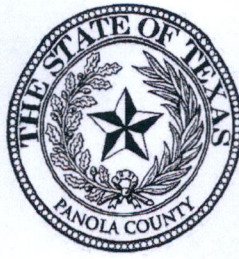


SCOTT R. PEAL
First Assistant District Attorney

ERIC D. HILLMAN
Assistant District Attorney

JIM HOLDER
Investigator



Panola County Judicial Complex
108 S. Sycamore, Suite 301
Carthage, Texas 75633

(903) 693-0310 Office
(903) 693-0368 Fax
info.cda@co.panola.tx.us

LARRY W. FIELDS
Criminal District Attorney

July 16, 2026

Judge, Rodger McLane
Commissioner, Billy Alexander
Commissioner, David Cole
Commissioner, Craig Lawless
Commissioner, Dale LaGrone

Regarding: Resignation of Ginger Hawkins

Dear Gentlemen,

Please record the resignation of Ginger Hawkins, effective end of business Friday, July 24, 2026.

Very truly,

A handwritten signature in blue ink, appearing to read "Larry W. Fields", is written over the typed name.

Larry W. Fields

cc: Auditor, Jennifer Stacy
Treasurer, Abby Booker



Panola County
Elections Office
110 S Sycamore Street, Rm 100
Carthage, Tx 75633

Kelsey Gates
Elections Administrator/Voter Registrar
Kelsey.lake@co.panola.tx.us

July 10th, 2026

Panola County Commissioners Court

I am requesting the Court to record the employment of Virginia Hawkins for the position of Deputy Elections Administrator/Deputy Voter Registrar, effective July 25th, 2026. At a rate of \$20.16 per hour.

Thank you for your consideration in this matter.

A handwritten signature in cursive script that reads "Kelsygates".

Kelsey Gates

PANOLA COUNTY SHERIFF'S OFFICE

Office: 903-693-0333
Fax: 903-693-9366



314 W. Wellington
Carthage, Texas 75633

Sheriff Cutter Clinton

July 21st, 2026

The Honorable Rodger McLane
Panola County Judge
110 S. Sycamore
Carthage, Texas 75633

Dear Judge McLane,

Please add the following item(s) to the next scheduled meeting of the Panola County Commissioner's Court:

To record the resignation of Nathan Kruger as a Detention Officer with the Panola County Sheriff's Department effective July 20th, 2026

Sincerely,

A handwritten signature in black ink that reads "Cutter Clinton". The signature is stylized, with a large, sweeping "C" and "linton" written in a cursive script.

Cutter Clinton
Sheriff

CC/kc
CC: Jennifer Stacy
Abby Booker

Honesty, Integrity, Service

**NOTICE OF PROPOSED INSTALLATION
PIPELINE AND/OR UTILITY LINES**

TO: THE PANOLA COUNTY COMMISSIONER'S COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT, CARTHAGE, TEXAS

Formal notice is hereby given that:

BTA ETG GATHERING LLC proposes to place a
(COMPANY NAME)

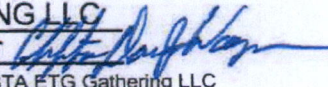
16-inch natural gas utility pipe line within the Right-of-Way
(PIPE SIZE)

of County Road: 241 as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet.
Installation shall be made by boring a total length of 400' line in Panola County.

The location and description of the proposed line and appurtenances is more fully shown by the copies of the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola County Specifications.

Construction of this line will begin on or after the 15th day of
September 2026.

FIRM: BTA ETG GATHERING LLC
BY: Clifton Douglas Wagner 
TITLE: Agent and Attorney-in-Fact for BTA ETG Gathering LLC
ADDRESS: 1100 Louisiana St.,
Houston, TX 77002-5227
PHONE: (713) 381-5739

APPROVAL

July 28, 2026

TO: BTA ETG Gathering, LLC
Attn: Clifton Douglas Wagner
1100 Louisiana St.
Houston, TX. 77002-5227

RE: **County Road #241**

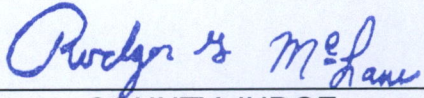
The Panola County Commissioners' Court offers no objection to bore under Panola County Road **#241** with a **16" Natural Gas Utility Pipe Line**.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

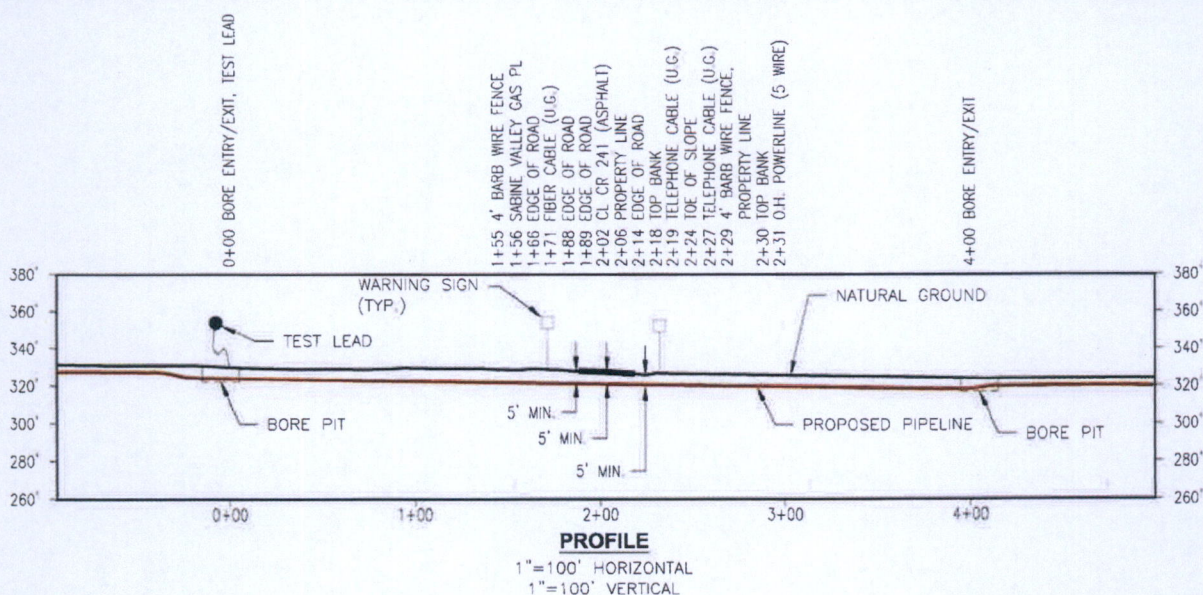
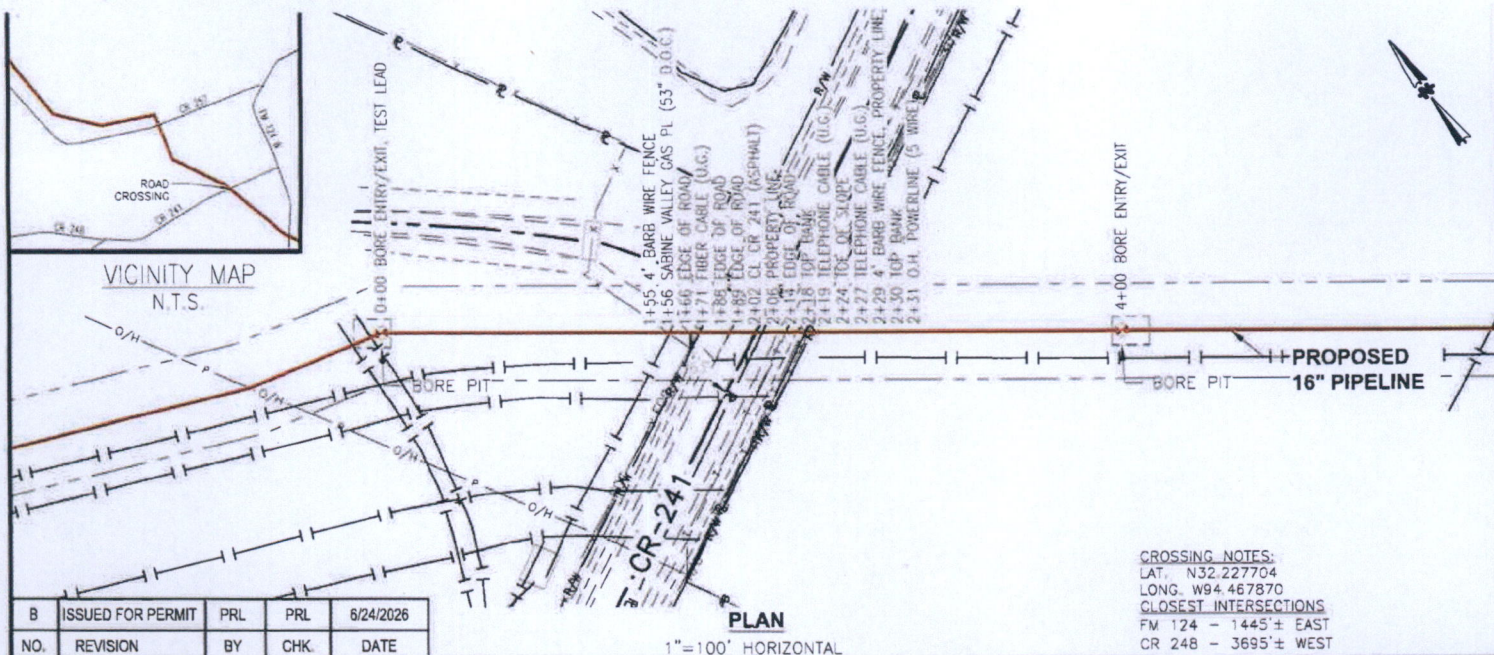
1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.

5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.
8. Unless other arrangements are made with the designated Commissioner, no work will be performed on Saturday, Sunday, Holidays or hours other than standard working hours. (Monday - Friday)
9. Operations shall not be carried on when soil conditions are such that construction will cause rutting.

Approved: 
COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Billy Alexander
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone



LEGEND

- PROPOSED PIPELINE
- PERMANENT EASEMENT
- CL WATERBODY
- CL ROAD
- FENCE LINE
- U.G. TELEPHONE LINE
- U.G. ELECT. LINE
- O.H. POWERLINE
- EXISTING PIPELINE
- PROPERTY LINE
- RIGHT OF WAY

GENERAL NOTES:

- ALL COORDINATES, BEARINGS AND DISTANCES ARE REFERENCED TO THE TEXAS COORDINATE SYSTEM OF 1983 CENTRAL ZONE (4203). U.S. SURVEY FEET BASED ON GPS OBSERVATIONS MADE BY ATWELL.
- PIPELINE WARNING SIGNS SHALL BE INSTALLED AT EACH RIGHT-OF-WAY LINE.
- ALL EXCAVATION AND BACKFILL SHALL BE IN ACCORDANCE WITH TxDOT ITEM 400, "EXCAVATION BACKFILL FOR STRUCTURES".
- FOR UNENCASED HIGH-PRESSURE GAS OR LIQUID PETROLEUM LINES, THE MINIMUM DEPTH OF COVER IS AS FOLLOWS:
 - 60 INCHES UNDER THE PAVEMENT SURFACE OR 18 INCHES UNDER PAVEMENT STRUCTURE IN PAVED AREAS; OR
 - 48 INCHES IF THE LINE IS PLACED OUTSIDE THE PAVEMENT STRUCTURE OR UNDER THE FLOWLINE OF THE DITCH
- MAINTAIN 2 FOOT MINIMUM CLEARANCE BETWEEN ALL UNDERGROUND UTILITIES AND PIPELINE.



Matthew Parker Parra 7/3/2026

I, MATTHEW P. PARRA, AN INDEPENDENT CONSULTING ENGINEER, TEXAS REGISTERED ENGINEERING FIRM NO. F-7272, AND A REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, P.E. NO. 83362, HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE PIPELINE ROAD CROSSING SHOWN ON THIS DRAWING HAS BEEN DESIGNED IN ACCORDANCE WITH THE FOLLOWING STANDARDS:
- CFR TITLE 49, PART 192 - "TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE," SUBPART C - "DESIGN REQUIREMENTS."
- API 1102 - "STEEL PIPELINES CROSSING RAILROADS AND HIGHWAYS."
THIS CERTIFICATION APPLIES ONLY TO THE MECHANICAL DESIGN OF THE PIPELINE AND DOES NOT COVER THE ACCURACY OR COMPLETENESS OF ANY SURVEY INFORMATION PROVIDED.

PIPE SPECIFICATIONS:

- PRODUCT: NATURAL GAS
- MAOP: 1440
- DESIGN FACTOR: 0.6
- SEAM JOINT FACTOR: 1.0
- CROSSING METHOD: CONVENTIONAL BORE
- CARRIER PIPE: 16" O.D. X 0.500" W.T., CS, BW, API 5L X-52 ERW PSL2 PIPE W/ 15-22 MILS FBE + 30-40 MILS ARO
- SPECIFIED MINIMUM YIELD STRENGTH: 52,000 PSI
- MINIMUM TEST PRESSURE: 1800 PSIG
- CATHODIC PROTECTION: IMPRESSED CURRENT



**Enterprise
Products**

BTA ETG Gathering LLC



ATWELL
468.830.4200 www.atwell.com
13100 Memorial Plaza Suite 700
San Antonio, Texas 78218
Firm Registration # 12154153

REV. B
TRACT NUMBER: TX-PN-0020.00110
PROJ. NAME: OAK HILL ROJO TO 959
PROJ. NO: 25010270
SURVEY DATE: 01/16/2026
DRAWN BY: PRL
DRAWN DATE: 06/05/2026
PAGE: 1 OF 1

OAK HILL ROJO TO 959
CR 241
CROSSING PERMIT
PANOLA COUNTY, TEXAS

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 241		
KEI Document #:	12538A26-KEI-604-005		
Revision:	0		
Calculations performed by:		MPP	6/30/2026
Calculations checked/approved by:		AMT	6/30/2026



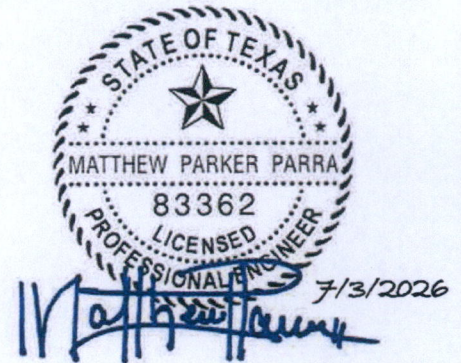
*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

Summary:

All checks pass? **YES**

Pipe & Operational Data:

NPS=	16.0	Pipe Size (NPS) (in.)	XS	Identification	40 Schedule No.
D =	16.000	Pipe Outside Diameter (in.)			
p =	1,440	Operating Pressure (psi)			
Steel Grade =	X-52	Specified Minimum Yield Strength (psi)			
SMYS =	52,000	Specified Minimum Yield Strength (psi)			
F =	0.6	Design Factor			
E =	1.0	Longitudinal Joint Factor			
T ₁ =	70	Installation Temperature °F			
T ₂ =	100	Maximum or Minimum Operating Temperature °F			
T =	1.0	Temperature derating factor			
t _w =	0.5	Pipe Wall Thickness (in.)			



Installation & Site Data:

H =	5	Cover depth (ft.)
B _d =	20.000	Bore Diameter (in.)
	No	HDD Crossing? (Yes/No)
R =		HDD Curve Minimum Radius (ft)
Soil Type =	A	(A) Loose Sands/Soft Clays, (B) Dense Sands/Stiff Clays
E' =	0.2	Modulus of Soil Reaction (ksi)
E _r =	5	Resilient Modulus (ksi)
γ =	120	Unit Weight (pcf)
	ERW	Type of Longitudinal Weld
P _s =	12	Design Wheel Load from Single Axle (kips)
P _t =	10	Design Wheel Load from Tandem Axle (kips)
Flexible Pavement		Pavement Type

Other pipe steel properties:

E _s =	29,500	Young's Modulus (ksi)
ν _s =	0.30	Poisson's ratio
αT =	6.5E-06	Coefficient of Thermal Expansion per °F

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 241		
KEI Document #:	12538A26-KEI-604-005		
Revision:	0		
Calculations performed by:	MPP	6/30/2026	
Calculations checked/approved by:	AMT	6/30/2026	



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

1a. Check Allowable Barlow Stress

Equation 8a

$$S_{Hi} = p * D / 2t_w \leq F * E * T * SYMS$$

$S_{Hi} = 23,040 \leq 31,200$ psi OK (y/n) **PASS**

1b. Check Barlow Design Pressure

DOT PART 192.105(a)

$$P = (2 * SYMS * t / D) * F * E * T$$

$P = 1,950 \geq 1,440$ psi OK (y/n) **PASS**

2. Circumferential Stress Due to Earth Load

2.1 - From Figure 3 $t_w / D = 0.031$ $K_{He} = 1,135$

$E' = 0.2$ ksi

2.2 - From Figure 4 $H / B_d = 3.000$ $B_e = 0.82$

 Soil Type = A

2.3 - From Figure 5 $B_d / D = 1.250$ $E_e = 1.29$

2.4 - Equation 1 $S_{He} = K_{He} * B_e * E_e * \gamma * D$

$S_{He} = 1,336$ psi

3. Impact Factor, F_i , and Applied Design Surface Pressure, w

3.1 - Figure 7 for Highways $H = 5.000$ ft $F_i = 1.50$

3.2 - Applied design surface Flexible Pavement $P = 10.00$ kips

pressure, w Section 4.7.2.2.1 $w = 69.44$ psi

Critical Case: Tandem Axles

4. Cyclic Stresses, ΔS_{Hh} and ΔS_{Lh}

4.1 Cyclic Circumferential Stresses, ΔS_{Hh}

4.1.1 - From Figure 14 with: $t_w / D = 0.031$ $K_{Hh} = 12.6$

$E_r = 5$

4.1.2 - From Figure 15 with: $D = 16.000$ in $G_{Hh} = 1.07$

$H = 5.000$ ft

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 241		
KEI Document #:	12538A26-KEI-604-005		
Revision:	0		
Calculations performed by:	MPP	6/30/2026	
Calculations checked/approved by:	AMT	6/30/2026	



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

4.1.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.1.4 - Equation 5:

$$\Delta S_{Hh} = K_{Hh} * G_{Hh} * R * L * F_i * w$$

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

4.2 Cyclic Longitudinal Stresses, ΔS_{Lh}

4.2.1 - From Figure 16 with:

$$t_w / D = \frac{0.031}{5}$$

$$K_{Lh} = 11.6$$

4.2.2 - From Figure 17 with:

$$D = \frac{16.000}{5.000}$$

$$G_{Lh} = 1.03$$

4.2.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.2.4 - Equation 6:

$$\Delta S_{Lh} = K_{Lh} * G_{Lh} * R * L * F_i * w$$

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

5. Circumferential Stress Due to Internal Pressure

Equation 7:

$$S_{Hi} = p * (D - t_w) / 2t_w$$

$$S_{Hi} = 22,320 \text{ psi}$$

6. Principal Stresses, S_1 , S_2 , S_3

HDD Bend Stress

$$S_b = E_s * 1000 * D / (24 * R)$$

$$S_b = 0 \text{ psi}$$

6.1 Equation 9:

$$S_1 = S_{He} + \Delta S_{Hh} + S_{Hi}$$

$$S_1 = 25,057 \text{ psi}$$

6.2 Eq. 10 (+ HDD Bend):

$$S_2 = \Delta S_{Lh} - E_s * 1000 * \alpha_T (T_2 - T_1) + v_s (S_{He} + S_{Hi})$$

+ S_b

$$S_2 = \frac{2,583}{2,583} \text{ psi}$$

Bending Side

or

Compression Side

6.3 Equation 11:

$$S_3 = -MAOP$$

$$S_3 = -1,440 \text{ psi}$$

$$5,752.5000$$

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 241		
KEI Document #:	12538A26-KEI-604-005		
Revision:	0		
Calculations performed by:		MPP	6/30/2026
Calculations checked/approved by:		AMT	6/30/2026



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

6.4 Effective Stress, S_{eff}

Equation 12:

$$S_{eff} = \{[0.5 * [(S_1 - S_2)^2 + (S_2 - S_3)^2 + (S_3 - S_1)^2]]\}^{0.5}$$

$S_{eff} =$	24,732	psi	Bending Side
	24,732	psi	Compression Side

6.5 Check allowable Effective stress:

$$S_{eff} \leq SMYS * 0.72$$

$Max S_{eff} =$	24,732	psi	OK (y/n)	PASS
$S_{eff} \leq$	37,440	psi		

7. Check Fatigue

7.1 Girth Welds

Table 3

$$S_{FG} = 12,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Lh} \leq S_{FG} * F$$

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

$$S_{FG} * F = 7,200 \text{ psi}$$

OK (y/n)	PASS
----------	------

7.2 Longitudinal Welds

Table 3

$$S_{FL} = 21,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Hh} \leq S_{FL} * F$$

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

$$S_{FL} * F = 12,600 \text{ psi}$$

OK (y/n)	PASS
----------	------



**NOTICE OF PROPOSED INSTALLATION
PIPELINE AND/OR UTILITY LINES**

TO: THE PANOLA COUNTY COMMISSIONER'S COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT, CARTHAGE, TEXAS

Formal notice is hereby given that:

BTA ETG GATHERING LLC proposes to place a
(COMPANY NAME)

16-inch natural gas utility pipe line within the Right-of-Way
(PIPE SIZE)

of County Road: 2502 as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet.
Installation shall be made by boring a total length of 200' line in Panola County.

The location and description of the proposed line and appurtenances is more fully shown by the copies of the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola County Specifications.

Construction of this line will begin on or after the 15th day of
September 2026.

FIRM: BTA ETG GATHERING LLC

BY: Clifton Douglas Wagner

TITLE: Agent and Attorney-in-Fact for BTA ETG Gathering LLC

ADDRESS: 1100 Louisiana St.,
Houston, TX 77002-5227

PHONE: (713) 381-5739

APPROVAL

July 28, 2026

TO: BTA ETG Gathering, LLC
Attn: Clifton Douglas Wagner
1100 Louisiana St.
Houston, TX. 77002-5227

RE: **County Road #2502**

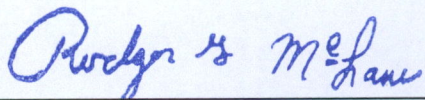
The Panola County Commissioners' Court offers no objection to bore under Panola County Road **#2502** with a **16" Natural Gas Utility Pipe Line**.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

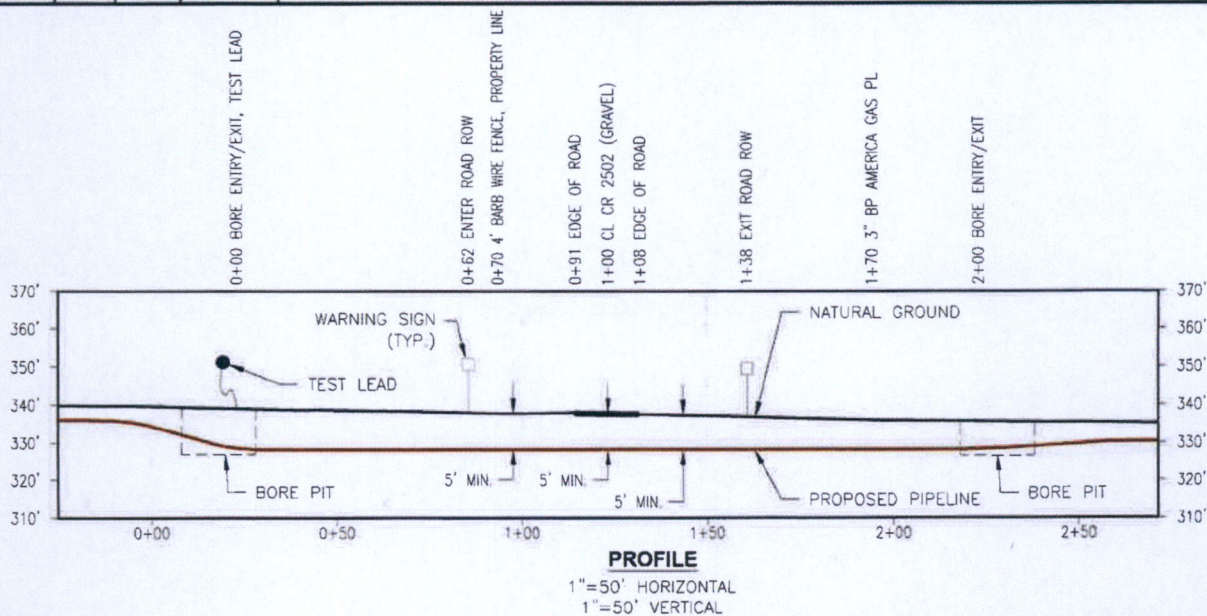
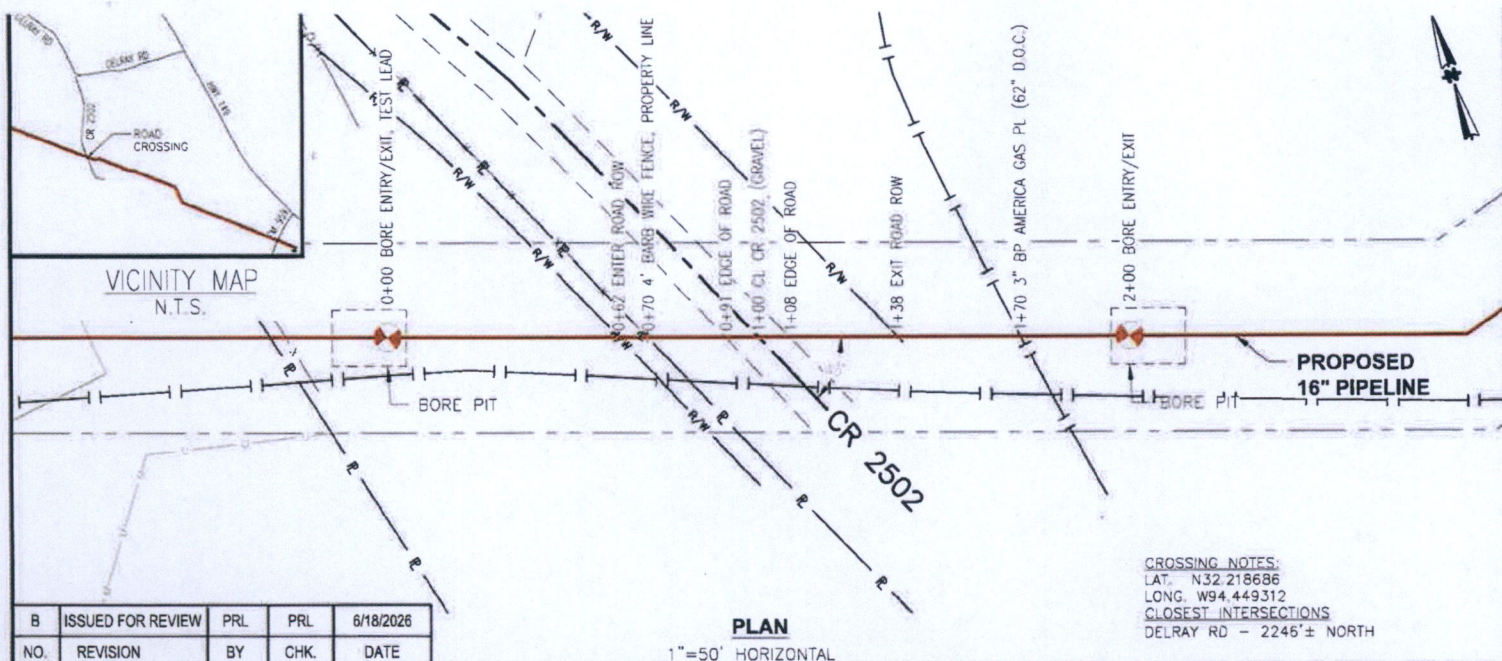
1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.

5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.
8. Unless other arrangements are made with the designated Commissioner, no work will be performed on Saturday, Sunday, Holidays or hours other than standard working hours. (Monday - Friday)
9. Operations shall not be carried on when soil conditions are such that construction will cause rutting.

Approved: 
COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Billy Alexander
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone



LEGEND

- PROPOSED PIPELINE
- PERMANENT EASEMENT
- CL WATERBODY
- CL ROAD
- X — X — FENCE LINE
- T — T — U.G. TELEPHONE LINE
- E — U/G — U.G. ELECT. LINE
- P — O/H — O.H. POWERLINE
- — — EXISTING PIPELINE
- — — PROPERTY LINE
- — — RIGHT OF WAY

GENERAL NOTES:

- ALL COORDINATES, BEARINGS AND DISTANCES ARE REFERENCED TO THE TEXAS COORDINATE SYSTEM OF 1983 CENTRAL ZONE (4203). U.S. SURVEY FEET BASED ON GPS OBSERVATIONS MADE BY ATWELL.
- PIPELINE WARNING SIGNS SHALL BE INSTALLED AT EACH RIGHT-OF-WAY LINE.
- ALL EXCAVATION AND BACKFILL SHALL BE IN ACCORDANCE WITH TxDOT ITEM 400, "EXCAVATION BACKFILL FOR STRUCTURES".
- FOR UNENCASED HIGH-PRESSURE GAS OR LIQUID PETROLEUM LINES, THE MINIMUM DEPTH OF COVER IS AS FOLLOWS:
 - 60 INCHES UNDER THE PAVEMENT SURFACE OR 18 INCHES UNDER PAVEMENT STRUCTURE IN PAVED AREAS; OR
 - 48 INCHES IF THE LINE IS PLACED OUTSIDE THE PAVEMENT STRUCTURE OR UNDER THE FLOWLINE OF THE DITCH
- MAINTAIN 2 FOOT MINIMUM CLEARANCE BETWEEN ALL UNDERGROUND UTILITIES AND PIPELINE.



