 9106 | Public Health Crisis Response - MPOX Program | 93.354 | NU90TP22203 | - | 91,397 | - |
| | Total ALN 93.354 (\$909,809) | | | | 91,397 | - |
| 9066 | (COVID-19) Harris Cares: Embrace HOPE (Healing, Opportunity, Prosperity, Equity) | 93.391 | 1NH75OT000026-01-00 | - | 9,363,658 | - |
| | Total ALN 93.391 | | | | 9,363,658 | - |
| 9069 | (COVID-19) Community Health Workers for Public Health Response and Resilient | 93.495 | 1NU58DP006986-01-00 | - | 51,195 | - |
| 9069 | (COVID-19) Community Health Workers for Public Health Response and Resilient | 93.495 | 5NU58DP006986-02-00 | - | 2,586,731 | - |
| 9069 | (COVID-19) Community Health Workers for Public Health Response and Resilient | 93.495 | 6NU58DP006986-03-01 | - | 62,502 | - |
| | Total ALN 93.495 | | | | 2,700,428 | - |
| 9096 | CDC Public Health Infrastructure, Workforce, & Data Systems Grant | 93.967 | NE11OE000061 | - | 234,799 | - |
| | Total ALN 93.967 | | | | 234,799 | - |
| HEALTH RESOURCES AND SERVICES ADMINISTRATION (HRSA): | | | | | | |
| 8200 | Ryan White Title I - Formula & Supplemental | 93.914 | 2H89HA00004-29-00 | - | (6,704) | (4,058) |
| 8200 | Ryan White Title I - Formula & Supplemental | 93.914 | 6H89HA00004-31-02 | - | (3,495) | (3,495) |
| 8200 | Ryan White Title I - Formula & Supplemental | 93.914 | 6H89HA00004-32-01 | - | 20,337,526 | 19,455,605 |
| 8200 | Ryan White Title I - Formula & Supplemental | 93.914 | 5H89HA00004-33-00 | - | 7,949,773 | 6,860,545 |
| | Total ALN 93.914 | | | | 28,277,100 | 26,308,597 |
| 9019 | Ending the HIV Epidemic: A Plan for America - Ryan White HIV/AIDS Program | 93.686 | 6 UT8HA33934-03-01 | - | 1,446,944 | 1,200,274 |
| 9019 | Ending the HIV Epidemic: A Plan for America - Ryan White HIV/AIDS Program | 93.686 | 5 UT8HA33934-04-00 | - | 795,502 | 652,755 |
| | Total ALN 93.686 | | | | 2,242,446 | 1,853,029 |
| 9049 | Strengthening Foodborne Illness Surveillance and Response Capabilities | 93.070 | 5U01EH001361-02-00 | - | 2,218 | - |
| 9049 | Strengthening Foodborne Illness Surveillance and Response Capabilities | 93.070 | 5U01EH001361-03-00 | - | 176,249 | - |
| PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | | | |
| 9001 | Texas Asthma Control Project | 93.070 | NUE1EH001370 | HHS001090200001 | 163,536 | - |
| 9001 | Texas Asthma Control Project | 93.070 | NUE1EH001370 | HHS001090200001 | 7,081 | - |
| | Total Research and Development Cluster (ALN 93.070) | | | | 349,084 | - |
| U.S. FOOD AND DRUG ADMINISTRATION (FDA)/ ASSOCIATION OF FOOD & DRUG OFFICIALS (AFDO): | | | | | | |
| 7227 | NEHA - FDA Retail Flexible Funding Model - Capacity Building Grant | 93.103 | U2FFD007358 | G-OACB-202109-00854 | 76,701 | - |
| 7227 | NEHA - FDA Retail Flexible Funding Model - Advancement of Voluntary National Retail Food | 93.103 | U2FFD007358 | G-BM&A-202109-00853 | 32,890 | - |
| 7227 | NEHA - FDA Retail Flexible Funding Model - HCPH Mentorship Project | 93.103 | U2FFD007358 | G-OAME-202109-00857 | 12,841 | - |
| 7227 | NEHA - FDA Retail Flexible Funding Model - Root Cause Analysis Course Training | 93.103 | U2FFD007358 | G-OATR-202109-00856 | 2,500 | - |
| | Total Research and Development Cluster (ALN 93.103) | | | | 124,932 | - |
| PASS THROUGH PROGRAMS, NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS (NACCHO): | | | | | | |
| 7682 | (COVID-19) Medical Reserve COVID-19 RISE | 93.008 | 6HITEP200045-02-00 | MRC RISE 22-0152 | 7,611 | - |
| | Total ALN 93.008 | | | | 7,611 | - |
| PASS THROUGH PROGRAMS, NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS (NACCHO): | | | | | | |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|----------|--|---------------------------|----------------------|---------------------------------------|----------------------|----------------------------------|
| 9104 | (COVID-19) Addressing the Needs of People with Disabilities Total ALN 93.421 | 93.421 | 6NU38OT000306-05-01 | 2022-120807 | 56,702 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 56,702 | - |
| 9043 | (COVID-19) IDCU/COVID Total ALN 93.323 | 93.323 | NU50CK000501 | HHS000812700023 | 1,111,863 | - |
| | PASS THROUGH PROGRAMS, CITY OF HOUSTON | | | | | |
| 9085 | (COVID-19) Detection & Mitigation of COVID-19 in Confinement Facilities Total ALN 93.323 | 93.323 | NU50CK000557 | 4600017513 | 118,744 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 1,230,607 | - |
| 7375 | CPS/CRI CPS - Cities Readiness Initiative | 93.069 | NU90TP921879-01-00 | 537-18-0189-00001 | 311,680 | - |
| 7375 | CPS/CRI CPS - Cities Readiness Initiative | 93.069 | NU90TP922045 | HHS001311300016 | 50,206 | - |
| 7607 | CPS/Hazards Public Health Emergency Preparedness | 93.069 | NU90TP921879-01-00 | 537-18-0119-00001 | 895,269 | - |
| 7607 | CPS/Hazards Public Health Emergency Preparedness | 93.069 | NU90TP922045 | HHS001311200037 | 203,703 | - |
| | Total ALN 93.069 | | | | 1,460,858 | - |
| 8090 | TB/PC - Tuberculosis Prevention and Control - Federal | 93.116 | NU52PS910188 | HHS001096400018 | 97,410 | - |
| 8090 | TB/PC - Tuberculosis Prevention and Control - Federal | 93.116 | NU52PS910188 | HHS001096400018 | 243,152 | - |
| 8090 | TB/PC - Tuberculosis Prevention and Control - Federal | 93.116 | NU52PS910188 | HHS001096400018 | 16,096 | - |
| | Total ALN 93.116 | | | | 356,658 | - |
| 9078 | (COVID-19) Vaccination Capacity Contract Total ALN 93.268 | 93.268 | NH23IP922616 | HHS001019500034 | 8,598,013 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 8,598,013 | - |
| 9038 | (COVID-19) Public Health Emergency Preparedness Coronavirus 2019 | 93.354 | CDC-RFA-TP18-1802 | HHS000769100001 | 476,847 | - |
| 9067 | (COVID-19) Public Health Workforce Expansion Total ALN 93.354 (\$909,809) | 93.354 | NU90TP922165 | HHS001077000001 | 341,565 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 818,412 | - |
