



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

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DATE: 05/07/2024

**SUBJECT: RECEIVE AND FILE THE ANNUAL INDEPENDENT FINANCIAL
AUDIT FOR TARRANT COUNTY FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court receive and file the Annual Independent Financial Audit for the FY Ended September 30, 2023, which includes the Annual Comprehensive Financial Report (ACFR) and the Texas Juvenile Justice Department Grant Funds Report with Opinions along with their respective Governance Letters.

BACKGROUND

Section 115.045, Local Government Code, requires counties with a population of 350,000 or more to conduct an annual independent audit covering all matters relating to the fiscal affairs of the county. The independent auditor rendered an unmodified opinion for the County's financial statements for the fiscal year ended September 30, 2023. One control deficiency was identified.:

The County has restated Net Position and certain disclosures as of October 1, 2022 as discussed in Note 1 related to Other Post-Employment Benefits (OPEB) liability. During the course of the audit, findings affecting prior year financial statements were identified in the actuarial calculations for the fiscal years 2019-2022. The materiality of the finding was evaluated and it was concluded that the finding was not material to the prior period financial statements. In order to maintain compliance with GAAP, the County adjusted the beginning net position for a total decrease of \$28 million.

The restatement of the County's OPEB had no effect on the County's cash balance. Additionally, the County funds OPEB on a "pay as you go" basis through the annual budget adoption process. Expenses incurred by the County to provide retiree benefits ranged from \$8 to \$11 million during fiscal years 2019-2022.

Deloitte, as the independent auditor, recommends that management periodically engage a separate actuarial specialist to perform an actuarial audit. The County Auditor's Office agrees with this recommendation.

1. The Single Audit of Federal and State Assistance will be presented when completed.

FISCAL IMPACT

There is no fiscal impact associated with this item.

SUBMITTED BY:	Administrator's Office	PREPARED BY: APPROVED BY:	Linda R. Castillo
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