Matthew Parker Parra
7/3/2026

I, MATTHEW P. PARRA, AN INDEPENDENT CONSULTING ENGINEER, TEXAS REGISTERED ENGINEERING FIRM NO. F-7272, AND A REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, P.E. NO. 83362, HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE PIPELINE ROAD CROSSING SHOWN ON THIS DRAWING HAS BEEN DESIGNED IN ACCORDANCE WITH THE FOLLOWING STANDARDS:
- CFR TITLE 49, PART 192 - "TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE," SUBPART C - "DESIGN REQUIREMENTS"
- API 1102 - "STEEL PIPELINES CROSSING RAILROADS AND HIGHWAYS."
THIS CERTIFICATION APPLIES ONLY TO THE MECHANICAL DESIGN OF THE PIPELINE AND DOES NOT COVER THE ACCURACY OR COMPLETENESS OF ANY SURVEY INFORMATION PROVIDED.

PIPE SPECIFICATIONS:

- PRODUCT: NATURAL GAS
- MAOP: 1440
- DESIGN FACTOR: 0.6
- SEAM JOINT FACTOR: 1.0
- CROSSING METHOD: BORE
- CARRIER PIPE: 16" O.D. X 0.500" W.T., CS. BW, API 5L X-70 ERW PSL2 PIPE W/ 15-22 MILS FBE + 30-40 MILS ARO
- SPECIFIED MINIMUM YIELD STRENGTH: 60,000 PSI
- MINIMUM TEST PRESSURE: 1800 PSIG
- CATHODIC PROTECTION: IMPRESSED CURRENT



**Enterprise
Products**

BTA ETG Gathering LLC



ATWELL
368.630.4200 www.atwell.com
19101 Westport Plaza, Suite 700
San Antonio, Texas 78216
Fax: 361.441.152

REV: B
TRACT NUMBER: TX-PN-0027.00010
PROJ. NAME: OAK HILL ROJO TO 959
PROJ. NO: 25010270
SURVEY DATE: 02/13/2026
DRAWN BY: PRL
DRAWN DATE: 06/05/2026
PAGE: 1 OF 1

OAK HILL ROJO TO 959
CR 2502
CROSSING PERMIT
PANOLA COUNTY, TEXAS

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 2502		
KEI Document #:	12538A26-KEI-604-007		
Revision:	0		
Calculations performed by:		MPP	6/30/2026
Calculations checked/approved by:		AMT	6/30/2026



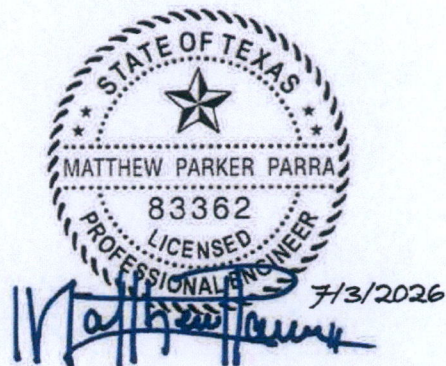
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Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

Summary:

All checks pass? **YES**

Pipe & Operational Data:

NPS=	16.0	Pipe Size (NPS) (in.)	XS	Identification	40 Schedule No.
D =	16.000	Pipe Outside Diameter (in.)			
p =	1,440	Operating Pressure (psi)			
Steel Grade =	X-52	Specified Minimum Yield Strength (psi)			
SMYS =	52,000	Specified Minimum Yield Strength (psi)			
F =	0.6	Design Factor			
E =	1.0	Longitudinal Joint Factor			
T ₁ =	70	Installation Temperature °F			
T ₂ =	100	Maximum or Minimum Operating Temperature °F			
T =	1.0	Temperature derating factor			
t _w =	0.5	Pipe Wall Thickness (in.)			



Installation & Site Data:

H =	5	Cover depth (ft.)
B _d =	20.000	Bore Diameter (in.)
	No	HDD Crossing? (Yes/No)
R =		HDD Curve Minimum Radius (ft)
Soil Type =	A	(A) Loose Sands/Soft Clays, (B) Dense Sands/Stiff Clays
E' =	0.2	Modulus of Soil Reaction (ksi)
E _r =	5	Resilient Modulus (ksi)
γ =	120	Unit Weight (pcf)
	ERW	Type of Longitudinal Weld
P _s =	12	Design Wheel Load from Single Axle (kips)
P _t =	10	Design Wheel Load from Tandem Axle (kips)
	Flexible Pavement	Pavement Type

Other pipe steel properties:

E _s =	29,500	Young's Modulus (ksi)
ν _s =	0.30	Poisson's ratio
αT =	6.5E-06	Coefficient of Thermal Expansion per °F

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 2502		
KEI Document #:	12538A26-KEI-604-007		
Revision:	0		
Calculations performed by:	MPP	6/30/2026	
Calculations checked/approved by:	AMT	6/30/2026	



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

1a. Check Allowable Barlow Stress

Equation 8a

$$S_{Hi} = p * D / 2t_w \leq F * E * T * SYMS$$

$S_{Hi} = 23,040 \leq 31,200$ psi OK (y/n) **PASS**

1b. Check Barlow Design Pressure

DOT PART 192.105(a)

$$P = (2 * SYMS * t / D) * F * E * T$$

$P = 1,950 \geq 1,440$ psi OK (y/n) **PASS**

2. Circumferential Stress Due to Earth Load

2.1 - From Figure 3 $t_w / D = 0.031$ $K_{He} = 1,135$

$E' = 0.2$ ksi

2.2 - From Figure 4 $H / B_d = 3.000$ $B_e = 0.82$

Soil Type = A

2.3 - From Figure 5 $B_d / D = 1.250$ $E_e = 1.29$

2.4 - Equation 1 $S_{He} = K_{He} * B_e * E_e * \gamma * D$

$S_{He} = 1,336$ psi

3. Impact Factor, F_i and Applied Design Surface Pressure, w

3.1 - Figure 7 for Highways $H = 5.000$ ft $F_i = 1.50$

3.2 - Applied design surface pressure, w Section 4.7.2.2.1 $P = 10.00$ kips

Critical Case: Tandem Axles $w = 69.44$ psi

4. Cyclic Stresses, ΔS_{Hh} and ΔS_{Lh}

4.1 Cyclic Circumferential Stresses, ΔS_{Hh}

4.1.1 - From Figure 14 with: $t_w / D = 0.031$ $K_{Hh} = 12.6$

$E_r = 5$

4.1.2 - From Figure 15 with: $D = 16.000$ in $G_{Hh} = 1.07$

$H = 5.000$ ft

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 2502		
KEI Document #:	12538A26-KEI-604-007		
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Calculations performed by:		MPP	6/30/2026
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*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

4.1.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.1.4 - Equation 5:

$$\Delta S_{Hh} = K_{Hh} * G_{Hh} * R * L * F_i * w$$

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

4.2 Cyclic Longitudinal Stresses, ΔS_{Lh}

4.2.1 - From Figure 16 with:

$$t_w / D = \frac{0.031}{5}$$

$$K_{Lh} = 11.6$$

4.2.2 - From Figure 17 with:

$$D = \frac{16.000}{5.000}$$

$$G_{Lh} = 1.03$$

4.2.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.2.4 - Equation 6:

$$\Delta S_{Lh} = K_{Lh} * G_{Lh} * R * L * F_i * w$$

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

5. Circumferential Stress Due to Internal Pressure

Equation 7:

$$S_{Hi} = p * (D - t_w) / 2t_w$$

$$S_{Hi} = 22,320 \text{ psi}$$

6. Principal Stresses, S_1 , S_2 , S_3

HDD Bend Stress

$$S_b = E_s * 1000 * D / (24 * R)$$

$$S_b = 0 \text{ psi}$$

6.1 Equation 9:

$$S_1 = S_{He} + \Delta S_H + S_{Hi}$$

$$S_1 = 25,057 \text{ psi}$$

6.2 Eq. 10 (+ HDD Bend):

$$S_2 = \Delta S_L - E_s * 1000 * \alpha_T (T_2 - T_1) + v_s (S_{He} + S_{Hi})$$

$$S_2 = \frac{2,583}{2,583} \text{ psi}$$

+ S_b

or

Bending Side

Compression Side

6.3 Equation 11:

$$S_3 = -MAOP$$

$$S_3 = -1,440 \text{ psi}$$

$$5,752.5000$$

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 2502		
KEI Document #:	12538A26-KEI-604-007		
Revision:	0		
Calculations performed by:		MPP	6/30/2026
Calculations checked/approved by:		AMT	6/30/2026



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

6.4 Effective Stress, S_{eff}

Equation 12:

$$S_{eff} = \{[0.5 * [(S_1 - S_2)^2 + (S_2 - S_3)^2 + (S_3 - S_1)^2]]\}^{0.5}$$

$$S_{eff} = \begin{matrix} 24,732 & \text{psi} \\ 24,732 & \text{psi} \end{matrix}$$

Bending Side

Compression Side

6.5 Check allowable Effective stress:

$$S_{eff} \leq SMYS * 0.72$$

$$Max S_{eff} = 24,732 \text{ psi}$$

OK (y/n)

PASS

$$S_{eff} \leq 37,440 \text{ psi}$$

7. Check Fatigue

7.1 Girth Welds

Table 3

$$S_{FG} = 12,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Lh} \leq S_{FG} * F$$

OK (y/n)

PASS

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

$$S_{FG} * F = 7,200 \text{ psi}$$

7.2 Longitudinal Welds

Table 3

$$S_{FL} = 21,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Hh} \leq S_{FL} * F$$

OK (y/n)

PASS

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

$$S_{FL} * F = 12,600 \text{ psi}$$



Google Earth

**NOTICE OF PROPOSED INSTALLATION
PIPELINE AND/OR UTILITY LINES**

TO: THE PANOLA COUNTY COMMISSIONER'S COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT, CARTHAGE, TEXAS

Formal notice is hereby given that:

BTA ETG GATHERING LLC proposes to place a
(COMPANY NAME)

16-inch natural gas utility pipe line within the Right-of-Way
(PIPE SIZE)

of County Road: 256 as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet.
Installation shall be made by boring a total length of 200' line in Panola County.

The location and description of the proposed line and appurtenances is more fully shown by the copies of the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola County Specifications.

Construction of this line will begin on or after the 15th day of
September 2026.

FIRM: BTA ETG GATHERING LLC

BY: Clifton Douglas Wagner

TITLE: Agent and Attorney-in-Fact for BTA ETG Gathering LLC

ADDRESS: 1100 Louisiana St.,

Houston, TX 77002-5227

PHONE: (713) 381-5739

APPROVAL

July 28, 2026

TO: BTA ETG Gathering, LLC
Attn: Clifton Douglas Wagner
1100 Louisiana St.
Houston, TX. 77002-5227

RE: **County Road #256**

The Panola County Commissioners' Court offers no objection to bore under Panola County Road **#256** with a **16" Natural Gas Utility Pipe Line**.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.

5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.
8. Unless other arrangements are made with the designated Commissioner, no work will be performed on Saturday, Sunday, Holidays or hours other than standard working hours. (Monday - Friday)
9. Operations shall not be carried on when soil conditions are such that construction will cause rutting.

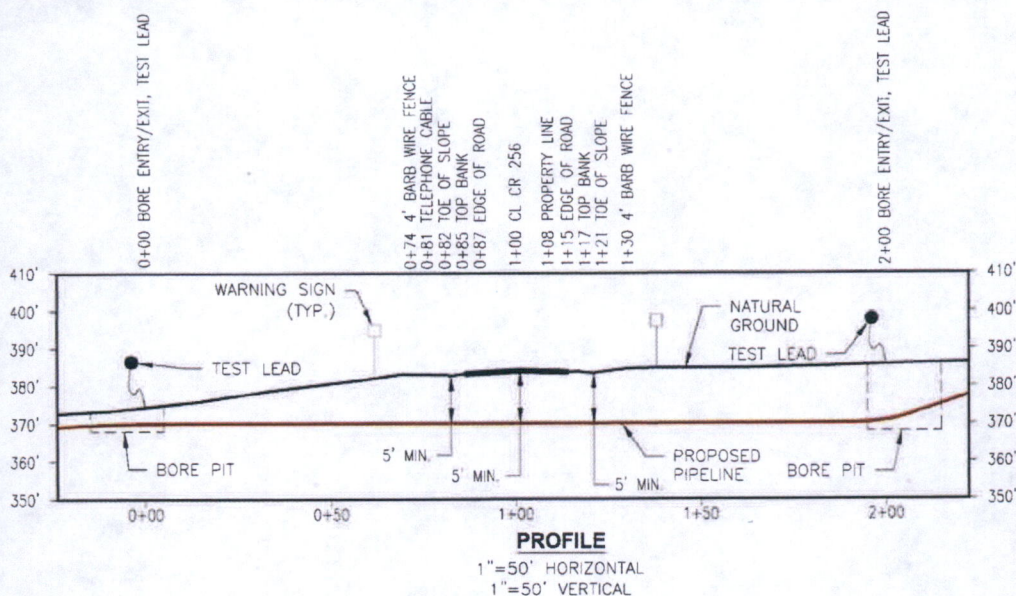
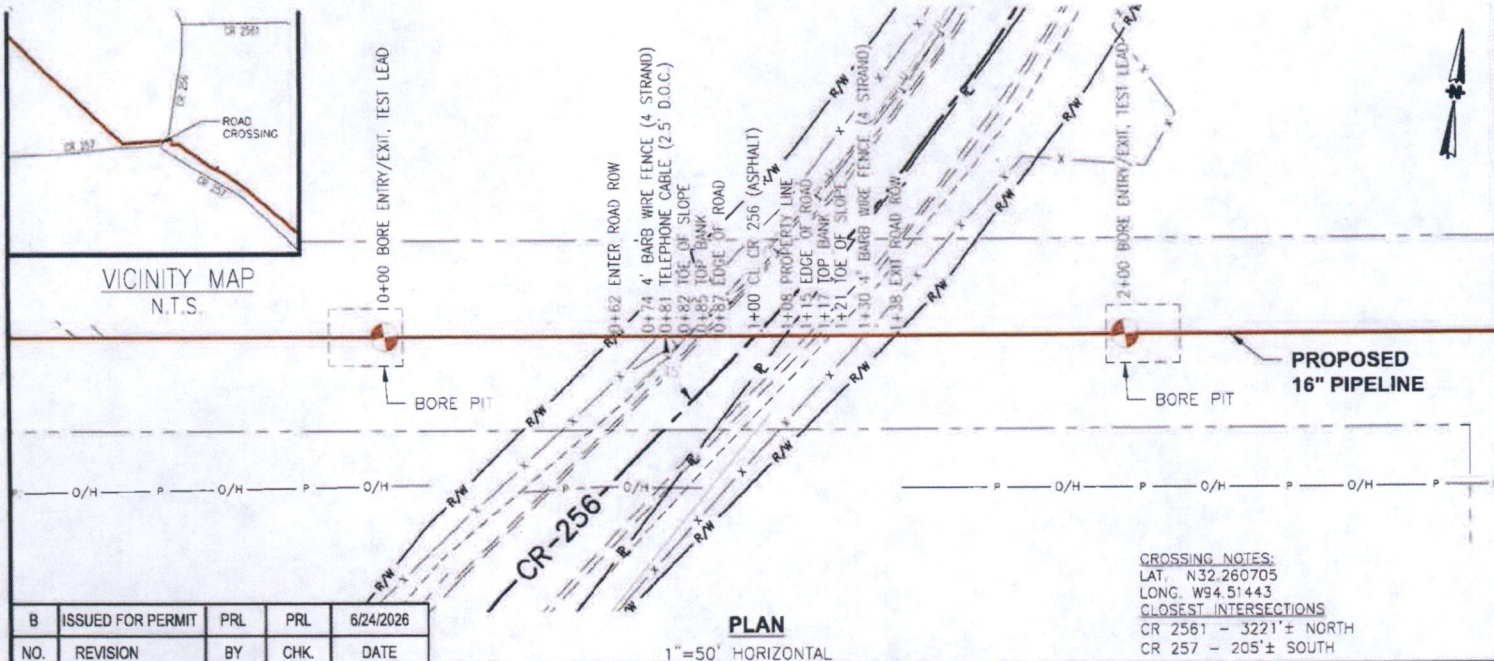
Approved: _____

Rodger S. McLean

COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Billy Alexander
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone

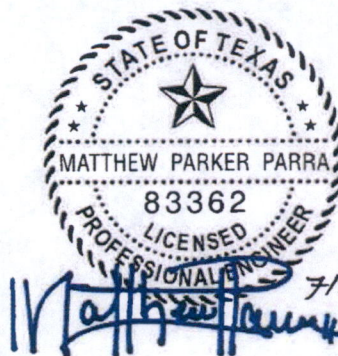


LEGEND

- PROPOSED PIPELINE
- PERMANENT EASEMENT
- CL WATERBODY
- CL ROAD
- x — x — FENCE LINE
- T — T — U.G. TELEPHONE LINE
- e — U/G. ELECT. LINE
- P — O/H — POWERLINE
- || — EXISTING PIPELINE
- e — PROPERTY LINE
- R/W — RIGHT OF WAY

GENERAL NOTES:

- ALL COORDINATES, BEARINGS AND DISTANCES ARE REFERENCED TO THE TEXAS COORDINATE SYSTEM OF 1983 CENTRAL ZONE (4203), U.S. SURVEY FEET BASED ON GPS OBSERVATIONS MADE BY ATWELL.
- PIPELINE WARNING SIGNS SHALL BE INSTALLED AT EACH RIGHT-OF-WAY LINE.
- ALL EXCAVATION AND BACKFILL SHALL BE IN ACCORDANCE WITH TxDOT ITEM 400, "EXCAVATION BACKFILL FOR STRUCTURES".
- FOR UNENCASED HIGH-PRESSURE GAS OR LIQUID PETROLEUM LINES, THE MINIMUM DEPTH OF COVER IS AS FOLLOWS:
 - 60 INCHES UNDER THE PAVEMENT SURFACE OR 18 INCHES UNDER PAVEMENT STRUCTURE IN PAVED AREAS; OR
 - 48 INCHES IF THE LINE IS PLACED OUTSIDE THE PAVEMENT STRUCTURE OR UNDER THE FLOWLINE OF THE DITCH
- MAINTAIN 2 FOOT MINIMUM CLEARANCE BETWEEN ALL UNDERGROUND UTILITIES AND PIPELINE.



I, MATTHEW P. PARRA, AN INDEPENDENT CONSULTING ENGINEER, TEXAS REGISTERED ENGINEERING FIRM NO. F-1272, AND A REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, P.E. NO. 83362, HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE PIPELINE ROAD CROSSING SHOWN ON THIS DRAWING HAS BEEN DESIGNED IN ACCORDANCE WITH THE FOLLOWING STANDARDS:

- CFR TITLE 49, PART 192 - "TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE," SUBPART C - "DESIGN REQUIREMENTS"
- API 1102 - "STEEL PIPELINES CROSSING RAILROADS AND HIGHWAYS"

THIS CERTIFICATION APPLIES ONLY TO THE MECHANICAL DESIGN OF THE PIPELINE AND DOES NOT COVER THE ACCURACY OR COMPLETENESS OF ANY SURVEY INFORMATION PROVIDED.

PIPE SPECIFICATIONS:

- PRODUCT: NATURAL GAS
- MAOP: 1440
- DESIGN FACTOR: 0.6
- SEAM JOINT FACTOR: 1.0
- CROSSING METHOD: CONVENTIONAL BORE
- CARRIER PIPE: 16" O.D. X 0.500" W.T., CS, BW, API 5L X-52 ERW PSL2 PIPE W/ 15-22 MILS FBE + 30-40 MILS ARO
- SPECIFIED MINIMUM YIELD STRENGTH: 52,000 PSI
- MINIMUM TEST PRESSURE: 1800 PSIG
- CATHODIC PROTECTION: IMPRESSED CURRENT



**Enterprise
Products**

BTA ETG Gathering LLC



ATWELL
88.555.4250 www.atwell.com
12105 Mainland Plaza, Suite 750
San Antonio, Texas 78216
EPA Registration # 10184153

REV: B
TRACT NUMBER: TX-PN-0005.00010
PROJ. NAME: OAK HILL ROJO TO 959
PROJ. NO: 25010270
SURVEY DATE: 01/19/2026
DRAWN BY: PRL
DRAWN DATE: 06/04/2026
PAGE: 1 OF 1

OAK HILL ROJO TO 959
CR 256
CROSSING PERMIT
PANOLA COUNTY, TEXAS

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 256		
KEI Document #:	12538A26-KEI-604-003		
Revision:	0		
Calculations performed by:		MPP	6/30/2026
Calculations checked/approved by:		AMT	6/30/2026



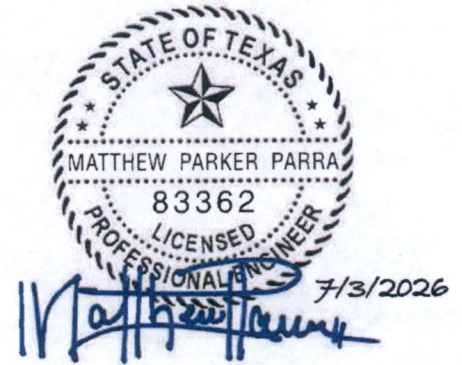
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Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

Summary:

All checks pass? **YES**

Pipe & Operational Data:

NPS=	16.0	Pipe Size (NPS) (in.)	XS	Identification	40 Schedule No.
D =	16.000	Pipe Outside Diameter (in.)			
p =	1,440	Operating Pressure (psi)			
Steel Grade =	X-52	Specified Minimum Yield Strength (psi)			
SMYS =	52,000	Specified Minimum Yield Strength (psi)			
F =	0.6	Design Factor			
E =	1.0	Longitudinal Joint Factor			
T ₁ =	70	Installation Temperature °F			
T ₂ =	100	Maximum or Minimum Operating Temperature °F			
T =	1.0	Temperature derating factor			
t _w =	0.5	Pipe Wall Thickness (in.)			



Installation & Site Data:

H =	5	Cover depth (ft.)
B _d =	20.000	Bore Diameter (in.)
	No	HDD Crossing? (Yes/No)
R =		HDD Curve Minimum Radius (ft)
Soil Type =	A	(A) Loose Sands/Soft Clays, (B) Dense Sands/Stiff Clays
E' =	0.2	Modulus of Soil Reaction (ksi)
E _r =	5	Resilient Modulus (ksi)
γ =	120	Unit Weight (pcf)
	ERW	Type of Longitudinal Weld
P _s =	12	Design Wheel Load from Single Axle (kips)
P _t =	10	Design Wheel Load from Tandem Axle (kips)
Flexible Pavement		Pavement Type

Other pipe steel properties:

E _s =	29,500	Young's Modulus (ksi)
ν _s =	0.30	Poisson's ratio
αT =	6.5E-06	Coefficient of Thermal Expansion per °F

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
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*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

1a. Check Allowable Barlow Stress

Equation 8a

$$S_{Hi} = \rho * D / 2t_w \leq F * E * T * SYMS$$

$S_{Hi} = 23,040 \leq 31,200$ psi OK (y/n) **PASS**

1b. Check Barlow Design Pressure

DOT PART 192.105(a)

$$P = (2 * SYMS * t / D) * F * E * T$$

$P = 1,950 \geq 1,440$ psi OK (y/n) **PASS**

2. Circumferential Stress Due to Earth Load

2.1 - From Figure 3 $t_w / D = 0.031$ $K_{He} = 1,135$

$E' = 0.2$ ksi

2.2 - From Figure 4 $H / B_d = 3.000$ $B_e = 0.82$

 Soil Type = A

2.3 - From Figure 5 $B_d / D = 1.250$ $E_e = 1.29$

2.4 - Equation 1 $S_{He} = K_{He} * B_e * E_e * \gamma * D$

$S_{He} = 1,336$ psi

3. Impact Factor, F_i , and Applied Design Surface Pressure, w

3.1 - Figure 7 for Highways $H = 5.000$ ft $F_i = 1.50$

3.2 - Applied design surface Flexible Pavement $P = 10.00$ kips

pressure, w Section 4.7.2.2.1 $w = 69.44$ psi

Critical Case: Tandem Axles

4. Cyclic Stresses, ΔS_{Hh} and ΔS_{Lh}

4.1 Cyclic Circumferential Stresses, ΔS_{Hh}

4.1.1 - From Figure 14 with: $t_w / D = 0.031$ $K_{Hh} = 12.6$

$E_r = 5$

4.1.2 - From Figure 15 with: $D = 16.000$ in $G_{Hh} = 1.07$

$H = 5.000$ ft

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 256		
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*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

4.1.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.1.4 - Equation 5:

$$\Delta S_{Hh} = K_{Hh} * G_{Hh} * R * L * F_i * w$$

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

4.2 Cyclic Longitudinal Stresses, ΔS_{Lh}

4.2.1 - From Figure 16 with:

$$t_w / D = \frac{0.031}{5}$$

$$K_{Lh} = 11.6$$

4.2.2 - From Figure 17 with:

$$D = \frac{16.000}{5.000}$$

$$G_{Lh} = 1.03$$

4.2.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.2.4 - Equation 6:

$$\Delta S_{Lh} = K_{Lh} * G_{Lh} * R * L * F_i * w$$

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

5. Circumferential Stress Due to Internal Pressure

Equation 7:

$$S_{Hi} = p * (D - t_w) / 2t_w$$

$$S_{Hi} = 22,320 \text{ psi}$$

6. Principal Stresses, S_1 , S_2 , S_3

HDD Bend Stress

$$S_b = E_s * 1000 * D / (24 * R)$$

$$S_b = 0 \text{ psi}$$

6.1 Equation 9:

$$S_1 = S_{He} + \Delta S_H + S_{Hi}$$

$$S_1 = 25,057 \text{ psi}$$

6.2 Eq. 10 (+ HDD Bend):

$$S_2 = \Delta S_L - E_s * 1000 * \alpha_T (T_2 - T_1) + v_s (S_{He} + S_{Hi})$$

$$S_2 = 2,583 \text{ psi}$$

Bending Side

or

$$S_2 = 2,583 \text{ psi}$$

Compression Side

+ S_b

6.3 Equation 11:

$$S_3 = -MAOP$$

$$S_3 = -1,440 \text{ psi}$$

5,752.5000

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
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*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

6.4 Effective Stress, S_{eff}

Equation 12:

$$S_{eff} = \{[0.5 * [(S_1 - S_2)^2 + (S_2 - S_3)^2 + (S_3 - S_1)^2]]\}^{0.5}$$

$S_{eff} =$	24,732	psi	Bending Side
	24,732	psi	Compression Side

6.5 Check allowable Effective stress:

$$S_{eff} \leq SMYS * 0.72$$

$Max S_{eff} =$	24,732	psi	OK (y/n)	PASS
$S_{eff} \leq$	37,440	psi		

7. Check Fatigue

7.1 Girth Welds

Table 3

$$S_{FG} = 12,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Lh} \leq S_{FG} * F$$

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

$$S_{FG} * F = 7,200 \text{ psi}$$

OK (y/n) PASS

7.2 Longitudinal Welds

Table 3

$$S_{FL} = 21,000 \text{ psi}$$

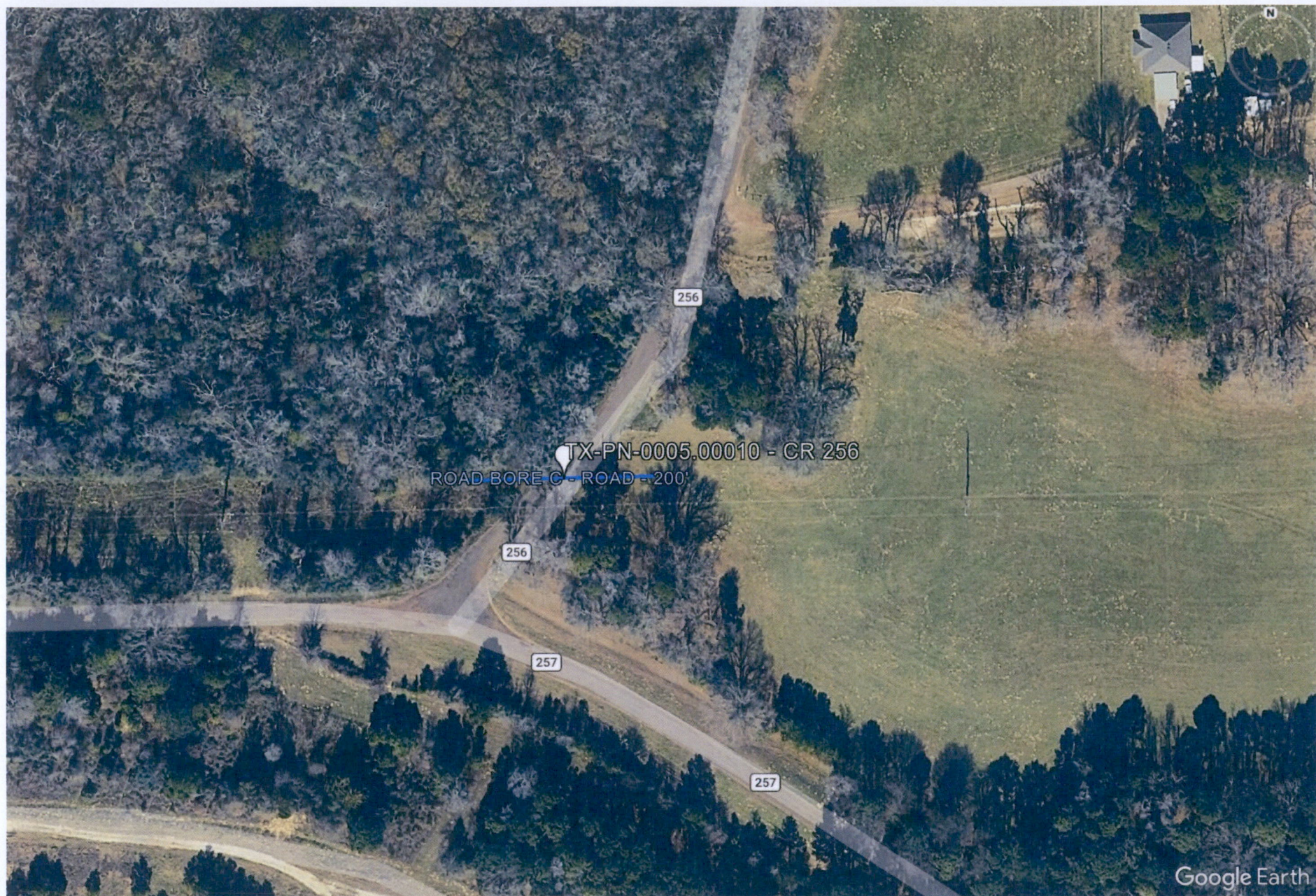
Equation 17:

$$\Delta S_{Hh} \leq S_{FL} * F$$

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

$$S_{FL} * F = 12,600 \text{ psi}$$

OK (y/n) PASS



**NOTICE OF PROPOSED INSTALLATION
PIPELINE AND/OR UTILITY LINES**

TO: THE PANOLA COUNTY COMMISSIONER'S COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT, CARTHAGE, TEXAS

Formal notice is hereby given that:

BTA ETG GATHERING LLC proposes to place a
(COMPANY NAME)

16-inch natural gas utility pipe line within the Right-of-Way
(PIPE SIZE)

of County Road: 257 as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet.
Installation shall be made by boring a total length of 220' line in Panola County.