| 7792 | Texas Physical Activity and Nutrition Program Total ALN 93.439 | 93.439 | 6 NU58DP006501-01-03 | HHS000527600001 | 66,518 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 66,518 | - |
| 7253 | HIV Prevention Services | 93.940 | NU62PS92459 | HHS000077800043 | 174,223 | - |
| 7253 | HIV Prevention Services | 93.940 | NU62PS92459 | HHS000077800043 | 20,342 | - |
| | Total ALN 93.940 | | | | 194,565 | - |
| 8030 | Regional Local Services System/Local Public Health Services Grant | 93.991 | 1NB01OT009193-01-00 | HHS001026200001 | 183,393 | - |
| 7225 | Texas Healthy Communities | 93.991 | N/A | HHS000438400005 | 48,307 | - |
| 7225 | Texas Healthy Communities | 93.991 | N/A | HHS000438400005 | 55,850 | - |
| | Total ALN 93.991 | | | | 287,550 | - |
| | PASS THROUGH PROGRAMS, TEXAS HEALTH AND HUMAN SERVICES COMMISSION (HHS): | | | | | |
| 2316 | Medicaid Administrative Claim Reimbursements Total Medicaid Cluster ALN 93.778 | 93.778 | N/A | HHS000537900129 | 947,859 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 947,859 | - |
| 9046 | Integrated Family Planning Opioid Response Pilot Project | 93.788 | H79T081729 | HHS001062800004 | 47,716 | - |
| 9046 | Integrated Family Planning Opioid Response Pilot Project Total ALN 93.788 | 93.788 | H79T083288 | HHS001202700004 | 138,494 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 186,210 | - |
| 8050 | Title V - Child Health and Dental Services | 93.994 | BO4MC30644 | HHS000136500001 | 2,960 | - |
| 8050 | Title V - Child Health and Dental Services | 93.994 | N/A | HHS000136500001 | 10,524 | - |
| 8050 | Title V - Child Health and Dental Services | 93.994 | N/A | HHS000136500001 | 533,985 | - |
| 8050 | Title V - Child Health and Dental Services | 93.994 | N/A | HHS000136500001 | 33,562 | - |
| | Total ALN 93.994 | | | | 581,031 | - |
| | PASS THROUGH PROGRAMS, UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON: | | | | | |
| 9035 | CATCH Healthy Smiles Total Research and Development Cluster (ALN 93.121) | 93.121 | 5UH3DE029213-03 | SA0002040 | 83,996 | - |
| | PASS THROUGH PROGRAMS, UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON: | | | | 83,996 | - |
| | PASS THROUGH FROM U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS (USCRI): | | | | | |
| 7273 | Refugee Medical Screening | 93.566 | N/A | 2022-HARTX-06 | 297,558 | - |
| 7273 | Refugee Medical Screening Total ALN 93.566 | 93.566 | N/A | 2023-HARTX-07 | 5,731,269 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 6,028,827 | - |
| | PASS THROUGH PROGRAMS, TEXAS OFFICE OF THE ATTORNEY GENERAL: | | | | | |
| 7003 | Access and Visitation Shared Parenting Total ALN 93.597 | 93.597 | 2301TXSAVP | 21-C0008 | 99,337 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 99,337 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES: | | | | | |
| 8488 | Community Youth Development FY22 - Pasadena & Gulfton | 93.556 | N/A | HHS000841700015/24821423 | 28,340 | 28,330 |
| 8488 | Community Youth Development FY23 - Pasadena & Gulfton Total ALN 93.556 | 93.556 | 2201TXFPSS | HHS000841700015/24821423 | 531,848 | 296,900 |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 560,188 | 325,230 |
| 7007 | Title IV-E Legal Services | 93.658 | N/A | HHS000285100017 | 1,411,974 | - |
| 7023 | Title IV-E Child Welfare Services Total ALN 93.658 | 93.658 | N/A | HHS000285000048 | 506,451 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 1,918,425 | - |
| 8487 | CFCIP, Independent Living Program (PAL- Title IVE) - PAC 204 | 93.674 | N/A | 24260531 | 3,480 | - |
| 8487 | CFCIP, Independent Living Program (PAL- Title IVE) - PAC 204 | 93.674 | N/A | HHS000788100001/24791692 | (32) | - |
| 8487 | CFCIP, Independent Living Program (PAL- Title IVE) - PAC 204 | 93.674 | N/A | HHS000788100001/24791692 | 4,225 | - |
| 8487 | CFCIP, Independent Living Program (PAL- Title IVE) - PAC 204 | 93.674 | N/A | HHS000788100001/24791692 | 233,466 | - |
| 8487 | CFCIP, Independent Living Program (PAL- Title IVE) - PAC 204 | 93.674 | N/A | HHS000788100001/24791692 | 16,314 | - |
| 8487 | Chafee Foster Care Independence Program (PAL- Title IVE) - PAC 206 | 93.674 | N/A | HHS000788100001/24791692 | 1,523 | - |
| 8487 | (COVID-19) Chafee Foster Care Independence Program (PAL- Title IVE) - PAC 206 | 93.674 | N/A | HHS000788100001/24791692 | 7,607 | - |
| 8487 | Chafee Foster Care Independence Program (PAL- Title IVE) - PAC 206 | 93.674 | N/A | HHS000788100001/24791692 | 503,259 | - |
| 8487 | Chafee Foster Care Independence Program (PAL- Title IVE) - PAC 206 | 93.674 | N/A | HHS000788100001/24791692 | 31,103 | - |
| | Total ALN 93.674 | | | | 800,945 | - |
| | PASS THROUGH PROGRAMS, TEXAS WORKFORCE COMMISSION: | | | | | |
| 7024 | Temporary Assistance for Needy Families (TANF) - Foster Youth Project | 93.558 | 2001TXTANF | 2822TAN001 | 1,678 | - |
| 7024 | Temporary Assistance for Needy Families (TANF) - Foster Youth Project Total TANF Cluster (ALN 93.558) | 93.558 | 2301TXTANF | 2823TAN001 | 232,419 | - |
| | PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF STATE HEALTH SERVICES: | | | | 234,097 | - |
| | Total Research and Development Cluster (ALN 47.083, 93.070, 93.103, 93.121) | | | | 798,390 | - |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|---|--|---------------------------|-----------------------|---------------------------------------|-----------------------|----------------------------------|
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | <u>69,271,598</u> | <u>28,486,856</u> |
| <u>OFFICE OF NATIONAL DRUG CONTROL POLICY</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 8008 | Major Drug Squads 2021 | 95.001 | G21HN0004A | - | 37,787 | - |
