



TOM GREEN COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
SEPTEMBER 30, 2021**

TOM GREEN COUNTY, TEXAS

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and Members of the
Commissioners' Court of Tom Green County
San Angelo, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tom Green County (the "County") as of September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Tom Green County, as of September 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Change in Accounting Principle

As described in the notes to the financial statements, in fiscal year 2021 the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for purposes of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The combining nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal and State Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR), Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Texas *Uniform Grant Management Standards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2022 on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 30, 2022

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Tom Green County, Texas, we offer readers of Tom Green County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here with the County's financial statements which follow.

FINANCIAL HIGHLIGHTS

- The assets of Tom Green County exceeded its liabilities as of September 30, 2021, by \$88,615,559. Of this amount, \$25,984,103 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors in accordance with the County's fund designations and fiscal policies.
- The County's total net position increased by \$10,153,019.
- At the end of the 2021 fiscal year, Tom Green County's governmental funds reported a combined ending fund balance of \$42,905,930, an increase of \$10,866,620 compared with the prior year. The reclassification of the County's Local Provider Participation fund and forfeiture funds is the main contributor to the increase in combined governmental fund balance.
- The unassigned fund balance for the General Fund was \$21,166,704 or 42% of total General Fund expenditures. Unassigned fund balance increased 0.0% from the prior year's unassigned fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of Tom Green County's finances in a manner similar to a private sector business. The *Statement of Net Position* presents information on all of the County's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Tom Green County is improving or deteriorating.

The *Statement of Activities* presents a comparison between direct expenses and revenues for each of the County's functions or programs. Direct expenses are those that are specially associated with an activity and are clearly identifiable with that activity. Program revenues include charges paid by the recipient of services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not programmatic are presented as general revenues. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Tom Green County that are principally supported by taxes and intergovernmental revenues. The governmental activities of Tom Green County include general government, public safety, conservation, highways and streets, health and welfare, and culture and recreation. Tom Green County has no business-type activities.

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. Tom Green County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County are categorized as either governmental funds or fiduciary funds.

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

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

Tom Green County maintains 43 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Grants Fund and Local Provider Participation Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Tom Green County adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General Fund, Grants Fund and Local Provider Participation Fund to demonstrate compliance with these budgets. More information is available concerning the County's budget by reviewing the approved annual budget on file with the Tom Green County Clerk.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are *not* available to support Tom Green County's own programs.

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

Supplementary Information: Generally accepted accounting principles also require certain information to be presented in the required supplementary information immediately following the notes to the financial statements. Combining fund statements can also be found following this section.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. In the case of Tom Green County, assets exceeded liabilities by \$88,615,559 at the close of the fiscal year.

Tom Green County's investment in capital assets (e.g. land, buildings, furniture and equipment, and roads and bridges), less any related outstanding debt used to acquire those assets, is 58% of net position. Tom Green County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Tom Green County'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 used to liquidate these liabilities.

Of the remaining net position, \$25,984,103 is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors, and 13%, \$11,240,793, of net position is restricted.

TOM GREEN COUNTY'S NET POSITION

| | Governmental Activities | |
|----------------------------------|-------------------------|----------------------|
| | 2021 | 2020 |
| Current assets | \$ 62,388,183 | \$ 39,693,509 |
| Capital assets | <u>113,344,013</u> | <u>118,349,557</u> |
| Total assets | <u>175,732,196</u> | <u>158,043,066</u> |
| Deferred outflows of resources | 7,009,722 | 2,133,449 |
| Current liabilities | 20,899,714 | 7,694,138 |
| Long-term liabilities | <u>68,526,876</u> | <u>69,010,320</u> |
| Total liabilities | <u>89,426,590</u> | <u>76,704,458</u> |
| Deferred inflows of resources | 4,699,769 | 3,694,385 |
| Net position: | | |
| Net investment in capital assets | 51,390,663 | 53,464,183 |
| Restricted | 11,240,793 | 3,820,890 |
| Unrestricted | <u>25,984,103</u> | <u>22,492,599</u> |
| Total net position | <u>\$ 88,615,559</u> | <u>\$ 79,777,672</u> |

As of September 30, 2021, the County has positive balances in all categories of net position.

TOM GREEN COUNTY'S CHANGES IN NET POSITION

| | Governmental Activities | |
|------------------------------------|-------------------------|----------------------|
| | 2021 | 2020 |
| REVENUES | | |
| Program revenues: | | |
| Charges for services | \$ 11,937,655 | \$ 9,961,204 |
| Operating grants and contributions | 19,845,476 | 4,296,796 |
| General revenues: | | |
| Property taxes | 40,925,781 | 39,616,565 |
| Other taxes | 11,614,317 | 11,180,909 |
| Investment earnings | 81,356 | 453,602 |
| Gain on sale of capital assets | 99,729 | - |
| Miscellaneous | 160,731 | 239,888 |
| Total revenues | <u>84,665,045</u> | <u>65,748,964</u> |
| EXPENSES | | |
| General government | 36,859,574 | 19,425,480 |
| Public safety | 28,031,580 | 26,851,142 |
| Highways and streets | 3,540,723 | 3,690,142 |
| Conservation | 165,097 | 167,752 |
| Health and welfare | 2,075,048 | 2,107,083 |
| Culture and recreation | 3,356,879 | 3,302,848 |
| Interest on long-term debt | 2,186,564 | 2,313,821 |
| Total expenses | <u>76,215,465</u> | <u>57,858,268</u> |
| CHANGE IN NET POSITION | 8,449,580 | 7,890,696 |
| NET POSITION, BEGINNING | <u>78,462,540</u> | <u>71,886,976</u> |
| PRIOR PERIOD ADJUSTMENT | <u>1,703,439</u> | <u>-</u> |
| NET POSITION, ENDING | <u>\$ 88,615,559</u> | <u>\$ 79,777,672</u> |

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

Key elements of the analysis of governmental activities through revenues and expenses include the following:

- Property tax revenues increased by \$1,309,216 from fiscal year 2020 to 2021. There were increases in the property tax base, but of this amount, \$515,472 in tax revenue was from new property added to the tax role in fiscal year 2021. The Commissioners Court set a total property tax rate in fiscal year 2021 of \$.54980 per \$100 of appraised value.
- Other tax revenue included sales tax collections of \$11,172,578. This is an increase of 3.4% from fiscal year 2020. The Texas Comptroller indicates year over year increases are affected by the previous year being suppressed by the pandemic. Locally, the diversity of businesses located in the County continues to provide long-term stability.
- Total expenses for governmental activities increased by 31.7% across the functions of government. However, the increase was mainly due to the implementation of new regulatory reporting requirements issued in Statement Number 84 (the Statement), by the Governmental Accounting Standards Board. The Statement required the County to reclassify activity which was previously reported separately as fiduciary funds, into the government-wide Statement of Revenue, Expenditures, and Changes in Fund Balance.
- Likewise, the Statement also necessitated a reclassification of Texas Juvenile Probation Contracts out of the non-major funds of the government wide financials, and into a separate fiduciary classification. This resulted in a decrease to net position of \$1,703,439 and was reported along with the other changes in a line item for prior period adjustments in the report.

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

At the end of the 2021 fiscal year, Tom Green County's governmental funds reported a combined ending fund balance of \$42,905,930, an increase of \$10,866,620 compared with the prior year. The prior period adjustment of \$4,590,386, due to new accounting pronouncements, represented a large part of the increase. The Local Provider Participation Fund's increase in fund balance of \$2,032,814 made up a large part of the remaining increase.

The General Fund is the chief operating fund of Tom Green County. At the end of fiscal year 2021, the General Fund had a fund balance of \$31,789,580 with \$35,218 classified as non-spendable. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 42% of total General Fund expenditures. In addition, overall revenue in the General Fund decreased \$465,103 from 2021, and General Fund expenditures increased \$2,370,539 in the same time.

Descriptions of Functions/Programs:

General Government: The costs associated with management and support departments (e.g. County Treasurer, Human Resources, and Risk Management), operations of the court systems and prosecution offices (District and County Courts, Justices of the Peace, District and County Attorneys), costs of maintaining public facilities including the Justice Center and the Juvenile Detention Center, the Elections Department, and financial administration for the County.

Public Safety: The costs associated with the investigation and arrest of individuals suspected to be involved in criminal activities as well as costs associated with emergency services (i.e. Sheriff's Department, Constables, and Volunteer Fire Departments), in addition to the operations of the court systems and prosecution offices (District and County Courts, Justices of the Peace, District and County Attorneys).

Conservation: Includes support for the agriculture and homemakers extension office.

Highways and Streets: The costs associated with County road and bridge departments and maintaining the County's infrastructure.

Health and Welfare: The costs associated with providing health benefits to citizens of the County (i.e. Indigent Health Care, Mental Health Unit, and contributions to support organizations).

Culture and Recreation: The costs associated with the operations of the County Library and Parks.

Interest on Long-term Debt: The finance charges associated with debt issuances for construction of County facilities

Capital Assets and Debt Administration

The County’s investment in capital assets for its governmental activities as of September 30, 2021, amounts to \$113,344,013 net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, infrastructure (roads and bridges), equipment, and furnishings. In addition, the County capitalized the following amounts during the year in completing capital projects or purchasing assets:

| | | |
|--------------------------|----|-----------|
| Land | \$ | - |
| Construction in progress | | 1,133,579 |
| Buildings | | 1,592,507 |
| Machinery and equipment | | 1,652,213 |
| Infrastructure | | 284,358 |

CAPITAL ASSETS

| | Historical Cost | Accumulated Depreciation | Net Investment |
|-----------------------------------|-----------------------|-----------------------------|-----------------------|
| Land | \$ 3,801,487 | \$ - | \$ 3,801,487 |
| Construction in progress | 1,985,269 | - | 1,985,269 |
| Buildings and improvements | 143,123,521 | 44,812,863 | 98,310,658 |
| Improvements other than buildings | 57,870 | 53,777 | 4,093 |
| Infrastructure | 25,136,558 | 21,890,907 | 3,245,651 |
| Machinery and equipment | 25,746,269 | 19,749,414 | 5,996,855 |
| Total | \$ <u>199,850,974</u> | \$ <u>86,506,961</u> | \$ <u>113,344,013</u> |

LONG-TERM LIABILITIES

At the end of the current fiscal year, the County’s long-term outstanding liabilities was as follows:

| | Original Amount | Interest Rate | Balance 09/30/21 |
|----------------------------|--------------------|------------------|----------------------|
| Certificates of Obligation | \$ 67,475,000 | 2-5% | \$ 59,485,000 |
| Bond premium | 4,793,137 | N/A | 3,750,445 |
| Compensated absences | N/A | N/A | 1,638,714 |
| Net pension liability | N/A | N/A | 5,074,721 |
| Net OPEB obligation | N/A | N/A | 1,206,379 |
| Retainage payable | N/A | N/A | 116,360 |
| Total | | | \$ <u>71,271,619</u> |

GENERAL FUND BUDGETARY HIGHLIGHTS

In fiscal year 2021, significant budget items included cost of living wage increases for County employees, replacement of road equipment and new vehicles purchased as the County maintains its fleet. The Commissioners Court also made revisions during the year to the original appropriations approved for the 2021 fiscal year budget. These revisions were mainly transfers within departments necessary to cover the expenditures of office by individual line items. Property taxes levied for the year allowed the County to pay for scheduled interest and principal payments due on debt, pay the expenses associated with capital murder trials, and pay for the increased cost of required medical coverage in the jail, among other regular expenditures. The County budgets conservatively for anticipated revenues and expenditures, allowing for an adequate reserve in fund balance as a safety net and savings for the future.