The location and description of the proposed line and appurtenances is more fully shown by the copies of the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola County Specifications.

Construction of this line will begin on or after the 15th day of
September 2026.

FIRM: BTA ETG GATHERING LLC
BY: Clifton Douglas Wagner
TITLE: Agent and Attorney-in-Fact for BTA ETG Gathering LLC
ADDRESS: 1100 Louisiana St.,
Houston, TX 77002-5227
PHONE: (713) 381-5739

APPROVAL

July 28, 2026

TO: BTA ETG Gathering, LLC
Attn: Clifton Douglas Wagner
1100 Louisiana St.
Houston, TX. 77002-5227

RE: **County Road #257**

The Panola County Commissioners' Court offers no objection to bore under Panola County Road **#257** with a **16" Natural Gas Utility Pipe Line**.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any culvert or within 10 feet of the closest point of same.

5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.
8. Unless other arrangements are made with the designated Commissioner, no work will be performed on Saturday, Sunday, Holidays or hours other than standard working hours. (Monday - Friday)
9. Operations shall not be carried on when soil conditions are such that construction will cause rutting.

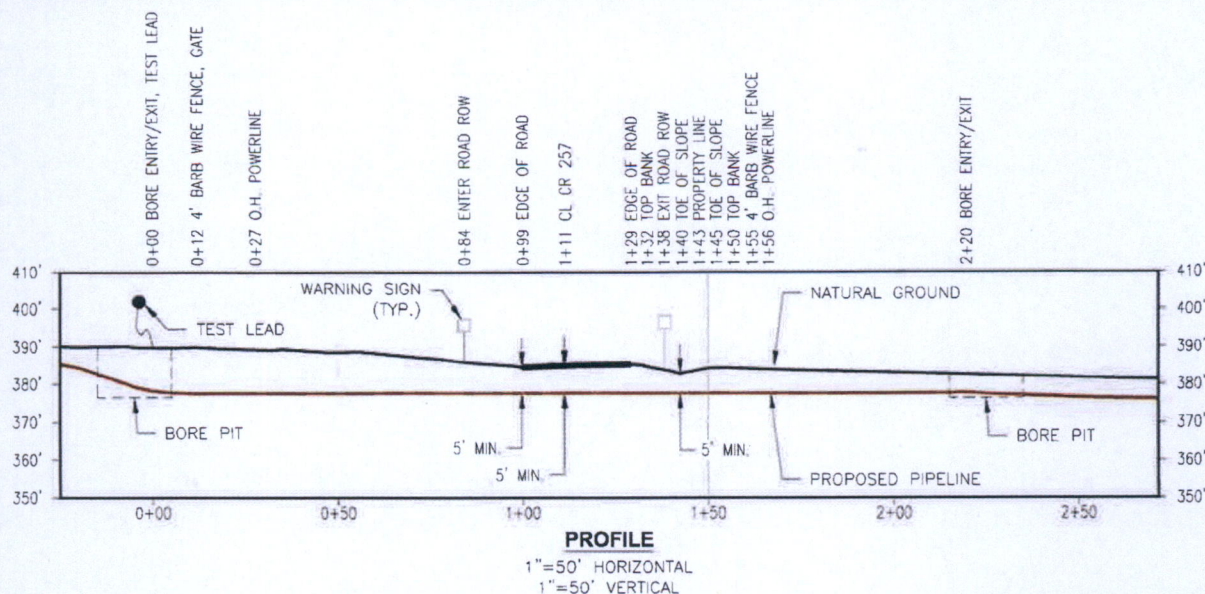
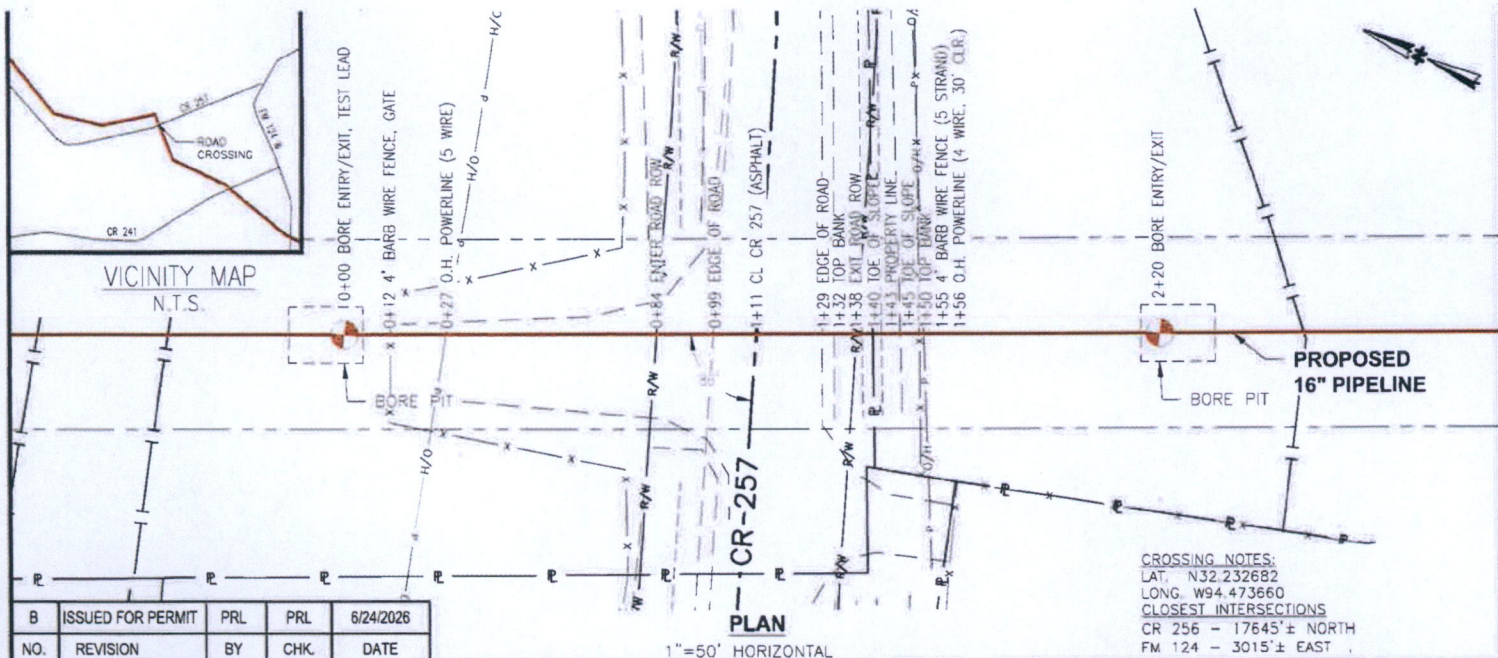
Approved: _____

Rodger H. McFane

COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Billy Alexander
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone

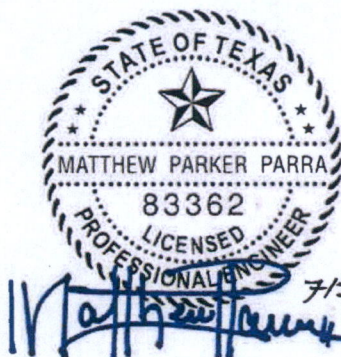


LEGEND

- PROPOSED PIPELINE
- PERMANENT EASEMENT
- CL WATERBODY
- CL ROAD
- X — X — FENCE LINE
- T — T — U.G. TELEPHONE LINE
- U/G — U.G. ELECT. LINE
- P — O/H — O.H. POWERLINE
- EXISTING PIPELINE
- PROPERTY LINE
- RIGHT OF WAY

GENERAL NOTES:

- ALL COORDINATES, BEARINGS AND DISTANCES ARE REFERENCED TO THE TEXAS COORDINATE SYSTEM OF 1983 CENTRAL ZONE (4203), U.S. SURVEY FEET BASED ON GPS OBSERVATIONS MADE BY ATWELL.
- PIPELINE WARNING SIGNS SHALL BE INSTALLED AT EACH RIGHT-OF-WAY LINE.
- ALL EXCAVATION AND BACKFILL SHALL BE IN ACCORDANCE WITH TxDOT ITEM 400, "EXCAVATION BACKFILL FOR STRUCTURES".
- FOR UNENCASED HIGH-PRESSURE GAS OR LIQUID PETROLEUM LINES, THE MINIMUM DEPTH OF COVER IS AS FOLLOWS:
 - 60 INCHES UNDER THE PAVEMENT SURFACE OR 18 INCHES UNDER PAVEMENT STRUCTURE IN PAVED AREAS; OR
 - 48 INCHES IF THE LINE IS PLACED OUTSIDE THE PAVEMENT STRUCTURE OR UNDER THE FLOWLINE OF THE DITCH
- MAINTAIN 2 FOOT MINIMUM CLEARANCE BETWEEN ALL UNDERGROUND UTILITIES AND PIPELINE.



I, MATTHEW P. PARRA, AN INDEPENDENT CONSULTING ENGINEER, TEXAS REGISTERED ENGINEERING FIRM NO. 7-7272, AND A REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, P.E. NO. 83362, HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE PIPELINE ROAD CROSSING SHOWN ON THIS DRAWING HAS BEEN DESIGNED IN ACCORDANCE WITH THE FOLLOWING STANDARDS:
- CFR TITLE 49, PART 192 - "TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE," SUBPART C - "DESIGN REQUIREMENTS"
- API 1102 - "STEEL PIPELINES CROSSING RAILROADS AND HIGHWAYS"
THIS CERTIFICATION APPLIES ONLY TO THE MECHANICAL DESIGN OF THE PIPELINE AND DOES NOT COVER THE ACCURACY OR COMPLETENESS OF ANY SURVEY INFORMATION PROVIDED.

PIPE SPECIFICATIONS:

- PRODUCT: NATURAL GAS
- MAOP: 1440
- DESIGN FACTOR: 0.6
- SEAM JOINT FACTOR: 1.0
- CROSSING METHOD: CONVENTIONAL BORE
- CARRIER PIPE: 16" O.D. X 0.500" W.T., CS, BW, API 5L X-52 ERW PSL2 PIPE W/ 15-22 MILS FBE + 30-40 MILS ARO
- SPECIFIED MINIMUM YIELD STRENGTH: 52,000 PSI
- MINIMUM TEST PRESSURE: 1800 PSIG
- CATHODIC PROTECTION: IMPRESSED CURRENT



**Enterprise
Products**

BTA ETG Gathering LLC



ATWELL
666.555.4300 www.atwell.com
17000 Riverside Plaza, Suite 100
San Antonio, Texas 78238
TxDOT Registration # 15061533

REV: B
TRACT NUMBER: TX-PN-0016.00110
PROJ. NAME: OAK HILL ROJO TO 959
PROJ. NO: 25010270
SURVEY DATE: 01/17/2026
DRAWN BY: PRL
DRAWN DATE: 06/04/2026
PAGE: 1 OF 1

OAK HILL ROJO TO 959
CR 257
CROSSING PERMIT
PANOLA COUNTY, TEXAS

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 257		
KEI Document #:	12538A26-KEI-604-004		
Revision:	0		
Calculations performed by:	MPP	6/30/2026	
Calculations checked/approved by:	AMT	6/30/2026	



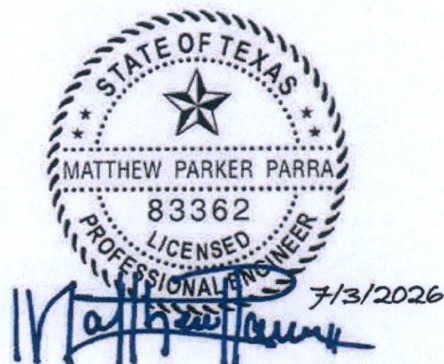
*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

Summary:

All checks pass? **YES**

Pipe & Operational Data:

NPS =	16.0	Pipe Size (NPS) (in.)	XS	Identification	40 Schedule No.
D =	16.000	Pipe Outside Diameter (in.)			
p =	1,440	Operating Pressure (psi)			
Steel Grade =	X-52	Specified Minimum Yield Strength (psi)			
SMYS =	52,000	Specified Minimum Yield Strength (psi)			
F =	0.6	Design Factor			
E =	1.0	Longitudinal Joint Factor			
T ₁ =	70	Installation Temperature °F			
T ₂ =	100	Maximum or Minimum Operating Temperature °F			
T =	1.0	Temperature derating factor			
t _w =	0.5	Pipe Wall Thickness (in.)			



Installation & Site Data:

H =	5	Cover depth (ft.)
B _d =	20.000	Bore Diameter (in.)
	No	HDD Crossing? (Yes/No)
R =		HDD Curve Minimum Radius (ft)
Soil Type =	A	(A) Loose Sands/Soft Clays, (B) Dense Sands/Stiff Clays
E' =	0.2	Modulus of Soil Reaction (ksi)
E _r =	5	Resilient Modulus (ksi)
γ =	120	Unit Weight (pcf)
	ERW	Type of Longitudinal Weld
P _s =	12	Design Wheel Load from Single Axle (kips)
P _t =	10	Design Wheel Load from Tandem Axle (kips)
	Flexible Pavement	Pavement Type

Other pipe steel properties:

E _s =	29,500	Young's Modulus (ksi)
ν _s =	0.30	Poisson's ratio
αT =	6.5E-06	Coefficient of Thermal Expansion per °F

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 257		
KEI Document #:	12538A26-KEI-604-004		
Revision:	0		
Calculations performed by:	MPP	6/30/2026	
Calculations checked/approved by:	AMT	6/30/2026	



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

1a. Check Allowable Barlow Stress

Equation 8a

$$S_{Hi} = p * D / 2t_w \leq F * E * T * SYMS$$

$S_{Hi} = 23,040 \leq 31,200$ psi OK (y/n) **PASS**

1b. Check Barlow Design Pressure

DOT PART 192.105(a)

$$P = (2 * SYMS * t / D) * F * E * T \geq MAOP$$

$P = 1,950 \geq 1,440$ psi OK (y/n) **PASS**

2. Circumferential Stress Due to Earth Load

2.1 - From Figure 3 $t_w / D = 0.031$ $K_{He} = 1,135$

$E' = 0.2$ ksi

2.2 - From Figure 4 $H / B_d = 3.000$ $B_e = 0.82$

 Soil Type = A

2.3 - From Figure 5 $B_d / D = 1.250$ $E_e = 1.29$

2.4 - Equation 1 $S_{He} = K_{He} * B_e * E_e * \gamma * D$

$S_{He} = 1,336$ psi

3. Impact Factor, F_i and Applied Design Surface Pressure, w

3.1 - Figure 7 for Highways $H = 5.000$ ft $F_i = 1.50$

3.2 - Applied design surface Flexible Pavement $P = 10.00$ kips

pressure, w Section 4.7.2.2.1 $w = 69.44$ psi

Critical Case: Tandem Axles

4. Cyclic Stresses, ΔS_{Hh} and ΔS_{Lh}

4.1 Cyclic Circumferential Stresses, ΔS_{Hh}

4.1.1 - From Figure 14 with: $t_w / D = 0.031$ $K_{Hh} = 12.6$

$E_r = 5$

4.1.2 - From Figure 15 with: $D = 16.000$ in $G_{Hh} = 1.07$

$H = 5.000$ ft

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 257		
KEI Document #:	12538A26-KEI-604-004		
Revision:	0		
Calculations performed by:		MPP	6/30/2026
Calculations checked/approved by:		AMT	6/30/2026



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

4.1.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.1.4 - Equation 5:

$$\Delta S_{Hh} = K_{Hh} * G_{Hh} * R * L * F_i * w$$

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

4.2 Cyclic Longitudinal Stresses, ΔS_{Lh}

4.2.1 - From Figure 16 with:

$$t_w / D = \frac{0.031}{5}$$

$$K_{Lh} = 11.6$$

4.2.2 - From Figure 17 with:

$$D = \frac{16.000}{5.000}$$

$$G_{Lh} = 1.03$$

4.2.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.2.4 - Equation 6:

$$\Delta S_{Lh} = K_{Lh} * G_{Lh} * R * L * F_i * w$$

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

5. Circumferential Stress Due to Internal Pressure

Equation 7:

$$S_{Hi} = p * (D - t_w) / 2t_w$$

$$S_{Hi} = 22,320 \text{ psi}$$

6. Principal Stresses, S_1 , S_2 , S_3

HDD Bend Stress

$$S_b = E_s * 1000 * D / (24 * R)$$

$$S_b = 0 \text{ psi}$$

6.1 Equation 9:

$$S_1 = S_{He} + \Delta S_{Hh} + S_{Hi}$$

$$S_1 = 25,057 \text{ psi}$$

6.2 Eq. 10 (+ HDD Bend):

$$S_2 = \Delta S_{Lh} - E_s * 1000 * \alpha_T (T_2 - T_1) + v_s (S_{He} + S_{Hi})$$

+ S_b

$$S_2 = \frac{2,583}{2,583} \text{ psi}$$

Bending Side

or

Compression Side

6.3 Equation 11:

$$S_3 = -MAOP$$

$$5,752.5000$$

$$S_3 = -1,440 \text{ psi}$$

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 257		
KEI Document #:	12538A26-KEI-604-004		
Revision:	0		
Calculations performed by:	MPP	6/30/2026	
Calculations checked/approved by:	AMT	6/30/2026	



*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

6.4 Effective Stress, S_{eff}

Equation 12:

$$S_{eff} = \{[0.5 * [(S_1 - S_2)^2 + (S_2 - S_3)^2 + (S_3 - S_1)^2]]\}^{0.5}$$

$$S_{eff} = \begin{matrix} 24,732 & \text{psi} \\ 24,732 & \text{psi} \end{matrix}$$

Bending Side

Compression Side

6.5 Check allowable Effective stress:

$$S_{eff} \leq SMYS * 0.72$$

$$Max S_{eff} = 24,732 \text{ psi}$$

OK (y/n)

PASS

$$S_{eff} \leq 37,440 \text{ psi}$$

7. Check Fatigue

7.1 Girth Welds

Table 3

$$S_{FG} = 12,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Lh} \leq S_{FG} * F$$

OK (y/n)

PASS

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

$$S_{FG} * F = 7,200 \text{ psi}$$

7.2 Longitudinal Welds

Table 3

$$S_{FL} = 21,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Hh} \leq S_{FL} * F$$

OK (y/n)

PASS

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

$$S_{FL} * F = 12,600 \text{ psi}$$



TX-PN-0016.00110 - CR 257

ROAD BORE I - ROAD - 220'

Google Earth

**NOTICE OF PROPOSED INSTALLATION
PIPELINE AND/OR UTILITY LINES**

TO: THE PANOLA COUNTY COMMISSIONER'S COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT, CARTHAGE, TEXAS

Formal notice is hereby given that:

BTA ETG GATHERING LLC proposes to place a
(COMPANY NAME)

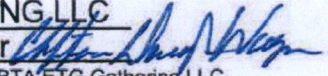
16-inch natural gas utility pipe line within the Right-of-Way
(PIPE SIZE)

of County Road: 258 as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet.
Installation shall be made by boring a total length of 200' line in Panola County.

The location and description of the proposed line and appurtenances is more fully shown by the copies of the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola County Specifications.

Construction of this line will begin on or after the 15th day of
September 2026.

FIRM: BTA ETG GATHERING LLC
BY: Clifton Douglas Wagner 
TITLE: Agent and Attorney-in-Fact for BTA ETG Gathering LLC
ADDRESS: 1100 Louisiana St.,
Houston, TX 77002-5227
PHONE: (713) 381-5739

APPROVAL

July 28, 2026

TO: BTA ETG Gathering, LLC
Attn: Clifton Douglas Wagner
1100 Louisiana St.
Houston, TX. 77002-5227

RE: **County Road #258**

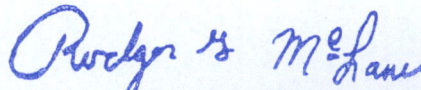
The Panola County Commissioners' Court offers no objection to bore under Panola County Road **#258** with a **16" Natural Gas Utility Pipe Line**.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

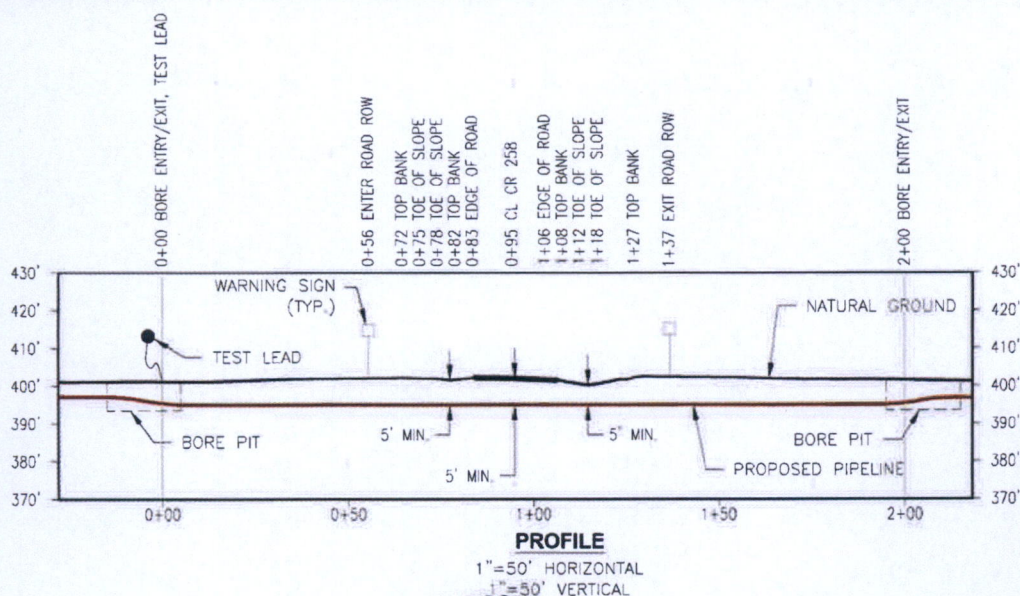
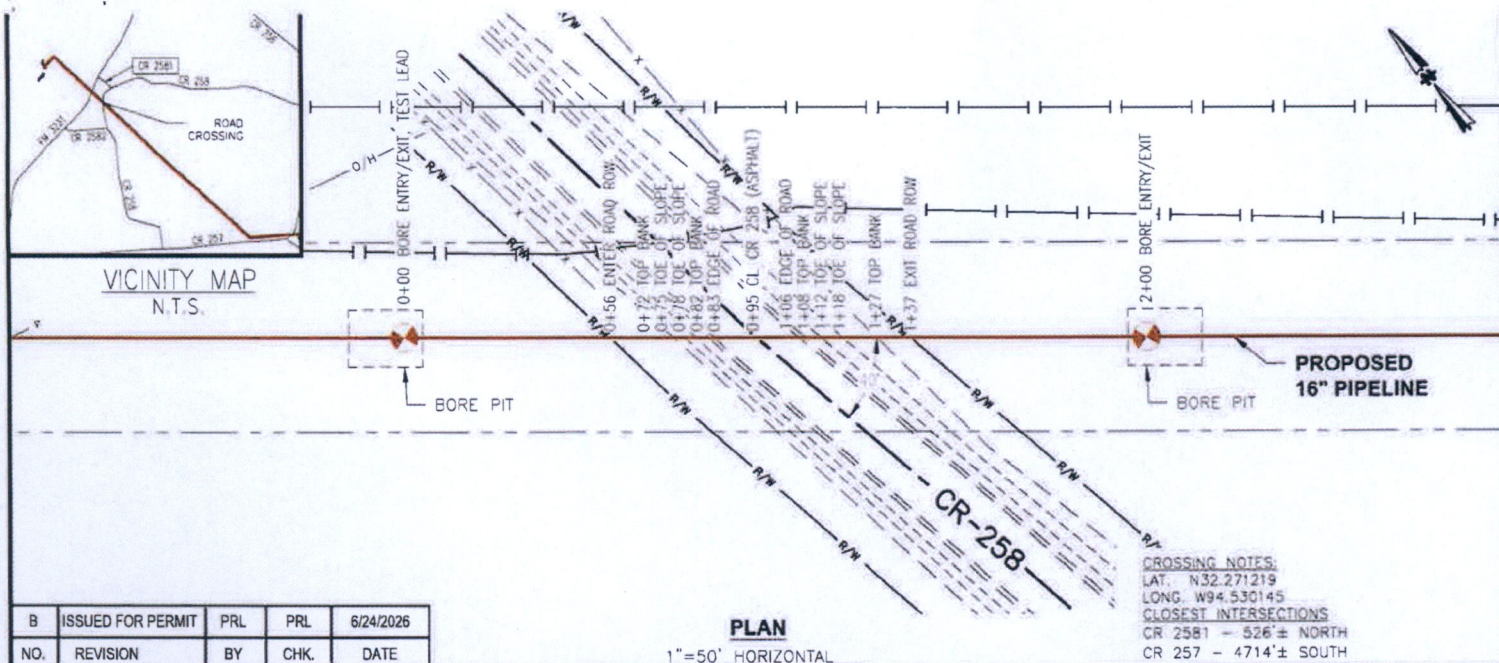
1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
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5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.
8. Unless other arrangements are made with the designated Commissioner, no work will be performed on Saturday, Sunday, Holidays or hours other than standard working hours. (Monday - Friday)
9. Operations shall not be carried on when soil conditions are such that construction will cause rutting.

Approved: 
COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Billy Alexander
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone

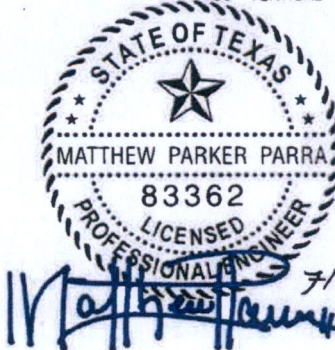


LEGEND

- PROPOSED PIPELINE
- PERMANENT EASEMENT
- CL WATERBODY
- CL ROAD
- x — x — FENCE LINE
- T — T — U.G. TELEPHONE LINE
- e — U/G — U.G. ELECT. LINE
- P — O/H — O.H. POWERLINE
- | — | — EXISTING PIPELINE
- e — e — PROPERTY LINE
- R/W — R/W — RIGHT OF WAY

GENERAL NOTES:

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 - 48 INCHES IF THE LINE IS PLACED OUTSIDE THE PAVEMENT STRUCTURE OR UNDER THE FLOWLINE OF THE DITCH
- MAINTAIN 2 FOOT MINIMUM CLEARANCE BETWEEN ALL UNDERGROUND UTILITIES AND PIPELINE.



I, MATTHEW P. PARRA, AN INDEPENDENT CONSULTING ENGINEER, TEXAS REGISTERED ENGINEERING FIRM NO. F-7272, AND A REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, P.E. NO. 83362, HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE PIPELINE ROAD CROSSING SHOWN ON THIS DRAWING HAS BEEN DESIGNED IN ACCORDANCE WITH THE FOLLOWING STANDARDS:

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THIS CERTIFICATION APPLIES ONLY TO THE MECHANICAL DESIGN OF THE PIPELINE AND DOES NOT COVER THE ACCURACY OR COMPLETENESS OF ANY SURVEY INFORMATION PROVIDED.