| 8008 | Houston Money Laundering Initiative 2021 | 95.001 | G21HN0004A | - | 16,230 | - |
| 8008 | Houston Investigative Support Center 2021 | 95.001 | G21HN0004A | - | 1,723 | - |
| 8008 | Truck, Air, Rail, and Port 2021 | 95.001 | G21HN0004A | - | 3,725 | - |
| 8008 | Targeted Narcotics Enforcement Team 2021 | 95.001 | G21HN0004A | - | 363 | - |
| 8008 | Major Drug Squads 2022 | 95.001 | G22HN0004A | - | 111,845 | - |
| 8008 | Houston Money Laundering Initiative 2022 | 95.001 | G22HN0004A | - | 569,761 | - |
| 8008 | Houston Investigative Support Center 2022 | 95.001 | G22HN0004A | - | 87,846 | - |
| 8008 | Truck, Air, Rail, and Port 2022 | 95.001 | G22HN0004A | - | 10,039 | - |
| 8008 | ET - Data Analysis Services 2022 | 95.001 | G22HN0004A | - | 269,983 | - |
| 8008 | ET - Overdose Response Investigations Squad 2022 | 95.001 | G22HN0004A | - | 10,000 | - |
| Total ALN 95.001 | | | | | <u>1,119,302</u> | <u>-</u> |
| TOTAL OFFICE OF NATIONAL DRUG CONTROL POLICY | | | | | <u>1,119,302</u> | <u>-</u> |
| <u>U.S. DEPARTMENT OF HOMELAND SECURITY</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 8034 | Port Security Grant Program | 97.056 | EMW-2019-PU-00049 | - | 554,820 | - |
| 8034 | Port Security Grant Program | 97.056 | EMW-2020-PU-00064 | - | 1,098,370 | - |
| 8034 | Port Security Grant Program | 97.056 | EMW-2021-PU-00042 | - | 651,843 | - |
| 8034 | Port Security Grant Program | 97.056 | EMW-2022-PU-00103-S01 | - | 103,130 | - |
| Total ALN 97.056 | | | | | <u>2,408,163</u> | <u>-</u> |
| PASS THROUGH PROGRAMS, ALLIANCE OF COMMUNITY ASSISTANCE MINISTRIES (ACAM): | | | | | | |
| 7280 | National Emergency Food and Shelter Program (EFSP) Phase 39 | 97.024 | N/A | LRO 782800-071 | 41,239 | - |
| 7280 | National Emergency Food and Shelter Program (EFSP) Phase 39 | 97.024 | N/A | LRO 782800-071 | 240,696 | - |
| Total ALN 97.024 | | | | | <u>281,935</u> | <u>-</u> |
| PASS THROUGH PROGRAMS, TEXAS DEPARTMENT OF PUBLIC SAFETY/TDEM: | | | | | | |
| 7094 | Flood of May 2015 | 97.036 | 1791DRTP0000001 | FEMA-DR-1791-TX | 44,991 | - |
| 7234 | Flood of May 2015 | 97.036 | 4223DRTP0000001 | PA-06-TX-4223 | 151,291 | - |
| 7264 | Flood of April 2016 | 97.036 | 4269DRTP0000001 | PA-06-TX-4269 | 475,675 | - |
| 7634 | FEMA - Public Assistance - Hurricane Harvey | 97.036 | 4332DRTP0000001 | PA-06-TX-4332 | 7,332,528 | - |
| 9003 | (COVID-19) Public Assistance Grant, 4485, Texas COVID-19 Pandemic | 97.036 | 4485DRTP0000001 | PA-06-TX-4485 | 30,192,922 | - |
| 9087 | Public Assistance Grant, 3540, Hurricane Laura (EM) | 97.036 | 3540PATXP0000001 | PA-06-TX-3540 | 566,332 | - |
| Total ALN 97.036 | | | | | <u>38,763,739</u> | <u>-</u> |
| 7349 | FEMA - Hazard Mitigation Grant Program | 97.039 | N/A | FEMA-DR-4269-003 | (12,215) | - |
| Total ALN 97.039 | | | | | <u>(12,215)</u> | <u>-</u> |
| PASS THROUGH PROGRAMS, OFFICE OF THE GOVERNOR, HOMELAND SECURITY GRANTS DIVISION (HSGD): | | | | | | |
| 7016 | HC - HazMat Sustainment Project | 97.067 | EMW-2020-SS-00054 | 2972506 | 49,338 | - |
| 7016 | HC - HazMat Sustainment Project | 97.067 | EMW-2021-SS-00062 | 2972507 | 158,523 | - |
| 7016 | HC - HazMat Sustainment | 97.067 | EMW-2022-SS-00021 | 2972508 | 125,882 | - |
| 7016 | HC - Interoperable Communications Maintenance & Enhancements | 97.067 | EMW-2020-SS-00054 | 2973206 | 265,079 | - |
| 7016 | HC - Interoperable Communications Maintenance Enhancements | 97.067 | EMW-2021-SS-00062 | 2973207 | 2,869,505 | - |
| 7016 | HC - Interoperable Communications Maintenance & Enhancements | 97.067 | EMW-2022-SS-00021 | 2973208 | 560,000 | - |
| 7016 | HC - M&A | 97.067 | EMW-2021-SS-00062 | 2986307 | 133,039 | - |
| 7016 | HC - Management & Administration | 97.067 | EMW-2022-SS-00021 | 2986308 | 175,097 | - |
| 7016 | HC - Community Preparedness and Regional Planning | 97.067 | EMW-2021-SS-00062 | 3691204 | 141,753 | - |
| 7016 | HC - Regional Planners | 97.067 | EMW-2022-SS-00021 | 3691205 | 168,275 | - |
| 7016 | HC - Community Preparedness and Regional Planning Sustainment Activities | 97.067 | EMW-2021-SS-00062 | 3691304 | 62,428 | - |
| 7016 | HC - Law Enforcement Special Responses: HCSO Air, SWAT, Dive, Marine, and SRG | 97.067 | EMW-2020-SS-00054 | 4123001 | 26,650 | - |
| 7016 | HC - Law Enforcement Special Responses: HCSO Bomb Unit Equipment | 97.067 | EMW-2020-SS-00054 | 4123101 | 179,731 | - |
| 7016 | HC - All Hazards Alert System (AHAS) Sustainment | 97.067 | EMW-2021-SS-00062 | 4123502 | 80,096 | - |
| 7016 | HC - All Hazards Alert System (AHAS) Sustainment | 97.067 | EMW-2022-SS-00021 | 4123503 | 122,146 | - |
| 7016 | HC - HCSO Bomb Range Enhancements | 97.067 | EMW-2020-SS-00054 | 4123601 | 250,000 | - |
| 7016 | HC - Cyber Planning, Training, and Radio Protection | 97.067 | EMW-2020-SS-00054 | 4123701 | 326,500 | - |
| 7016 | AET- HC - Marine Unit ROV | 97.067 | EMW-2021-SS-00062 | 4306401 | 95,523 | - |
| 7016 | HC - Deployable Chemical Speciation Monitor | 97.067 | EMW-2021-SS-00062 | 4346801 | 100,075 | - |
| 7016 | HC - Cyber Radio Protection | 97.067 | EMW-2021-SS-00062 | 4347101 | 129,165 | - |
| 7016 | HC - Law Enforcement Special Responses; HCSO Air, Bomb, Dive, SWAT, and SRG | 97.067 | EMW-2021-SS-00062 | 4347301 | 5,306 | - |
| 7016 | HC - Law Enforcement Special Responses; HCSO Air, Bomb, Dive, SWAT, and MCP | 97.067 | EMW-2022-SS-00021 | 4347302 | 411,219 | - |
| 7016 | HC - Law Enforcement Special Responses; HCSO Bomb, SWAT, and SRG (DVE Equipment) | 97.067 | EMW-2021-SS-00062 | 4347801 | 94,147 | - |
| 7016 | HC - Community Preparedness; Medical Reserve Corps | 97.067 | EMW-2021-SS-00062 | 4347802 | 26,687 | - |
| 7016 | HC - Community Preparedness; Medical Reserve Corps | 97.067 | EMW-2022-SS-00021 | 4347801 | 72,188 | - |