ECONOMIC FACTORS

Tom Green County's diverse local economy continues to provide long-term stability. The County has been successful in an effort to attract new businesses. The County is encouraging growth in the solar industry sector with tax abatement incentives. Projects such as those add value to the tax roll, but are not heavily reliant on attracting a large workforce. This is currently a fit for the County as unemployment is very low and there is generally a shortage of workers available. In addition, the housing shortage in the County makes it difficult to attract workers from other areas. The competition in the real estate market continues to drive home values up, and values are expected to continue to increase for the foreseeable future due to these market conditions.

FUTURE BUDGET CONCERNS

The County continues to budget and plan for capital improvements to maintain its assets and provide suitable space for public business and County employees. From 2015 to 2018, the County issued certificates of obligations to fund the construction of a new County detention center and to pay for renovations to courtroom facilities at the Tom Green County courthouse. The County detention center was completed and is online. Renovation of the courthouse is expected to be completed in fiscal year 2022. The County still continues to carry thirty murder trials on the court dockets, nine of which are capital cases. The County must plan to fund the prosecution and, in most instances, the defense in these cases, while still maintaining an adequate reserve in equity. The County's budget will be negatively impacted in future budgets from the rise in inflation, causing higher prices for common operating expenses. The cost to provide services is steadily increasing, and the County is also seeing staffing shortages in several departments. As employees are the County's primary resource in providing essential services to the community, salaries will likely need to be reviewed and adjusted to attract and retain competent workers. The County will continue to explore various functional areas for further cost saving opportunities and has actively increased its search for other funding sources, such as grants, that can offer improved services to replace older processes.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of Tom Green County's finances for all those with an interest in the County's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to:

County Auditor's Office
113 W. Beauregard Avenue
San Angelo TX 76903

BASIC FINANCIAL STATEMENTS

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TOM GREEN COUNTY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| ASSETS | |
| Cash | \$ 16,513,289 |
| Investments | 40,020,778 |
| Receivables (net of allowances for uncollectibles) | 3,759,097 |
| Due from other governments | 2,055,001 |
| Prepaid expenses | 18,079 |
| Inventory | 21,939 |
| Capital assets: | |
| Land | 3,801,487 |
| Construction in progress | 1,985,269 |
| Buildings | 143,123,521 |
| Improvements other than buildings | 57,870 |
| Infrastructure | 25,136,558 |
| Machinery and equipment | 25,746,269 |
| Less: accumulated depreciation | <u>(86,506,961)</u> |
| Total capital assets | <u>113,344,013</u> |
| Total assets | <u>175,732,196</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred outflows related to pensions | 6,802,904 |
| Deferred outflows related to postemployment benefits | <u>206,818</u> |
| Total deferred outflows | <u>7,009,722</u> |
| LIABILITIES | |
| Accounts payable | 3,556,553 |
| Accrued liabilities | 1,298,415 |
| Due to other governments | 1,149,902 |
| Accrued interest | 389,814 |
| Unearned revenue | 11,760,287 |
| Noncurrent liabilities: | |
| Due within one year | |
| Long-term debt | 2,732,743 |
| Total OPEB liability | 12,000 |
| Due in more than one year | |
| Long-term debt | 62,257,776 |
| Net pension liability | 5,074,721 |
| Total postemployment benefits liability | <u>1,194,379</u> |
| Total liabilities | <u>89,426,590</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred inflows related to pensions | 4,268,007 |
| Deferred inflows related to postemployment benefits | <u>431,762</u> |
| Total deferred inflows | <u>4,699,769</u> |
| NET POSITION | |
| Net investment in capital assets | 51,390,663 |
| Restricted for: | |
| Debt service | 693,550 |
| Road and bridge | 700,494 |
| Culture and recreation | 506,798 |
| General government | 783,813 |
| Health and welfare | 5,500,709 |
| Public safety | 1,494,475 |
| Federal and state programs | 151,740 |
| Other | 1,409,214 |
| Unrestricted | <u>25,984,103</u> |
| Total net position | <u>\$ 88,615,559</u> |

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

TOM GREEN COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| Functions/Programs | Expenses | Program Revenue | | Net (Expense) |
|---------------------------------------|----------------------|-------------------------|--|---|
| | | Charges for Services | Operating Grants and Contributions | Revenue and Changes in Net Position |
| | | | | Governmental Activities |
| Governmental activities: | | | | |
| General government | \$ 36,859,574 | \$ 6,724,453 | \$ 3,976,641 | \$(26,158,480) |
| Public safety | 28,031,580 | 3,397,320 | 733,778 | (23,900,482) |
| Highways and streets | 3,540,723 | 1,676,591 | 16,086 | (1,848,046) |
| Conservation | 165,097 | 98,760 | - | (66,337) |
| Health and welfare | 2,075,048 | 13,377 | 14,999,396 | 12,937,725 |
| Culture and recreation | 3,356,879 | 27,154 | 119,575 | (3,210,150) |
| Interest on long-term debt | <u>2,186,564</u> | <u>-</u> | <u>-</u> | <u>(2,186,564)</u> |
| Total governmental activities | \$ <u>76,215,465</u> | \$ <u>11,937,655</u> | \$ <u>19,845,476</u> | \$(<u>44,432,334</u>) |
| General revenues: | | | | |
| Taxes: | | | | |
| Property, levied for general purposes | | | | \$ 35,983,445 |
| Property, levied for debt service | | | | 4,942,336 |
| Sales | | | | 11,172,578 |
| Other | | | | 441,739 |
| Unrestricted investment earnings | | | | 81,356 |
| Gain on sale of capital assets | | | | 99,729 |
| Miscellaneous | | | | <u>160,731</u> |
| Total general revenues | | | | <u>52,881,914</u> |
| | | | | <u>8,449,580</u> |
| Change in net position | | | | <u>8,449,580</u> |
| Net position - beginning | | | | <u>78,462,540</u> |
| Prior period adjustment | | | | <u>1,703,439</u> |
| Net position - ending | | | | \$ <u>88,615,559</u> |

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

TOM GREEN COUNTY, TEXAS

BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2021

| | General | Grants | Local Provider Participation | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|----------------------|------------------------------------|--------------------------------|--------------------------------|
| ASSETS | | | | | |
| Cash | \$ 4,114,449 | \$ 891,927 | \$ 5,500,709 | \$ 6,006,204 | \$ 16,513,289 |
| Investments | 29,347,468 | 9,578,550 | - | 1,094,760 | 40,020,778 |
| Receivables (net of allowances for uncollectibles): | | | | | |
| Accounts | 691,334 | - | - | 31,330 | 722,664 |
| Taxes: | | | | | |
| Property | 939,779 | - | - | 129,243 | 1,069,022 |
| Sales | 1,901,770 | - | - | - | 1,901,770 |
| Mixed beverage | 65,641 | - | - | - | 65,641 |
| Due from other funds | 79,559 | - | - | 73,567 | 153,126 |
| Due from other governments | 149,249 | 1,859,083 | - | 46,669 | 2,055,001 |
| Prepaid expenses | 13,279 | - | - | 4,800 | 18,079 |
| Inventory | 21,939 | - | - | - | 21,939 |
| Total assets | <u>37,324,467</u> | <u>12,329,560</u> | <u>5,500,709</u> | <u>7,386,573</u> | <u>62,541,309</u> |
| LIABILITIES | | | | | |
| Accounts payable | 2,522,798 | 404,182 | - | 629,573 | 3,556,553 |
| Accrued liabilities | 1,260,263 | 12,170 | - | 25,982 | 1,298,415 |
| Due to other governments | 107,973 | - | - | 1,041,929 | 1,149,902 |
| Due to other funds | - | 58,918 | - | 94,208 | 153,126 |
| Unearned revenue | 56,000 | 11,704,287 | - | - | 11,760,287 |
| Total liabilities | <u>3,947,034</u> | <u>12,179,557</u> | <u>-</u> | <u>1,791,692</u> | <u>17,918,283</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable revenue - property taxes | 939,779 | - | - | 129,243 | 1,069,022 |
| Unavailable revenue - fines and fees | 648,074 | - | - | - | 648,074 |
| Total deferred inflows of resources | <u>1,587,853</u> | <u>-</u> | <u>-</u> | <u>129,243</u> | <u>1,717,096</u> |
| FUND BALANCES | | | | | |
| Nonspendable | 35,218 | - | - | 4,800 | 40,018 |
| Restricted | - | 150,003 | 5,500,709 | 5,460,838 | 11,111,550 |
| Assigned | 10,587,658 | - | - | - | 10,587,658 |
| Unassigned | 21,166,704 | - | - | - | 21,166,704 |
| Total fund balances | <u>31,789,580</u> | <u>150,003</u> | <u>5,500,709</u> | <u>5,465,638</u> | <u>42,905,930</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 37,324,467</u> | <u>\$ 12,329,560</u> | <u>\$ 5,500,709</u> | <u>\$ 7,386,573</u> | <u>\$ 62,541,309</u> |

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

| | |
|---|----------------------|
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | \$ 113,344,013 |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are not included in fund balance. | 1,717,096 |
| Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds. | (71,661,433) |
| Deferred outflows of resources related to pensions and deferred inflows of resources related to pensions are not included in the fund financial statements. | <u>2,309,953</u> |
| Net position of governmental activities | <u>\$ 88,615,559</u> |