PIPE SPECIFICATIONS:

- PRODUCT: NATURAL GAS
- MAOP: 1440
- DESIGN FACTOR: 0.6
- SEAM JOINT FACTOR: 1.0
- CROSSING METHOD: CONVENTIONAL BORE
- CARRIER PIPE: 16" O.D. X 0.500" W.T., CS, BW, API 5L X-52 ERW PSL2 PIPE W/ 15-22 MILS FBE + 30-40 MILS ARO
- SPECIFIED MINIMUM YIELD STRENGTH: 52,000 PSI
- MINIMUM TEST PRESSURE: 1800 PSIG
- CATHODIC PROTECTION: IMPRESSED CURRENT



**Enterprise
Products**

BTA ETG Gathering LLC



ATWELL
688.555.4358 www.atwell.com
13100 Reunion Place, Suite 700
San Antonio, Texas 78219
Firm Registration # 10184153

REV: B
TRACT NUMBER: TX-PN-0001.00011
PROJ. NAME: OAK HILL ROJO TO 959
PROJ. NO: 25010270
SURVEY DATE: 01/16/2025
DRAWN BY: PRL
DRAWN DATE: 06/04/2025
PAGE: 1 OF 1

OAK HILL ROJO TO 959
CR 258
CROSSING PERMIT
PANOLA COUNTY, TEXAS

Client:	Enterprise Products BTA ETG Gathering LLC		
Location:	Panola County, Texas		
Project / No:	Oak Hill Rojo to 959 (KEI 12538a25 / EPCO A84743)		
Title:	API 1102 Road Crossing Calculations -CR 258		
KEI Document #:	12538A26-KEI-604-002		
Revision:	0		
Calculations performed by:		MPP	6/30/2026
Calculations checked/approved by:		AMT	6/30/2026



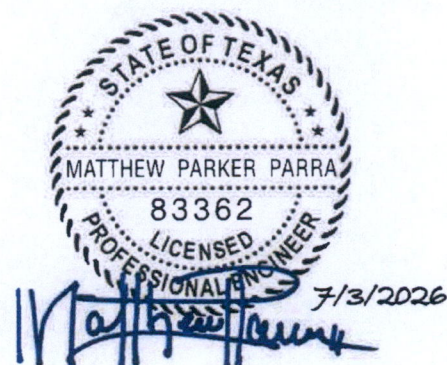
*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

Summary:

All checks pass? **YES**

Pipe & Operational Data:

NPS=	16.0	Pipe Size (NPS) (in.)	XS	Identification	40 Schedule No.
D =	16.000	Pipe Outside Diameter (in.)			
p =	1,440	Operating Pressure (psi)			
Steel Grade =	X-52	Specified Minimum Yield Strength (psi)			
SMYS =	52,000	Specified Minimum Yield Strength (psi)			
F =	0.6	Design Factor			
E =	1.0	Longitudinal Joint Factor			
T ₁ =	70	Installation Temperature °F			
T ₂ =	100	Maximum or Minimum Operating Temperature °F			
T =	1.0	Temperature derating factor			
t _w =	0.5	Pipe Wall Thickness (in.)			



Installation & Site Data:

H =	5	Cover depth (ft.)
B _d =	20.000	Bore Diameter (in.)
	No	HDD Crossing? (Yes/No)
R =		HDD Curve Minimum Radius (ft)
Soil Type =	A	(A) Loose Sands/Soft Clays, (B) Dense Sands/Stiff Clays
E' =	0.2	Modulus of Soil Reaction (ksi)
E _r =	5	Resilient Modulus (ksi)
γ =	120	Unit Weight (pcf)
	ERW	Type of Longitudinal Weld
P _s =	12	Design Wheel Load from Single Axle (kips)
P _t =	10	Design Wheel Load from Tandem Axle (kips)
	Flexible Pavement	Pavement Type

Other pipe steel properties:

E _s =	29,500	Young's Modulus (ksi)
ν _s =	0.30	Poisson's ratio
αT =	6.5E-06	Coefficient of Thermal Expansion per °F

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*Color Legend	
Inputs	
Outputs	Design Info.
	PASS
Results	FAIL

1a. Check Allowable Barlow Stress

Equation 8a

$$S_{Hi} = p * D / 2t_w \leq F * E * T * SYMS$$

$S_{Hi} = 23,040 \leq 31,200$ psi OK (y/n) **PASS**

1b. Check Barlow Design Pressure

DOT PART 192.105(a)

$$P = (2 * SYMS * t / D) * F * E * T$$

$P = 1,950 \geq 1,440$ psi OK (y/n) **PASS**

2. Circumferential Stress Due to Earth Load

2.1 - From Figure 3 $t_w / D = 0.031$ $K_{He} = 1,135$

$E' = 0.2$ ksi

2.2 - From Figure 4 $H / B_d = 3.000$ $B_e = 0.82$

 Soil Type = A

2.3 - From Figure 5 $B_d / D = 1.250$ $E_e = 1.29$

2.4 - Equation 1 $S_{He} = K_{He} * B_e * E_e * \gamma * D$

$S_{He} = 1,336$ psi

3. Impact Factor, F_i and Applied Design Surface Pressure, w

3.1 - Figure 7 for Highways $H = 5.000$ ft $F_i = 1.50$

3.2 - Applied design surface Flexible Pavement $P = 10.00$ kips

pressure, w Section 4.7.2.2.1 $w = 69.44$ psi

Critical Case: Tandem Axles

4. Cyclic Stresses, ΔS_{Hh} and ΔS_{Lh}

4.1 Cyclic Circumferential Stresses, ΔS_{Hh}

4.1.1 - From Figure 14 with: $t_w / D = 0.031$ $K_{Hh} = 12.6$

$E_r = 5$

4.1.2 - From Figure 15 with: $D = 16.000$ in $G_{Hh} = 1.07$

$H = 5.000$ ft

Client:	Enterprise Products BTA ETG Gathering LLC		
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4.1.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.1.4 - Equation 5:

$$\Delta S_{Hh} = K_{Hh} * G_{Hh} * R * L * F_i * w$$

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

4.2 Cyclic Longitudinal Stresses, ΔS_{Lh}

4.2.1 - From Figure 16 with:

$$t_w / D = \frac{0.031}{5}$$

$$K_{Lh} = 11.6$$

4.2.2 - From Figure 17 with:

$$D = \frac{16.000}{5.000}$$

$$G_{Lh} = 1.03$$

4.2.3 - Table 2 with:

Flexible Pavement
Tandem Axles

$$H = \frac{5.000}{16.000}$$

$$R = \frac{1.00}{1.00}$$

4.2.4 - Equation 6:

$$\Delta S_{Lh} = K_{Lh} * G_{Lh} * R * L * F_i * w$$

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

5. Circumferential Stress Due to Internal Pressure

Equation 7:

$$S_{Hi} = p * (D - t_w) / 2t_w$$

$$S_{Hi} = 22,320 \text{ psi}$$

6. Principal Stresses, S_1 , S_2 , S_3

HDD Bend Stress

$$S_b = E_s * 1000 * D / (24 * R)$$

$$S_b = 0 \text{ psi}$$

6.1 Equation 9:

$$S_1 = S_{He} + \Delta S_{Hh} + S_{Hi}$$

$$S_1 = 25,057 \text{ psi}$$

6.2 Eq. 10 (+ HDD Bend):

$$S_2 = \Delta S_{Lh} - E_s * 1000 * \alpha_T (T_2 - T_1) + v_s (S_{He} + S_{Hi})$$

+ S_b

$$S_2 = \frac{2,583}{2,583} \text{ psi}$$

Bending Side

Compression Side

or

6.3 Equation 11:

$$S_3 = -MAOP$$

$$5,752.5000$$

$$S_3 = -1,440 \text{ psi}$$

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	PASS
Results	FAIL

6.4 Effective Stress, S_{eff}

Equation 12:

$$S_{eff} = \{[0.5 * [(S_1 - S_2)^2 + (S_2 - S_3)^2 + (S_3 - S_1)^2]]^{0.5}$$

$$S_{eff} = \begin{matrix} 24,732 & \text{psi} \\ 24,732 & \text{psi} \end{matrix}$$

Bending Side

Compression Side

6.5 Check allowable Effective stress:

$$S_{eff} \leq SMYS * 0.72$$

$$\begin{matrix} \text{Max } S_{eff} = & 24,732 & \text{psi} \\ S_{eff} \leq & 37,440 & \text{psi} \end{matrix}$$

OK (y/n)

PASS

7. Check Fatigue

7.1 Girth Welds

Table 3

$$S_{FG} = 12,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Lh} \leq S_{FG} * F$$

OK (y/n)

PASS

$$\Delta S_{Lh} = 1,239 \text{ psi}$$

$$S_{FG} * F = 7,200 \text{ psi}$$

7.2 Longitudinal Welds

Table 3

$$S_{FL} = 21,000 \text{ psi}$$

Equation 17:

$$\Delta S_{Hh} \leq S_{FL} * F$$

OK (y/n)

PASS

$$\Delta S_{Hh} = 1,402 \text{ psi}$$

$$S_{FL} * F = 12,600 \text{ psi}$$



NOTICE OF PROPOSED INSTALLATION
PIPELINE AND/OR UTILITY LINES

TO: THE PANOLA COUNTY COMMISSIONER'S COURT

c/o

PANOLA COUNTY ROAD & BRIDGE DEPARTMENT, CARTHAGE, TEXAS

Formal notice is hereby given that:

Comstock Resources proposes to place a
(COMPANY NAME)

10.75" line within the Right-of-Way
(PIPE SIZE)

of County Road: 3093 C Acie Johnson as follows:
(NUMBER OF ROAD)

The proposed pipeline will cross under the indicated roads on the attached sheet.
Installation shall be made by boring a total length of 200 ft max line in Panola County.

The location and description of the proposed line and appurtenances is more fully shown by the copies of the drawings attached to this notice. The line will be constructed and maintained on the County Right-of-Way as directed by the County Commissioners in accordance with current Panola County Specifications.

Construction of this line will begin on or after the 7th day of
August, 2026

FIRM: Comstock Resources
BY: Ryan Ferguson
TITLE: Senior Surface Landman
ADDRESS: 1506 PM 2199 S
Marshall TX 75672
PHONE: () _____

832-364-8678



APPROVAL

July 28, 2026

TO: Comstock Resources
Attn: Ryan Ferguson
1506 FM 2199S
Marshall, TX. 75672

RE: **County Road #3093**

The Panola County Commissioners' Court offers no objection to bore under Panola County Road **#3093** with a **10.75" Natural Gas Pipe Line**.

It is expressly understood that the County Commissioners' Court does not purpose hereby, to grant any right, claim, title or easement in or upon this county road. It is further understood that in the future should for any reason the county need to work, improve, relocate, widen, increase, add to, or in any manner change the structure of this right-of-way, any required relocation of said lines shall be at the sole expense of owner.

All work on the county right-of-way shall be performed in accordance with the county instructions. The installations shall not damage any part of the road and adequate provisions must be made to cause minimum inconvenience to traffic and adjacent owners. Special specifications for placing this line are as follows:

1. All lines are to be installed a minimum of 36 inches below the flow line of the adjacent drainage or barrow ditch.
2. All excavation within the right-of-way and not under surfacing shall be backfilled by tamping in 6 inch horizontal layers. All surplus material shall be removed from the right-of-way and the excavation finished flush with surrounding natural ground.
3. Lines crossing under surfaced roads and under surfacing cross roads within the right-of-way shall be placed by boring. Boring shall extend from crown line to crown line. Gravity from sewer lines under roadways shall be cast iron pipe.
4. All lines, where practicable, shall be located to cross roadbed at approximately right angles thereto. No lines are to be installed under or within 50 feet of either end of any bridge. No lines shall be placed in any

culvert or within 10 feet of the closest point of same.

5. Parallel line will be installed as near the right-of-way lines as is possible and no parallel line will be installed in the roadbed or between the drainage ditch and the roadbed without special permission of the Panola County Commissioners' Court.
6. Operations along roadbeds shall be performed in such manner that all excavated material be kept off the pavement at all times, as well as all operating equipment and materials. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a direct result of this installation will be borne by the owner of this line.
7. Barricades, warning signs, lights, and flag man(men) when necessary shall be provided by the contractor or owner. One-half (1/2) of the traveled portion of the road must be open at all times.
8. Unless other arrangements are made with the designated Commissioner, no work will be performed on Saturday, Sunday, Holidays or hours other than standard working hours. (Monday - Friday)
9. Operations shall not be carried on when soil conditions are such that construction will cause rutting.

Approved: _____

Rodger S. McLane

COUNTY JUDGE

COMMISSIONERS:

Precinct #1	Billy Alexander
Precinct #2	David A. Cole
Precinct #3	Craig M. Lawless
Precinct #4	Dale LaGrone

PIPE DATA SHEET
FOR PROPOSED INSTALLATIONS

TYPE. WILLIAMS PIPELINE PERMIT NO. _____

COUNTY ROAD. 3093

OWNER OF PROPOSED FACILITY COMSTOCK OIL & GAS LOUISIANA-LLC

DATA	CARRIER PIPE	CASING (if used)
Contents to be handled	Natural Gas Pipeline	
Pipe Material	API -5L ERW	
Specification & Grade of Pipe	API-5L X 52	
Outside Diameter (inches)	10.075"	
Wall Thickness (inches)	0.500 WT	
Yield Strength (PSI)	5,161	
Maximum Operating Pressure (PSIG) Not Design Pressure	1,440 psi	
Class Location (for gas lines)	Class 1	
Type of Joint (welded, mechanical joint, etc.)	Welded	
Method of installation (bore, open cut)	Bore	
Location (crossing or parallel)	crossing	
Min. Depth beneath roadway surface	6 feet	
Min. Depth beneath ditches or drainage structures	6 feet	
Coating Material	FBE 14-16 MILS & ARO 30 MILS	
Cathodic Protection	YES	

DISTRICT PERMIT SPECIALIST

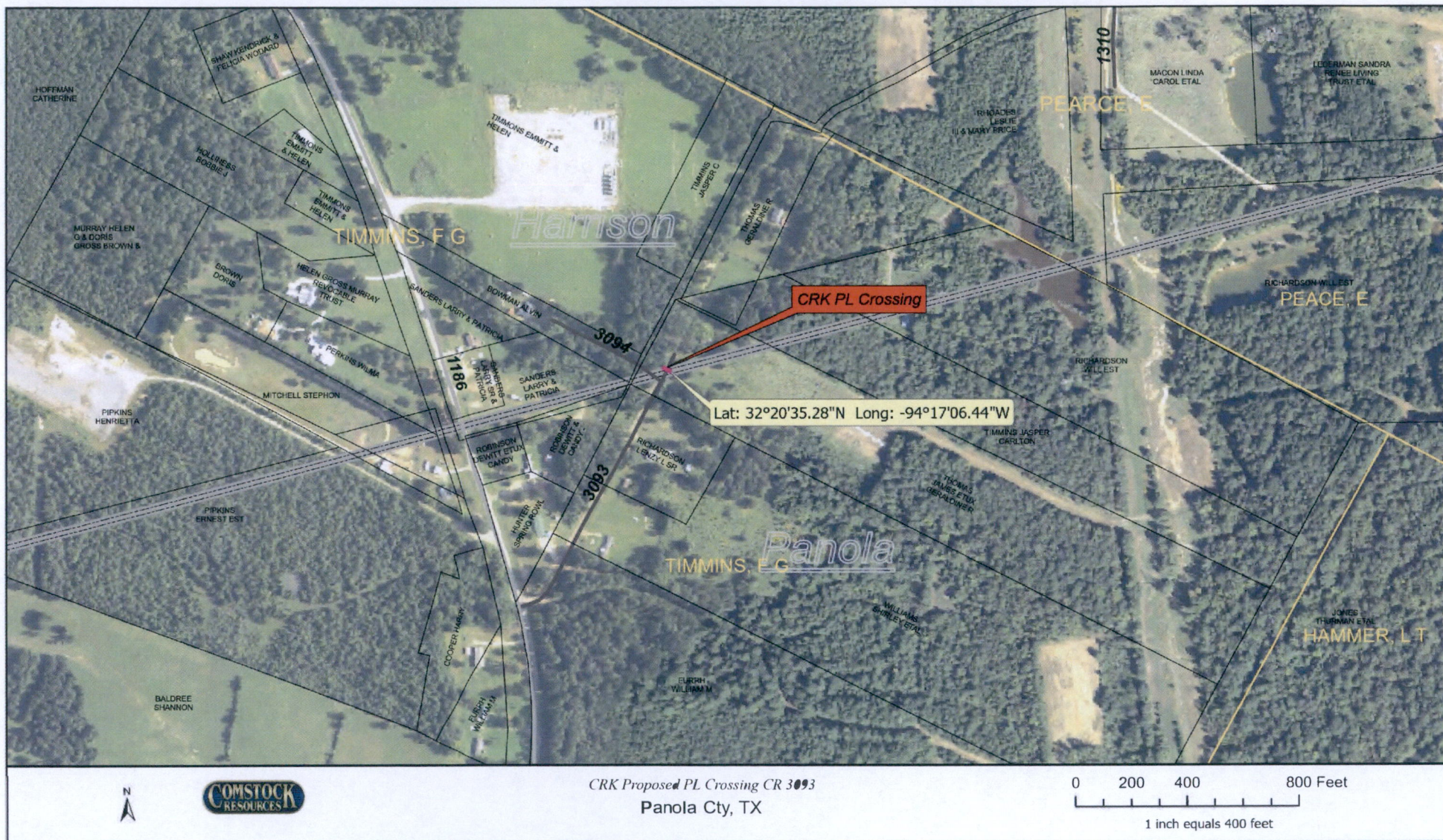
The design pressure for the **WILLIAMS** pipeline constructed by Comstock Oil & Gas, Louisiana-LLC, is determined in accordance with the following formula and variables:

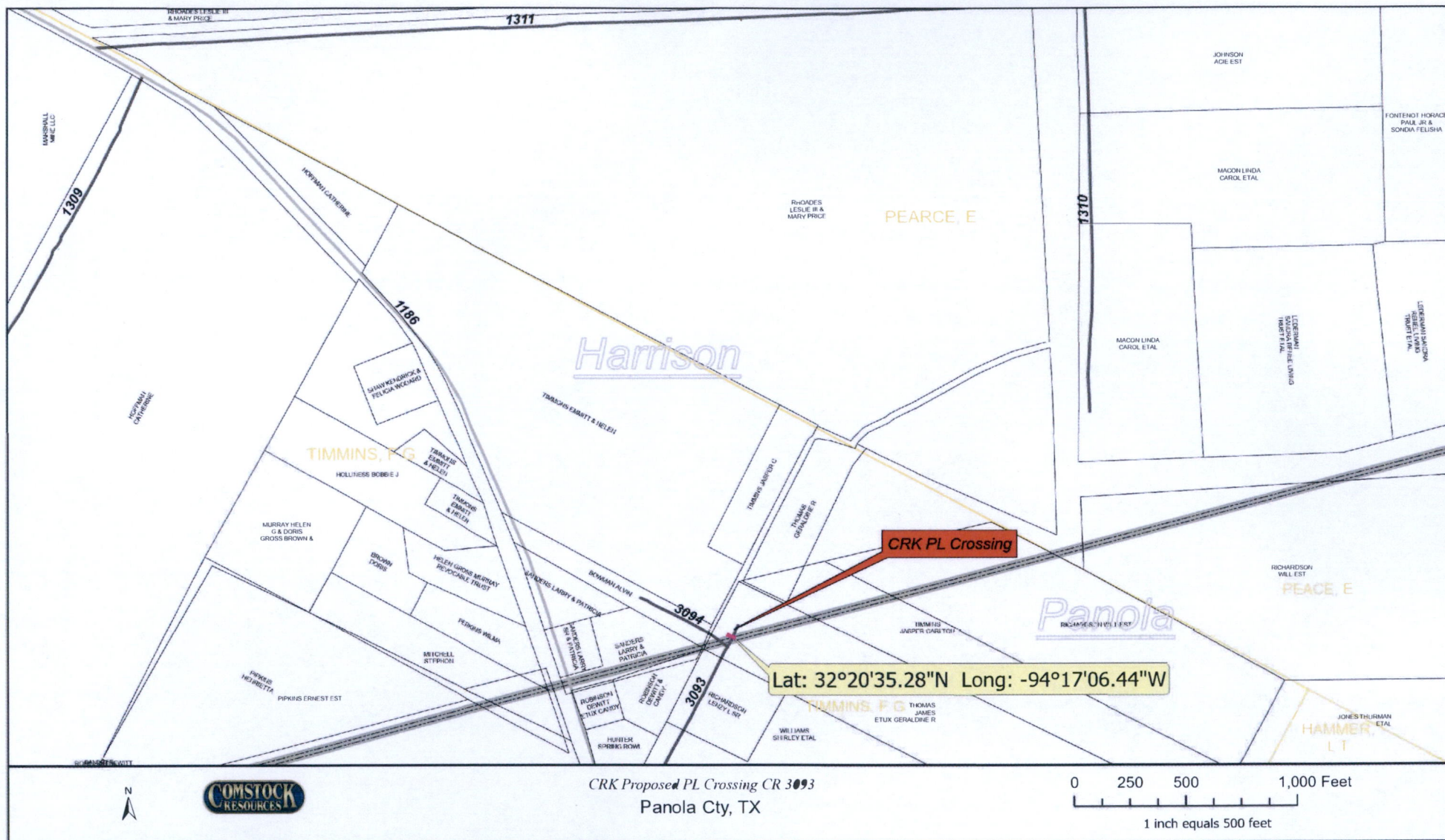
Barlow's Formula $P = (2 S t / D) \times F \times E \times T$ Where:	
P = Design Pressure, psig calculates to:	4,837.2
With the following factors for a Class 3 location:	Class 1
S = Specified minimum yield strength, psi	52,000
D = Nominal Outside diameter, inches	10.75
T = Nominal wall thickness of pipe, inches	0.500
F = Design Factor, as per 49 CFR 192.111	0.72
E = Longitudinal joint factor (1.0 for API 5L ERW Pipe)	1
T = Temperature derating factor (1.0 for gas temps<250 degrees F	1

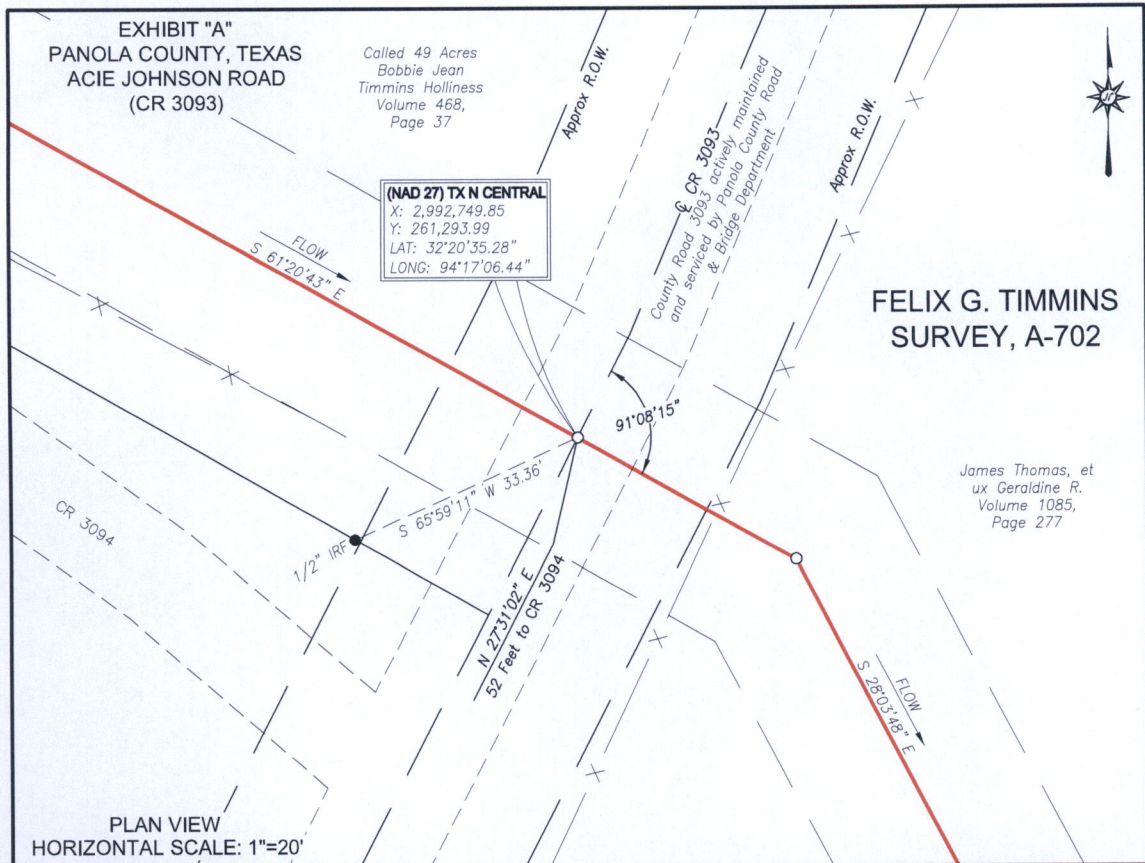
Our line will be operating at 1,440 psi

All pipe will have cathodic protection & pipeline markers will be marked and visible on both sides of the Right-of-Way.

Road casing pipe will be 16" (inches)



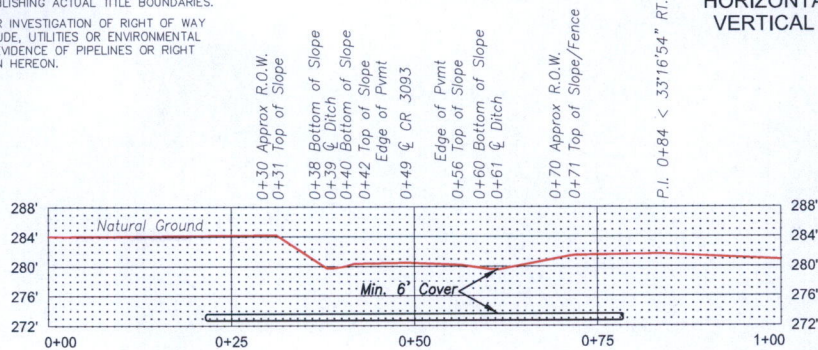




THIS PLAT DOES NOT REPRESENT A BOUNDARY SURVEY. DISTANCES AND BEARINGS SHOWN ARE NOT INTENDED TO BE DEFINITIVE IN ESTABLISHING ACTUAL TITLE BOUNDARIES.

NO TITLE RESEARCH OR INVESTIGATION OF RIGHT OF WAY EASEMENTS OR SERVITUDE, UTILITIES OR ENVIRONMENTAL MATTERS, OR VISIBLE EVIDENCE OF PIPELINES OR RIGHT OF WAY EXCEPT SHOWN HEREON.

PROFILE VIEW
HORIZONTAL SCALE: 1"=20'
VERTICAL SCALE: 1"= 20'



NOTE: WARNING! UNDERGROUND UTILITIES SHOWN HEREON ARE APPROXIMATE ONLY. THERE MAY ALSO BE OTHER UNDERGROUND UTILITIES THAT ARE NOT SHOWN.

The bearings hereon were oriented to agree with Grid North and were derived by use of GPS equipment. (TX North Central Zone - NAD 27)

Job No: 5025-PL_CR 3093 X-ing

SURVEYED FOR
COMSTOCK OIL & GAS, LLC

Revisions

PLAT SHOWING
 PROPOSED PIPELINE CROSSING
 ACIE JOHNSON ROAD (CR 3093)
 FELIX G. TIMMINS SURVEY, A-702
 PANOLA COUNTY, TEXAS

Checked By: BA

Drawn By: BS
 Surveyed By: MC
 Date: 05/18/26

JDS
SURVEYING, INC.
 PROFESSIONAL SURVEYING & MAPPING
 T.B.P.E.L.S. Firm Registration No. 10194118
 373 W. Main, Van, TX 75790 - Phone: (903) 963-2333

0 20 40 60

SPECIFICATIONS	
CARRIER PIPE	CASING
CASING /	WALL THICKNESS
METHOD OF INSTALLATION:	



TAX ASSESSOR-COLLECTOR CONTINUING EDUCATION TRANSCRIPT

Reporting Period: 3/1/2025 - 2/28/2026

Hon. Holly Gibbs, PCC, CTOP, PCAC
Tax Assessor-Collector
Panola County
110 S Sycamore St Ste 211
Carthage, TX 75633-2543

ID: 238354
Phone: (903) 693-0340
Fax: (903) 694-2909
Enrolled Date: 03/01/2019

Date	Description	Earned Hours
03/01/2025	Excess hours carried from 2025	10.00
04/23/2025	Longview Region Meeting	3.00
06/04/2025	91st Annual Tax Assessor-Collectors Association Conference	12.50
11/20/2025	43rd Annual V.G. Young School for Tax Assessor-Collectors	12.00
Total Hours for Year:		37.50

You have met your education requirements for the period 03/01/2025 - 02/28/2026.

You may carry forward to the next reporting period 10.00 hours.

Texas Property Tax Code § 6.231

(a) A county assessor-collector must successfully complete 20 hours of continuing education before each anniversary of the date on which the county assessor-collector takes office. The continuing education must include at least 10 hours of instruction on laws relating to the assessment and collection of property taxes for a county assessor-collector who assesses or collects property taxes.

(d) A county assessor-collector shall file annually a continuing education certificate of completion with the commissioners' court of the county in which the county assessor-collector holds office.

Print Date: 07/21/2026

For questions regarding CE hours, please contact the TACA Education Director at education@tacaoftexas.org.



**Tax Assessor-Collector Association
Professional County Assessor-Collector
Maintenance Transcript**
Reporting Period: 1/1/2025 - 12/31/2025

Hon. Holly Gibbs, PCC, CTOP, PCAC
Tax Assessor-Collector
Panola County
110 S Sycamore St Ste 211
Carthage, TX 75633-2543

ID: 238354
Phone: (903) 693-0340
Fax: (903) 694-2909
Enrolled Date: 01/01/2014

In order to retain this designation, the TACA Active member must earn 20 Continuing Education Hours annually. A maximum of 10 hours may be carried forward if you earn more than the required 20.

Date	Description	Earned Hours
01/01/2025	Excess hours carried from 2024	5.00
04/23/2025	Longview Region Meeting	3.00
06/04/2025	91st Annual Tax Assessor-Collectors Association Conference	12.50
11/20/2025	43rd Annual V.G. Young School for Tax Assessor-Collectors	12.00
Total Hours for Year:		32.50

You have met your education requirements for the period 01/01/2025 - 12/31/2025.

You may carry forward to the next reporting period 10.00 hours.



PANOLA COUNTY APPRAISAL DISTRICT

1736 BALLPARK DR.

CARTHAGE, TX 75633

(903)693-2891

FAX (903)693-8229

June 18, 2026

Panola County
Attn: Judge Roger McLane
110 S Sycamore St, Room 216-A
Carthage, TX 75633

RE: 2027 - 2028 Panola CAD Reappraisal Plan

Dear Judge McLane:

As provided by Section 6.05(i) of the Texas Property Tax Code, the Board of Directors approved and adopted the 2027 - 2028 Panola County Appraisal District's Reappraisal Plan by resolution during their regular meeting on Thursday June 18, 2026. A copy of the reappraisal plan along with the resolution is enclosed for your inspection.