| 7016 | HC - Cyber Training | 97.067 | EMW-2021-SS-00062 | 4348801 | 50,000 | - |
| 7016 | HCSO Air Operations Section | 97.067 | EMW-2022-SS-00021 | 4524901 | 11,893 | - |
| 7016 | HCSO Marine Unit Equipment | 97.067 | EMW-2022-SS-00021 | 4525001 | 30,174 | - |
| 7016 | ST/CP HCSO SWAT Unit Equipment and Training | 97.067 | EMW-2022-SS-00021 | 4525101 | 23,000 | - |
| 7016 | ST/CP HCSO Bomb Unit Equipment | 97.067 | EMW-2022-SS-00021 | 4525201 | 63,950 | - |
| 7016 | Mobile Command Post Upgrades | 97.067 | EMW-2022-SS-00021 | 4525301 | 3,136 | - |
| 7016 | HCSO SRG Equipment | 97.067 | EMW-2022-SS-00021 | 4525401 | 21,996 | - |
| 7016 | HC - Community Preparedness | 97.067 | EMW-2022-SS-00021 | 4573101 | 226,923 | - |
| 7016 | HC - SWAT Unit Equipment and Training (DVE) | 97.067 | EMW-2022-SS-00021 | 4573601 | 153,299 | - |
| 7016 | HC - Oxygen Delivery System | 97.067 | EMW-2022-SS-00021 | 4573701 | 11,600 | - |
| 7016 | HC - Law Enforcement Special Responses: HCSO Bomb Unit Equipment | 97.067 | EMW-2021-SS-00062 | 4767001 | 99,441 | - |
| Total ALN 97.067 | | | | | <u>7,323,764</u> | <u>-</u> |
| TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY | | | | | <u>48,765,386</u> | <u>-</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | | | <u>\$ 591,693,551</u> | <u>\$ 141,088,564</u> |
| <u>STATE GRANTS</u> | | | | | | |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|--|---|---------------------------|----------------------|---------------------------------------|----------------------|----------------------------------|
| <u>TEXAS DEPARTMENT OF STATE HEALTH SERVICES</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7243 | IDCU/SUREB Infectious Disease Ctrl Unit - Surveillance and Epidemiology | N/A | | HHS000436300014 | 125,570 | - |
| 7243 | Texas Epidemiology Capacity Expansion Grant Program | N/A | | HHS001315700021 | 6,805 | - |
| 8020 | Tuberculosis Prevention and Control - State | N/A | | HHS001182200018 | 721,669 | - |
| 8020 | Tuberculosis Prevention and Control - State | N/A | | HHS001182200018 | 42,959 | - |
| 7796 | Immunization Grant Program | N/A | | HHS001068100001 | 188,248 | - |
| 7796 | Immunization Grant Program | N/A | | HHS001068100001 | 9,908 | - |
| 7253 | HIV Prevention Services | N/A | | HHS000077800043 | 252,947 | - |
| 7253 | HIV Prevention Services | N/A | | HHS000077800043 | 6,600 | - |
| PASS THROUGH PROGRAMS, THE HOUSTON REGIONAL HIV/AIDS RESOURCE GROUP, INC.: | | | | | | |
| 8515 | Early Medical Intervention Program | N/A | | 22HCS00SS | (13,680) | - |
| PASS THROUGH PROGRAMS, TEXAS DEPT OF FAMILY & PROTECTIVE SERVICES TO DEPELCHIN CHILDREN'S CENTER: | | | | | | |
| 7259 | Health Outcomes Through Early Prevention and Support - Depelchin | N/A | | 24824828 | 1,000 | - |
| 7259 | Health Outcomes Through Early Prevention and Support - Depelchin | N/A | | 24395927 | 169,777 | - |
| 7259 | Health Outcomes Through Early Prevention and Support - Depelchin | N/A | | 24395927 | 11,135 | - |
| TOTAL TEXAS DEPARTMENT OF STATE HEALTH SERVICES | | | | | 1,522,938 | - |
| <u>TEXAS HEALTH AND HUMAN SERVICES COMMISSION (HHSC)</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7209 | Harris County Jail Diversion Program - FY22 | N/A | | 2016-048312-001 | 624,967 | 624,967 |
| 7209 | Harris County Jail Diversion Program - FY23 | N/A | | 2016-048312-001 | 5,000,000 | 5,000,000 |
| 9044 | Community Mental Health Grant Program - FY22 | N/A | | HHS000477100004 | 225,345 | 225,345 |
| 9044 | Community Mental Health Grant Program - FY23 | N/A | | HHS000477100004 | 1,959,620 | 1,959,620 |
| 8110 | Family Planning Program FY23 | N/A | | HHS000734600002 | 1,049,850 | - |
| 8110 | Family Planning Program FY24 | N/A | | HHS000734600002 | 57,950 | - |
| 7266 | Healthy Texas Women | N/A | | HHS000734600002 | (4,997) | - |
| 7266 | Healthy Texas Women | N/A | | HHS000734600002 | 387,161 | - |
| 7266 | Healthy Texas Women | N/A | | HHS000734600002 | 9,871 | - |
| PASS THROUGH PROGRAM, DEPELCHIN CHILDREN'S CENTER: | | | | | | |
| 9027 | Families COUNT Project FY22 | N/A | | N/A | 494 | - |
| 9027 | Families COUNT Project FY23 | N/A | | N/A | 47,239 | - |
| 9027 | Families COUNT Project FY24 | N/A | | N/A | 3,167 | - |
| TOTAL HEALTH AND HUMAN SERVICES COMMISSION | | | | | 9,360,667 | 7,809,932 |
| <u>TEXAS OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7019 | STAR - Success Through Addiction Recovery Drug Court Program | N/A | | 1692020 | 91,522 | 91,522 |
| 8768 | Family Intervention Court (Positive Pathways) | N/A | | 1737419 | 48,586 | - |
| 7553 | Veterans Treatment Court | N/A | | 2283014 | 101,087 | 101,087 |
| 7301 | Texas Anti-Gang Center | N/A | | 2542810 | 52,727 | - |
| 7301 | Texas Anti-Gang Center | N/A | | 2542811 | 22,482,759 | 568,893 |
| 7248 | Misdemeanor Veterans Court | N/A | | 2894908 | 55,968 | 55,968 |
| 7348 | Continuum: TRIAD Child Sex Trafficking Project | N/A | | 3514604 | 13,563 | - |
| 7781 | Sobriety Over Addiction and Relapse (SOAR) Drug Court | N/A | | 3827804 | 47,463 | - |
| 9013 | Triad Home Safe | N/A | | 3955902 | 35,603 | - |
| 9010 | Gulf Coast Coalition Against Sexual Exploitation | N/A | | 3966301 | (6,000) | - |
| 9010 | Gulf Coast Coalition Against Sexual Exploitation | N/A | | 3966302 | 8,670 | - |
| 9010 | Gulf Coast Coalition Against Sexual Exploitation | N/A | | 3966303 | 316,380 | - |
| 9083 | GRIP Gang Court Program | N/A | | 4498801 | 59,558 | - |
| PASS THROUGH PROGRAMS, THE CITY OF HOUSTON | | | | | | |
| 7267 | ICAC Task Force | N/A | | 10000107-2020 | 32,845 | - |
| 7267 | ICAC Task Force | N/A | | 10000107-2021 | (1,726) | - |
| 7267 | ICAC Task Force | N/A | | 10000107-2022 | (5,382) | - |
| PASS THROUGH PROGRAMS, HOUSTON-GALVESTON AREA COUNCIL: | | | | | | |