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

TOM GREEN COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | <u>General</u> | <u>Grants</u> |
|--|----------------------|-------------------|
| REVENUES | | |
| Taxes | \$ 47,552,238 | \$ - |
| Fees of office | 2,923,386 | - |
| Intergovernmental | 2,001,732 | 3,026,619 |
| Fines and forfeitures | 1,363,661 | - |
| Licenses and permits | 56,824 | - |
| Investment income | 62,861 | 259 |
| Miscellaneous | <u>1,445,071</u> | <u>-</u> |
| Total revenues | <u>55,405,773</u> | <u>3,026,878</u> |
| EXPENDITURES | | |
| Current: | | |
| General government | 15,298,245 | 523,483 |
| Public safety | 26,551,506 | 2,128,314 |
| Highways and streets | 1,444,292 | 243,300 |
| Culture and recreation | 2,756,147 | 68,052 |
| Health and welfare | 2,074,405 | - |
| Conservation | 166,612 | - |
| Debt service: | | |
| Principal | - | - |
| Interest and other charges | - | - |
| Capital outlay | <u>2,699,751</u> | <u>63,729</u> |
| Total expenditures | <u>50,990,958</u> | <u>3,026,878</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>4,414,815</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Proceeds from sale of capital assets | 103,272 | - |
| Transfers in | 40,000 | - |
| Transfers out | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>143,272</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 4,558,087 | - |
| FUND BALANCES, BEGINNING | <u>27,231,493</u> | <u>150,003</u> |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | <u>-</u> | <u>-</u> |
| FUND BALANCE, BEGINNING, AS RESTATED | <u>27,231,493</u> | <u>150,003</u> |
| FUND BALANCES, ENDING | \$ <u>31,789,580</u> | \$ <u>150,003</u> |

| Local Provider Participation | Other Governmental Funds | Total Governmental Funds |
|------------------------------------|--------------------------------|--------------------------------|
| \$ 14,814,742 | \$ 4,938,633 | \$ 67,305,613 |
| - | 5,830,043 | 8,753,429 |
| - | 450,360 | 5,478,711 |
| - | 19,148 | 1,382,809 |
| - | - | 56,824 |
| 5,665 | 12,509 | 81,294 |
| - | 105,017 | 1,550,088 |
| <u>14,820,407</u> | <u>11,355,710</u> | <u>84,608,768</u> |
| 12,787,593 | 4,088,882 | 32,698,203 |
| - | 322,015 | 29,001,835 |
| - | 1,325,850 | 3,013,442 |
| - | 12,576 | 2,836,775 |
| - | 2,088 | 2,076,493 |
| - | - | 166,612 |
| - | 2,300,000 | 2,300,000 |
| - | 2,423,718 | 2,423,718 |
| - | 1,161,298 | 3,924,778 |
| <u>12,787,593</u> | <u>11,636,427</u> | <u>78,441,856</u> |
| <u>2,032,814</u> | <u>(280,717)</u> | <u>6,166,912</u> |
| - | 6,050 | 109,322 |
| - | - | 40,000 |
| - | (40,000) | (40,000) |
| - | (33,950) | 109,322 |
| 2,032,814 | (314,667) | 6,276,234 |
| - | 4,657,814 | 32,039,310 |
| <u>3,467,895</u> | <u>1,122,491</u> | <u>4,590,386</u> |
| <u>3,467,895</u> | <u>5,780,305</u> | <u>36,629,696</u> |
| \$ <u>5,500,709</u> | \$ <u>5,465,638</u> | \$ <u>42,905,930</u> |

TOM GREEN COUNTY, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | | |
|--|----|-------------------------|
| Net change in fund balances - total governmental funds: | \$ | 6,276,234 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. | (| 664,751) |
| In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold. | (| 9,593) |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. | (| 43,452) |
| The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. | | |
| Repayment of principal of long-term debt | | 2,300,000 |
| Net pension obligation | | 115,954 |
| Amortization of: | | |
| Premium | | 219,528 |
| Governmental funds report repayment of long-term debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. | | |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds. | | <u>255,660</u> |
| Change in net position of governmental activities | \$ | <u><u>8,449,580</u></u> |

TOM GREEN COUNTY, TEXAS

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

SEPTEMBER 30, 2021

| | Investment <u>Trust Funds</u> | Custodial <u>Funds</u> |
|---|----------------------------------|---------------------------|
| ASSETS | | |
| Cash | \$ 1,730,480 | \$ 7,759,092 |
| Accounts receivable | - | 8,158 |
| Due from other governments | <u>-</u> | <u>107,973</u> |
| Total assets | <u>\$ 1,730,480</u> | <u>\$ 7,875,223</u> |
| LIABILITIES | | |
| Accounts payable | \$ <u>-</u> | \$ <u>690</u> |
| Total liabilities | <u>\$ -</u> | <u>\$ 690</u> |
| NET POSITION | | |
| Restricted for individuals, organizations and other governments | <u>1,730,480</u> | <u>7,874,533</u> |
| Total net position | <u>\$ 1,730,480</u> | <u>\$ 7,874,533</u> |

TOM GREEN COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Investment Trust Funds | Custodial Funds |
|---|-----------------------------|-----------------------------|
| | <u> </u> | <u> </u> |
| INCREASES | | |
| Contributions from judgements | \$ 699,225 | \$ 265,000 |
| Interest | 1,233 | - |
| Deposit held | - | 93,429,078 |
| Bonds received | 130,075 | 9,368 |
| Donations | <u>-</u> | <u>308</u> |
| Total increases | <u>\$ 830,533</u> | <u>\$ 93,703,754</u> |
| DECREASES | | |
| Cash bonds forfeitures | \$ - | \$ 18,025,769 |
| Disbursements to beneficiaries | <u>668,708</u> | <u>75,411,145</u> |
| Total decreases | <u>\$ 668,708</u> | <u>\$ 93,436,914</u> |
| NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION | <u>161,825</u> | <u>266,840</u> |
| NET POSITION, BEGINNING | <u>-</u> | <u>1,315,132</u> |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | <u>1,568,655</u> | <u>6,292,561</u> |
| NET POSITION, BEGINNING AS RESTATED | <u>1,568,655</u> | <u>7,607,693</u> |
| NET POSITION, ENDINGS | <u>\$ 1,730,480</u> | <u>\$ 7,874,533</u> |

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

TOM GREEN COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Tom Green is an independent governmental entity created under the laws of the State of Texas. The County is governed by an elected Commissioners' Court. The reporting entity is defined as the primary government and those component units for which the primary government is financially accountable. To be financially accountable, a voting majority of the component unit's board must be appointed by the primary government, and either (a) the primary government must be able to impose its will, or (b) the primary government may potentially benefit financially or be financially responsible for the component unit. The County has no component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The County has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. *Program revenue* includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a function or segment. Taxes and other items not properly included among program revenue are reported instead as *general revenue*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County has the following major governmental funds:

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

The **Grant Fund** is used to account for a variety of federal and state awards received by the County during the course of a given fiscal year. Revenues and expenditures of these awards are accounted for separately from other governmental funds to aid in reporting and record keeping requirements of the grants.

The **Local Provider Participation Fund** is the County's involvement in a county healthcare provider participation program that generates revenue from a mandatory payment that was required by the County from institutional health care providers to fund certain intergovernmental transfers and indigent care programs.

Additionally, the County reports the following fund types:

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

The **Capital Projects Fund** is used to account for proceeds from the 2015 Certificates of Obligation, 2017 Certificates of Obligation and the 2018 Certificates of Obligations which are to be used for the construction and improvements of a variety of County facilities.

Debt Service Funds are used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Fiduciary Funds are used to account for assets held by the County as an agent for individuals, private organizations or other governments. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its governmental operations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments between various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 revenue. Likewise, general revenue includes all taxes.

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

Deposits and Investments

The County maintains a pooled cash account. Each fund whose monies are deposited in the pooled cash account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end.

Investments for the County are reported at fair value, except for the position in investment pools. The County's investments in Pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

The County has adopted a written investment policy regarding the investment of its funds as defined in Public Funds Investment Act, Chapter 2256, Texas Governmental Code. In summary, the County is authorized to invest in the following:

- Obligations of the United States or its agencies and instruments;
- Obligations of State of Texas or its agencies and instrumentalities; and
- Other obligations, the principal and interest of which are unconditionally guaranteed or insured by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities.

Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the time of the fiscal year is referred to as “due to/from other funds” (i.e., the current portion of interfund loans).

All property tax receivables are shown net of an allowance for uncollectibles.

Taxes are due October 1 and become delinquent after January 31. No split payments or discounts are allowed. Penalties and Interest: (a) a delinquent tax incurs a penalty of six percent of the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax on July 1 incurs a total penalty of 12 percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent; (b) a delinquent tax accrues interest at a rate of one percent for each month or portion of a month the tax remains unpaid; and an additional penalty up to a maximum of 20% of taxes, penalty and interest may be imposed to defray costs of collection for taxes delinquent after July 1.

Prepaid Items

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

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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.

Capital assets are depreciated using the straight-line method over the following useful lives:

| Assets | Years |
|------------------------------------|---------|
| Infrastructure (roads and bridges) | 20 |
| Buildings and improvements | 20 - 30 |
| Vehicles | 5 |
| Machinery and equipment | 5 - 15 |

Deferred Outflows/Inflows of Resources

In addition to assets, the statement 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 that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category.

- Difference in experience and actual OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions related to the pension and OPEB – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.

In addition to liabilities, the statement 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 or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category.

- Under the modified accrual basis of accounting, unavailable revenue is reported in the governmental funds balance sheet as a deferred inflow of resources.
- Difference in experience and actual pension and OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension assets – The difference is deferred and amortized over a closed five-year period.
- Changes in actuarial assumptions related to OPEB – The difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized during the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution of the Commissioners' Court, the County's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners' Court or County Judge.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(71,661,433) difference are as follows:

| | |
|--|-----------------------------|
| Bonds and notes payable | \$(59,485,000) |
| Accrued interest payable | (389,814) |
| Compensated absences | (1,638,714) |
| Net OPEB obligation | (1,206,379) |
| Net pension liability | (5,074,721) |
| Retainage payable | (116,360) |
| Bond premium | <u>(3,750,445)</u> |
| Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | \$(<u>71,661,433</u>) |

Explanation of Certain Differences between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “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 and reported as depreciation expense.” The details of this \$(664,751) difference are as follows:

| | |
|--|--------------------------|
| Capital outlay | \$ 6,106,910 |
| Depreciation expense | <u>(6,771,661)</u> |
| Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | \$(<u>664,751</u>) |

Another element of that reconciliation states, “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this \$(43,452) difference are as follows:

| | |
|--|-------------------------|
| Property tax revenue | \$ 49,227 |
| Fines and fees | <u>(92,679)</u> |
| Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | \$(<u>43,452</u>) |

Another element of that reconciliation states, “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.” The details of this \$255,660 difference are as follows:

| | |
|--|-----------------------|
| Compensated absences | \$ 343,849 |
| Accrued interest | 17,626 |
| Increase in net OPEB obligation | <u>(105,815)</u> |
| Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | \$ <u>255,660</u> |

III. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

As of September 30, 2021, the County had the following investments:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Weighted Average Maturity (Days)</u> |
|--|----------------------|---|
| Texas CLASS | \$ 21,315,723 | 53 |
| TexPool | 13,507,237 | 37 |
| Certificates of deposit | <u>5,197,818</u> | |
| Total fair value | <u>\$ 40,020,778</u> | |
| Portfolio weighted average maturity (days) | | 45 |

Investments-Fair Value Hierarchy

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs or quoted prices in markets that are not active; and Level 3 inputs are significant unobservable inputs.

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the County to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal, availability of liquidity to meet the County's obligations and market rate of return. The Investment Policy defines what constitutes the legal list of investments allowed under the policy, which excludes certain investment instruments allowed under Chapter 2256 of the Texas Government Code.

The County's deposits and investments are invested pursuant to the Investment Policy. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment. In addition, it includes an "Investment Strategy" that specifically addresses limitations on instruments, diversification, and maturity scheduling.

The County is authorized to invest in the following investment instruments, provided that they meet the guidelines of the Investment Policy:

Obligations of the United States of America, its agencies and instrumentalities;

Certificates of deposit issued by a bank organized under Texas law, the laws of another state, or federal law, that has its main office or a branch office in Texas, or by a savings and loan association or a savings bank organized under Texas law, the law of another state, or federal law, that has its main office or a branch office in Texas and that is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or secured by obligations in a manner and amount provided by law for deposits for the County.