Should you have any questions, please feel free to let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Douglas McPhail".

Douglas McPhail, RPA
Chief Appraiser

DM/jm

Enclosure: 2027 - 2028 Panola County Appraisal District's Reappraisal Plan and
Resolution adopting Reappraisal Plan



PANOLA COUNTY APPRAISAL DISTRICT

1736 BALLPARK DR.

CARTHAGE, TX 75633

(903)693-2891

FAX (903)693-8229

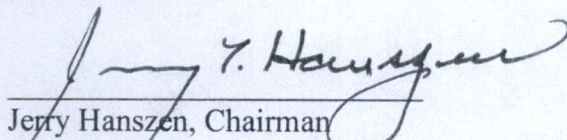
Resolution for the Adoption of Appraisal Plan

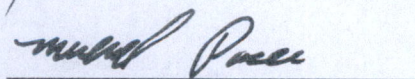
Whereas the Legislature of the State of Texas during its 79th legislative session adopted and the Governor signed into law, Senate Bill No. 1652; and,

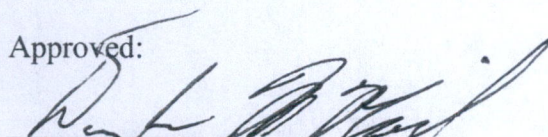
Whereas this bill amended Section 6.05 (i) of the Texas Property Tax Code to ensure adherence with generally accepted appraisal practices by developing a written biennial plan for the periodic reappraisal of all properties within the boundaries of the appraisal district according to the requirements of Section 25.18, and to hold a public hearing to consider such a plan; and

Whereas such a plan was developed and shall be known as Panola County Appraisal District 2027 - 2028 Reappraisal Plan, a copy of which is incorporated with this resolution, and further, a Public Hearing was conducted at the district's office to consider the plan on the 18th day of June, 2026.

Therefore, be it resolved that the Board of Directors of the Panola County Appraisal District meeting in Regular Session this day considered and adopted this resolution of the 18th day of June, 2026.


Jerry Hanszen, Chairman


Michael Pace, Secretary

Approved:

Douglas McPhail, Chief Appraiser

PANOLA COUNTY APPRAISAL DISTRICT
REAPPRAISAL PLAN
FOR YEARS 2027 & 2028

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Signed Certification by the Chief Appraiser as required
by STANDARD RULE 6–9 of USPAP

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Addendum #1 List of Market Areas

EXECUTIVE SUMMARY

TAX CODE REQUIREMENT

The Written Plan

The Texas Property Tax Code 6.05(i) reads as follows:

(i) To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place for the hearing. Not later than September 15 of each even-numbered year, the board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the comptroller within 60 days of the approval date.

Plan for Periodic Reappraisal

The Texas Property Tax Code 25.18(a) and (b) reads as follows:

- (a) Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05(i).
- (b) The plan shall provide for the following reappraisal activities for all real and personal property in the district at least once every three years:
 - (1) identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;
 - (2) identifying and updating relevant characteristics of each property in the appraisal records;
 - (3) defining market areas in the district;
 - (4) identifying property characteristics that affect property value in each market area, including:
 - (A) the location and market area of property;
 - (B) physical attributes of property, such as size, age, and condition;
 - (C) legal and economic attributes; and
 - (D) easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions;
 - (5) developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
 - (6) applying the conclusions reflected in the model to the characteristics of the

- properties being appraised; and
(7) reviewing the appraisal results to determine value.

REVALUATION DECISION (REAPPRAISAL CYCLE)

The Panola County Appraisal District by policy adopted by the Board of Directors reappraises all property in the district annually. Each year the real property in the district is reviewed and reappraised. Tax years 2027 and 2028 will both have all of the districts real property reviewed and reappraised. All business personal property industrial personal property, mineral properties, field compressors and large industrial plant properties are reappraised each year.

PERFORMANCE ANALYSIS

Each year, the previous tax year's equalized values are analyzed with ratio studies to determine appraisal accuracy and appraisal uniformity overall and by market area within state property reporting categories. Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* from the International Association of Assessing Officers (contained in the General Appraisal Manual). Mean, median, and weighted mean ratios are calculated for properties in each reporting category to measure the level of appraisal (appraisal accuracy). The mean ratio is calculated in each market area to indicate the level of appraisal (appraisal accuracy) by property reporting category. In each reappraisal year this analysis is used to develop the starting point for establishing the level and accuracy of appraisal performance. This analysis is also used to indicate the uniformity or equity of existing appraisals.

ANALYSIS OF AVAILABLE RESOURCES

Staffing and budget requirements for each tax year are detailed in the appraisal district budget, as adopted by the Board of Directors and attached to the written biennial plan by reference. This reappraisal plan is adjusted to reflect the available staffing and the anticipated staffing for the next tax year. Staffing will impact the cycle of real property re-inspection and personal property on-site review that can be accomplished.

Existing appraisal practices, which are continued from year to year, are identified and methods utilized to keep these practices current are specified. In reappraisal real property appraisal depreciation tables and cost new tables are tested against verified sales data to ensure they represent current market data. The cap rate study by commercial real property type is updated from current market data and market rents are reviewed and updated from available local data. Personal property schedules are tested and analyzed based on rendition and prior year hearing documentation.

Information Systems (IS) support is detained with year specific functions identified and system upgrades scheduled. Computer generated forms are reviewed for revisions based on year and reappraisal status. Legislative changes are scheduled for completion and testing. Existing maps and data requirements are specified and updates scheduled.

PLANNING AND ORGANIZATION

A calendar of key events with critical completion dates is prepared for each major work area. This calendar identifies all key events for appraisal, clerical, customer service, and information

systems. A separate calendar is prepared for each tax year. Production standards for field activities are calculated and incorporated in the planning and scheduling process.

2027 CALENDAR OF KEY EVENTS

- | | |
|---------------------------------|--|
| September 1 | Begin preparing maps, appraisal cards and appraisal cards marked specifically for special attention field inspection. |
| September 15 | Review and reappraise business personal properties |
| October 1
through
April 1 | Review and reappraise real property in route codes listed below. C9, C10, C11, C12, C13, C14, C15, W4, W5, W6, W7, W9, W10, W11, W12, W22, W23, W24 and others on an as needed basis. Identify, review, appraise properties with new construction throughout the district. Locate properties demolished and make appropriate adjustments to the accounts involved. |
| December | Mail out Business Personal Property Renditions |
| January | Begin review of business personal property accounts |

2028 CALENDAR OF KEY EVENTS

- | | |
|---------------------------------|--|
| September 1 | Begin preparing maps, appraisal cards and appraisal cards marked specifically for special attention field inspection. |
| September 15 | Review and reappraise business personal properties |
| October 1
through
April 1 | Review and reappraise real property in route codes listed below. C1, C2, C3, C4, C5, C6, C7, C8, W1, W13, W14, W15, and others on an as needed basis. Identify, review, appraise properties with new construction throughout the district. Locate properties demolished and make appropriate adjustments to the accounts involved. |
| December | Mail out Business Personal Property Renditions |
| January | Begin review of business personal property accounts |

2029 CALENDAR OF KEY EVENTS

- | | |
|---------------------------------|--|
| September 1 | Begin preparing maps, appraisal cards and appraisal cards marked specifically for special attention field inspection. |
| September 15 | Review and reappraise business personal properties |
| October 1
through
April 1 | Review and reappraise real property in route codes listed below. EC1, EC2, EC3, ECC4, EC5, EF1, EF2, EF3, EF4, RC5, W2, W3, W16, W18, W20 and others on an as needed basis. Identify, review, appraise properties with new construction throughout the district. Locate properties demolished and make appropriate adjustments to the accounts involved. |

December	Mail out Business Personal Property Renditions
January	Begin review of business personal property accounts

MASS APPRAISAL SYSTEM

Computer Assisted Mass Appraisal (CAMA) system revisions are specified and scheduled with Information Systems. All computer forms and IS procedures are reviewed and revised as required. The following details these procedures as it relates to the 2027 and 2028 tax year.

REAL PROPERTY VALUATION

Revisions to cost models, income models, and market models are specified, updated and tested each tax year.

Cost schedules are tested with market data (sales) to ensure that the appraisal district is in compliance with Texas Property Tax code, 23.011. Replacement cost new tables as well as depreciation tables are tested for accuracy and uniformity using ratio study tools and compared with available local data and cost data from recognized industry leaders, such as Marshall & Swift.

Land values are updated using current market data (sales) and then tested with ratio study tools. Value modifiers are developed for property categories by market area and tested on a pilot basis with ratio study tools.

Income, expense, and occupancy data is updated in the income models for each market area and cap rate studies are completed using current sales data. The resulting models are tested using ratio study tools.

PERSONAL PROPERTY VALUATION

Schedules are updated using data received during the previous tax year from renditions and hearing documentation. Valuation procedures are reviewed, modified as needed and tested. Depreciation schedules are updated each year.

NOTICING PROCESS

Texas Property Tax Code, 25.19 – appraisal notice forms are reviewed and edited for updates and changes signed off on by the chief appraiser. Updates include the latest copy of Comptrollers Taxpayers rights, remedies, and responsibilities.

HEARING PROCESS

Protest hearing scheduling for informal and formal Appraisal Review Board hearings is reviewed and updated as required. Standards of documentation are reviewed and amended as required. The appraisal district hearing documentation is reviewed and updated to reflect the current valuation process. Production of documentation is tested in compliance with current statutes.

DATA COLLECTION REQUIREMENTS

Field and office procedures are reviewed and revised as required for data collection. Activities scheduled for each tax year include new construction, demolition, remodeling, re-inspection of problematic market areas, and re-inspection of the universe of properties on a specific cycle.

LAND/AGRICULTURE – TIMBERLAND

All land tracts to include agriculture and timber properties will be inspected on an annual basis through either physical inspection or inspection through the use of aerial photography such as Mapping System or Google.

NEW CONSTRUCTION/DEMOLITION

New construction field and office review procedures are identified and revised as required. Source of building permits is confirmed and system input procedures are identified. Process of verifying demolition of improvements is specified. This critical annual activity is projected and entered on the key events calendar for each tax year. This process is ongoing throughout each year.

REMODELING

Market areas with extensive improvements remodeling are identified, verified and field activities scheduled to update property characteristic data. Updates to valuation procedures are tested with ratio studies before finalized in the valuation modeling.

RE-INSPECTION OF PROBLEMATIC MARKET AREAS

Real property market areas, by property classification, are tested for: low or high protest volumes; low or high sales ratios, or high coefficient of dispersion. Market areas that fail any or all of these tests are determined to be problematic. Field reviews are scheduled to verify and /or correct property characteristic data. Additional sales data is researched and verified. In the absence of adequate market data, neighborhood delineation is verified and neighborhood clusters are identified.

RE-INSPECTION OF THE UNIVERSE OF PROPERTIES

The International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property* specifies that the universe of properties should be re-inspected on a cycle of 4 – 6 years. The annual re-inspection requirements for tax years 2027 and 2028 are identified by property type and property classification and scheduled on the key events calendar.

KEY CHARACTERISTICS OF PROPERTY

Separate different areas of structure on diagram – i.e., living area, porches, garages, second floors, etc.

Make notes on class, use, construction type, effective age, CDU Rating, exterior wall height, functional obsolescence (See PCAD General Appraisal Manual, Tab 11)

On mobile homes, make sure to get tag numbers, color, estimate of age, roofing and siding material and skirting.

Make notes on the key components of the structure

foundation	number of baths
on-demand water heater	exterior wall type
geothermal components	roof type and material
generators	AC units, number and type
in-ground pools	any other relevant component

Measure significant detached structures repeating all the steps for the main structure

FIELD OR OFFICE VERIFICATION OF SALES DATA AND PROPERTY CHARACTERISTICS

Sales information must be verified and property characteristic data analyzed and noted. The sales ratio tools require that the property that sold must equal the property appraised in order that statistical analysis results will be valid. This is an on-going process throughout the year.

PILOT STUDY

New and/or revised mass appraisal models are tested on randomly selected market areas. These modeling tests (sales ratio studies) are conducted each tax year. Actual test results are compared with anticipated results and those models not performing satisfactorily are refined and retested. The procedures used for model specification and model calibration are in compliance with *Uniform Standards of Professional Appraisal Practice*, STANDARD RULE 6.

VALUATION BY TAX YEAR

Valuation by tax year – using market analysis of comparable sales and locally tested cost data, market area specific income and expense data, valuation models are specified and calibrated in compliance with the supplemental standards from the International Association of Assessing Officers and the *Uniform Standards of Professional Appraisal Practice*. The calculated values are tested for accuracy and uniformity using ratio studies. Performance standards are those as established by the *IAAO Standard on Ratio Studies*. Properties in selected market areas are updated in non-reappraisal years.

All properties in the district are appraised utilizing the sales comparison approach to value, the cost approach to value and the income approach to value. The available data may determine which one or more of the approaches are most applicable in valuing a given property or a property classification.

The types of property appraised by the district are:

RESIDENTIAL REAL PROPERTY
SPECIAL INVENTORY RESIDENTIAL PROPERTY
MULTIFAMILY RESIDENTIAL PROPERTY
COMMERCIAL REAL PROPERTY
VACANT REAL PROPERTY
INDUSTRIAL REAL PROPERTY (Outsourced to P&A)
UTILITIES (Outsourced to P&A)
MINERAL PROPERTIES (Outsourced to P&A)
SPECIAL VALUATION PROPERTIES (AGRICULTURAL USE)
BUSINESS TANGIBLE PERSONAL PROPERTY
INDUSTRIAL TANGIBLE PERSONAL PROPERTY (Outsourced to P&A)

THE MASS APPRAISAL REPORT

Each tax year the Mass Appraisal Report is prepared and certified by the Chief Appraiser at the conclusion of the appraisal phase of the ad valorem tax calendar (on or about May 15th). The Mass Appraisal Report is completed in compliance with STANDARD RULE 6-8 of the *Uniform Standards of Professional Appraisal Practice*. The signed certification by the Chief Appraiser is compliant with STANDARD RULE 6-9 of *USPAP*. This written reappraisal plan will be attached to the Mass Appraisal Report for reference.

VALUE DEFENSE

Evidence to be used by the appraisal district to meet its burden of proof for market value and equity in both informal appeals and formal appraisal review board hearings is specified and tested. Statistical reports and listings of comparable sales information are produced for use in defense of property values. Additional data is obtained from discussions with property owners for equity adjustments when indicated.

**Questions concerning the content of this Plan should be addressed to the:
Chief Appraiser, Panola County Appraisal district, 1736 Ballpark Drive, Carthage, TX 75633**

ADDENDUM #1 List of Market Areas (Neighborhoods)

AASUB	APPLEGATE ACRES
BCITY	BECKVILLE CITY
BISD	BICKVILLE ISD
CCITY	CARTHAGE CITY
CISD	CARTHAGE ISD
DCSUB	DEERCREST SUBDIVISION
DLAKE	DIXIE LAKE
ECITY	CARTHAGE CITY EAST
EFISD	ELYSIAN FIELDS ISD
GISD	GARY ISD
INDCK	INDIAN CREEK SUBDIVISION
JISD	JOAQUIN ISD
LAKEM	LAKE MURVAUL (GISD ONLY)
LAMP1	LAMPIN SHORELINES #1 SUB
MAJESTIC	MAJESTIC OAKS
NLAKE	NORTH LAKE MURVAUL
RHSD	REHOBETH SUBDIVISION
TMISD	TATUM ISD
TNISD	TENAHA ISD
WHSUB	WESTERN HILLS SUBDIVISION
WIND	WINDERMERE SUBDIVISION
WWSUB	WILDWOOD SUBDIVISION



PANOLA COUNTY APPRAISAL DISTRICT

1736 BALLPARK DR.

CARTHAGE, TX 75633

(903)693-2891

FAX (903)693-8229

July 17, 2026

Panola County
Attn Judge Roger McLane
110 S Sycamore, RM 216-A
Carthage, TX 75633

RE: 2025 Financial/Audit Report

Dear Judge McLane:

As provided by Section 6.063(b) of the Texas Property Tax Code, I am providing a copy of the 2025 financial/audit report for the Panola County Appraisal District for your review. Please deliver a copy of this report to the presiding officer of your governing body.

This report was presented to the Panola County Appraisal District's Board of Directors during the regular board meeting on July 16, 2026.

Should you have any questions, please feel free to let me know.

Thank you for your continued support of our district.

Sincerely,

A handwritten signature in blue ink, appearing to read "Douglas McPhail".

Douglas McPhail, RPA
Chief Appraiser

DM/jwm

Enclosure



PANOLA COUNTY

APPRAISAL DISTRICT

FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2025

**PANOLA COUNTY APPRAISAL DISTRICT
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FOR THE YEAR ENDED DECEMBER 31, 2025**

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DAVID K. GODWIN

CERTIFIED PUBLIC ACCOUNTANT, PLLC

INDEPENDENT AUDITOR'S REPORT

To the Chairman and Members of the Board
Panola County Appraisal District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Panola County Appraisal District, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Panola County Appraisal District, as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

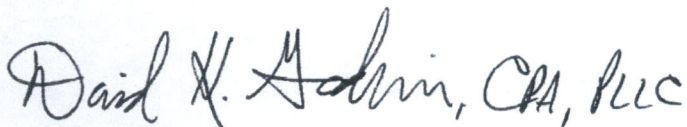
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 and the budgetary comparison information on pages 44 through 45, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2026, on our consideration of the Panola County Appraisal District'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 Panola County Appraisal District'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 Panola County Appraisal District's internal control over financial reporting and compliance.



David K. Godwin, CPA, PLLC

Tyler, Texas

June 17, 2026

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Management's Discussion and Analysis

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PANOLA COUNTY
APPRAISAL DISTRICT

Management's Discussion and Analysis For Year Ended December 31, 2025 (Unaudited)

The Management Discussion and Analysis of the Panola County Appraisal District (District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended December 31, 2025. Please read in conjunction with the District's financial statements which follow this section.

FINANCIAL HIGHLIGHTS

Chief Appraiser and Board

Jerry Hanszen
Chairman

Michael Pace
Secretary

Keith Williams
Board Member

Frank Langley
Board Member

Craig Lawless
Board Member

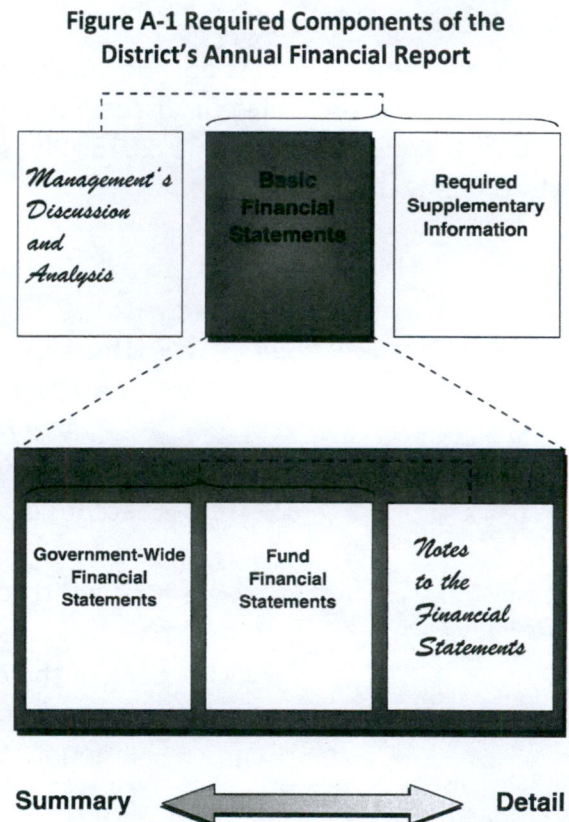
Douglas McPhail
Chief Appraiser

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$1,264,592 (Net Position). Of this amount, \$1,214,274 (Unrestricted Net Position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the District's fund designation and fiscal policies.
- The District's total net position decreased by 25,401.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,236,942. Of this amount, \$89,624 is unassigned and available for use within the District's fund designation and fiscal policies.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$89,624 or 8.50% of the total general fund expenditures.
- The District had no bonded outstanding long-term debt at fiscal year end.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's annual report consists of a series of financial statements, notes to those statements, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are Government-Wide Financial Statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are Fund Financial Statements that focus on individual parts of the government, reporting the District's operations in more detail than the Government-Wide Statements.
 - The Governmental Funds Statements tell how general government services were financed in the short term as well as what remains for future spending.
 - Proprietary Fund Statements offer financial information about the internal service fund used to report activities that provide services to organizations within the District.



The basic financial statements include notes that explain information contained within the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 (above) shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 (next page) summarizes the major features of the District's financial statements, including the portion of the District's government cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

FIGURE A-2 MAJOR FEATURES OF THE DISTRICT'S GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS			
<i>Type of Statement</i>	Government-Wide	Governmental Funds	Proprietary Fund**s
<i>Scope</i>	Entire District (except fiduciary funds) and the District's component units	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses.
<i>Required financial statements</i>	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures and changes in fund balances	• Statement of net position • Statement of revenues, expenses and changes in fund net position • Statement of cash flows
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
<i>Type of flow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid
**The District does not currently operate a proprietary fund			

Government-Wide Statements

The Government-Wide Statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two Government-Wide Statements report the District's net position and how it has changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District's tax base.

The government-wide financial statements distinguish functions of the district that are principally supported by the District's taxing units and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). All the District's activities are governmental. The District is the *primary government* and has no component units.

Fund Financial Statements

The Fund Financial Statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices used by the District to track specific sources and uses of funding for specified activities.

The District has one fund type:

Governmental funds—Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the year-end balances that are available for spending. Consequently, the Governmental Fund Statements provide a detailed short-term view that helps you determine the level of financial resources that can be spent in the near term to finance the District's programs. Because this information does not encompass the additional long-term focus of the Government-Wide Statements, we provide additional information at the bottom of the Governmental Fund Statements, or on the subsequent page, that explains the relationship (or differences) between them.

The District adopts an annual appropriated budget for the general fund. Budgetary comparison schedules have been provided for the general fund to demonstrate compliance with this budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's assets exceeded liabilities by \$1,264,592 as of December 31, 2025.

The second largest portion of the District's net position, 7.67%, or \$50,318, reflects its investments in capital assets (e.g., land, building, equipment, vehicles, improvements, and infrastructure), less any outstanding debt used in acquiring those assets. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to repay these liabilities.

PANOLA COUNTY APPRAISAL DISTRICT'S NET POSITION

	Governmental Activities		Change	
	2025	2024	Dollar	Percent
Current and Other Assets	\$ 1,546,899	\$ 1,433,325	\$ 113,574	7.92%
Capital Assets	60,856	111,203	(50,347)	-45.27%
Total Assets	1,607,755	1,544,528	63,227	-37.35%
Current Liabilities	19,590	53,459	(33,869)	-63.36%
Non-Current Liabilities	21,535	30,567	(9,032)	-29.55%
Total Liabilities	41,125	84,026	(42,901)	-92.90%
Total Deferred Inflows of Resources	302,038	170,509	131,529	77.14%
Net Position:				
Invested in Capital Assets, Net of Related Debt	50,318	52,266	(1,948)	-3.73%
Unrestricted	1,214,274	1,237,727	(23,453)	-1.89%
Total Net Position	\$ 1,264,592	\$ 1,289,993	\$ (25,401)	-5.62%

A portion of net position, \$50,318, is invested in capital assets. The remaining balance of unrestricted net position, \$1,214,274, may be used to meet the government's ongoing obligations to citizens and creditors.

As of December 31, 2025, the District is able to report positive balances in all categories of net position for the government as a whole. In the prior fiscal year, the District also reported overall positive balances in all three categories of net position.

Analysis of the District's Operations - Overall the District had an decrease in net position of \$25,401

Governmental Activities: Net position for the governmental activities decreased by \$25,401. Net position invested in capital assets, net of related debt, decreased by \$1,948 due to depreciation expenses and liquidation of long-term debt being higher than capital asset acquisitions. The remaining change in net position is due to higher-than-expected interest income.

Total revenues for the governmental activities increased from the previous year by \$25,059, primarily due to assessments received during the year. General revenue decreased by \$16,988 during 2025, primarily due to increased interest income.

The following table provides a summary of the District's operations for the year ended December 31, 2025.

PANOLA COUNTY APPRAISAL DISTRICT'S CHANGE IN NET POSITION

	Governmental Activities		Change	
	2025	2024	Dollar	Percent
Revenues:				
Operating Revenues:				
Charges for Services	\$ 1,026,561	\$ 1,001,502	\$ 25,059	2.50%
General Revenues:				
Interest Income	56,323	73,394	(17,071)	-23.26%
Miscellaneous	263	180	83	46.11%
Total Revenues	1,083,147	1,075,076	8,071	25.35%
Expenses:				
Appraisal Services	1,108,548	1,011,861	96,687	9.56%
Total Expenses	1,108,548	1,011,861	96,687	9.56%
Increase (Decrease) in Total Revenues	(25,401)	63,215	(88,616)	15.80%
Change in Net Position	(25,401)	63,215	(88,616)	15.80%
Net Position – Beginning	1,289,993	1,226,778	63,215	5.15%
Net Position – Ending	\$ 1,264,592	\$ 1,289,993	\$ (25,401)	-1.97%

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

At the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,236,942; of this total amount, \$89,624, constitutes a surplus in unassigned fund balance.

GENERAL FUND BUDGETARY HIGHLIGHTS

In the general fund, the District's original budget planned for no increase in the fund balance on a budget basis. The District did not pass any budget amendments during the fiscal year ending 2025.

Actual revenues in all categories were less than the final budgeted amounts by a total of \$40,753. Actual expenditures not including other financing sources (uses) were lower than final budgeted amounts by a total of \$69,481. After considering other financing sources (uses), the District had an unfavorable variance of \$22,097.

CAPITAL ASSETS

The District's investment in capital assets for its governmental activities as of December 31, 2025, amounts to \$50,318 (net of accumulated depreciation and amortization). This investment in capital assets includes buildings, equipment and furniture and office equipment. The total decrease in capital assets for the current fiscal year was \$50,347, or 45.27% and due to cycling right-to-use software arrangement contracts

There were no major capital asset additions during fiscal year 2025.

CAPITAL ASSETS AT YEAR-END AND ACCUMULATED DEPRECIATION

	Governmental Activities		Change	
	2025	2024	Dollar	Percent
Buildings and improvements	\$ 166,028	\$ 166,028	\$ -	0.00%
Infrastructure	22,016	22,016	-	0.00%
Equipment	148,795	148,795	-	0.00%
Right-to-use software arrangements	102,123	102,123	-	100.00%
Accumulated Depreciation	(285,252)	(281,332)	(3,920)	1.39%
Accumulated Amortization	(92,854)	(46,427)	(46,427)	100.00%
Total	<u>\$ 60,856</u>	<u>\$ 111,203</u>	<u>\$ (50,347)</u>	<u>-45.27%</u>

Additional information on the District's capital assets can be found in Note 1 on page 31 and Note 2 on page 37 in the notes of this report.

DEBT ADMINISTRATION

The District had no bonded debt as of December 31, 2025.