| 7331 | Regional Juvenile Mental Health Services | N/A | | 26067-11 | 4,550 | - |
| 8641 | Regional Law Enforcement Training Program | N/A | | N/A | 205,329 | - |
| TOTAL OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION | | | | | 23,543,502 | 817,470 |
| <u>TEXAS OFFICE OF THE GOVERNOR, HOMELAND SECURITY GRANTS DIVISION (HSGD):</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7268 | Border Prosecution Unit - TAG | N/A | | 3154605 | 444,028 | - |
| 7268 | Border Prosecution Unit - TAG | N/A | | 3154606 | 31,806 | - |
| TOTAL TEXAS OFFICE OF THE GOVERNOR, HSGD | | | | | 475,834 | - |
| <u>TEXAS DEPARTMENT OF TRANSPORTATION</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|--|---|---------------------------|----------------------|---------------------------------------|----------------------|----------------------------------|
| 7652 | Peninsula St and Jacintoport Blvd. | N/A | | 0912-72-374 | 872,198 | - |
| TOTAL TEXAS DEPARTMENT OF TRANSPORTATION | | | | | <u>872,198</u> | <u>-</u> |
| <u>TEXAS DEPARTMENT OF MOTOR VEHICLES</u> | | | | | | |
| PASS THROUGH PROGRAMS, MOTOR VEHICLE CRIME PREVENTION AUTHORITY (MVCPA) : | | | | | | |
| 8710 | Harris County Sheriff's Auto Theft Unit | N/A | | 608-20-1010000 | (23,053) | - |
| 8710 | Harris County Sheriff's Auto Theft Unit | N/A | | 608-21-1010000 | (21,046) | - |
| 8710 | Harris County Sheriff's Auto Theft Unit | N/A | | 608-23-1010000 | 720,415 | - |
| 8710 | Harris County Sheriff's Auto Theft Unit | N/A | | 608-24-1010000 | 132,726 | - |
| TOTAL TEXAS DEPARTMENT OF MOTOR VEHICLES | | | | | <u>809,042</u> | <u>-</u> |
| <u>TEXAS COMMISSION ON ENVIRONMENTAL QUALITY</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7791 | Texas Volkswagen Environmental Mitigation Program | N/A | | 582-20-10885-VW | 136,949 | - |
| PASS THROUGH PROGRAMS, HOUSTON-GALVESTON AREA COUNCIL | | | | | | |
| 8731 | Litter and Illegal Dumping Cleanup and Community Collections Events - HC Constable Pct. 3 | N/A | | 23-16-09 | 6,341 | - |
| TOTAL TEXAS COMMISSION ON ENVIRONMENTAL QUALITY | | | | | <u>143,290</u> | <u>-</u> |
| <u>TEXAS WATER DEVELOPMENT BOARD</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7806 | Lake Houston Dredging | N/A | | 20-004 | 167,405 | - |
| 9058 | Region 6 San Jacinto Regional Flood Planning | N/A | | 2101792491 | 981,189 | - |
| TOTAL TEXAS WATER DEVELOPMENT BOARD | | | | | <u>1,148,594</u> | <u>-</u> |
| <u>THE SUPREME COURT OF TEXAS</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7709 | Dedicated MDL Court - Harris County | N/A | | 201-23-00001 | 85,540 | - |
| 7709 | Dedicated MDL Court - Harris County | N/A | | 201-24-00001 | 5,992 | - |
| TOTAL THE SUPREME COURT OF TEXAS | | | | | <u>91,532</u> | <u>-</u> |
| <u>TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 8488 | Community Youth Development FY21 - Gulfton | N/A | | 24426974 | 2,486 | - |
| 8488 | Community Youth Development FY21 - Pasadena | N/A | | 24427235 | 1,614 | - |
| 8488 | Community Youth Development FY23 - Pasadena & Gulfton | N/A | | HHS000841700015/24821423 | 326,851 | 297,680 |
| 8488 | Community Youth Development FY24 - Pasadena & Gulfton | N/A | | HHS000841700015/24821423 | 15,470 | - |
| 8487 | CFVIP, Independent Living Program (PAL- Title IVE) - PAC 204 | N/A | | HHS000788100001/24791692 | 58,367 | - |
| 8487 | CFVIP, Independent Living Program (PAL- Title IVE) - PAC 204 | N/A | | HHS000788100001/24791692 | 4,078 | - |
| 8487 | Chafee Foster Care Independence Program (PAL- Title IVE) - PAC 206 | N/A | | HHS000788100001/24791692 | 125,815 | - |
| 8487 | Chafee Foster Care Independence Program (PAL- Title IVE) - PAC 206 | N/A | | HHS000788100001/24791692 | 7,776 | - |
| TOTAL TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES | | | | | <u>542,457</u> | <u>297,680</u> |
| <u>TEXAS OFFICE OF COURT ADMINISTRATION</u> | | | | | | |
| DIRECT PROGRAMS FROM TEXAS INDIGENT DEFENSE COMMISSION: | | | | | | |
| 1000 | Indigent Defense Formula Grant | N/A | | 212-22-101 | 1,820,532 | - |
| 1000 | Indigent Defense Formula Grant | N/A | | 212-23-101 | 2,910,397 | - |
| 7661 | Statewide Indigent Defense Mentoring, Training, and Leadership Program | N/A | | 18-TS-101b | 28,937 | - |
| 9016 | Statewide Indigent Defense Mentoring, Training, and Leadership Program, Cohort 2 | N/A | | 19-TS-101 | (375,843) | - |
| 9016 | FIDL Statewide Training/Mentoring Program (Cohorts 1 & 2) | N/A | | TS-22-101 | 512,646 | - |
| 9016 | FIDL Statewide Training/Mentoring Program | N/A | | 212-22-D25 | 60,800 | - |
| 9016 | FIDL Statewide Training/Mentoring Program | N/A | | 212-23-C08 | 206,594 | - |
| 9017 | Public Defender Mental Health Division Expansion | N/A | | 20-MH-101 | (49,889) | - |
| 9017 | Public Defender Mental Health Division Expansion | N/A | | MH-22-101 | 124,885 | - |
| 9017 | Public Defender Mental Health Division Expansion | N/A | | MH-23-005 | 163,903 | - |
| 7784 | Indigent Defense: Managed Assigned Counsel Program | N/A | | 212-22-D06 | (16,260) | - |
| 7784 | Managed Assigned Counsel Program | N/A | | 212-23-C09 | 1,023,704 | - |
| 9080 | Public Defender Staff to Address Case Backlogs | N/A | | PB-22-101 | 410,915 | - |
| TOTAL TEXAS OFFICE OF COURT ADMINISTRATION | | | | | <u>6,821,321</u> | <u>-</u> |
| <u>TEXAS OFFICE OF THE ATTORNEY GENERAL</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 8270 | Statewide Automated Victim Notification Service (SAVNS) | N/A | | C-00222 | 90,421 | - |
| TOTAL TEXAS OFFICE OF THE ATTORNEY GENERAL | | | | | <u>90,421</u> | <u>-</u> |
| <u>TEXAS DEPARTMENT OF PUBLIC SAFETY/TDEM:</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7634 | Hurricane Harvey - State Assistance | N/A | | TDEM-4332-PA | 390,275 | - |
| TOTAL TEXAS DEPARTMENT OF PUBLIC SAFETY/TDEM | | | | | <u>390,275</u> | <u>-</u> |