Money market mutual funds that are 1) registered and regulated by the Securities and Exchange Commission, 2) have a dollar weighted average stated maturity of 90 days or less, 3) rated AAA by at least one nationally recognized rating service, and 4) seek to maintain a net position value of \$1 per share;

Local government investment pools, which 1) meet the requirements of Chapter 2256.016 of the Public Funds Investment Act, 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, and 3) are authorized by resolution or ordinance by Commissioners' Court.

Interest Rate Risk

In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the average dollar weighted maturity of its investment portfolios to a maximum of 90 days.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2021, the County's deposit balance was entirely collateralized with securities held by the pledging financial institution or covered by FDIC insurance.

Credit Risk

It is the County's policy to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. The County's investment pools are rated as follows by Standard & Poor's Investors Service.

| | |
|-------------|------|
| Texas CLASS | AAAm |
| TexPool | AAAm |

Receivables

Receivables as of year-end for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

| | General | Governmental Funds | Total |
|---------------------------------------|---------------------|-----------------------|---------------------|
| Receivables: | | | |
| Taxes | \$ 3,096,922 | \$ 155,336 | \$ 3,252,258 |
| Accounts | <u>5,273,592</u> | <u>31,330</u> | <u>5,304,922</u> |
| Gross receivables | 8,370,514 | 186,666 | 8,557,180 |
| Less: allowance for uncollectibles | <u>4,771,990</u> | <u>26,093</u> | <u>4,798,083</u> |
| Net total receivables | <u>\$ 3,598,524</u> | <u>\$ 160,573</u> | <u>\$ 3,759,097</u> |

Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|-----------------------|------------------------|------------------------|-----------------------|
| Governmental Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 3,801,487 | \$ - | \$ - | \$ 3,801,487 |
| Construction in progress | <u>3,738,637</u> | <u>1,133,579</u> | <u>(2,886,947)</u> | <u>1,985,269</u> |
| Total capital assets being depreciated | <u>7,540,124</u> | <u>1,133,579</u> | <u>(2,886,947)</u> | <u>5,786,756</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 141,542,320 | 1,592,507 | (11,306) | 143,123,521 |
| Improvements other than buildings | 57,870 | - | - | 57,870 |
| Infrastructure | 24,852,200 | 284,358 | - | 25,136,558 |
| Machinery and equipment | <u>24,978,592</u> | <u>1,652,213</u> | <u>(884,536)</u> | <u>25,746,269</u> |
| Total capital assets being depreciated | <u>191,430,982</u> | <u>3,529,078</u> | <u>(895,842)</u> | <u>194,064,218</u> |
| Less accumulated depreciation: | | | | |
| Buildings | (40,330,016) | (4,488,290) | 5,443 | (44,812,863) |
| Improvements other than buildings | (50,882) | (2,895) | - | (53,777) |
| Infrastructure | (21,596,834) | (294,073) | - | (21,890,907) |
| Machinery and equipment | <u>(18,643,817)</u> | <u>(1,986,403)</u> | <u>880,806</u> | <u>(19,749,414)</u> |
| Total accumulated depreciation | <u>(80,621,549)</u> | <u>(6,771,661)</u> | <u>886,249</u> | <u>(86,506,961)</u> |
| Total capital assets being depreciated, net | <u>110,809,433</u> | <u>(3,242,583)</u> | <u>(9,593)</u> | <u>107,557,257</u> |
| Governmental activities capital assets, net | <u>\$ 118,349,557</u> | <u>\$ (2,109,004)</u> | <u>\$ (2,896,540)</u> | <u>\$ 113,344,013</u> |

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

| | | |
|--------------------------|----|------------------|
| Governmental activities: | | |
| General government | \$ | 4,704,620 |
| Public safety | | 698,041 |
| Highways and streets | | 826,922 |
| Culture and recreation | | <u>542,078</u> |
| | \$ | <u>6,771,661</u> |

Interfund Receivables, Payables and Transfers

Due to/from other funds:

| | Due to: | | |
|----------------|------------------|-------------------|-------------------|
| | Grants | Nonmajor Funds | Total |
| Due from: | | | |
| General | \$ 41,871 | \$ 37,688 | \$ 79,559 |
| Nonmajor Funds | <u>17,047</u> | <u>56,520</u> | <u>73,567</u> |
| Total | <u>\$ 58,918</u> | <u>\$ 94,208</u> | <u>\$ 153,126</u> |

These balances resulted from the time lag between the dates that 1) interfund goods and services are provided on reimbursable expenditures occur, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund transfers:

| | Transfers out: | |
|-----------------|-------------------|------------------|
| | Nonmajor Funds | Total |
| Transfers in: | | |
| General Fund | \$ <u>40,000</u> | \$ <u>40,000</u> |
| Total transfers | <u>\$ 40,000</u> | <u>\$ 40,000</u> |

Transfers are used to: (1) move revenues from the fund required by statute or budget to collect them to the fund required by budget to expend them.

Fund Balance

As of September 30, 2021, governmental fund balance is composed of the following:

| <u>Fund Balance Classification</u> | <u>General</u> | <u>Grants</u> | <u>Local Provider Participation</u> | <u>Other Governmental</u> | <u>Total</u> |
|------------------------------------|----------------------|-------------------|---|-------------------------------|----------------------|
| Nonspendable: | | | | | |
| Prepaid expenses | \$ 13,279 | \$ - | \$ - | \$ - | \$ 13,279 |
| Inventories | 21,939 | - | - | - | 21,939 |
| Total Nonspendable | <u>35,218</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>35,218</u> |
| Restricted: | | | | | |
| Retirement of long-term debt | - | - | - | 564,307 | 564,307 |
| Road and bridge | - | - | - | 700,494 | 700,494 |
| Health and welfare | - | - | 5,500,709 | - | 5,500,709 |
| Federal and state programs | - | 150,003 | - | 248,619 | 398,622 |
| Library services | - | - | - | 511,598 | 511,598 |
| Judicial services | - | - | - | 122,379 | 122,379 |
| County Clerk | - | - | - | 469,945 | 469,945 |
| District Clerk | - | - | - | 75,188 | 75,188 |
| Justice Court technology | - | - | - | 33,048 | 33,048 |
| Courthouse security | - | - | - | 132,118 | 132,118 |
| District Attorney | - | - | - | 745,919 | 745,919 |
| County Attorney | - | - | - | 25,913 | 25,913 |
| District Attorney | - | - | - | 8,202 | 8,202 |
| Election services | - | - | - | 138,505 | 138,505 |
| Tax Assessor | - | - | - | 55,579 | 55,579 |
| Waste Water Treatment | - | - | - | 450 | 450 |
| Child Safety Fees | - | - | - | 36,013 | 36,013 |
| Sheriff Forfeiture | - | - | - | 196,296 | 196,296 |
| Third Court of Appeals | - | - | - | 25 | 25 |
| Unclaimed Property | - | - | - | 2,585 | 2,585 |
| Capital projects | - | - | - | 1,398,455 | 1,398,455 |
| Total Restricted | <u>-</u> | <u>150,003</u> | <u>5,500,709</u> | <u>5,465,638</u> | <u>11,116,350</u> |
| Assigned: | | | | | |
| Juvenile services | 42,531 | - | - | - | 42,531 |
| Judicial services | 774,660 | - | - | - | 774,660 |
| Subsequent year's budget | 9,770,467 | - | - | - | 9,770,467 |
| Total Assigned | <u>10,587,658</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>10,587,658</u> |
| Unassigned | 21,166,704 | - | - | - | 21,166,704 |
| Total governmental fund balance | <u>\$ 31,789,580</u> | <u>\$ 150,003</u> | <u>\$ 5,500,709</u> | <u>\$ 5,465,638</u> | <u>\$ 42,905,930</u> |

Long-term Debt

The County had the following outstanding debt issues as of September 30, 2021:

| | |
|---|----------------------|
| \$ 50,000,000 Certificate of Obligation issued in 2015; interest at 3% - 5% | \$ 43,815,000 |
| 9,515,000 Certificate of Obligation issued in 2017; interest at 2% - 4% | 8,385,000 |
| 7,960,000 Certificate of Obligation issued in 2018; interest at 3% - 5% | <u>7,285,000</u> |
| Total | <u>\$ 59,485,000</u> |

On April 26, 2018, the County issued \$7,960,000 of Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2018. The proceeds from the sale of the Certificates will be used together with the proceeds of the County's Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2015 and Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2017, for (i) completion of constructing and equipping a new County jail, including additional capacity and related parking, landscaping and infrastructure; (ii) completion of acquiring, constructing and equipping improvements and renovations to the County Courthouse; (iii) constructing and equipping improvements and renovations to the Michael D. Brown Justice Center; (iv) the acquisition of land and interests in land for such projects; and (v) legal, fiscal, architectural, engineering and other professional fees in connection with such projects. The Certificates have an interest rate ranging from 3.00% to 5.00% and a maturity date of 2039.

Annual debt service requirements to maturity for the notes payable are as follows:

| Year Ending September 30, | Governmental Activities | |
|------------------------------|-------------------------|---------------|
| | Principal | Interest |
| 2022 | \$ 2,405,000 | \$ 2,334,288 |
| 2023 | 2,520,000 | 2,216,538 |
| 2024 | 2,625,000 | 2,111,038 |
| 2025 | 2,735,000 | 2,000,313 |
| 2026 | 2,880,000 | 1,863,988 |
| 2027-2031 | 16,475,000 | 7,353,131 |
| 2032-2036 | 20,165,000 | 3,732,203 |
| 2037-2039 | 9,680,000 | 373,751 |
| Total | \$ 59,485,000 | \$ 21,985,250 |

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2021, was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|----------------------|--------------|--------------|-------------------|------------------------|
| Government activities | | | | | |
| Certificates of obligation | \$ 61,785,000 | \$ - | \$ 2,300,000 | \$ 59,485,000 | \$ 2,405,000 |
| Compensated absences | 1,982,563 | 1,585,310 | 1,929,159 | 1,638,714 | 327,743 |
| Unamortized bond premium | 3,969,973 | - | 219,528 | 3,750,445 | - |
| Retainage payable | 1,560,613 | 116,360 | 1,560,613 | 116,360 | - |
| Governmental activity long-term liabilities | \$ 69,298,149 | \$ 1,701,670 | \$ 6,009,300 | \$ 64,990,519 | \$ 2,732,743 |

Conduit Debt Obligations

In 2013, the County created the Tom Green County Cultural Education Facilities Finance Corporation, which issued Education Revenue Bonds, the proceeds thereof were loaned to an open enrollment public charter school in San Angelo, Texas. The proceeds were used to finance the construction and repair of public-school facilities and the acquisition of land deemed to be in the public interest. The bonds are secured by the property financed and are payable solely by the public charter school. Tom Green County, the State, or any other political subdivision thereof is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2021, there are three series of Education Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$15.1 million.

Defaults and Remedies

In the event of default, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the County.