Additional information on the District's long term-obligations can be found in note 2 on pages 38 through 40 in the notes of this report.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances. If you have questions about this report or need any additional information, contact the Panola County Appraisal District at 1736 Ball Park Rd Carthage, TX 75633

Basic Financial Statements

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Government-Wide Financial Statements

**PANOLA COUNTY APPRAISAL DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025**

	<u>PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 1,546,899
Capital assets:	
Other capital assets - net of depreciation	<u>60,856</u>
Total Assets	<u>1,607,755</u>
LIABILITIES	
Accounts payable	7,919
Accrued liabilities	217
Long-term liabilities:	
Due within one year	11,454
Due in more than one year	<u>21,535</u>
Total Liabilities	<u>41,125</u>
DEFERRED INFLOWS OF RESOURCES	
Assessments	<u>302,038</u>
Total Deferred Inflows of Resources	<u>302,038</u>
NET POSITION	
Investment in capital assets, net of related debt	50,318
Unrestricted	<u>1,214,274</u>
Total Net Position	<u>\$ 1,264,592</u>

**PANOLA COUNTY APPRAISAL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025**

FUNCTIONS / PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
		CHARGES FOR SERVICES	GOVERNMENTAL ACTIVITIES	TOTAL	
Primary government:					
Governmental activities:					
Appraisal Services	\$ 1,108,548	\$ 1,026,561	\$ (81,987)	\$ (81,987)	
Total governmental activities	1,108,548	1,026,561	(81,987)	(81,987)	
Total primary government	\$ 1,108,548	\$ 1,026,561	(81,987)	(81,987)	
General revenues:					
Interest Income			56,323	56,323	
Miscellaneous income			263	263	
Total general revenues and transfers			56,586	56,586	
Change in net position			(25,401)	(25,401)	
Net position - beginning			1,289,993	1,289,993	
Net position - ending			\$ 1,264,592	\$ 1,264,592	

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

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Fund Financial Statements

**PANOLA COUNTY APPRAISAL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

	<u>GENERAL</u>
ASSETS	
Cash	\$ 1,546,899
Total assets	<u>\$ 1,546,899</u>
LIABILITIES	
Accounts payable	\$ 7,919
Total liabilities	<u>7,919</u>
DEFERRED INFLOWS (OF RESOURCES)	
Assessments	<u>302,038</u>
Total deferred inflows	<u>302,038</u>
FUND BALANCES	
Committed:	
Mapping department reserve	612,943
Contingencies	534,375
Unassigned	<u>89,624</u>
Total fund balances	<u>1,236,942</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,546,899</u>

**PANOLA COUNTY APPRAISAL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025**

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Total fund balances - governmental funds	\$ 1,236,942
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the governmental funds balance sheet.	60,856
Accrued compensated absences are long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the governmental fund financial statements.	(22,668)
Long-term liabilities for right-to-use software arrangements are not due and payable in the current period and, therefore, are not reported on the governmental fund financial statements.	<u>(10,538)</u>
Net position of governmental activities	<u>\$ 1,264,592</u>

PANOLA COUNTY APPRAISAL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	GENERAL
REVENUES	
Assessments	\$ 1,025,000
Interest income	56,323
Penalties and Interest	1,561
Miscellaneous	263
Total revenues	1,083,147
EXPENDITURES	
Personnel/Payroll/Benefits:	
Salaries and Benefits	539,167
Operating Expenditures:	
Office Supplies & Materials	31,349
Mapping Supplies/Deeds	795
Postage	23,255
Buidling Repair & Security	3,258
Dues & Publications	8,528
Travel & Educational Tuition	2,038
Telephone & Data Lines	5,588
Electricity	3,549
Water, Garbage & Sewer	1,080
Printing & Advertisement	2,638
Computer Supplies	1,661
Equipment Repair	31
Grounds Expense	1,030
Liability/Fire Insurance (TML)	6,081
Professional Services:	
Annual Audit	20,500
PTD Publications & Bonds	54
Janitorial Services	3,840
Appraisal Services (P&A)	341,300
Computer Consult/Data Hosting	826
Mortgages and Agreements:	
Equipment Rental	20,086
Board of Directors/Legal:	
Attorney & Legal Counsel	32,881
Board of Directors	598
Appraisal Review Board	4,286
Total expenditures	1,054,419
Excess (deficiency) of revenues over (under) expenditures	28,728

**PANOLA COUNTY APPRAISAL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025**

OTHER FINANCING SOURCES (USES)

Right-to-use software arrangements:

Debt service (47,403)

Interest expense (3,422)Total other financing sources (uses) (50,825)

Net change in fund balances (22,097)

Fund balances - beginning of year 1,259,039Fund balances - end of year \$ 1,236,942

**PANOLA COUNTY APPRAISAL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025**

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in fund balances - total governmental funds	\$ (22,097)
The depreciation and amortization of capital assets used in governmental activities is not reported in the funds.	(50,347)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Compensated absences	(1,356)
Decreases in long-term liabilities do not require the use of current financial resources; therefore, are not reported as expenditures in the governmental funds:	
Right-to-use software arrangements	47,403
Increases in long-term liabilities on capital assets should be shown as an expenditure in the government-wide statement of activities, however, current financial resources are not consumed in the governmental funds.	996
Change in net position of governmental activities	<u>\$ (25,401)</u>

Notes to the Financial Statements

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement

The Panola County Appraisal District (District) was established in 1981 as a political subdivision of the State of Texas. It was established as a provision of the Property Tax Code by the 66th Texas State legislature in 1979. The District is responsible for appraising property in the district for ad valorem tax purpose for each taxing unit that imposes ad valorem taxes on property in the District.

The District is governed by a board of six (6) directors. Members of the board are appointed by the governing body of the incorporated cities, towns, school districts and other entities that have taxable properties located in Panola County. The appointment of board members by said taxing entities is determined by a formula based on the ratio of a particular taxing entities tax assessment compared to total assessment in the County.

Reporting Entity

The District's general purpose financial statement includes the accounts of all district operations. The measure for including organizations as component units of the District was made by applying the criteria set forth in generally accepted accounting principles. The basic, but not the only, criterion for inclusion is the degree of oversight responsibility maintained by the Board of Directors. Examples of oversight responsibility include financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. Based on these criteria, no potential component unit has been excluded from these statements. As of December 31, 2025, the District does not have any component units and is not considered a component unit of any other entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government. Governmental activities include programs supported primarily by taxes and other intergovernmental revenues. Business-type activities include operations that rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Government-Wide and Fund Financial Statements - continued

Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity

The District only has governmental activities.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 days after year-end.

Revenues from local sources consist primarily of charges for services and interest associated with the current fiscal period. These revenues are recognized under the "susceptible to accrual" concept, that is, when they are both measurable and available. The District considers them "available" if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Position. The fund equity is segregated into invested in capital assets net of related debt, restricted net position, and unrestricted net position.

The District reports on the following major governmental funds:

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

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

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Cash Equivalents

The District's cash and cash equivalents include amounts on hand and in demand deposits.

Receivables and Payables

The District's primary revenue source is from assessments to taxing jurisdictions for services provided by the District. Assessments are imposed annually based on the amount approved by the Board in the annual budget. As required by law, the assessment is allocated in four equal payments due on the last day of each quarter, with the first quarterly payment due before January 1 of the year in which the budget takes effect. Such assessments become delinquent if unpaid on the due date. Assessments that are applicable to the District's subsequent fiscal year are recorded as deferred inflows of resources.

If the District experiences an excess of budgeted revenues over expenditures, the District is required by Texas Tax Code *Section 6.06j Property Tax Budget Financing Section* to refund the excess to the taxing entities unless the District requests approval from the taxing entities to retain all or a portion of such surplus. For the year 2025, the District was not obligated to refund any surplus to the taxing entities.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid in both the government-wide and fund financial statements.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance-continued

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types report the face amount of the debt issued as Other Financing Sources and debt payments as Expenditures.

Capital Assets

Capital assets, which include land, buildings, equipment, and furniture and fixtures are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one (1) year. Such assets are recorded at historical cost where records are available or at an estimated fair market value at the date of acquisition where no historical records exist. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Buildings, equipment, and furniture and fixtures of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30-50
Equipment	5-10
Furniture and Fixtures	5-10

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance-continued

Fund Balance Classification

The District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts constrained to specific purposes by the District Board, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the District Board takes the same highest-level action to remove or change the constraint.

Assigned fund balance – amounts the District intends to use for a specific purpose. Intent can be expressed by the Chairman through which the Board has delegated the authority.

Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). When it is appropriate for fund balance to be assigned, the Board designated the authority to the Chief Appraiser (such as the purchase of fixed assets, construction, debt service, or for other purposes).

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance-continued

Deferred Outflows and Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and/or fund balance that applies to one or more future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District had no deferred outflows of resources to report in its government-wide or governmental funds financial statements for the current year.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District reported certain assessments attributable to 2025 but collected in 2024 as deferred inflows of resources in its government-wide and governmental fund financial statements for the current year.

Compensated Employee Absences

All employees are granted vacation and sick leave benefits in varying amounts. In the event of voluntary termination of an employee who is in good standing with the District an employee is entitled to receive accumulated vacation pay. If the employee has been with the District for less than 10 years they are also entitled to up to 20 days or 160 hours of unused accrued sick leave payout. If they have been with the

District for more than 10 years, they are entitled to up to 45 days or 360 hours of accrued unused sick leave payout.

All accumulated sick leave and compensatory time is accrued when incurred in the government-wide financial statements. Vested or accumulated compensatory time that is expected to be liquidated with expendable, available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it when it has matured. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

**Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance-continued
Stewardship, Compliance, and Accountability**

Program Revenue

Program revenue consists of assessments to taxing entities served by the appraisal district and late rendition penalties.

Budgetary Data

An annual budget is adopted on a basis consistent with generally accepted accounting principles for the general fund. The District holds a public hearing on the proposed budget prior to its adoption. All appropriations lapse at fiscal year-end.

The budget is legally enacted and once approved, can only be amended by approval of a majority of the Board members. Amendments are presented to the Board at its regular meetings.

Expenditures in Excess of Budgeted Amounts

The following is a summary of expenditures in excess of appropriations for the General Fund:

Activity	Expenditures	Budget	Variance
Salaries and Benefits	\$ 539,167	\$ 509,800	\$ (29,367)
Postage	23,255	5,000	(18,255)
Dues & Publications	8,528	6,000	(2,528)
Water, Garbage & Sewer	1,080	1,000	(80)
Liability/Fire Insurance (TML)	6,081	4,000	(2,081)
Annual Audit	20,500	5,500	(15,000)
Janitorial Services	3,840	3,800	(40)
Equipment Rental	20,086	7,500	(12,586)
Attorney & Legal Counsel	32,881	7,000	(25,881)

Use of Estimates

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

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2: DETAILED NOTES ON ALL FUNDS

Deposits

The District's balances were completely covered by federal deposit insurance or collateralized at December 31, 2025. The District's deposits are categorized to give an indication of the level of risk assumed by the District at fiscal year-end. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the District or by its agent in the District's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.

Category 3 - Uncollateralized.

Deposits categorized by level of risk for cash and cash equivalents are as follows:

Cash & Cash Equivalents	Bank Balance	Category			Carrying Amount
		1	2	3	
General fund	\$ 1,546,899	\$ 250,000	\$ 1,296,899	\$ -	\$ 1,546,899
Total	\$ 1,546,899	\$ 250,000	\$ 1,296,899	\$ -	\$ 1,546,899

Fund Balance

The District's unassigned fund balance represents excess revenues over costs to operate the appraisal activities since the District's inception. The balance is attributable to residual non-budgeted revenue and fund balance accumulated.

On April 21, 2000, the District's Board of Directors established a fund balance reserve for the District's mapping department. This reserve is funded from annual non-budgeted revenues consisting of interest income, map sales, copy sales, and other miscellaneous revenues. On December 31, 2025, the amount committed for the mapping department was \$612,943.

In Resolution 2008-01 dated December 18, 2008, the District's Board of Directors established a reserve for unexpected contingencies or emergencies not provided for in the annual budget. The reserve is funded by retaining a portion of annual operating surplus as determined by the Board of Directors after completion of each annual audit. As of December 31, 2025, the amount of general fund's fund balance committed for contingencies was \$534,375

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2: DETAILED NOTES ON ALL FUNDS – continued

Due to Taxing Entities

In 1989, the Texas Legislature amended the Texas Property Tax Code Section 6.06(j) to enact a provision that requires the Appraisal District to credit its budget surplus each year against payments to be received from taxing units in the following year. This provision was effective September 1, 1989. The surplus is to be credited in proportion to the contributions of the taxing units in the year for which there is a surplus. This provision does not apply to fund balances accumulated before 1989 or to non-budgeted revenues.

The District's 2025 surplus subject to the refund provisions of state law is calculated as follows:

Entity Quarterly Payments	\$ 1,025,000
Expenses	1,108,548
Less: legal expenditures charged to contingency fund	(32,558)
Less: amortization and depreciation expense	(50,347)
Change in compensated absences	1,356
Adjusted total expenses	<u>1,026,999</u>
Surplus due to taxing entities / Deficit no surplus due	<u>\$ (1,999)</u>

For the year ended December 31, 2025, the District had no excess funds to credit to participating taxing units. Accordingly, no surplus credit was required and no refund was due.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. There have been no significant reductions in insurance coverage during the year ending December 31, 2025.

The District is a member of the Texas Municipal League (TML) Intergovernmental Risk Pool, a public entity risk pool, participating in workers' compensation, general liability, law enforcement liability, errors and omissions liability, automobile liability, automobile physical damage, real and personal property coverage, and employee health insurance.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2: DETAILED NOTES ON ALL FUNDS – continued

Capital Assets

The following is a summary of the changes in the capital assets during the fiscal year:

<u>Primary Government</u>	<u>Balance 12/31/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2025</u>
<i>Governmental activities</i>				
Depreciable assets:				
Buildings	\$ 166,028	\$ -	\$ -	\$ 166,028
Furniture and Office Equipment	22,016	-	-	22,016
Equipment	148,795	-	-	148,795
Right-to-use software arrangements	102,123	-	-	102,123
Accumulated depreciation	(281,332)	(3,920)	-	(285,252)
Accumulated amortization	(46,427)	(46,427)	-	(92,854)
Governmental activities, net	111,203	(50,347)	-	60,856
Capital assets, net	<u>\$ 111,203</u>	<u>\$ (50,347)</u>	<u>\$ -</u>	<u>\$ 60,856</u>

Depreciation expense for governmental activities was charged to Functions/Programs as follows:

Buildings	\$ 3,920
Right-to-use software arrangements	<u>46,427</u>
Total depreciation expense	<u>\$ 50,347</u>

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2: DETAILED NOTES ON ALL FUNDS – continued

Retirement Plan

All eligible employees of the District, except those exempted by law are required to participate in the Panola county Appraisal District Money Purchase Pension Plan, a single employer defined contribution retirement plan, administered by Security Benefit. Employees are eligible for participation upon their date of hire. Then plan was created on March 1, 1981, and amended on January 1, 2005, and January 1, 2011, respectively.

Benefits depend upon the sum of contributions plus income earned in each participant's account, and all plan investments are participant-directed. The normal retirement age is 65. An employee is vested 100% after two years of service. However, participants that are part-time seasonal employees or temporary employees shall be 100% vested at all times. The plan also provides death and disability benefits.

The District contributes an amount equal to 13% of the participants' total compensation for the year. Contributions are funded each month. Employees are required to contribute 7% of their total compensation for the year.

The District's payroll for 2025, including auto allowances, was \$379,944, all of which was covered wages. Employee contributions were \$26,596 and District contributions were \$49,393.

Related Parties

In the ordinary course of business, the District has and expects to continue to have transactions with its employees and elected officials. In the opinion of management, such transactions were on substantially the same terms, including interest rates and collateral, as those prevailing at the time of comparable transactions with other persons and did not involve more than a normal risk of collectability or present any other unfavorable features to the District.

Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state and federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial. No reportable litigation was pending against the District as of December 31, 2025.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2: DETAILED NOTES ON ALL FUNDS – continued

Commitments

The District has entered into a service contract for facilities maintenance that extends through June 30, 2029. Under the terms of the agreement, the District is obligated to make fixed monthly payments totaling approximately \$420,000 over the remaining term of the contract. The contract may be terminated by either party upon 90 days' written notice; however, no termination penalty is stated in the agreement. Amounts incurred under this contract are reported as expenditures when the related services are received.

Long-Term Liabilities

Obligations currently outstanding as of December 31, 2025 and reported as liabilities of the District are comprised of the following:

<u>Governmental Activities</u>	<u>Balance 12/31/2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2025</u>	<u>Due Within One Year</u>
Compensated absences	\$ 21,312	\$ 1,356	\$ -	\$ 22,668	\$ 1,133
Right-to-use software arrangements	57,724	-	47,403	10,321	10,321
Total	<u>\$ 79,036</u>	<u>\$ 1,356</u>	<u>\$ 47,403</u>	<u>\$ 32,989</u>	<u>\$ 11,454</u>

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2: DETAILED NOTES ON ALL FUNDS – continued

Subscription-Based Information Technology Arrangements

The District implemented Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*, in fiscal year 2023. The District has two (2) software arrangements that require recognition under GASBS No. 96. The software amortization expense is included on the Statement of Revenues, Expenses and Changes in Fund Net Position related to the District's intangible asset of five software systems, which is included in the capital assets table as Intangible Right-to-Use Software Arrangements.

The District recognizes subscription-based information technology arrangement (SBITA) liabilities and intangible right-to-use assets for software as follows:

The Pritchard & Abbott Mass Appraisal Software and Collection arrangement is a two-year agreement, initiated in fiscal year 2024 with eight quarterly payments of \$9,988. At the inception, the District has used a 8.50% interest rate for this arrangement based on the prime rate as published by the Wall Street Journal. The District is likely to extend this agreement in the future. There is no option to purchase the software.

The Pritchard & Abbott ESRI Web App Mapping and GIS Software arrangement is a three-year agreement, initiated in fiscal year 2024 with twelve quarterly payments of \$2,375 for the first four quarters and \$2,719 for the subsequent quarters. At the inception, the District has used a 8.50% interest rate for this arrangement based on the prime rate as published by the Wall Street Journal. The District is likely to extend this agreement in the future. There is no option to purchase the software.

**PANOLA COUNTY APPRAISAL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 2: DETAILED NOTES ON ALL FUNDS – continued

Accounting Standards – continued

The GASB has issued the following Statements which will become effective in future years as shown below:

GASB Statement No. 103 – *“Financial Reporting Model Improvements.”* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The Statement will become effective for fiscal years beginning after June 15, 2025. Management has not yet determined the impact of this Statement on its financial statements.

GASB Statement No. 104 – *“Disclosure of Certain Capital Assets.”* The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The Statement will become effective for fiscal years beginning after June 15, 2025. Management has not yet determined the impact of this Statement on its financial statements.

GASB Statement No. 105 – *“Subsequent Events.”* The objective of this statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The Statement will become effective for fiscal years beginning after June 15, 2026

OMB Circular A-133 – State of Texas Single Audit Circular

The District did not expend \$750,000 or more in federal or state awards during 2025. As a result, a Single Audit in accordance with OMB Circular A-133 and the State of Texas Single Audit Circular was not required for the year ended December 31, 2025.

Subsequent Events

Management has evaluated subsequent events through June 17, 2026, which is the date the financial statements were made available to management.

Required Supplementary Information

**PANOLA COUNTY APPRAISAL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025**

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Assessments	\$ 1,123,900	\$ 1,123,900	\$ 1,025,000	\$ (98,900)
Interest income	-	-	56,323	56,323
Penalties and Interest	-	-	1,561	1,561
Miscellaneous	-	-	263	263
Total revenues	1,123,900	1,123,900	1,083,147	(40,753)
EXPENDITURES				
Personnel/Payroll/Benefits:				
Salaries and Benefits	509,800	509,800	539,167	(29,367)
Operating Expenditures:				
Office Supplies & Materials	60,000	60,000	31,349	28,651
Mapping Supplies/Deeds	2,000	2,000	795	1,205
Postage	5,000	5,000	23,255	(18,255)
Building Repair & Security	5,000	5,000	3,258	1,742
Dues & Publications	6,000	6,000	8,528	(2,528)
Travel & Educational Tuition	5,000	5,000	2,038	2,962
Telephone & Data Lines	7,000	7,000	5,588	1,412
Electricity	5,000	5,000	3,549	1,451
Water, Garbage & Sewer	1,000	1,000	1,080	(80)
Automobile Expense	33,000	33,000	-	33,000
Printing & Advertisement	3,000	3,000	2,638	362
Computer Supplies	2,000	2,000	1,661	339
Equipment Repair	500	500	31	469
Grounds Expense	1,500	1,500	1,030	470
Liability/Fire Insurance (TML)	4,000	4,000	6,081	(2,081)
Operating Expense Adjustment	3,000	3,000	-	3,000
Professional Services:				
Annual Audit	5,500	5,500	20,500	(15,000)
PTD Publications & Bonds	800	800	54	746
Janitorial Services	3,800	3,800	3,840	(40)
Appraisal Services (P&A)	342,000	342,000	341,300	700
Computer Consult/Data Hosting	40,000	40,000	826	39,174
Mapping Services (P&A)	12,000	12,000	-	12,000
Professional Service Adjustments	3,000	3,000	-	3,000
Mortgages and Agreements:				
Equipment Rental	7,500	7,500	20,086	(12,586)
Mtg & Agree Adjustment	2,000	2,000	-	2,000

**PANOLA COUNTY APPRAISAL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025**

Capital Outlay:				
Office Furniture & Fixtures	5,000	5,000	-	5,000
Office Equipment & Aerial Photos	1,000	1,000	-	1,000
New Construction & Imp Upgrade	1,000	1,000	-	1,000
Capital Outlay Adjustment	5,000	5,000	-	5,000
Board of Directors/Legal:				
Attorney & Legal Counsel	7,000	7,000	32,881	(25,881)
Board of Directors	1,000	1,000	598	402
Court Costs/Hearing Expense	10,000	10,000	-	10,000
BOD/Legal Adjustment	10,000	10,000	-	10,000
Appraisal Review Board (ARB):				
Attorney & Legal Counsel	2,000	2,000	-	2,000
Appraisal Review Board	5,000	5,000	4,286	714
ARB Postage	500	500	-	500
Court Costs/Hearing Expense	2,000	2,000	-	2,000
ARB Adjustment	5,000	5,000	-	5,000
Total expenditures	<u>1,123,900</u>	<u>1,123,900</u>	<u>1,054,419</u>	<u>69,481</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>28,728</u>	<u>28,728</u>
OTHER FINANCING SOURCES (USES)				
Right-to-use software arrangements:				
Debt service	-	-	(47,403)	(47,403)
Interest expense	-	-	(3,422)	(3,422)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(50,825)</u>	<u>(50,825)</u>
Excess (deficiency) of revenues & other sources over expenditures & other (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>(22,097)</u>	<u>\$ (22,097)</u>
Fund balance - beginning of year			<u>1,259,039</u>	
Fund balance - end of year			<u>\$ 1,236,942</u>	

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Compliance and Internal Control



DAVID K. GODWIN

CERTIFIED PUBLIC ACCOUNTANT, PLLC

INDEPENDENT AUDITOR'S 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

To the Chairman and Members of the Board of Directors
Panola County Appraisal District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Panola County Appraisal District (District), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 17, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

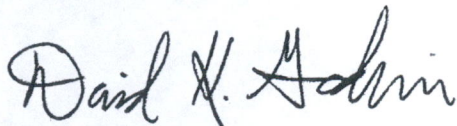
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 *Government Auditing Standards*.

Panola County Appraisal District's Response to Prior Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit and described in the accompanying schedule of prior findings and responses. The District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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



David K. Godwin, CPA, PLLC

Tyler, Texas

June 17, 2026

**PANOLA COUNTY APPRAISAL DISTRICT
SUMMARY SCHEDULE OF PRIOR FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025**

2024-001 Significant Deficiency

Recommendation 2024-001

In order to maintain integrity of the Appraisal District's financial infrastructure, a succession plan should be developed to ensure common processes and procedures for routine services can be performed by the Appraisal District in the event key personnel become unavailable to perform regular duties.

General effective continuity and succession planning activities often include cross training key personnel and/or identifying key responsibilities and essential processes to establish a formal listing of these activities (i.e., daily – authorization and approval of disbursements, monthly – bank reconciliations, quarterly – 941's filed, annually – 1099's filed).

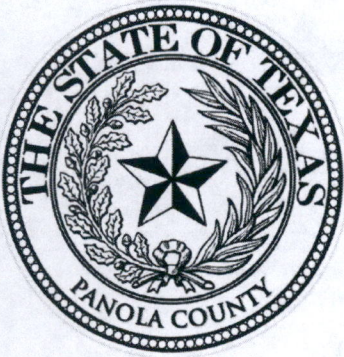
Corrective Action Plan

To ensure services functions are performed routinely, the Appraisal District will work with key personnel to outline their regular activities and develop a formal catalogue of essential processes.

Remediation Status

IN PROGRESS

2nd Quarter 2026



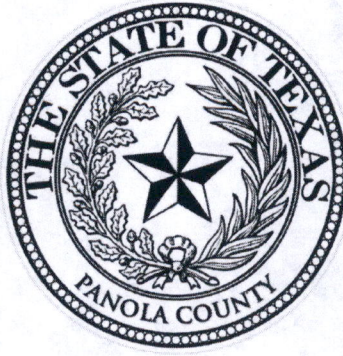
Panola County Investment Report

Presented to Commissioners Court by Abby Booker, Panola County Treasurer

Pursuant to both the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) and the County's Investment Policy, the County's designated investment officers are required to submit quarterly investment reports to the Commissioners Court. This report presents the County's investment activity for the quarter in fulfillment of those requirements.

Report Contents

1. Signature Page
2. Summary of Investments
3. CDs Purchased During the Quarter
4. CDs Matured During the Quarter



Panola County Investment Report

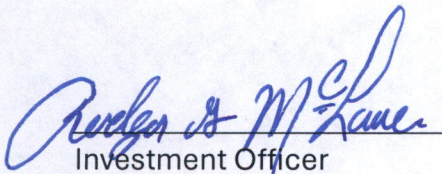
July 10, 2026

To: Commissioners Court

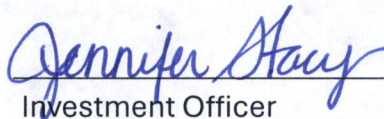
Re: Quarterly Investment Report, ending June 30, 2026

To the best of our knowledge and belief, the transactions reflected in this investment report are in compliance with the investment policy of Panola County and have been prepared in compliance with the Government Code, Subchapter A, Chapter 2256, Public Funds Investment Act.

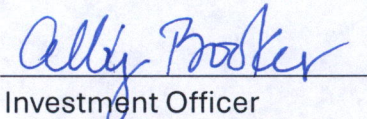
The undersigned hereby submits this report as required by law for the Panola County Commissioners' review and approval.



Investment Officer
Panola County Judge



Investment Officer
Panola County Auditor



Investment Officer
Panola County Treasurer

July 28, 2026
Date

July 28, 2026
Date

August 3, 2026
Date

Investment Summary

Quarter Ending June 30, 2026

Beginning Investment Balance - March 31, 2026	\$ 111,048,286.00
CDs Purchased (Q2 2026)	\$ 99,903,000.00
CDs Matured (Q2 2026)	<u>\$ (104,955,286.00)</u>
Ending Investment Balance - June 30, 2026	<u>\$ 105,996,000.00</u>

Interest Earnings

Interest Earned on Matured CDs (Q2 2026)	\$ 895,497.23
--	---------------

The market value of all investments is the same as the carrying value.

Summary of CD Purchases

	<u>Investments</u>	<u>Maturity</u>	<u>Int. Rate</u>
Purchase of CD No. 21304401347 on 4/28/2026		7/30/2026	2.835%
Retiree Trust	19,750,000.00		
Total Investment	19,750,000.00		
Purchase of CD No. 21304401348 on 4/28/2026		8/27/2026	2.835%
Retiree Trust	19,750,000.00		
Total Investment	19,750,000.00		
Purchase of CD No. 21304401349 on 04/28/2026		8/27/2026	2.835%
General Fund	17,500,000.00		
Law Library	38,000.00		
Courthouse Security	128,000.00		
Records Management	3,000.00		
CC Records Preservation	223,000.00		
Archive	37,000.00		
Justice Court Technology	43,000.00		
Road & Bridge	7,600,000.00		
FM & Lateral Road	1,661,000.00		
Hot Check Fee	11,000.00		
Sheriff's State Forfeiture	7,000.00		
DA State Forfeiture	4,000.00		
Child Protective Services	41,000.00		
Health Fund	2,276,000.00		
Airport	88,000.00		
Road Bond 1971	178,000.00		
Permanent Improvement	162,000.00		
Total Investment	30,000,000.00		
Purchase of CD No. 21304401350 on 04/28/2026		8/27/2026	2.835%
Juvenile Probation	50,000.00		
Title IV-E	100,000.00		
Local Match	200,000.00		
Total Investment	350,000.00		
Purchase of CD No. 21304401351 on 04/30/2026		9/30/2026	2.830%
General Fund	6,000,000.00		
Law Library	16,000.00		
Courthouse Security	59,000.00		
Records Management	3,000.00		
CC Records Preservation	180,000.00		
Archive	16,000.00		
Justice Court Technology	21,000.00		
Road & Bridge	1,500,000.00		

FM & Lateral Road	920,000.00
Hot Check Fee	10,000.00
Sheriff's State Forfeiture	5,000.00
Child Protective Services	65,000.00
Health Fund	1,300,000.00
Airport	40,000.00
Road Bond 1971	80,000.00
Permanent Improvement	70,000.00
Total Investment	10,285,000.00

Purchase of CD No. 21304401362 on 05/28/2026	8/27/2026	2.835%
General Fund	8,900,000.00	
Road & Bridge	2,900,000.00	
FM & Lateral Road	375,000.00	
Total Investment	12,175,000.00	

Purchase of CD No. 21304401379 on 06/30/2026	9/29/2026	2.905%
Retiree Trust	3,500,000.00	
Total Investment	3,500,000.00	

Purchase of CD No. 21304401378 on 06/30/2026	10/29/2026	3.000%
General Fund	3,888,500.00	
FM & Lateral Road	204,500.00	
Total Investment	4,093,000.00	

Summary of Matured CD's**Principal****Interest Earnings**

CD Matured 04/28/2026 (Purchased 12/30/2025)	29,032,000.00	
General Fund		159,679.25
Law Library		353.10
Courthouse Security		1,189.35
Records Management		27.88
CC Records Preservation		2,072.06
Archive		343.80
Justice Court Technology		399.55
Road & Bridge		64,577.87
FM & Lateral Road		15,433.65
Hot Check Fee		102.21
Sheriff's State Forfeiture		65.04
DA State Forfeiture		37.16
Child Protective Services		380.96
Health Fund		21,120.22
Airport		817.67
Road Bond 1971		1,653.94
Permanent Improvement		1,505.27
Total Interest Earnings as of 04/28/2026		269,758.98

CD Matured 04/28/2026 (Purchased 12/30/2025)	350,000.00	
Juvenile Probation		464.59
Title IV-E		929.18
Local Match		1,858.35
Total Interest Earnings as of 04/28/2026		3,252.12

CD Matured 04/28/2026 (Purchased 12/30/2025)	39,535,000.00	
Retiree Trust		367,350.56
Total Interest Earnings as of 04/28/2026		367,350.56

CD Matured 04/30/2026 (Purchased 01/29/2026)	11,070,286.00	
General Fund		44,053.98
Law Library		113.62
Courthouse Security		419.23
Records Management		21.32
CC Records Preservation		1,278.99
Archive		113.69
Justice Court Technology		149.22
Road & Bridge		14,805.22
FM & Lateral Road		6,548.79
Hot Check Fee		71.06
Sheriff's State Forfeiture		35.53
Child Protective Services		461.86
Health Fund		9,237.13
Airport		284.22
Road Bond 1971		568.44
Permanent Improvement		497.39
Total Interest Earnings as of 04/30/2026		78,659.69

CD Matured 05/28/2026 (Purchased 02/26/2026)	13,875,000.00	
General Fund		71,387.63
Road & Bridge		24,031.48
FM & Lateral Road		2,650.53
Total Interest Earnings as of 05/28/2026		98,069.64

CD Matured 06/30/2026 (Purchased 03/31/2026)	3,500,000.00	
Retiree Trust		24,738.29
Total Interest Earnings as of 06/30/2026		24,738.29

CD Matured 06/30/2026 (Purchased 03/31/2026)	7,593,000.00	
General Fund		42,104.57
Road & Bridge		10,117.96
FM & Lateral Road		1,445.42
Total Interest Earnings as of 06/30/2026		53,667.95

**PANOLA COUNTY EMERGENCY
SERVICES DISTRICT #1**

Financial Statements

**For the Year Ended
December 31, 2025**

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
December 31, 2025

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2025

As management of Panola County Emergency Services District No. 1 (the District), we are pleased to offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the year ended December 31, 2025. We encourage readers to consider it in conjunction with the additional information presented in the accompanying basic financial statements and the notes to the financial statements.