HARRIS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

| Fund No. | Federal Grantor / Pass-Through Agency Grantor / Program | Assistance Listing Number | Federal Award Number | Award/Pass-through Identifying Number | Program Expenditures | Amount Provided to Subrecipients |
|---|---|---------------------------|----------------------|---------------------------------------|-----------------------|----------------------------------|
| <u>TEXAS VETERANS COMMISSION</u> | | | | | | |
| DIRECT PROGRAMS: | | | | | | |
| 7206 | Veterans Assistance Program 2021-2022 | N/A | | GT-VSO20-005 | (1) | - |
| 7206 | Veterans Assistance Program 2021-2022 | N/A | | GT-VSO21-000 | (\$261) | - |
| 7206 | Veterans Assistance Program 2022-2023 | N/A | | GT-VSO22-000 | 219,976 | - |
| 7206 | Veterans Assistance Program 2023-2024 | N/A | | GT-VSO22-006 | 48,242 | - |
| TOTAL TEXAS VETERANS COMMISSION | | | | | <u>262,956</u> | <u>-</u> |
| <u>TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA)</u> | | | | | | |
| PASS THROUGH PROGRAMS, CHILD CARE COUNCIL OF GREATER HOUSTON, INC. | | | | | | |
| 9047 | Homeless Youth Services Program | N/A | | 4600016373 | 242,291 | - |
| PASS THROUGH PROGRAMS, CITY OF HOUSTON | | | | | | |
| 7135 | Harris County Emergency Assistance - City of Houston Homeless Services Program (HHSP) | N/A | | N/A | 99,346 | - |
| TOTAL TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA) | | | | | <u>341,637</u> | <u>-</u> |
| TOTAL EXPENDITURES OF STATE AWARDS | | | | | <u>\$ 46,416,664</u> | <u>\$ 8,925,082</u> |
| GRAND TOTAL EXPENDITURES OF FEDERAL & STATE AWARDS | | | | | <u>\$ 638,110,215</u> | <u>\$ 150,013,646</u> |

HARRIS COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL & STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

- The accompanying schedule of expenditures of federal and state awards includes the federal grant activity and state grant activity of the County and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“OMB Uniform Guidance”) and Texas Grant Management Standards (“TxGMS”); as applicable. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Federal and state awards provided to subrecipients are treated as expenditures when paid to the sub-recipient.