Defined Benefit Pension Plan

Plan Description. The County participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

Benefits Provided. TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|--|---------------------|
| Inactive employees or beneficiaries currently receiving benefits | 389 |
| Inactive employees entitled to but not yet receiving benefits | 995 |
| Active employees | <u>706</u> |
| | <u><u>2,090</u></u> |

Contributions. The contribution rates for employees in TCDRS are either 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 7.72% and 7.55% in calendar years 2020 and 2021, respectively. The County's contributions to TCDRS for the year ended September 30, 2021, were \$2,323,527 and were equal to the required contributions.

Net Pension Liability. The County's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions:

| | |
|---------------------------|--|
| Inflation | 2.50% per year |
| Overall payroll growth | 3.00% per year |
| Investment rate of return | 7.50%, net of pension plan investment expense, including inflation |

The County has no automatic cost-of-living adjustments ("COLA") and one is not considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the actuarial valuation. Each year, the County may elect an ad-hoc COLA for its retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

| | |
|--|---|
| Depositing members | 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014. |
| Service retirees, beneficiaries and non-depositing members | 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. |
| Disabled retirees | 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. |

The actuarial assumptions that determined the total pension liability as of December 31, 2020, were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except for mortality assumptions. Mortality assumptions were updated for the 2020 valuation to reflect projected improvements.

The long-term expected rate of return on pension plan investments is 7.60%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2021 information for a 10-year time horizon. The valuation assumption for the long-term expected return is re-assessed in detail at a minimum of every four years and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

| Asset Class | Benchmark | Target Allocation(1) | Geometric Real Rate of Return(2) |
|------------------------------------|--|-----------------------------|---|
| U.S. Equities | Dow Jones U.S. Total Stock Market Index | 11.50% | 4.25% |
| Global Equities | MSCI World (net) Index | 2.50% | 4.55% |
| Int'l Equities - Developed Markets | MSCI World Ex USA (net) Index | 5.00% | 4.25% |
| Int'l Equities - Emerging Markets | MSCI Emerging Markets (net) Index | 6.00% | 4.75% |
| Investment-Grade Bonds | Bloomberg Barclays U.S. Aggregate Bond Index | 3.00% | -0.85% |
| Strategic Credit | FTSE High-Yield Cash-Pay Capped Index | 9.00% | 2.11% |
| Direct Lending | S&P/LSTA Leveraged Loan Index | 16.00% | 6.70% |
| Distressed Debt | Cambridge Associates Distressed Securities Index(3) | 4.00% | 5.70% |
| REIT Equities | 67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index | 2.00% | 3.45% |
| Master Limited Partnerships | Alerian MLP Index | 2.00% | 5.10% |
| Private Real Estate Partnerships | Cambridge Associates Real Estate Index(4) | 6.00% | 4.90% |
| Private Equity | Cambridge Associates Global Private Equity & Venture Capital Index(5) | 25.00% | 7.25% |
| Hedge Funds | Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index | 6.00% | 1.85% |
| Cash Equivalents | 90-Day U. S. Treasury | 2.00% | -0.70% |

(1) Target asset allocation adopted at the March 2021 TCDRS Board meeting.

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.0%, per Cliffwater's 2021 capital market assumptions.

(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

(4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

(5) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.6%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

| | Increase (Decrease) | | |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balance at 12/31/2019 | \$ 116,704,647 | \$ 115,353,603 | \$ 1,351,044 |
| Changes for the year: | | | |
| Service cost | 3,055,140 | - | 3,055,140 |
| Interest on total pension liability ⁽¹⁾ | 9,462,363 | - | 9,462,363 |
| Effect of plan changes ⁽²⁾ | - | - | - |
| Effect of economic/demographic gains or losses | 274,847 | - | 274,847 |
| Effect of assumptions changes or inputs | 7,415,154 | - | 7,415,154 |
| Refund of contributions | (572,258) | (572,258) | - |
| Benefit payments | (5,425,501) | (5,425,501) | - |
| Administrative expenses | - | (92,079) | 92,079 |
| Member contributions | - | 2,230,287 | (2,230,287) |
| Net investment income | - | 11,914,127 | (11,914,127) |
| Employer contributions | - | 2,459,745 | (2,459,745) |
| Other ⁽²⁾ | - | (28,253) | 28,253 |
| Balance at 12/31/2020 | <u>\$ 130,914,392</u> | <u>\$ 125,839,671</u> | <u>\$ 5,074,721</u> |

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

⁽²⁾ No plan changes valued

⁽²⁾ Relates to allocation of system-wide items.

Sensitivity Analysis

The following presents the net pension liability of the County, calculated using the discount rate of 7.6%, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.6%) or 1-percentage-higher (8.6%) than the current rate:

| | 1% Decrease 6.6% | Current Discount Rate 7.6% | 1% Increase 8.6% |
|-------------------------------|----------------------|----------------------------------|-----------------------|
| Total pension liability | \$ 148,055,662 | \$ 130,914,392 | \$ 116,602,199 |
| Fiduciary net position | <u>125,839,671</u> | <u>125,839,671</u> | <u>125,839,671</u> |
| Net pension liability/(asset) | <u>\$ 22,215,991</u> | <u>\$ 5,074,721</u> | <u>\$(9,237,472)</u> |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at www.tcdrs.org.

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

For the year ended September 30, 2021, the County recognized pension expense of \$2,207,632.

At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual economic experience | \$ 183,231 | \$ 19,384 |
| Changes in actuarial assumptions | 4,943,436 | - |
| Difference between projected and actual investment earnings | - | 4,248,623 |
| Contributions subsequent to the measurement date | <u>1,676,237</u> | <u>-</u> |
| Total | <u>\$ 6,802,904</u> | <u>\$ 4,268,007</u> |

\$1,676,237 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

| <u>Year Ended September 30,</u> | |
|-------------------------------------|--------------|
| 2022 | \$ 1,187,751 |
| 2023 | 2,412,562 |
| 2024 | (2,216,214) |
| 2025 | (525,439) |

Risk Management

The County 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 County purchases workers' compensation insurance coverage from the Texas Political Subdivision Joint Self-Insured Fund, a public entity risk pool, which is self-sustaining through member premiums.

The County maintains commercial insurance coverage covering other risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. There have been no significant reductions in insurance coverage from the prior year.

Commitments and Contingencies

Litigation

The County is party to various legal proceedings which normally occur in governmental operations. In the opinion of management, these legal proceedings are not likely to have a material adverse impact on the affected funds of the County. No accrual has been made for any contingency in these financial statements.

Federal and State Grants

In the normal course of operations, the County receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement, which may arise as the result of these audits, is not believed to be material.

Post-Employment Benefits Other Than Pension Benefits

Plan Participants

Eligible plan participants are retirees who are eligible and elect to receive a monthly annuity from the Texas County and District Retirement System (TCDRS). TCDRS retirement forms must be completed prior to resignation and must take effect immediately upon terminating employment with the County. Retirees who subscribe to the County’s health insurance may stay on the plan until they reach the age of Medicare eligibility (currently age 65). Dependents of retirees may be eligible only if the dependent has been on the County’s insurance plan for a minimum of one year prior to the employee’s retirement date.

The following employees were covered by the benefit terms at 10/1/2020:

| | |
|--|-------------------|
| Inactive employees or beneficiaries currently receiving benefits | 2 |
| Active employees | <u>486</u> |
| | <u><u>488</u></u> |

Medical Benefits

The Plan is a fully insured plan. Current medical retiree premium rates (2021) include:

- a) Pre-age 65 Individual MED: Generally \$775 per month.
- b) Pre-age 65 Spouse MED: Generally \$651 per month.
- c) Pre-age 65 Family MED: Generally \$1,085 per month.
- d) Post-age 65 MED: None, is a pre-Medicare plan only.

Adjustments to these premium rates to reflect the difference between the active/retiree group (for which the current premium rates were based on) and the retiree-only group, were required, in accordance with ASOP 6. The retiree and the spouse are covered under the program. For Tom Green County, these adjustments were required for the Pre-Medicare medical liabilities.

Medicare Part B Premiums – None

Dental – Premium (\$27 per month for individual, etc.), is 100% paid by the retiree.

Eligibility

Generally, an employee may retire after the earlier of (i) age 60 with at least 8 years of service (i.e., “vested”), (ii) 30 years of service, and (iii) attainment of 75 points (age plus service)

County Subsidy

The County does not contribute toward retiree or dental medical coverage. The County allows the retirees to pay based on the “blended” premium rate (instead of a higher “retiree only” rate).

Actuarial Funding Method

Entry Age Normal, level% pay

Actuarial Assumptions

1. Valuation Date: 10/1/2020
 2. Discount Rate: 2.14% per annum
 3. Salary Scale: 3% per annum (for EAN)
 4. Mortality: "RP2006" mortality table with MP-2019 projection
 5. Withdrawal: Select rates include: 1yr, 16%; 5yr, 7%; 10yr 4%; 15yr, 2%
 6. Disability: N/A
 7. Retirement: The following table illustrates the retirement rates:

| Retirement Age | Retirement Rates |
|----------------|------------------|
| 50-51 | 12% |
| 52-54 | 13% |
| 55-59 | 14% |
| 60 | 15% |
| 61 | 13% |
| 62 | 28% |
| 63 | 17% |
| 64 | 17% |
| 65 | 100% |

8. Health Care Cost Trend Rate: The following table illustrates the assumed health care trend rate for each future year:

| Year | (Medical) Assumed Increase |
|------|----------------------------|
| 1 | 7.50% |
| 2 | 7.25% |
| 3 | 7.00% |
| 4 | 6.75% |
| 5 | 6.50% |
| 6 | 6.00% |
| 7 | 5.50% |
| 8 | 5.00% |
| 9+ | 4.50% |

9. Marital - Actives: Wife is assumed to be same age as the husband. 10% of those who retire and take coverage are assumed elect coverage for the spouse.
 10. Participation Rate: 15% of retirees are expected to take coverage and pay 100% of the blended premium.
 11. Inflation Rate: 3.0% per annum

Asset Valuation Method

Market value.

Amortization Basis

For experience gains/losses, over the average expected future working lifetime of the whole group.

For assumption change gains/losses, over the average expected future working lifetime of the whole group.