Financial Statements

- The net position of the District increased by \$471,772 as a result of the current year's operations. Net position at year end consisted of invested in capital assets, net of related debt, of \$2,505,776 and unrestricted net position of \$1,983,967 for a total net position of \$4,489,743.
- Total revenues from all sources were \$1,426,987 which represents an increase of \$73,373 over the prior year. This is due to an increase in property tax collections.
- Total costs of all programs were \$995,915 which represents an increase of \$145,144. This is due mainly to increased professional fees, depreciation, SCBA and PPE funds, as well as the addition of administrative payroll during the year.
- As of December 31, 2025, the District's governmental fund reported an ending fund balance of \$1,933,898, an increase of \$775,414.

Using this Annual Report

This annual report presents the following three components of the financial statements:

1. Government-wide financial statements provide information for the District as a whole.
2. Fund financial statements provide detailed information for the District's significant funds.
3. Notes to the financial statements provide additional information that is essential to understanding the government-wide and fund financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves. The other information includes this management's discussion and analysis as well as the budgetary comparison schedule.

Government-Wide Financial Statements

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

The *Statement of Net Position* presents information on all of the assets and liabilities of the District. The difference between assets and liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information on how the District's net position changed during the most recent fiscal year. This statement is presented using the accrual basis of accounting, which means that all of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

Both the Statement of Net Position and the Statement of Activities present information for the following:

Governmental activities—This includes all of the District's emergency protection services which will be primarily supported with property tax and sales tax revenues.

**PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
December 31, 2025**

The government-wide financial statements begin on page 8. The following is a summary of net position as of December 31, 2025:

**Table 1
Net Assets**

	Governmental Activities	
	12/31/2025	12/31/2024
Current and other assets	\$ 3,117,685	\$ 2,340,662
Capital assets, net	2,505,776	2,818,344
Total assets	<u>5,623,461</u>	<u>5,159,006</u>
Current liabilities	<u>48,988</u>	<u>59,306</u>
Deferred Inflows of Resources	<u>1,084,730</u>	<u>1,081,729</u>
Net position:		
Invested in capital assets, net of related debt	2,505,776	2,818,344
Unrestricted	<u>1,983,967</u>	<u>1,199,627</u>
Total net position	<u>\$ 4,489,743</u>	<u>\$ 4,017,971</u>

The following table is a summary of changes in net position:

**Table 2
Change in Net Assets**

	Governmental Activities	
	12/31/2025	12/31/2024
Revenues:		
Program revenues:		
Charges for services	\$ -	\$ -
Operating grants and contributions	42,886	3,825
Capital grants and contributions	-	30,607
General revenues:		
Property taxes	1,378,049	1,319,914
Interest income	42,752	36,353
Miscellaneous income	4,000	3,615
Total revenues	<u>1,467,687</u>	<u>1,394,314</u>
Expenses:		
General government	130,695	83,492
Public safety	<u>865,220</u>	<u>767,279</u>
Total expenses	<u>995,915</u>	<u>850,771</u>
Change in net position	471,772	543,543
Net position - October 1	<u>4,017,971</u>	<u>3,474,428</u>
Net position - September 30	<u>\$ 4,489,743</u>	<u>\$ 4,017,971</u>

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
December 31, 2025

Fund Financial Statements

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

The fund financial statements provide detailed information about the District's significant funds - not the District as a whole. The District's funds fall into one category - governmental fund.

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

The *governmental fund statements* provide a detailed short-term view of the government operations and the basic services it provided and are reported on the modified accrual basis of accounting which focuses on available spendable resources. This allows the reader to evaluate the District's short-term financing requirements. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to the government-wide financial statements.

The District adopts an annual budget for the general fund. A budgetary comparison schedule has been provided to demonstrate compliance with the budget. The governmental fund financial statements begin on page 10, and the budgetary comparison schedule is on page 20.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 through 18 of this report.

General Fund Budgetary Highlights

The District Commissioners did amend the budget during the fiscal year ended December 31, 2025.

Actual expenditures on a budgetary basis were fifty-two (52) percent below the budgeted expenditures due to the decreases in both capital outlay expenditures and fire department operating expenditures. The District's overall actual revenues were three (3) percent higher than budgeted revenues due to unbudgeted grant revenues.

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2025, amounts to \$2,505,776 (net of accumulated depreciation). This investment in capital assets includes machinery, equipment, vehicles and building & improvement.

	Capital Assets	
	Government Activities	
	(net of depreciation)	
	<u>12/31/2025</u>	<u>12/31/2024</u>
Machinery and equipment	\$ 1,982,276	\$ 2,265,257
Buildings and improvements	482,611	496,848
Construction in progress	-	15,350
Land	<u>40,889</u>	<u>40,889</u>
Total	<u>\$ 2,505,776</u>	<u>\$ 2,818,344</u>

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
December 31, 2025

During the fiscal year ended December 31, 2025, the District purchased SCBA units for Gary VFD, purchased equipment and a truck for Inter-Community VFD, and finished out a building for Clayton VFD. No assets were disposed of during the year.

Additional information on the District's capital assets can be found in Note 4 on page 17 of this report.

Debt Administration

As of December 31, 2025, the District had no debt obligations.

Economic Factors and Next Year's Budgets and Rates

The District's tax revenues are expected to remain constant in the next fiscal year. In the next fiscal year, the District will continue to fund the Volunteer Fire Departments as needed.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the money it receives from the citizens of Panola County Emergency Services District No. 1. If you have any questions about this report or need further information, contact Panola County Emergency Services District No. 1, P.O. Box 294, Carthage, TX 75633.

INDEPENDENT AUDITORS' REPORT

To The Commissioners
Panola County Emergency Services District No. 1

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Panola County Emergency Services District No. 1, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Panola County Emergency Services District No. 1's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Panola County Emergency Services District No. 1, as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Panola County Emergency Services District No. 1, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Panola County Emergency Services District No. 1's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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 Panola County Emergency Services District No. 1'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 Panola County Emergency Services District No. 1's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Oliver, Rainey & Wojtek, LLP

Oliver, Rainey & Wojtek, LLP
July 17, 2026

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
STATEMENT OF NET POSITION
As of December 31, 2025

	Primary Government	
	Governmental	
	Activities	Total
Asset:		
Deposits and investments	\$ 2,296,166	\$ 2,296,166
Certificates of Deposits	600,000	600,000
Taxes receivable (less of allowance of \$16,690)	50,069	50,069
Other receivables	85,620	85,620
Prepaid expenses	85,830	85,830
Capital assets, net	2,505,776	2,505,776
Total Assets	5,623,461	5,623,461
Liabilities		
Accounts payable	48,988	48,988
Total Liabilities	48,988	48,988
Deferred Inflow of Resources		
Unearned revenue - advance tax collections	1,084,730	1,084,730
Total Deferred Inflows of Resources	1,084,730	1,084,730
Net Position		
Invested in capital assets, net of related debt	2,505,776	2,505,776
Unrestricted assets	1,983,967	1,983,967
Total Net Position	\$ 4,489,743	\$ 4,489,743

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

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Change in Net Assets	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Activities	Total
Primary government:						
Governmental activities:						
General government	\$ 130,695	\$ -	\$ -	\$ -	\$ (130,695)	\$ (130,695)
Public safety	865,220	-	42,886	-	(822,334)	(822,334)
Total net (expense) revenue for governmental activities and the primary government	<u>\$ 995,915</u>	<u>\$ -</u>	<u>\$ 42,886</u>	<u>\$ -</u>	<u>(953,029)</u>	<u>(953,029)</u>
General Revenues:						
Taxes						
					1,378,049	1,378,049
					42,752	42,752
					4,000	4,000
					<u>1,424,801</u>	<u>1,424,801</u>
					471,772	471,772
					<u>4,017,971</u>	<u>4,017,971</u>
					\$ 4,489,743	\$ 4,489,743

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

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
BALANCE SHEET – GOVERNMENTAL FUND
As of December 31, 2025

	General Fund	Total Governmental Funds
Assets		
Deposits and investments	\$ 2,296,166	\$ 2,296,166
Certificates of deposits	600,000	600,000
Receivables		
Delinquent taxes(less of allowance of \$16,690)	50,069	50,069
Other receivables	85,620	85,620
Prepaid Expense	85,830	85,830
Total Assets	<u>3,117,685</u>	<u>3,117,685</u>
Liabilities		
Accounts payable	48,988	48,988
Total Liabilities	<u>48,988</u>	<u>48,988</u>
Deferred Inflows of Resources		
Unearned revenue - advance tax collections	1,084,730	1,084,730
Unavailable property taxes	50,069	50,069
Total Deferred Inflows of Resources	<u>1,134,799</u>	<u>1,134,799</u>
Fund Balance		
Unassigned	1,933,898	1,933,898
Total Fund Balance	<u>1,933,898</u>	<u>1,933,898</u>
Total Liabilities and Fund Balance	<u>\$ 3,117,685</u>	
Amounts reported for government activities in the Statement of Net Position are different because:		
Taxes from current and prior year levies assumed to be collectible are reclassified from deferred inflows of revenues.		50,069
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (See Note 4)		<u>2,505,776</u>
Net Position of Governmental Activities		<u>\$ 4,489,743</u>

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

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
GOVERNMENTAL FUND
For the Year Ended December 31, 2025

	General Fund	Total Governmental Funds
Revenues		
Property taxes	\$ 1,369,123	\$ 1,369,123
Grants and contributions	42,886	42,886
Investment earnings	42,752	42,752
Other revenues	4,000	4,000
	<u>1,458,761</u>	<u>1,458,761</u>
Total Revenues		
Expenditures		
Capital outlays	79,378	79,378
Fire department operating expenses	230,116	230,116
Fire marshal expenses	25,000	25,000
Insurance	91,642	91,642
Office and administration	8,956	8,956
Other contract services	34,000	34,000
PPE expenses	67,478	67,478
Professional fees	71,189	71,189
Repairs and maintenance	25,038	25,038
Tax assessment and collection	29,117	29,117
Travel and training	4,991	4,991
Wages and payroll taxes	16,442	16,442
	<u>683,347</u>	<u>683,347</u>
Total Expenditures		
Excess (Deficiencies) of Revenues Over (Under)		
Expenditures and Other (Uses)	775,414	775,414
Fund Balance, Beginning of Year	1,158,484	1,158,484
Fund Balance, End of Year	<u>\$ 1,933,898</u>	<u>\$ 1,933,898</u>

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

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND TO THE
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

Net Change in Fund Balance - Governmental Funds	\$ 775,414
Amount reported for governmental activities in the Statement of Activities are different because:	
The portion of tax revenue reported in the Statement of Activities that does not provide current financial resources is not reported as revenue in the governmental funds. The current adjustment reflects a net increase in the deferral of the revenue.	8,926
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This amount is the net effect of these differences in the treatment of capital assets and related items. (See Note 4)	<u>(312,568)</u>
Change in Net Position of Governmental Activities	<u>\$ 471,772</u>

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

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Panola County Emergency Services District No. 1 (the District) was created by an election held in 1996. The District operates under Article III, Section 48-e of the Texas Constitution and Chapter 775 of the Texas Health and Safety Code and is run by a Board of Commissioners appointed by the Panola County Commissioners Court. The District's major activities include providing emergency services to the residents of the District.

As required by U.S. generally accepted accounting principles, the financial statements of the reporting entity include those of the District (the primary government) and its component units. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in U.S. generally accepted accounting principles. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant indication of this ability is financial interdependency. Other indications of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. The District had no component units for the year ended December 31, 2025.

Government-Wide Financial Statements

The reporting model includes financial statements prepared using full accrual accounting for all the District's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter.

Statement of Net Position

The Statement of Net Position is designed to display the financial position of the primary government (governmental activities) and its discretely presented component units, if any. Governments will report all capital assets, including infrastructure, in the government-wide Statement of Net Position and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories: - 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Activities

The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the District's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

Fund Financial Statements

In the fund financial statements, financial transactions of the District are organized 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, and revenues and expenditures. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements are provided for the governmental funds.

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2025

Note 1 – Summary of Significant Accounting Policies – Continued

General Fund

The General Fund is the principal fund of the District which accounts for all financial transactions not accounted for in other funds. The District had no other funds for the year ended December 31, 2025.

Fund Balance Classification

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to ordinances passed by the Board, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through ordinances approved by the District's Board.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance.
- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy as unassigned.

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

The District has not officially adopted a minimum fund balance policy.

Budgetary Comparison Schedules

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the current reporting model, governments will provide budgetary comparison information in their annual reports. The District is required to present the original budget with the comparison of the final budget and actual results. The budget is adopted by the Board prior to the beginning of the fiscal year. Amendments are made during the year on approval by the Board. The District adopted the current year budget on a line-item basis.

Basis of Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2025

Note 1 – Summary of Significant Accounting Policies – Continued

Government-Wide and Fund Accounting

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. As of December 31, 2025, the District had no business-type activities.

In the government-wide Statement of Net Position, the governmental activity columns are to be presented on a consolidated basis by column, and are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety), which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety). The District does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

In the fund financial statements, financial transactions of the District are organized 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, and revenues and expenditures. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The governmental fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements with the governmental column of the government-wide presentation.

The focus of the reporting model is on the District as a whole and the fund financial statements, including the major individual funds of the governmental categories, and the component units (if any). Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

Basis of Accounting

Basis of accounting refers to the method by which revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide statement of net position and statement of activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are included on the statement of net position.

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2025

Note 1 – Summary of Significant Accounting Policies – Continued

All revenue and expenditure recognition for governmental funds are accounted for using the modified accrual basis of accounting. 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. The District’s revenues are recognized when they become measurable and available as current assets. Available means collectible within the current year or as soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal year. Penalties and interest, and miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Estimates

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

Deposits and Investments

The District’s investment guidelines are defined by a written investment policy that is approved by the District’s Board. In accordance with this policy, the funds are invested, and the investments of those funds managed, as a prudent investor would do, exercising reasonable care, skill and caution.

Capital Assets

Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements of the District. Depreciation is recorded on general fixed assets on a government-wide basis. All fixed assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated. Depreciation is computed using the straight-line method.

The District’s capitalization policy includes real or personal property with a value equal to or greater than \$5,000 and has an estimated life of greater than one year. Maintenance, repairs, and minor equipment are charged to operations when incurred. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

Estimated useful lives for depreciable assets are as follows:

Machinery and equipment	8-10 years
Buildings and improvements	8-22 years

Deferred Outflows/Inflows of Resources

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

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2025

Note 1 – Summary of Significant Accounting Policies – Continued

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Net delinquent taxes receivable as of December 31, 2025, are recorded as deferred revenue. Also by policy, any current taxes collected between October 1 and December 31 in the current year are not available for use until January 1 of the next year. These advance collections are recorded as deferred inflows of resources.

Note 2 – Property Taxes

The District's property tax is levied each October 1 on the assessed value listed as of the previous January 1 for all real property located in the District. The tax levy for October 2024 was \$1,386,444.

The tax assessment of October 1, 2024, sets the tax levy at \$0.03 per \$100 of assessed valuation.

Delinquent property taxes estimated to be collectible within the next fiscal year are recognized as revenues. Other delinquent property taxes receivable at year end that are deemed to be ultimately collectible are recorded as deferred revenues.

Note 3 – Deposits and Investments

As of December 31, 2025, cash deposits were with a depository bank in interest bearing accounts, and these balances approximated fair value. As of the balance sheet date, the District's deposits are comprised of demand deposits of \$2,296,166 and certificates of deposits in the amount of \$600,000.

At December 31, 2025 all of the District's balances are either insured by the FDIC or are collateralized by registered securities held by the bank's trust department in the District's name.

Custodial Credit Risk: The custodial credit risk for deposits is the risk that, in the event of the failure of the depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's policy requires all deposits to be fully secured in accordance with Texas Government Code, Chapter 2257, by either surety bonds, letters of credit of the United States or its agencies and instrumentalities, or by eligible securities held by an independent third-party custodian. At December 31, 2025, all District cash balances were secured.

Note 4 – Changes in Capital Assets

Changes in general fixed assets during the year ended December 31, 2025, were as follows:

	Balance October 1, 2024	Increase	Decrease	Balance September 30, 2025
Capital Assets				
Machinery and Equipment	\$ 8,296,943	\$ 70,978	\$ -	\$ 8,367,921
Buildings and improvements	930,248	23,750	-	953,998
Construction in Progress	15,350	-	15,350	-
Land	40,889	-	-	40,889
Total Capital Assets	9,283,430	94,728	15,350	9,362,808
Less accumulated depreciation	(6,465,086)	(391,946)	-	(6,857,032)
Capital Assets, Net	<u>\$ 2,818,344</u>	<u>\$ (297,218)</u>	<u>\$ 15,350</u>	<u>\$ 2,505,776</u>

Current year depreciation expense of \$391,946 was charged to public safety expenses.

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
December 31, 2025

Note 5 - Commitments

During the course of routine business of the District, contracts and agreements are entered into for various products and services. Although appropriations lapse at the end of the budget year, the District intends to honor any existing commitment and provide for future expenditures by inclusion in the next budget period.

In March 2022, the District entered a cost-sharing agreement with Panola County to fund expenses related to the creation of a Fire Marshall/Emergency Management Coordinator position. The District will provide \$25,000 per year to Panola County to supplement the wages of the position and will provide additional funds for equipment as needed.

The District has entered into contracts with the City of Carthage, City of Tatum, and seven Volunteer Fire Departments (VFDs), which include Flatwoods, Inter Community, Woods, Clayton, Beckville, Community Four, and Gary VFDs, for the provision of fire protection and prevention services to the residents of the District. The departments have agreed to provide emergency services to all persons and property within the emergency services district, including response to life-threatening emergencies and rescue calls by making available adequate staff and administrative assistance.

Amounts to be paid to the volunteer fire departments shall be disbursed at the discretion of the Commissioners and may include expenses for operations and other expenditures approved by the District for maintaining emergency services within the District. If at any time a Department is dissolved or the agreement is terminated by either party, any assets purchased wholly or in part with funds from the ESD shall be immediately transferred to another Department contracted by the ESD or to the ESD at its sole discretion. The following is a summary of the payments to the various VFDs, or on behalf of the VFDs, during the year.

Inter-Community VFD	\$	27,725
Flatwoods VFD		35,551
Woods VFD		17,637
Clayton VFD		32,920
Beckville VFD		56,474
Gary VFD		26,820
Community Four VFD		32,989
	\$	<u>230,116</u>

Note 6 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude a significant uninsured loss to the District. At no time during the last three fiscal years have claims exceeded commercial coverage.

Note 7 – Subsequent Events

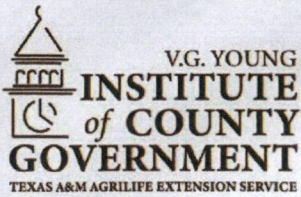
Subsequent to year end, the District and several of the supported volunteer fire departments received grants for approximately \$350,000 for various equipment and a vehicle.

The District did not have any other subsequent events through July 17, 2026, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the fiscal year ended December 31, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2025

	General Fund			Variance with Final
	Budget		Actual Amounts	Final Budget
	Original	Final	Budgetary Basis	Positive (Negative)
Revenues				
Property taxes	\$ 1,389,320	\$ 1,389,320	\$ 1,369,123	\$ (20,197)
Grants and contributions	-	-	42,886	42,886
Investment earnings	30,000	30,000	42,752	12,752
Other revenues	-	-	4,000	4,000
Total Revenues	1,419,320	1,419,320	1,458,761	39,441
Expenditures				
Capital outlays	-	149,218	79,378	69,840
Contingency	656,320	94,802	-	94,802
Fire department operating expenses	394,000	594,000	230,116	363,884
Fire marshal expenses	25,000	25,000	25,000	-
Insurance	80,000	120,000	91,642	28,358
Office and administration	8,000	24,200	8,956	15,244
Other contract services	34,000	34,000	34,000	-
PPE expenses	124,000	144,000	67,478	76,522
Professional fees	68,000	108,000	71,189	36,811
Repairs and maintenance	-	40,000	25,038	14,962
Tax assessment and collection	26,000	49,100	29,117	19,983
Travel and training	4,000	14,000	4,991	9,009
Wages and payroll taxes	-	23,000	16,442	6,558
Total Expenditures	1,419,320	1,419,320	683,347	735,973
Excess (Deficiencies) of Revenues Over (Under) Expenditures and Other (Uses)	\$ -	\$ -	775,414	\$ 775,414
Fund Balance, Beginning of Year			1,158,484	
Fund Balance, End of Year			\$ 1,933,898	



CERTIFICATE

OF COMPLETION

THE V.G. YOUNG INSTITUTE OF COUNTY GOVERNMENT AWARDS THIS CERTIFICATE TO

Billy Alexander

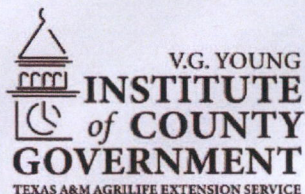
FOR SUCCESSFULLY COMPLETING 16 HOURS OF EDUCATIONAL TRAINING DURING THE
68th Annual VG Young School for County Commissioners Courts
Bryan, TX

Peter J. McGuill, Ph.D., Director
V.G. Young Institute of County Government

Hon. Kirk Frye, President
County Judges and Commissioners Association of Texas

Rick Avery, Ph.D., Director
Texas A&M AgriLife Extension Service

February 17-19, 2026



CERTIFICATE

OF COMPLETION

THE V.G. YOUNG INSTITUTE OF COUNTY GOVERNMENT AWARDS THIS CERTIFICATE TO

David Cole

FOR SUCCESSFULLY COMPLETING 16 HOURS OF EDUCATIONAL TRAINING DURING THE

68th Annual VG Young School for County Commissioners Courts

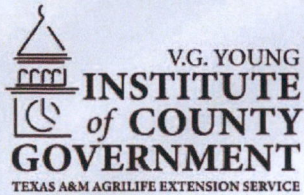
Bryan, TX

Peter J. McGuill, Ph.D., Director
V.G. Young Institute of County Government

Hon. Kirk Frye, President
County Judges and Commissioners Association of Texas

Rick Avery, Ph.D., Director
Texas A&M AgriLife Extension Service

February 17-19, 2026



CERTIFICATE

OF COMPLETION

THE V.G. YOUNG INSTITUTE OF COUNTY GOVERNMENT AWARDS THIS CERTIFICATE TO

Craig Lawless

FOR SUCCESSFULLY COMPLETING 16 HOURS OF EDUCATIONAL TRAINING DURING THE

68th Annual VG Young School for County Commissioners Courts

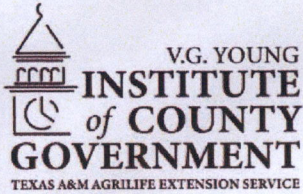
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Peter J. McGuill, Ph.D., Director
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Hon. Kirk Frye, President
County Judges and Commissioners Association of Texas

Rick Avery, Ph.D., Director
Texas A&M AgriLife Extension Service

February 17-19, 2026



CERTIFICATE

OF COMPLETION

THE V.G. YOUNG INSTITUTE OF COUNTY GOVERNMENT AWARDS THIS CERTIFICATE TO

Glen Dale LaGrone

FOR SUCCESSFULLY COMPLETING 16 HOURS OF EDUCATIONAL TRAINING DURING THE

68th Annual VG Young School for County Commissioners Courts

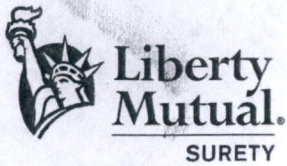
Bryan, TX

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V.G. Young Institute of County Government

Hon. Kirk Frye, President
County Judges and Commissioners Association of Texas

Rick Avery, Ph.D., Director
Texas A&M AgriLife Extension Service

February 17-19, 2026



Richard H. Thomas Inc.
PO Box 430
Carthage, Texas 75633-0430

James Robert Duncan
1406 Co Rd 435
Tenaha, Texas 75974

National Bond Center
350 E. 96th Street
Indianapolis, Indiana 46240
+1 (888) 8442663 Fax: +1 (866) 5474883

Agent Telephone: 903-693-3831
Bond Number: 999276036
Cross Reference:

FILED FOR RECORD
IN MY OFFICE

AT 00 O'CLOCK P M

JUL 30 2026

BOBBIE DAVIS
COUNTY CLERK, PANOLA COUNTY, TEXAS
BY B. Davis DEPUTY

We appreciate having you as a Liberty Mutual customer and we would like to thank you for allowing us to serve your bonding needs. This letter is to confirm Liberty Mutual Surety has received payment for your renewing bond.

The effective date of your renewing bond begins 07/24/2026.

Please review the enclosed documents for accuracy. You must remit the original of the New Bond and any supporting documents required to your Obligee.

If you have any questions regarding this bond or would like to discuss your future bond needs, please contact your Liberty Mutual agent.

Again, thank you for entrusting us with your bonding needs.

Sincerely,
National Bond Center

For additional information regarding Liberty Mutual insurance products, please visit www.libertymutual.com



POWER OF ATTORNEY

The Ohio Casualty Insurance Company

Principal: James Robert Duncan

Agency Name: Richard H. Thomas Inc.

Bond Number: 999276036

Obligee: Panola County

Bond Amount: (\$5,000.00) Five Thousand Dollars And Zero Cents

KNOW ALL PERSONS BY THESE PRESENTS: that The Ohio Casualty Insurance Company, a corporation duly organized under the laws of the State of New Hampshire (herein collectively called the "Company"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint **Carolyn Banks** in the city and state of **Seattle, WA**, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Company in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of the Company has been affixed thereto this 8th day of July, 2026.



The Ohio Casualty Insurance Company

By:

Nathan J. Zangerle

Nathan J. Zangerle, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 8th day of July, 2026, before me personally appeared Nathan J. Zangerle, who acknowledged himself to be the Assistant Secretary of The Ohio Casualty Insurance Company and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Commonwealth of Pennsylvania - Notary Seal
Teresa Pastella, Notary Public
Montgomery County
My commission expires March 28, 2029
Commission number 1126044
Member, Pennsylvania Association of Notaries

By:

Teresa Pastella

Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-law and Authorizations of The Ohio Casualty Insurance Company, which is now in full force and effect reading as follows:

ARTICLE IV – OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes Nathan J. Zangerle, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature or electronic signatures of any assistant secretary of the Company or facsimile or mechanically reproduced or electronic seal of the Company, wherever appearing upon a certified copy of any power of attorney or bond issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, of The Ohio Casualty Insurance Company do hereby certify that this power of attorney executed by said Company is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Company this 8th day of July, 2026.



By:

Renee C. Llewellyn

Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

For bond and/or Power of Attorney (POA) verification inquiries, please call 610-832-8240 or email HOSUR@libertymutual.com.



PUBLIC OFFICIAL BOND

Liberty Mutual Surety
Attention: LMS Claims
P.O. Box 34526
Seattle, WA 98124
Phone: 206-473-6700
Fax: 866-442-4060
Email: HOSCL@libertymutual.com
<https://claims-intake.libertymutualsurety.com>

KNOW ALL MEN BY THESE PRESENTS:

No. **999276036**

That we James Robert Duncan

of 1406 Co Rd 435, Tenaha, TX 75974

(Insert Full Name [top line] and Address [bottom line] of Principal)

, as Principal and The Ohio Casualty Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire, (hereinafter called the Surety, are held and firmly bound unto Panola County

County Auditors Office Rm 213A, Carthage, TX 75633

(Insert Full Name [top line] and Address [bottom line] of Obligee)

in the aggregate and non-cumulative penal sum of Five Thousand Dollars And Zero Cents

(\$5,000.00)

DOLLARS, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the said Principal has been elected or appointed to (or holds by operation of law) the office of Reserve Deputy Constable Pct. 2&3

for a term

beginning on July 24, 2026 and ending on July 24, 2027.

Now, therefore, the condition of this Obligation is such that if the said Principal shall well, truly and faithfully perform all official duties required by law of such official during the term aforesaid, then this obligation shall be void; otherwise it shall remain in full force and effect, subject to the following conditions:

First: That the Surety may, if it shall so elect, cancel this bond by giving thirty (30) days notice in writing to Panola County

County Auditors Office Rm 213A, Carthage, TX 75633

and

this bond shall be deemed canceled at the expiration of said thirty (30) days, the Surety remaining liable, however, subject to all the terms, conditions and provisions of this bond, for any act or acts covered by this bond which may have been committed by the Principal up to the date of such cancelation; and the Surety shall, upon surrender of this bond and its release from all liability hereunder, refund the premium paid, less a pro rate part thereof for the time this bond shall have been in force.

Second: That the Surety shall not be liable hereunder for the loss of any public moneys or funds occurring through or resulting from the failure of, or default in payment by, any banks or depositories in which any public moneys or funds have been deposited, or may be deposited, or placed to the credit, or under the control of the Principal, whether or not such banks or depositories were or may be selected or designed by the Principal or by other persons; or by reason of the allowance to, or acceptance by the Principal of any interest on said public moneys or funds, any law, decision, ordinance or statute to the contrary notwithstanding.

Third: That the Surety shall not be liable for any loss or losses, resulting from the failure of the Principal to collect any taxes, licenses, levies, assessments, etc., with the collection of which he may be chargeable by reason of his election or appointment as aforesaid.