- Indirect Cost Rate – The County did not elect to use the 10 percent de minimis indirect cost rate as covered in 2.CFR.200.414. Uniform Guidance 200.510(6) requires the County to disclose whether or not it elected to use the 10 percent de minimis cost rate that 200.414(f) allows for nonfederal entities that have never received a negotiated indirect cost rate.
- Reconciliation of the Schedule of Expenditures of Federal and State Awards to Grants Special Revenue Fund of the Annual Comprehensive Financial Report for the period ended September 30, 2023:

| | |
|--|-----------------------|
| Federal expenditures per schedule | \$ 591,693,551 |
| State expenditures per schedule | <u>46,416,664</u> |
| Subtotal | 638,110,215 |
| Add: | |
| County funded portion of grants | 15,152,545 |
| Local grants | 3,614,803 |
| Prior Period Expenditures (Transfer In) | 46,829,136 |
| Non-Grant Projects | 28,844 |
| Less: | |
| Grants - other fund types - unrecorded assistance | (10,765,958) |
| Prior period expenditures approved by granting agencies | (80,718,942) |
| Trial Balance adjustments for modified accrual basis of accounting | (14,707,016) |
| Total | <u>\$ 597,543,627</u> |
| Balance per Annual Report - Grants Special Revenue Fund | <u>\$ 597,543,626</u> |

- Reporting Entity - The County, for purposes of the supplementary schedule of expenditures of federal and state awards includes all the funds of the primary government as defined by the Governmental Accounting

HARRIS COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL & STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Standards Board Statement No. 14, "The Financial Reporting Entity." It does not include the following component units of the County as follows:

Harris County Hospital District
Harris County Flood Control District
Harris County Juvenile Board
Harris Center for Mental Health and IDD (formerly MHMRA)
The Children's Assessment Center Foundation

These component units also receive federal financial assistance but separately satisfy the audit requirements of OMB Uniform Grant Guidance and TxGMS and by engaging other auditors to perform an audit in accordance with OMB Uniform Grant Guidance and TxGMS.

5. Negative Expenses - The negative amounts shown in the Schedule of Expenditures of Federal and State Awards resulted from adjustments or credits made in the normal course of business to amounts reported as expenditures in prior fiscal years.
6. Certain costs reflected in the schedule of the federal and state awards in the current year may represent costs incurred in prior years that have been approved for reimbursement by the granting agency and recorded in the current year financials.

**HARRIS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

| | |
|--|-------------|
| Type of auditor's report issued: | Unmodified. |
| Internal control over financial reporting: Material weakness (es) identified? | Yes. |
| Significant deficiency (ies) identified not considered to be a material weakness? | Yes. |
| Noncompliance material to financial statements noted? | No. |

Federal Awards

| | |
|---|-------------|
| Type of auditor's report issued on compliance for major programs: | Unmodified. |
| Internal control over major programs: Material weakness (es) identified? | No. |
| Significant deficiency (ies) identified not considered to be a material weakness? | Yes. |
| Any audit findings disclosed that are required to be reported in accordance with OMB Uniform Grant Guidance, §200.516(a) | Yes. |

State Awards

| | |
|---|----------------|
| Type of auditor's report issued on compliance for major programs: | Unmodified. |
| Internal control over major programs: Material weakness (es) identified? | No. |
| Significant deficiency (ies) identified not considered to be a material weakness? | None reported. |
| Any audit findings disclosed that are required to be reported in accordance with Texas Grant Management Standards? | No. |

**HARRIS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

| Name of Major Federal/State Program | Assistance Listing Number |
|---|----------------------------------|
| CDBG Supplemental Disaster Recovery Funds | 14.228 |
| State Criminal Alien Assistance Program (SCAAP) | 16.606 |
| CJD | 16.738 |
| (COVID-19) Emergency Rental Assistance | 21.023 |
| (COVID-19) ARPA Coronavirus State and Local Fiscal Recovery Funds | 21.027 |
| Refugee Medical Screening | 93.566 |
| Title IV-E Legal Services | 93.658 |
| Medicaid Administration Reimbursements | 93.778 |
| Urban Area Security Initiative | 97.067 |
| Multi-Agency Gang Project | State (Fund 7301) |
| Peninsula | State (Fund 7652) |
| Dollar threshold used to distinguish between Type A and Type B programs: | |
| Dollar threshold for federal programs: | \$3,000,000 |
| Dollar threshold for state programs: | \$1,392,500 |
| Auditee qualified as a low-risk auditee? | Yes – Federal |

II. FINANCIAL STATEMENT FINDINGS SECTION

| Program | Finding/Noncompliance | Questioned Cost |
|----------------|---|----------------------------|
| n/a | <p>2023-001– Material weakness in internal control over financial reporting – Flood Control - Timely transfer of completed capital projects to completed capital assets</p> <p><u>Condition:</u> Management failed to timely identify capital projects that were substantially complete in the current and prior years resulting in an overstatement of construction in progress (CIP) and net position, and an understatement of depreciation expense and completed capital assets in the current and prior years.</p> <p><u>Criteria:</u> Generally accepted accounting principles require the District to transfer capital projects out of CIP to a completed capital asset upon substantial completion.</p> <p><u>Cause:</u> The District did not perform a thorough review of its portfolio of CIP in prior years to ensure capital projects were appropriately deemed in progress or substantially complete.</p> | \$0 |

**HARRIS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

| Program | Finding/Noncompliance | Questioned Cost |
|---------|--|-----------------|
| | <p><u>Effect</u>: The nature of this deficiency presents a risk of inaccurate and misclassified capital assets, accumulated depreciation, and depreciation expense within the District’s Annual Comprehensive Financial Report.</p> <p><u>Recommendation</u>: Enhance the use of available data to perform a thorough review of capital project status at least annually. Establish specific guidelines for each department to follow to improve timely and accurate communication when capital projects are substantially completed.</p> <p><u>Views of Responsible Officials</u>: See Corrective Action Plan</p> <p><u>County Contact Person(s)</u>: Anthony Bacarisse, Director of Financial Services Division Harris County Flood Control District</p> | |
| n/a | <p>2023-002–Material weakness in internal control over financial reporting - Timely transfer of completed capital projects to completed capital assets and capitalization of non-capital costs</p> <p><u>Condition</u>: Management failed to timely identify capital projects that were substantially complete in the current and prior years resulting in an overstatement of construction in progress (CIP) and an understatement of depreciation expense and completed capital assets in the current and prior years. Also, the Harris County Toll Road Authority inappropriately capitalized costs subsequent to a software asset being substantially complete, thereby overstating CIP and net position and understating service and fees expenses.</p> <p><u>Criteria</u>: Generally accepted accounting principles require the County to transfer capital projects out of CIP to a completed capital asset upon substantial completion. Additionally, costs incurred once computer software is substantially complete and operational and during the post-implementation and operation stage of a software asset should be expensed.</p> <p><u>Cause</u>: The Authority did not perform a thorough review of its portfolio of CIP in prior years to ensure capital projects were appropriately deemed in progress or substantially complete and that costs were no longer capitalized after substantial completion of the project.</p> <p><u>Effect</u>: The nature of this deficiency presents a risk of inaccurate and misclassified capital assets, accumulated depreciation, depreciation expense, and expenses within the County’s Annual Comprehensive Financial Report.</p> <p><u>Recommendation</u>: Enhance the use of available data to perform a thorough review of capital project status at least annually. Establish specific guidelines for each department to follow to improve timely and accurate communication when capital projects are substantially completed, alongside a detailed review process to ensure accurate classification of capital and non-capital costs.</p> | \$0 |