Changes in Net OPEB Liability

| | | | |
|---------------------------------|---------------------------------|--|-------------------------------|
| Discount Rate (Proj.) | 2.43% | FYE 9/30/2021 | |
| Investment Return Rate (Proj.) | N/A | Index will apply | |
| | <u>Total OPEB Liability</u> | <u>Plan Fiduciary Net Position</u> | <u>Net OPEB Liability</u> |
| Balances at 10/1/2020 | \$ 1,069,306 | \$ - | \$ 1,069,306 |
| Change | <u>137,073</u> | <u>-</u> | <u>137,073</u> |
| Balances at 9/30/2021 | <u>\$ 1,206,379</u> | <u>\$ -</u> | <u>\$ 1,206,379</u> |
| Regular Expense: | | | |
| Service Cost | 123,217 | | |
| Interest Cost | 22,755 | | |
| Experience (Gain)/Loss Amort | <u>(28,157)</u> | | |
| Total GASB 75 Expense for FYE21 | <u>\$ 117,815</u> | | |

Sensitivity – Discount Rate

The following presents the net OPEB liability of the County, calculated using the discount rate of 2.43%, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.43%) or 1-percentage-higher (3.43%) than the current rate:

| | 1% Decrease 1.43% | Current Discount Rate 2.43% | 1% Increase 3.43% |
|---------------------------------|----------------------|-----------------------------------|----------------------|
| Net OPEB Liability 9/30/2021 | \$ <u>1,356,731</u> | \$ <u>1,206,379</u> | \$ <u>1,056,027</u> |
| Total GASB 75 Expense for FYE21 | \$ <u>140,000</u> | \$ <u>117,815</u> | \$ <u>100,000</u> |

Sensitivity – Health Care Trend Rate

| | 1% Decrease 6.5% decreasing to 3.5% | Current Discount Rate 7.5% decreasing to 4.5% | 1% Increase 8.5% decreasing to 5.5% |
|---------------------------------|--|---|--|
| Net OPEB Liability 9/30/2021 | \$ <u>1,004,116</u> | \$ <u>1,206,379</u> | \$ <u>1,450,808</u> |
| Total GASB 75 Expense for FYE21 | \$ <u>100,000</u> | \$ <u>117,815</u> | \$ <u>140,000</u> |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2021, the County recognized OPEB expense of \$117,815. At September 30, 2021, the County reported deferred inflows and outflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual economic experience | \$ 53,300 | \$ 392,520 |
| Changes in actuarial assumptions | <u>153,518</u> | <u>39,242</u> |
| Total | <u>\$ 206,818</u> | <u>\$ 431,762</u> |

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

| Year Ended September 30, | | |
|-----------------------------|-----|---------|
| 2022 | \$(| 28,157) |
| 2023 | (| 28,157) |
| 2024 | (| 28,157) |
| 2025 | (| 28,157) |
| 2026 | (| 28,157) |
| 2027-2029 | (| 84,469) |
| 2030 | | 310 |

Tax Abatement

The County can enter into agreements with new, developing, and expanding businesses to promote local economic development. The County has effective agreements with two businesses to rebate 50% of the incremental increase in property taxes since 2014. The County entered into these agreements in March 2014 and may extend these agreements for an additional period of five years. There were no rebates requested by these two businesses in fiscal year 2021. The County has also entered into an agreement with another business to rebate 50% of all County property tax paid. The County entered into this agreement in November 2018 and may extend this agreement for an additional period of five years. Commitments by the developers include establishing a facility, and housing commercial vehicles and equipment. As of year-end, \$1,417,715 had been rebated over the life of the agreements, including \$441,134 in the current fiscal year. The County has also entered into agreements with several solar companies. The owners of these solar companies will make an annual payment in lieu of taxes when the project commences commercial operations. There were no payments made by the solar companies in fiscal year 2021.

Prior Period Adjustment

In the implementation of GASB Statement No. 84 relating to the presentation of fiduciary activities, the County adjusted the beginning net position of the investment trust and custodial fund. The beginning balance of the investment trust and custodial fund was established to be \$1,568,655 and \$6,292,561, being presented as a prior period adjustment in the Statement of Changes in Fiduciary Net Position.

In the Statement of Revenues, Expenditures and Changes in Fund Balances, the prior period adjustment was \$4,590,386 for the implementation GASB 84.

An adjustment was made for \$(2,886,947) for the retainage payable. With the GASB 84 adjustment \$4,590,386, the net resulted in an adjustment of \$1,703,439 on the Statement of Activities.

New Accounting Standard

Statement No. 87, *Leases* – This Statement will improve the accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities previously classified as operating leases. It establishes a single model for lease accounting based on the principle that leases are financing the right to use an underlying asset. Under the Statement a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resource, enhancing the relevance and consistency of information about leasing activities. This Statement will become effective for the County in fiscal year 2022.

Statement No. 96, *Subscription-Based Information Technology Arrangements* – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset –an intangible asset --and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This Statement will become effective for the County in fiscal year 2024.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

TOM GREEN COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Budgeted Amounts | | Actual Amounts | Variance |
|----------------------------|-------------------|-------------------|-------------------|----------------------------|
| | Original | Final | | Favorable (Unfavorable) |
| REVENUES | | | | |
| Taxes | \$ 45,461,202 | \$ 45,461,202 | \$ 47,552,238 | \$ 2,091,036 |
| Fees of office | 2,474,100 | 2,474,100 | 2,923,386 | 449,286 |
| Intergovernmental | 1,970,568 | 1,970,568 | 2,001,732 | 31,164 |
| Fines and forfeitures | 1,091,975 | 1,091,975 | 1,363,661 | 271,686 |
| Licenses and permits | 47,000 | 47,000 | 56,824 | 9,824 |
| Investment income | 350,140 | 350,140 | 62,861 | (287,279) |
| Miscellaneous | 750,351 | 1,013,286 | 1,445,071 | 431,785 |
| Total revenues | <u>52,145,336</u> | <u>52,408,271</u> | <u>55,405,773</u> | <u>2,997,502</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government: | | | | |
| Salaries and wages | 6,155,823 | 6,272,653 | 6,149,437 | 123,216 |
| Benefits | 2,352,362 | 2,415,551 | 2,309,591 | 105,960 |
| Operations | 8,473,911 | 8,847,866 | 6,839,217 | 2,008,649 |
| Capital outlay | <u>2,545,208</u> | <u>3,935,141</u> | <u>1,801,504</u> | <u>2,133,637</u> |
| Total general government | <u>19,527,304</u> | <u>21,471,211</u> | <u>17,099,749</u> | <u>4,371,462</u> |
| Public safety: | | | | |
| Salaries and wages | 16,009,326 | 16,066,528 | 15,477,248 | 589,280 |
| Benefits | 5,346,905 | 5,367,076 | 4,763,290 | 603,786 |
| Operations | 7,298,547 | 7,717,015 | 6,310,968 | 1,406,047 |
| Capital outlay | <u>339,806</u> | <u>346,214</u> | <u>316,035</u> | <u>30,179</u> |
| Total public safety | <u>28,994,584</u> | <u>29,496,833</u> | <u>26,867,541</u> | <u>2,629,292</u> |
| Highways and streets: | | | | |
| Salaries and wages | 661,119 | 694,068 | 645,805 | 48,263 |
| Benefits | 236,938 | 241,953 | 219,140 | 22,813 |
| Operations | 542,613 | 661,783 | 579,347 | 82,436 |
| Capital outlay | <u>661,000</u> | <u>612,330</u> | <u>578,762</u> | <u>33,568</u> |
| Total highways and streets | <u>2,101,670</u> | <u>2,210,134</u> | <u>2,023,054</u> | <u>187,080</u> |
| Conservation: | | | | |
| Salaries and wages | 104,865 | 105,849 | 105,848 | 1 |
| Benefits | 34,015 | 34,168 | 34,024 | 144 |
| Operations | <u>28,450</u> | <u>28,450</u> | <u>26,740</u> | <u>1,710</u> |
| Total conservation | <u>167,330</u> | <u>168,467</u> | <u>166,612</u> | <u>1,855</u> |

TOM GREEN COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Budgeted Amounts | | Actual Amounts | Variance Favorable (Unfavorable) |
|--|------------------------|------------------------|----------------------|--|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| Health and welfare: | | | | |
| Salaries and wages | \$ 99,325 | \$ 100,850 | \$ 100,849 | \$ 1 |
| Benefits | 42,186 | 42,419 | 41,838 | 581 |
| Operations | <u>2,061,587</u> | <u>2,061,587</u> | <u>1,931,718</u> | <u>129,869</u> |
| Total health and welfare | <u>2,203,098</u> | <u>2,204,856</u> | <u>2,074,405</u> | <u>130,451</u> |
| Culture and recreation: | | | | |
| Salaries and wages | 1,658,845 | 1,661,036 | 1,644,832 | 16,204 |
| Benefits | 504,946 | 505,281 | 487,995 | 17,286 |
| Operations | 659,645 | 664,855 | 623,320 | 41,535 |
| Capital outlay | <u>25,000</u> | <u>29,966</u> | <u>3,450</u> | <u>26,516</u> |
| Total culture and recreation | <u>2,848,436</u> | <u>2,861,138</u> | <u>2,759,597</u> | <u>101,541</u> |
| Total expenditures | <u>55,842,422</u> | <u>58,412,639</u> | <u>50,990,958</u> | <u>7,421,681</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(3,697,086)</u> | <u>(6,004,368)</u> | <u>4,414,815</u> | <u>10,419,183</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from the sale of capital assets | 5,000 | 5,000 | 103,272 | 98,272 |
| Transfers in | <u>51,600</u> | <u>51,600</u> | <u>40,000</u> | <u>(11,600)</u> |
| Total other financing sources (uses) | <u>56,600</u> | <u>56,600</u> | <u>143,272</u> | <u>86,672</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (3,640,486)</u> | <u>\$ (5,947,768)</u> | <u>\$ 4,558,087</u> | <u>\$ 10,505,855</u> |
| FUND BALANCE, BEGINNING | | | <u>27,231,493</u> | |
| FUND BALANCE, ENDING | | | <u>\$ 31,789,580</u> | |

TOM GREEN COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GRANTS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Budgeted Amounts | | Actual | Variance |
|-----------------------------------|-------------------|----------------------|--------------------------|----------------------------|
| | Original | Final | Amounts | Favorable (Unfavorable) |
| REVENUES | | | | |
| Intergovernmental | \$ 6,942,980 | \$ 31,568,518 | \$ 3,004,917 | \$(28,563,601) |
| Miscellaneous | 21,961 | 21,961 | 21,961 | - |
| Total revenues | <u>6,964,941</u> | <u>31,590,479</u> | <u>3,026,878</u> | <u>(28,563,601)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government: | 495,861 | 1,027,231 | 523,483 | 503,748 |
| Public safety: | 280,291 | 1,210,285 | 2,128,314 | (918,029) |
| Highways and streets: | 155,716 | 243,300 | 243,300 | - |
| Culture and recreation: | 50,000 | 75,127 | 68,052 | 7,075 |
| Capital outlay | 5,000,000 | 5,059,683 | 63,729 | 4,995,954 |
| Total expenditures | <u>5,981,868</u> | <u>7,615,626</u> | <u>3,026,878</u> | <u>4,588,748</u> |
| NET CHANGE IN FUND BALANCE | \$ <u>983,073</u> | \$ <u>23,974,853</u> | \$ <u>-</u> | \$(<u>23,974,853</u>) |
| FUND BALANCE, BEGINNING | | | <u>150,003</u> | |
| FUND BALANCE, ENDING | | | \$ <u><u>150,003</u></u> | |