SIGNED, SEALED and DATED July 8, 2026

James Robert Duncan

The Ohio Casualty Insurance Company



By:

Carolyn Banks

Attorney-in-Fact

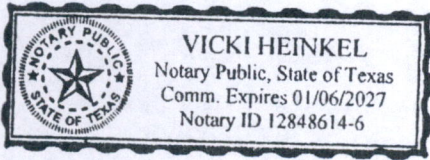
OATH OF OFFICE

STATE OF TEXAS }
County of PANOLA } SS

I, James Robert Duncan,
do solemnly swear (or affirm) that I will support, protect and defend the Constitution of The United States and the Constitution of the
State of Texas and that I will discharge the duties of my office of Reserve Deputy Constable, Pct 2&3
with fidelity; that I have not
paid or contributed, or promised to pay or contribute, either directly or indirectly, any money or other valuable thing to procure my
nomination or election (or appointment), except for necessary and proper expenses expressly authorized by law; that I have not
knowingly violated any election law of this State, or procured it to be done by others in my behalf; that I will not knowingly receive,
directly or indirectly, any money or other valuable thing for the performance or non-performance of any act or duty pertaining to my
office than the compensation allowed by law. So help me God.

James R Duncan

Sworn to and subscribed before me this 20th day of July, 2026



Vicki Heinkel

Invoice

Jul 20th, 2026

Balance Due: \$16,723.58



Invoice #: 2931

Project #: 3640

Customer: Tommy Earl

Organization: Panola County

Project: Panola County Sabine St Annex

Quotes:

Address: 316 W Sabine Street, Carthage, TX
75633

Company: M and M Roofing Texas, LLC

Representative: Cody Courtney

Phone: (903) 690-7278

Email: codycourtney@mandmroofingtexas.com

Address: 1308 Paul Avenue, Lufkin, TX 75901

053992

Atlas Pinnacle Impact (Class 4)

\$14,923.58

Offered in a wide variety of gorgeous color options, Atlas Pinnacle® Pristine architectural shingles complement any home's exterior. Together, with Class 3 impact resistance, a warranty that covers damage from winds up to 130 mph and the power of Scotchgard™ Protector, your roof will provide superior protection and maintain its beautiful curb appeal for many years to come.

Additional Labor

\$1,800.00

Soffit vent installation

Cut nails under metal edge trim

Memo: Thank you for your business!

Total	\$16,723.58
Amount Due	\$16,723.58
Already Paid	\$0.00
Balance	\$16,723.58

256

Pay Online

proline.app/invoice/8aegfg3xu

Pay Check

Place check in sealed envelope. Write the invoice number you are paying in the memo field. Mail or deliver to the address below.

Make check to: M and M Roofing
Texas, LLC

Address: 1308 Paul Avenue, Lufkin,
TX 75901

Pay Cash

Place cash in sealed envelope with your name, project name, and invoice number you are paying. Hand delivery required. Please do not mail cash.

Address: 1308 Paul Avenue, Lufkin,
TX 75901

If you have any questions/concerns about this invoice, please contact Cody Courtney with M and M Roofing Texas, LLC using the contact information listed above.

Senate Bill 224 Grant Application for 2027

**The Application was submitted by Rodger McLane at 5/7/2026 2:29:57 PM and is now locked.
The confirmation Number is 2026050702845.**

Primary Agency / Grantee Legal Name: *Panola County*
Organization Type: *Law Enforcement*
Organization ORI (if applicable): *TX1830000: PANOLA CO SO*

Program Title Please enter a short description of the proposed program that can be used as the title.
Combating catalytic converter theft in Panola County with FlockSafety cameras

Application Category (See **Request for Applications [RFA]** for category details and descriptions RFA Priority Funding Section):

- ☐ **Continued Grant** - Only available to agencies that have a 2026 grant. These are annual competitive grants for the program described in the application. The program must be submitted for substantially the same program as the previous year. The requested funds, match funds, and in-kind match must be within 5% of the previous year but in any event may not go below the 20% minimum cash match requirement. The number of staff positions must be within 5% of the total positions. Awarded activities are funded on a reimbursement basis.
- ☐ **Modified Grant** - Only available to agencies that have a 2026 grant. The grantee will only enter the portion with a difference more or less than 5% of their current grant. These are annual competitive grants that require a minimum cash match of 20% for the program described in the application. Awarded activities are funded on a reimbursement basis

MVCPA Program Category (see **RFA** and **TAC 43, 3 §57.14**). Check all that apply.

- ☒ Law Enforcement, Detection and Apprehension
- ☐ Prosecution, Adjudication and Conviction
- ☐ Reduction of the Theft of Catalytic Converters
- ☐ Education Programs and Marketing

Taskforce Grant Participation and Coverage Area

Provide a General Description of the Participating and Coverage Area of this Grant Application

The cameras operated by Panola County Sheriff's Office will provide coverage within Panola County, Texas and around the City of Carthage, Texas.

Define in the tables below the grant relationships and geographic area of the Catalytic Converter program:

Applicant will add the participating and coverage agencies from the ORI list below. If an agency is not in the ORI list, please include the agency and role in the general description above. Make sure to follow the definitions below and select an agency in the dropdown. Use the *Add as Participating Agency* or *Add as Coverage Agency* button to populate the list.

Participating Agencies are agencies that materially participate in the grant application through the exchange of funds for reimbursement and cash match. Participating agencies are defined after the grant award by interlocal/interagency agreements. Each applicant must select their own agency first. Then select agencies that will receive or provide funding and/or resources. [Note: Interlocal/interagency agreements do not need to be submitted with the application. Interlocal agreements will need to be executed prior to the first payment being made if selected for a grant. Letters of support with the application from the participating agencies are strongly recommended.]

Coverage Agencies are agencies that provided some level of coverage, assistance or support by this grant application but will not materially exchange funds as cash match or reimbursement. The coverage is not supported by an after the award with interlocal/interagency agreements. Coverage agencies as law enforcement agencies may have jurisdictional coverage agreements unrelated to the grant (Ex. City Y is within County X or vice versa). Agencies selected in this list include agencies that will be

covered or where the agency indicates that their agency will coordinate or call upon the program. Letters of support with the application from the participating agencies are strongly recommended.

Participating Agencies	Coverage Agencies
TX1830000 PANOLA CO SO	TX1830100 CARTHAGE PD (AE)
	TX2011100 TATUM PD

- ☐ **Other Coverage** (Use if ORI not listed or explanation is necessary.):
 No text provided.
- ☐ **National Insurance Crime Bureau (NICB)** Used as Match (Documentation and time certification required.)
- ☐ **Texas Department of Public Safety (DPS)**
- ☐ **Other State or Federal Agency** (specify:)

Resolution: Complete a Resolution and submit to local governing body for approval. *Sample Resolution* is found in the Request for Application or send a request for an electronic copy to grantsMVCPA@txdmv.gov. The completed and executed Resolution must be attached to this on-line application.

Grant Budget Form

MVCPA recommends that the applicant complete the total costs (MVCPA and Cash Match combined) for this program. The applicant can then enter the desired amount of Cash Match (not less than 20% per TAC Title 43, Â§57.36). The system will then calculate the correct grant and match amounts.

Budget Entry Option:

- ☒ Enter Total and let system calculate MVCPA Funds and Cash Match, Match Percentage: 20%
- ☐ Enter MVCPA and Cash Match Amounts

Click on category name to edit budget detail for that category.

Budget Category	MVCPA Expenditures	Cash Match Expenditures	Total Expenditures	In-Kind Match
Personnel				
Fringe				
Overtime				
Professional and Contract Services				
Travel				
Equipment				
Supplies and Direct Operating Expenses (DOE)	\$82,500	\$16,500	\$99,000	
Total	\$82,500	\$16,500	\$99,000	
Cash Match Percentage		20.00%		

Description	Subcategory Pct Time	MVCPA Funds	Cash Match	Total	In-Kind Match
	Personnel				
Total Personnel					
	Fringe				
Total Fringe					
	Overtime				
Total Overtime					
	Professional and Contract Services				
Total Professional and Contract Services					
	Travel				
Total Travel					
	Equipment				
Total Equipment					
	Supplies and Direct Operating Expenses (DOE)				

Description	Subcategory Pct Time	MVCPA		Total	In-Kind Match
		Funds	Cash Match		
Flock Safety LPR Camera bundle and service (19)		\$82,500	\$16,500	\$99,000	
Total Supplies and Direct Operating Expenses (DOE)		\$82,500	\$16,500	\$99,000	

Budget Narrative

G. Supplies and Direct Operating Expenses (DOE)

The Flock Safety Platform we plan to implement will include an LPR trailer bundle and nineteen (19) individual, pole mounted Flock Safety LPR Falcon cameras with included subscriptions. The total cost of cameras and subscription service is quoted at \$67,000. The subscription is annually recurring. Total cost of the camera project will be \$92,250 the first year.

Revenue

Indicate Source of Cash and In-Kind Matches for the proposed program. Click on links to go to match detail pages for entry of data.

Cash Match

Source of Cash Match

Panola County	Grantee	\$16,500
Total Cash Match		\$16,500

In-Kind Match

Statistics to Support Grant Problem Statement

Reported Cases	2025	2026
Jurisdiction	Catalytic Converter Theft	Catalytic Converter Theft
Panola County	28	7

[Add/Edit Statistics](#)

Application Narrative

Grant Introduction (Executive Summary) and General Information

- 1.1 Briefly describe the organization and program operation. Provide a high level summary to the application and how it will affect the local community. (500 words or less)

The Panola County Sheriff's Office (PCSO) is the primary law enforcement agency serving the residents of Panola County, Texas. PCSO is responsible for patrol operations, criminal investigations, jail administration, and coordination with local, state, and federal partners to ensure public safety across a largely rural jurisdiction. In 2025 PCSO successfully applied for the SB224 Catalytic Converter grant through the Texas Motor Vehicle Crime Prevention Authority. The goal of that project was establish a searchable video network that would integrate with participating surrounding agencies across the State and the Northeast Texas region to proactively combat catalytic converter theft as well as other types of motor vehicle related crimes. Panola County was awarded grant funds and in September 2025 began working with Flock Safety to install nineteen Flock cameras at key locations in Panola County and around the City of Carthage. These cameras are designed to capture vehicle data, enabling law enforcement to identify suspect vehicles and travel patterns, and develop investigative leads. The installation process for the cameras has extended beyond initial projections. While the progress has been slowed due to permitting requirements, the project is still forging ahead. At this time, all necessary permits have been obtained and installation is entering the scheduling phase. Once operational, the ALPR system will provide Panola County with a critical tool to proactively address vehicle-related crime. Our project goal for fiscal year 2027 is to see the renewal of our service contract with Flock safety and continue the operation of the installed cameras in Panola County. This continuation will see the first full year of active system use, allowing PCSO to generate measurable outcomes in crime reduction, suspect identification, and case clearance. Continued funding will support system access, data management, and ongoing operational use of the ALPR network. PCSO expects this program to deter catalytic converter theft, strengthen investigations, and support interagency collaboration. By building on an existing investment, PCSO will deliver measurable public safety benefits to the community.

- 1.2 Describe the taskforce governing, organization and command structures. Include a description of the nature of support and agreements that will be in place if the grant is awarded. Provide any details unique to the taskforce organization or geographical target area. Describe whether any part of this grant will be directed to serve a specific target population (or subset of the community)?

The Panola County Sheriff's Office (PCSO) will serve as the lead agency for this project, with overall responsibility for program administration, fiscal management, and operational oversight. The program will operate under the direction of the Sheriff or his designee, with day-to-day coordination assigned to the Criminal Investigative Division. This structure ensures clear lines of authority and accountability. This Criminal Investigative Division (CID) is comprised of five investigators who are supervised by the CID Lieutenant. The CID Lieutenant will also have the full support of the Lieutenant of the Patrol Division to ensure rapid response to criminal events. These supervisors and investigators will regularly work alongside law enforcement partners with other agencies including: the Texas Department of Public Safety, Texas Rangers, and special agents from multiple Federal agencies which will increase the effectiveness of this project to have a significant reduction on property crimes involving motor vehicles in and around Panola County. PCSO anticipates that investigators and supervisors will utilize the system to regularly to assist the Carthage Police

Department with their investigations as well. As the largest law enforcement agency operating within Panola County, officers with the Panola County Sheriff's Office are tasked with covering an area of over 800 square miles and providing services to a population of over 20,000 people. There are two major traffic corridors (US HWY 59 and US HWY 79) that intersect in the city of Carthage, the largest city in Panola County. The US 59 Loop around the city of Carthage is the location for multiple car dealerships and oil field service companies that regularly have a large stock of vehicles on their lots throughout the day and night. These businesses have been repeatedly targeted by auto thieves and catalytic converter thieves, and the threat of vehicle related crimes extends to the citizens inside the city limits as well. By focusing on vehicle-based crimes, the project addresses offenses that impact a broad cross-section of the population while improving overall public safety and deterrence throughout the county.

Grant Problem Statement

- 2.1 Provide an assessment of the Catalytic Converter Theft problem in the coverage area of this application. Include loss data consistent with the reported incident numbers above.

Common preventable factors such as unlocked doors and keys left in vehicles allow vehicle and catalytic converter theft to remain an easy opportunity for offenders. Catalytic converter theft and related vehicle burglaries continue to occur throughout all precincts of Panola County, impacting both residential neighborhoods and rural properties. Many of these offenses occur in coordinated "spree" patterns, in which multiple vehicles at different locations are targeted within a single night. This behavior is consistent with organized theft activity believed to operate intermittently across the East Texas region. Due to the county's rural geography, limited surveillance infrastructure, and extended law enforcement response times in remote areas, offenders are able to exploit vulnerabilities in isolated communities. These conditions make Panola County an attractive target for transient criminal groups that rely on speed, mobility, and low detection risk. Based on current incident patterns and historical data, catalytic converter theft and related vehicle crimes are expected to remain a threat without enhanced investigative tools and real-time detection capabilities. The continued investment in Automated License Plate Reader (ALPR) technology is therefore critical to improving identification of suspect vehicles, disrupting organized theft activity, and strengthening overall crime prevention efforts within the county. By the time the new grant period begins in September, Panola County will have completed the most resource-intensive phase of this project: the permitting and installation of ALPR infrastructure. Continued funding through MVCPA will ensure that this system transitions to full operational impact. The new year will represent the first opportunity for Panola County to fully leverage this technology to deter, detect, and investigate catalytic converter theft and other motor vehicle crimes. Without continued funding, this investment risks underutilization.

Grant Goals and Activities

There are two parts to this section: 1) Functions of Proposed Program and 2) Goals Strategies and Activities (GSA). In the following boxes, describe the functions of the proposed program and then complete a fillable form called GSA.

MVCPA programs must completely describe the actions, methods and tactics that law enforcement and civilian staff will perform for each of the categories below. Describe the reliance on technology or other program elements to solve the problem statement above and goals below. Functions must be detailed and consistent with the requested budget. If a grant is awarded, funds expended towards activities not described in this section will result in the reimbursement being denied.

Part 1

- 3.1 Functions of the proposed program related to Catalytic Converter Theft from a motor vehicle.

Catalytic converter theft affects a broad cross-section of residents, including private vehicle owners, businesses, and rural property owners. However, the impact is expected to be particularly significant in rural areas where reduced visibility, delayed response times, and limited surveillance infrastructure create heightened vulnerability to theft. Panola County is primarily a rather rural area with limited options for surveillance outside of deputies intermittently patrolling through the area. The ALPR systems will remain deployed at key locations entering and exiting the county and high-traffic corridors commonly used to travel through the county. These locations were selected based on traffic flow patterns and historical incident data involving vehicle-related crimes. The ALPRs are capable of generating alerts when vehicles identified in investigations of previous theft incidents are detected, enabling rapid law enforcement response and potential interdiction. Camera collected data may be used to establish vehicle movement patterns, identify travel corridors used by offenders, and develop leads in catalytic converter theft cases, including linking multiple incidents that may be part of coordinated "spree" activity. Authorized partner agencies will be allowed to access relevant alerts and investigative data, improving coordination with surrounding jurisdictions when suspect vehicles leave or enter Panola County.

- 3.4 Functions of the proposed program related to preventing Catalytic Converter Theft

The primary goal of this project is to reduce catalytic converter theft and related motor vehicle crimes in Panola County through the deployment and operational use of an automated license plate readers. The project will enhance the Sheriff's Office's ability to identify suspect vehicles, support active investigations, and deter organized theft activity operating within and through the county. Vehicle data collected by ALPR cameras can be used for crime pattern analysis purposes to help investigators observe and predict trends in criminal activity. The data can be broken down to identify patterns in the time and locations involving catalytic converter theft activity which can then support strategic deployment of patrol resources and proactive enforcement efforts. Also, the visible presence of the cameras along key travel corridors and near businesses that are utilized by offenders to sell catalytic converters is expected to deter opportunistic and organized theft by increasing the perceived risk of detection and apprehension.

- 3.6 Collaboration Effort -- Describe the taskforce method to collaborate, and not duplicate existing activities. Describe the cross boundaries regional approach to grant activity implementation. Describe how the applicant staff and jurisdiction will coordinate with other taskforces and law enforcement agencies to implement this program.

While this project does not establish a standalone taskforce, it is designed to support and integrate with existing regional crime prevention and motor vehicle theft initiatives across State and Northeast Texas. PCSO will coordinate with partner agencies on active investigations involving suspect vehicles identified through the ALPR system and will participate in information sharing and joint

investigative efforts when applicable. PCSO will also share access to the cameras with any collaborative partners upon request and all law enforcement agencies who have access to the Flock online system. As a member of the Regional Organized Crime Information Center (ROCIC), Panola County investigators would attend or host intelligence meetings to share investigative information with regional partners. Furthermore, investigators will request training and assistance from the National Insurance Crime Bureau to uncover cases of fraud and identify stolen parts and stolen/burned vehicles.

3.7 If the proposed application requests any exceptions or deviation from any general grant rules, RFA conditions or grant administrative policy, please indicate in the section below. Indicate the section of the specific issue and citation that you are asking the MVCPA to consider and the rationale for the request.

No deviations are expected.

Part II

Goals, Strategies, and Activities

Select Goals, Strategies, and Activity Targets for the proposed program described in the application.

Click on the link above to open a new table called Goals, Strategies, and Activity. Applicants will review the statutory and optional activities. The first section is the statutory measures. Grantees may not provide targets for this section but need to review the descriptions to ensure that they understand the statutory minimum requirements associated with this grant. Applicants will then review the other items and estimate targets for only the activities that the applicant has described and plans to complete under this application.

ID	Activity	Measure	Target
Measures for Grantees. Add Target values for those that you will measure.			
1	Goal 1: Reduce the Incidence of Catalytic Converter Theft through Enforcement Strategies		
1.1	Strategy 1: Conduct Activities that Result in the Arrest, Clearance, and Recoveries of Catalytic Converter Theft		
1.1.1	Identify groups of catalytic converter theft offenders through intelligence gathering, crime analysis and the use of informants	Number of catalytic converter theft groups identified. Include gangs, cartels or other criminal enterprise with two or more members	
1.1.2	Identify and document/record prolific Catalytic Converter Theft offenders [Prolific is defined as "linked to Catalytic Converter Theft offenses three or more times"]	Number identified/documented offenders	
1.1.5	Conduct inspections of local businesses related to vehicle enterprise (transportation code or occupation code authorized companies such as salvage yard, repair shop, parts recycling center, used car dealership, salvage rebuilder, title service company, other).	Number of businesses inspected	1
1.1.6	Conduct bait vehicle operations that target Catalytic Converter Theft offenders	Number of bait vehicle deployments. Include Catalytic Converter Theft bait operations here.	
1.1.8	Deploy license plate readers (LPR)	Number of times LPR deployed. Deploy: If stationary unit then total number of days or partial days unit was operable and on. Mobile unit number of days the unit was on and operable.	365
1.1.9	Respond to taskforce license plate reader (LPR) alert notifications	Number of times investigators responded to taskforce LPR alert notifications regardless of whether vehicle was located	10
1.1.12	Conduct covert operations targeting Catalytic Converter Theft offenders	Number of covert operations	
1.1.13	Conduct warrant "round-up" operations targeting catalytic converter crime offenders, including people wanted for Catalytic Converter Theft	Number of warrant round-up operations performed Catalytic Converter Theft	
1.1.15	Increase the recovery rate of stolen motor vehicle Catalytic Converter Theft	Report the number of Catalytic Converters recovered by grantee	5
1.1.16	Increase the clearance rate of Catalytic Converter Theft	Report the number of Catalytic Converter Theft cases cleared	
1.1.17	Increase the number of persons arrested for Catalytic Converter Theft	Report the number of persons arrested for Catalytic Converter Theft by taskforce	
1.2	Strategy 2: Conduct Collaborative Efforts that Result in Reduction of Incidents of Catalytic Converter Theft		
1.2.1	Provide Agency Assists for Catalytic Converter Theft	Number of agency assists related to catalytic converter theft. Assist means responding or answering questions via phone, e-mail, or in person.	10

ID	Activity	Measure	Target
		Providing recommendation, guidance, strategy, support or information that other LEOs will use to resolve their cases. The assist generally does not have the direct responsibility for an investigation nor uses LEO authority. The assist helps another LEO or agency investigate cases. Analysts and civilian employees will record their assists to outside LEOs and agencies met here along with officers.	
1.2.2	Collaborate with other units or divisions (i.e. homicide, vice, narcotics, etc.) within the taskforce department(s) where there were crimes involving catalytic converter theft. Include all participating jurisdiction departments here.	Number of times collaborated within departments or SOs participating in taskforce related to Catalytic Converter Theft. Collaboration means physically using law enforcement resources, tactics and authority to perform activity on cases that draw upon or aid in the investigation intended to further the resolution of any case, identify parties to crime, identify vehicles, interview witnesses/suspects and apprehend suspects. Collaboration will include any help, recommendation, contribution or support requested from or provided to another unit or offered by the taskforce that aids in the furtherance of Catalytic Converter Theft investigations.	10
1.2.3	Collaborate with all other outside LE agencies and other organizations that assist in the reduction of Catalytic Converter Theft. Include all coverage jurisdictions here	Number of times collaborated with coverage area agencies or other law enforcement agencies and organizations that assist in the reduction of Catalytic Converter Theft. Collaboration means physically using law enforcement resources, tactics and authority to perform activity on cases that draw upon or aid in the investigation intended to further the resolution of any case, identify parties to crime, identify vehicles, interview witnesses/suspects and apprehend suspects. Collaboration will include any help, recommendation, contribution or support requested from or provided to another unit or offered by the taskforce that aids in the furtherance of Catalytic Converter Theft investigations	10
1.2.5	Conduct intelligence information-sharing (Personal attendance)	Number of intelligence meetings attended (include attending as presenter, participant or attendee)	6
1.2.6	Conduct intelligence information-sharing (Written information)	Crime analysis bulletins disseminated (include information distributed to law enforcement agencies via text, e-mail, or intra-net communications)	
1.2.7	Collaborate with other MVCPA taskforces	Number of times collaborated with other MVCPA taskforces that assist in the reduction in Catalytic Converter Theft	6
3	Goal 3: Educate/Train Citizens and Qualified Personnel in Detection and Prevention of Catalytic Converter Theft		
3.1	Strategy 1: Conduct Public Awareness Related Activities Used to Educate Citizens		
3.1.1	Conduct educational outreach events (include trade show, exhibits, booths at community events, vehicle displays, brochures, etc.)	Number of outreaches	
3.1.2	Conduct educational presentations to the public	Number of presentations. Presentation means in person, on-line, original written document, article, or webpage.	
3.1.4	Conduct vehicle identification initiative/event	Number of etching events. Including catalytic converters.	
3.1.4.1	Conduct vehicle identification initiative/event	Number of Participants/Attendees Catalytic Converters Marked)	
3.1.5	Purchase advertisements in local outlets	Number of advertisements purchased or provided complimentary for taskforce. Include all types of media purchased or provided free (social, tv, utility inserts, billboards, transportation, etc.)	
3.1.7	Utilize social media outlets (Facebook, Twitter, Instagram, etc.)	Number of postings in social media outlets	10
3.1.8	Deploy outdoor public notification signage	Number of deployments per month (if sign remains several months, count as 1 deployment per month)	0
3.1.10	Conduct media outreach, including, public service announcements, press releases, and interviews	Number of outreaches	10
3.2	Strategy 2: Conduct Law Enforcement Training Activities to Educate Officers on Recognition and Apprehension of Stolen Vehicles and Property		
3.2.1	Conduct law enforcement training (TCOLE)	Number of classes provided for TCOLE credit	
3.2.3	Conduct vehicle crimes presentations to law enforcement agencies (non TCOLE)	Number of classes or presentations. Presentations may include electronic roll call documents, shift BOLOs and other written or presented materials based on local practices.	4

Grant Evaluation

- 4.1 Describe the local method and/or practice used to collect the data for reporting Goals, Strategies, and Activities and to evaluate the grant program effectiveness. Describe management and staff participation. Include descriptions of systems (forms and software) that will be used to ensure reliable and accurate data is collected and reported. Describe any other evaluation methods used in the applicant agency to determine effectiveness or cost efficiency of the program.

Panola County Sheriff's Office will utilize the departmental software programs to store and review data collected during the investigation of motor vehicle crimes. Investigators shall make regular reports on any such cases to include: activities related to Flock

camera system, time spent on investigations, suspects identified, and arrests made. These reports will be compiled by the PCSO administrative clerk who will maintain all records related to auto crime investigations. The administrative clerk will also work to provide the project director with statistical data that can then be used to measure the effectiveness of this project.

- 4.2 Provide any other suggested measures that would better reflect the law enforcement or prevention work that the proposed program will perform. If the suggested measure fits into one of the stated goals above please indicate.

Vehicle crimes are often reported after the fact, and thus law enforcement response towards these crimes tends to be reactive in nature. By utilizing the Flock Safety LPR cameras, we anticipate that law enforcement response to in-progress motor vehicle thefts, catalytic converter thefts, and other vehicle related crimes will be greatly enhanced. These cameras will provide live notification to investigators when and where crimes are taking place, as well as visual identification of the suspects and vehicles involved. All of the data collected by the installed camera systems would become immediately accessible through Flock's secure online webservice to our law enforcement partners, aiding multiple jurisdictions with their own investigations as well. The continuation of this project will give the Panola County Sheriff's Office a proven and proactive strategy that will lead to the arrest and prosecution of more offenders and contribute to the overall prevention of future vehicle related crimes.

TxGMS Standard Assurances by Local Governments

☒ We acknowledge reviewing the *TxGMS Standard Assurances by Local Governments* as promulgated by the Texas Comptroller of Public Accounts and agree to abide by the terms stated therein.

Current Documents in folder

[Resolution.pdf](#) (5/5/2026 1:43:42 PM)

[Supporting Documentation.pdf](#) (5/5/2026 1:55:24 PM)

Print

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APPROVED 07-28-2026

Rodger G. McLane

County Judge

Rodger G. McLane

PANOLA COUNTY OFFICIAL / EMPLOYEE REQUEST FOR CONFERENCE

____ ONLINE

✓ IN PERSON

NAME:

KAREN ENGLAND

POSITION:

DA STAFF

DEPARTMENT:

PANOLA COUNTY CRIMINAL DISTRICT ATTORNEY'S OFFICE

DATE:

7/16/2026

CONFERENCE:

CRIME RECORDS CONFERENCE

LOCATION:

DALLAS, TX

DATES:

AUGUST 3, 2026 TO AUGUST 6, 2026

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE:

3

Does this conference meet your educational requirements for the year? YES

If not, how much of your requirements will be met by this conference?

How much of your requirements have been met already, not counting this conference? 8 HRS

How many days have you been away from your job this year for conferences, not counting this conference? 1

Do you have sufficient funds in your budget for this conference? YES

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

To stay current and maintain CJI standards, as it
pertains to Texas Crime Information, and State Reporting.

[Signature]
7-15-26

Rodger & McLane

IN PERSON

AS A LOT OF EVICTION LAWS HAVE RECENTLY BEEN CHANGED, THIS COURSE WILL GO OVER THAT INFORMATION IN-DEPTH.

APPROVED 07-28-2026

Rodger G. McLane

County Judge

Rodger G. McLane

PANOLA COUNTY OFFICIAL/EMPLOYEE REQUEST FOR CONFERENCE
____X____ ONLINE _____ IN PERSON

NAME: MARY SUE KIPER

POSITION: VIRTUAL

DEPARTMENT: JUSTICE OF THE PEACE, PCT 2

DATE: 07/09/2026

CONFERENCE: Virtual Clerk Eviction Workshop

LOCATION: VIRTUAL

DATES: JULY 15TH AND 16TH, 2026

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 2

Does the conference meet your educational requirements for the year? NO

If not, how much of your requirements will be met by this conference?

How much of your requirements have been met already, not counting this conference? 0 %

How many days have you been away from your job this year for conferences, not counting this conference? 0

Do you have sufficient funds in your budget for his conference? YES

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

AS A LOT OF EVICTION LAWS HAVE RECENTLY BEEN CHANGED, THIS COURSE WILL GO OVER THAT INFORMATION IN-DEPTH.

APPROVED 07-28-2026

Rodger G. McLane

County Judge

Rodger G. McLane

**PANOLA COUNTY OFFICIAL/EMPLOYEE
REQUEST FOR ATTENDANCE
AT A CONFERENCE**

NAME: Virginia Hawkins

POSITION: Deputy EAIUR

DEPARTMENT: Elections

DATE: 7/7/2026

CONFERENCE: Election Law Seminar

LOCATION: Round Rock

DATES: 8/9/2026 to 8/12/2026

NUMBER OF DAYS OUT OF OFFICE FOR THIS CONFERENCE: 3

Does the conference meet your educational requirements for the year? N/A

If not, how much of your requirements will be met by this conference? N/A

How much of your requirements have been met already, not counting this conference?

N/A

How many days have you been away from your job this year for conferences, not counting this conference? 0

Do you have sufficient funds in your budget for this conference? Yes

Write a short statement explaining the public purpose that will be met by your attendance at this conference: (continue on the back if necessary.)

Learning the new election laws that were passed during the last legislative meeting.