**HARRIS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

| Program | Finding/Noncompliance | Questioned Cost |
|---------|---|-----------------|
| | <p><u>Views of Responsible Officials:</u> See Corrective Action Plan</p> <p><u>County Contact Person(s):</u> Jason McLemore, Deputy Director of Administration Harris County Toll Road Authority</p> | |
| n/a | <p>2023-003–Significant deficiency in internal control over financial reporting - Timely communication of terminations to TCDRS</p> <p><u>Condition:</u> Management failed to timely communicate 1,119 County employees who terminated during calendar year 2022 to the Texas County & District Retirement System (“TCDRS”). These terminations were not reported to TCDRS until calendar year 2023 and 2024 and it is possible some have still not been reported.</p> <p><u>Criteria:</u> Generally accepted accounting principles require the County to estimate a total pension liability. One key element in estimating the total pension liability is accurate demographic data for the plan participants at the actuarial valuation date.</p> <p><u>Cause:</u> The County did not understand the ramifications of failing to report terminations to TCDRS timely.</p> <p><u>Effect:</u> Untimely reporting of terminations led to an overstatement of the total and net pension liability and understatements of pension expense and deferred inflows of resources.</p> <p><u>Recommendation:</u> Implement procedures to report terminations to TCDRS timely, on a regular cadence. Design controls to ensure terminations are reported accurately and timely. Work with TCDRS to ensure census data as of December 31, 2023 is complete and accurate.</p> <p><u>Views of Responsible Officials:</u> See Corrective Action Plan</p> <p><u>County Contact Person(s):</u> Shain Carrizal, Executive Director of Human Resources & Risk Management</p> | \$0 |

**HARRIS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS SECTION

| Program | Finding/Noncompliance | Questioned Cost |
|---|---|-----------------|
| U.S Department of Justice | 2023-004– Noncompliance and Significant Deficiency in Internal Control Over Eligibility | \$0 |
| State Criminal Alien Assistance Program (SCAAP) – ALN#16.606 | <p><u>Criteria:</u> The grant agreement requires the County to comply with the following eligibility criteria when determining eligibility for inmates: 1) incarceration for 4 consecutive days, 2) undocumented status, and 3) conviction of a felony or two misdemeanors.</p> <p><u>Condition:</u> Harris County did not retain and could not provide evidence indicating that 1 of 40 inmate selections met the third eligibility requirement.</p> | |
| Federal Award Number: 15PBJA-21- RR-05110- SCAA | <p><u>Cause:</u> The Sheriff’s Department was not able to provide sufficient eligibility documentation because the criminal databases the Sheriff’s Department uses to support eligibility determinations are on a live basis. Thus, for 1 out of 40 selections, the eligibility information could not be provided to evidence conviction of a felony or two misdemeanors.</p> <p><u>Effect:</u> Ineligible inmates could be included in the data submitted to the granting agency and potentially impact funding received.</p> <p><u>Context:</u> We were not able to receive evidence of eligibility for 1 of 40 inmate selections to support either a felony or two misdemeanors. However, there is not a direct correlation between the number of inmates served, the total costs incurred by the County, and the funding received. Thus, an amount for questioned costs cannot be determined.</p> <p><u>Recommendation:</u> Harris County should implement procedures to ensure the Sheriff’s department maintains the supporting records for each inmate to demonstrate that the eligibility requirements were met.</p> <p><u>Views of Responsible Officials:</u> See Corrective Action Plan</p> <p><u>County Contact Person(s):</u> Michael Lanham, Director of Finance Harris County Sheriff’s Office</p> | |

IV. STATE AWARDS FINDINGS AND QUESTIONED COSTS SECTION

None noted.

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Accounting Division



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HARRIS COUNTY AUDITOR

CORRECTIVE ACTION PLAN

| Finding Number | Planned Corrective Action | Anticipated Completion Date | Responsible Contact Person |
|-----------------------|--|------------------------------------|--|
| 2023-001 | The District will perform a thorough review of all projects currently being tracked as Construction In Progress by the Harris County Auditor’s Office to assure for timely submittal of substantial completion documents. In addition, The District has enhanced its Project Initiation process to add an asset ownership review step to be performed by the Financial Services Division. We will also add an asset ownership review step to the current Interlocal Agreement process. | August 2024 | Anthony Bacarisse, Director of Financial Services Division Harris County Flood Control District |
| 2023-002 | Harris County and Toll Road Authority management agree with the finding and will implement at least an annual review of capital project statuses to determine substantial completion to help mitigate the risk of this occurring in the future. We will also include a review of invoices related to substantially complete projects to determine that capital and non-capital expenditures are accurately classified. | September 2024 | Jason McLemore, Deputy Director of Administration Harris County Toll Road Authority |
| 2023-003 | Management acknowledges the control deficiency. The issue has been resolved for 2022 terminations, and the department is actively reconciling 2023 termination dates and will have that completed no later than September 2024. To prevent the deficiency going forward, the department will obtain an updated report from Payroll with correct termination data, upload dates to TCDRS’ system on a monthly basis, and implement a year-end reconciliation process. | September 2024 | Shain Carrizal, Executive Director of Human Resources & Risk Management |

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| 2023-004 | <p>HCSO agrees with the audit finding regarding our lack of documentation on criminal convictions for inmates claimed as qualifying for our 2020 SCAAP submission. This audit has helped us recognize that criminal justice databases housing conviction information are dynamic and ever changing, which makes current verification of historical data very difficult. For this reason it's very important to maintain detailed documentation of the information used to identify qualifying convictions.</p> <p>For future SCAAP submissions our plan is to take screenshots from the criminal justice databases used to verify convictions and maintain that documentation in files that are routinely backed up. In addition, we will ensure this documentation is reviewed by management to ensure adequacy based on SCAAP requirements.</p> | September 2024 | Michael Lanham, Director of Finance Harris County Sheriff's Office |
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