TOM GREEN COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

LOCAL PROVIDER PARTICIPATION

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Budgeted Amounts | | Actual Amounts | Variance Favorable (Unfavorable) |
|---|------------------|-------------------|---------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 8,218,620 | \$ 16,980,002 | \$ 14,814,742 | \$ (2,165,260) |
| Investment income | <u>2,000</u> | <u>2,000</u> | <u>5,665</u> | <u>3,665</u> |
| Total revenues | <u>8,220,620</u> | <u>16,982,002</u> | <u>14,820,407</u> | <u>(2,161,595)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government: | <u>8,220,000</u> | <u>16,981,382</u> | <u>12,787,593</u> | <u>4,193,789</u> |
| Total expenditures | <u>8,220,000</u> | <u>16,981,382</u> | <u>12,787,593</u> | <u>4,193,789</u> |
| NET CHANGE IN FUND BALANCE | \$ <u>620</u> | \$ <u>620</u> | \$ <u>2,032,814</u> | \$ <u>2,032,194</u> |
| FUND BALANCE, BEGINNING | | | <u>-</u> | |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | | | <u>3,467,895</u> | |
| FUND BALANCE, BEGINNING, AS RESTATED | | | <u>3,467,895</u> | |
| FUND BALANCE, ENDING | | | \$ <u>5,500,709</u> | |

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TOM GREEN COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY SCHEDULES

YEAR ENDED SEPTEMBER 30, 2021

Budgetary Information

The County follows these procedures in establishing the budgetary data reflected in the financial report:

1. The County Judge and Commissioners' Court have departmental meetings with management to determine the departmental budget requests.
2. The County Judge and Commissioners must meet in several workshops to establish a proposed budget for the fiscal year commencing the following October. The operational budget includes proposed expenditures and the means of financing them. The proposed budget is filed with the County Clerk and made available for public inspection at least 15 days prior to public budget hearing.
3. Public hearings are conducted to obtain taxpayer comments.
4. After the public hearings, the Commissioners' Court reviews the budget and makes any adjustments they feel necessary.
5. The budget is then legally enacted by the Commissioners' Court on or before October 1, in the timeframe required by statute.

Only the governing body, composed of the Commissioners' Court, may amend the budget after its adoption so long as the amendment continues to meet the requirements of Section 111 of the Local Government Code. During the year, several supplementary amendments to the original budget were required. All amendments were legally made. The final budget amounts shown in the financial statements represent the budget as amended at September 30, 2021. Under state statute, actual expenditures cannot exceed budgetary appropriations at any level for which the budget is formally approved. The County's legally adopted budget is at the department level in those funds with multiple departments and at the fund level in single department funds. Management can, with the exception of personnel items, make adjustments to their budget within the departmental level with Commissioners' Court approval. All budgets are fixed in nature. All governmental funds have legally adopted budgets. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget appropriations lapse at year-end. All encumbrances lapse at year-end.

TOM GREEN COUNTY, TEXAS

TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| Plan Year Ended December 31 | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|---|----------------------|----------------------|----------------------|
| Total Pension Liability: | | | |
| Service cost | \$ 2,813,846 | \$ 2,962,064 | \$ 3,133,160 |
| Interest total pension liability | 6,716,896 | 7,162,281 | 7,540,376 |
| Effect of plan changes | - | (499,200) | - |
| Effect of assumption changes or inputs | - | 1,039,287 | - |
| Effect of economic/demographic (gains) or losses | (120,929) | (1,247,664) | (391,629) |
| Benefit payments/refunds of contributions | (4,131,317) | (4,370,720) | (4,773,184) |
| Net change in total pension liability | 5,278,496 | 5,046,048 | 5,508,723 |
| Total pension liability - beginning | <u>83,570,558</u> | <u>88,849,053</u> | <u>93,895,101</u> |
| Total pension liability - ending (a) | <u>\$ 88,849,054</u> | <u>\$ 93,895,101</u> | <u>\$ 99,403,824</u> |
| Plan Fiduciary Net Position: | | | |
| Employer contributions | \$ 2,067,828 | \$ 2,111,233 | \$ 2,117,315 |
| Member contributions | 1,706,935 | 1,786,305 | 1,824,236 |
| Investment income net of investment expenses | 5,555,011 | 5,530 | 6,377,104 |
| Benefit payments, including refunds of contributions | (4,131,317) | (4,370,720) | (4,773,184) |
| Administrative expenses | (64,944) | (62,319) | (69,358) |
| Other | <u>224,601</u> | <u>(215,393)</u> | <u>472,551</u> |
| Net change in plan fiduciary net position | 5,358,114 | (745,364) | 5,948,664 |
| Plan fiduciary net position - beginning | <u>81,630,977</u> | <u>86,989,091</u> | <u>86,243,727</u> |
| Plan fiduciary net position - ending (b) | <u>86,989,091</u> | <u>86,243,727</u> | <u>92,192,391</u> |
| Net pension liability - ending (a) - (b) | <u>\$ 1,859,963</u> | <u>\$ 7,651,374</u> | <u>\$ 7,211,433</u> |
| Fiduciary net position as a percentage of total pension liability | 97.91% | 91.85% | 92.75% |
| Pensionable covered payroll | \$ 24,384,792 | \$ 25,133,798 | \$ 26,043,329 |
| Net pension liability as a percentage of covered payroll | 7.63% | 30.44% | 27.69% |

Note: This schedule is intended to show ten years of information. Additional years' information will be displayed as it becomes available.

| | 2017 | 2018 | 2019 | 2020 |
|----|--------------------|-----------------------|-----------------------|-----------------------|
| \$ | 3,062,113 | \$ 2,971,765 | \$ 2,950,828 | \$ 3,055,140 |
| | 8,087,264 | 8,544,960 | 8,970,790 | 9,462,363 |
| | - | - | - | - |
| | 542,682 | - | - | 7,415,154 |
| (| 571,543) | (635,533) | (58,153) | 274,847 |
| (| 5,350,488) | (5,409,889) | (5,803,973) | (5,997,759) |
| | 5,770,028 | 5,471,303 | 6,059,492 | 14,209,745 |
| | <u>99,403,824</u> | <u>105,173,852</u> | <u>110,645,155</u> | <u>116,704,647</u> |
| \$ | <u>105,173,852</u> | \$ <u>110,645,155</u> | \$ <u>116,704,647</u> | \$ <u>130,914,392</u> |
| \$ | 2,025,266 | \$ 2,118,026 | \$ 2,083,608 | \$ 2,459,745 |
| | 1,872,784 | 1,948,580 | 1,993,017 | 2,230,287 |
| | 13,433,519 | (1,954,081) | 16,534,910 | 11,914,127 |
| (| 5,350,488) | (5,409,889) | (5,803,973) | (5,997,759) |
| (| 69,220) | (80,864) | (87,904) | (92,079) |
| (| <u>19,547</u>) | (<u>29,564</u>) | (<u>42,968</u>) | (<u>28,253</u>) |
| | 11,892,314 | (3,407,792) | 14,676,690 | 10,486,068 |
| | <u>92,192,391</u> | <u>104,084,705</u> | <u>100,676,913</u> | <u>115,353,603</u> |
| | <u>104,084,705</u> | <u>100,676,913</u> | <u>115,353,603</u> | <u>125,839,671</u> |
| \$ | <u>1,089,147</u> | \$ <u>9,968,242</u> | \$ <u>1,351,044</u> | \$ <u>5,074,721</u> |
| | 98.96% | 90.99% | 98.84% | 96.12% |
| \$ | 26,754,053 | \$ 27,435,617 | \$ 28,471,675 | \$ 31,861,242 |
| | 4.07% | 36.33% | 4.75% | 15.93% |

TOM GREEN COUNTY, TEXAS

TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

SCHEDULE OF CONTRIBUTIONS

LAST SIX FISCAL YEARS

| Fiscal Year Ended September 30 | Actuarially Determined Contribution | Actual Employer Contribution | Contribution Deficiency (Excess) | Pensionable Covered Payroll | Actual Contribution as a % of Covered Payroll |
|---|--|---|---|--|--|
| 2015 | \$ 2,100,968 | \$ 2,100,968 | \$ - | \$ 24,947,079 | 8.4% |
| 2016 | 2,200,830 | 2,200,830 | - | 26,839,540 | 8.2% |
| 2017 | 2,040,402 | 2,040,402 | - | 26,498,261 | 7.7% |
| 2018 | 2,093,002 | 2,093,002 | - | 27,236,046 | 7.7% |
| 2019 | 2,101,235 | 2,101,235 | - | 28,344,000 | 7.4% |
| 2020 | 2,317,949 | 2,317,949 | - | 30,383,088 | 7.6% |
| 2021 | 2,323,527 | 2,323,527 | - | 30,586,404 | 7.6% |

Note: This schedule is intended to show ten years of information. Additional years' information will be displayed as it becomes available.

TOM GREEN COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | |
|---|---|
| Valuation Timing | Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which the contributions are reported. |
| Methods and assumptions used to determine contribution rates: | |
| Actuarial Cost Method | Entry age |
| Amortization Method | Level percentage of payroll, closed |
| Remaining Amortization Period | 20.0 years (based on contribution rate calculated in 12/31/2020 valuation) |
| Asset Valuation Method | 5-year smoothed market |
| Inflation | 2.50% |
| Salary Increases | Varies by age and service. 4.6% average over career including inflation. |
| Investment Rate of Return | 7.50%, net of investment expenses, including inflation |
| Retirement Age | Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61. |
| Mortality | 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. |
| Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions | 2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. |
| Changes in Plan Provisions Reflected in the Schedule | 2015: No changes in plan provisions were reflected in the schedule. 2016: No changes in plan provisions were reflected in the schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019 No changes in plan provisions were reflected in the Schedule. 2020 No changes in plan provisions were reflected in the Schedule. |

TOM GREEN COUNTY, TEXAS

OTHER POST-EMPLOYMENT BENEFITS

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| Plan Year Ended September 30 | 2018 | 2019 | 2020 | 2021 |
|---|---------------------|---------------------|---------------------|---------------------|
| Total OPEB Liability: | | | | |
| Service cost | \$ 93,748 | \$ 93,520 | \$ 89,566 | \$ 123,217 |
| Interest | 36,880 | 40,948 | 41,322 | 22,755 |
| Difference between expected and actual experience | (15,494) | (107,405) | (393,009) | 46,703 |
| Changes in assumptions | - | 9,781 | 183,004 | (43,602) |
| Benefit payments | (3,367) | (3,400) | (11,666) | (12,000) |
| Net change in total pension liability | 111,767 | 33,444 | (90,783) | 137,073 |
| Total OPEB liability - beginning | <u>1,014,878</u> | <u>1,126,645</u> | <u>1,160,089</u> | <u>1,069,306</u> |
| Total OPEB liability - ending (a) | <u>\$ 1,126,645</u> | <u>\$ 1,160,089</u> | <u>\$ 1,069,306</u> | <u>\$ 1,206,379</u> |
| Plan Fiduciary Net Position: | | | | |
| Employer contributions | \$ 3,367 | \$ 3,400 | \$ 11,666 | \$ 12,000 |
| Benefit payments | <u>(3,367)</u> | <u>(3,400)</u> | <u>(11,666)</u> | <u>(12,000)</u> |
| Net change in plan fiduciary net position | - | - | - | - |
| Plan fiduciary net position - beginning | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Plan fiduciary net position - ending (b) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net OPEB liability - ending (a) - (b) | <u>\$ 1,126,645</u> | <u>\$ 1,160,089</u> | <u>\$ 1,069,306</u> | <u>\$ 1,206,379</u> |
| Fiduciary net position as a percentage of total OPEB liability | 0.00% | 0.00% | 0.00% | 0.00% |
| Covered-employee payroll | \$ 20,993,709 | \$ 22,024,874 | \$ 24,762,322 | \$ 25,827,421 |
| Total OPEB liability as a percentage of covered payroll | 5.37% | 5.27% | 4.32% | 4.67% |

Note: This schedule is intended to show ten years of information. Additional years' information will be displayed as it becomes available.

TOM GREEN COUNTY, TEXAS

OTHER POST-EMPLOYMENT BENEFITS

SCHEDULE OF CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| Fiscal Year Ended September 30 | Actuarially Determined Contribution | Actual Employer Contribution | Contribution Deficiency (Excess) | Pensionable Covered Payroll | Actual Contribution as a % of Covered Payroll |
|---|--|---|---|--|--|
| 2018 | \$ 129,219 | \$ 3,367 | \$ (125,852) | \$ 20,993,709 | 0.02% |
| 2019 | 173,799 | 3,400 | (170,399) | 22,024,874 | 0.02% |
| 2020 | 171,873 | 11,666 | (160,117) | 24,762,322 | 0.05% |
| 2021 | 189,499 | 12,000 | (177,499) | 25,827,421 | 0.05% |

Note: This schedule is intended to show ten years of information. Additional years' information will be displayed as it becomes available.

TOM GREEN COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
OTHER POST EMPLOYMENT BENEFITS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | |
|--|------------------------------------|
| Valuation date | 10/01/2020 (disclosures 9/30/2021) |
| Methods and assumptions used to determine contribution rates: | |
| Actuarial Cost Method | Entry age normal |
| Amortization Method | N/A |
| Amortization Period | N/A |
| Asset Valuation Method | Market |
| Inflation | 3.00% |
| Healthcare cost trend rates | 7.5% decreasing to 4.5% ultimate |
| Salary increases | 3.0% |
| Retirement age | All: Rates from age 50 |
| Mortality | "RP 2006" w/MP2019 projection |
| Investment rate of return | 2.43% |

**COMBINING STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS**

TOM GREEN COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|--|--|--------------------------|-------------------|
| | Road and Bridge Precincts 1 and 3 | Road and Bridge Precincts 2 and 4 | County Law Library | Library |
| ASSETS | | | | |
| Cash | \$ 382,047 | \$ 287,476 | \$ 123,655 | \$ 385,103 |
| Investments | - | - | - | - |
| Receivables (net of allowance for uncollectibles): | | | | |
| Accounts | 12,982 | 11,490 | - | 3,417 |
| Property taxes | - | - | - | - |
| Due from other funds | 73,300 | - | - | - |
| Due from other governments | 14,712 | 14,712 | - | - |
| Prepaid expenses | - | - | - | 4,800 |
| Total assets | <u>\$ 483,041</u> | <u>\$ 313,678</u> | <u>\$ 123,655</u> | <u>\$ 393,320</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 68,229 | \$ 17,019 | \$ 3,959 | \$ 991 |
| Accrued liabilities | 8,362 | 8,548 | 427 | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | - |
| Total liabilities | <u>76,591</u> | <u>25,567</u> | <u>4,386</u> | <u>991</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Nonspendable | - | - | - | 4,800 |
| Restricted | <u>406,450</u> | <u>288,111</u> | <u>119,269</u> | <u>387,529</u> |
| Total fund balances | <u>406,450</u> | <u>288,111</u> | <u>119,269</u> | <u>392,329</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 483,041</u> | <u>\$ 313,678</u> | <u>\$ 123,655</u> | <u>\$ 393,320</u> |

Special Revenue

| County Clerk Preservation and Archive | Justice Court Technology | Records Management District Clerk | Courthouse and Justice Security | County Attorney Fee Account | District Attorney Fee Accounts |
|---|--------------------------------|--|---------------------------------------|--------------------------------------|---|
| \$ 474,698 | \$ 19,602 | \$ 10,759 | \$ 172,903 | \$ 4,980 | \$ 8,202 |
| - | - | - | - | - | - |
| - | - | - | - | 31 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>474,698</u> | <u>19,602</u> | <u>10,759</u> | <u>172,903</u> | <u>5,011</u> | <u>8,202</u> |
| \$ 1,533 | \$ 627 | \$ - | \$ - | \$ - | \$ - |
| 3,220 | - | - | 785 | 201 | - |
| - | - | - | 40,000 | - | - |
| - | - | - | - | - | - |
| <u>4,753</u> | <u>627</u> | <u>-</u> | <u>40,785</u> | <u>201</u> | <u>-</u> |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>469,945</u> | <u>18,975</u> | <u>10,759</u> | <u>132,118</u> | <u>4,810</u> | <u>8,202</u> |
| <u>469,945</u> | <u>18,975</u> | <u>10,759</u> | <u>132,118</u> | <u>4,810</u> | <u>8,202</u> |
| <u>\$ 474,698</u> | <u>\$ 19,602</u> | <u>\$ 10,759</u> | <u>\$ 172,903</u> | <u>\$ 5,011</u> | <u>\$ 8,202</u> |

TOM GREEN COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|---|------------------------|-------------------|--|
| | Records Management County Courts | Judicial Efficiency | LEOSE Training | Judicial Education County Judge |
| ASSETS | | | | |
| Cash | \$ 65,051 | \$ 34,061 | \$ 48,528 | \$ 17,557 |
| Investments | - | - | - | - |
| Receivables (net of allowance for uncollectibles): | | | | |
| Accounts | - | - | - | - |
| Property taxes | - | - | - | - |
| Due from other funds | - | 267 | - | - |
| Due from other governments | - | - | - | 4,173 |
| Prepaid expenses | - | - | - | - |
| Total assets | <u>\$ 65,051</u> | <u>\$ 34,328</u> | <u>\$ 48,528</u> | <u>\$ 21,730</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 7,835 | \$ 373 | \$ - | \$ - |
| Accrued liabilities | 2,498 | - | - | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | - |
| Total liabilities | <u>10,333</u> | <u>373</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Nonspendable | - | - | - | - |
| Restricted | <u>54,718</u> | <u>33,955</u> | <u>48,528</u> | <u>21,730</u> |
| Total fund balances | <u>54,718</u> | <u>33,955</u> | <u>48,528</u> | <u>21,730</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 65,051</u> | <u>\$ 34,328</u> | <u>\$ 48,528</u> | <u>\$ 21,730</u> |

Special Revenue

| Lateral Road | Graffiti Eradication | Election Contract Service | Guardianship | Child Abuse Prevention | County Attorney Pretrial Diversion Program | District Attorney Pretrial Diversion Program |
|-----------------|-------------------------|---------------------------------|------------------|---------------------------|--|--|
| \$ 5,933 | \$ 637 | \$ 138,505 | \$ 20,005 | \$ 263 | \$ 35,013 | \$ 79,508 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>5,933</u> | <u>637</u> | <u>138,505</u> | <u>20,005</u> | <u>263</u> | <u>35,013</u> | <u>79,508</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 274 | \$ - |
| - | - | - | - | - | 584 | 871 |
| - | - | - | 8,940 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | <u>8,940</u> | - | <u>858</u> | <u>871</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>5,933</u> | <u>637</u> | <u>138,505</u> | <u>11,065</u> | <u>263</u> | <u>34,155</u> | <u>78,637</u> |
| <u>5,933</u> | <u>637</u> | <u>138,505</u> | <u>11,065</u> | <u>263</u> | <u>34,155</u> | <u>78,637</u> |
| \$ <u>5,933</u> | \$ <u>637</u> | \$ <u>138,505</u> | \$ <u>20,005</u> | \$ <u>263</u> | \$ <u>35,013</u> | \$ <u>79,508</u> |

TOM GREEN COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|---------------------------------|--|-------------------------------|-----------------------------|
| | District Clerk Technology | District/ County Court Technology | County Speciality Court | Waste Water Treatment |
| ASSETS | | | | |
| Cash | \$ 64,429 | \$ 14,073 | \$ 11,976 | \$ 450 |
| Investments | - | - | - | - |
| Receivables (net of allowance for uncollectibles): | | | | |
| Accounts | - | - | - | - |
| Property taxes | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Total assets | <u>\$ 64,429</u> | <u>\$ 14,073</u> | <u>\$ 11,976</u> | <u>\$ 450</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Nonspendable | - | - | - | - |
| Restricted | <u>64,429</u> | <u>14,073</u> | <u>11,976</u> | <u>450</u> |
| Total fund balances | <u>64,429</u> | <u>14,073</u> | <u>11,976</u> | <u>450</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 64,429</u> | <u>\$ 14,073</u> | <u>\$ 11,976</u> | <u>\$ 450</u> |

Special Revenue

| 51st D.A. Special Forfeiture | 119th D.A. Special Forfeiture | State Municipal Fees | State Fees - Criminal | State Fees - Civil | Child Safety Fee | Child Restraint State Fee |
|------------------------------------|-------------------------------------|----------------------------|--------------------------|-----------------------|---------------------|---------------------------------|
| \$ 737,328 | \$ 30,937 | \$ 29,249 | \$ 218,103 | \$ 140,505 | \$ 35,515 | \$ 8,982 |
| - | - | - | - | - | - | - |
| - | - | - | 165 | 2,747 | 498 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>\$ 737,328</u> | <u>\$ 30,937</u> | <u>\$ 29,249</u> | <u>\$ 218,268</u> | <u>\$ 143,252</u> | <u>\$ 36,013</u> | <u>\$ 8,982</u> |
| \$ - | \$ - | \$ 27,893 | \$ 195,526 | \$ 142,655 | \$ - | \$ 8,982 |
| 425 | 61 | - | - | - | - | - |
| 21,860 | - | 69 | 22,742 | 597 | - | - |
| - | - | - | - | - | - | - |
| <u>22,285</u> | <u>61</u> | <u>27,962</u> | <u>218,268</u> | <u>143,252</u> | <u>-</u> | <u>8,982</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>715,043</u> | <u>30,876</u> | <u>1,287</u> | <u>-</u> | <u>-</u> | <u>36,013</u> | <u>-</u> |
| <u>715,043</u> | <u>30,876</u> | <u>1,287</u> | <u>-</u> | <u>-</u> | <u>36,013</u> | <u>-</u> |
| <u>\$ 737,328</u> | <u>\$ 30,937</u> | <u>\$ 29,249</u> | <u>\$ 218,268</u> | <u>\$ 143,252</u> | <u>\$ 36,013</u> | <u>\$ 8,982</u> |

TOM GREEN COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|-----------------------|---------------------------|-----------------------|--|
| | Sheriff Forfeiture | Third Court of Appeals | Unclaimed Property | Truancy Prevention and Diversion |
| ASSETS | | | | |
| Cash | \$ 197,636 | \$ 1,041 | \$ 31,512 | \$ 74,047 |
| Investments | - | - | - | - |
| Receivables (net of allowance for uncollectibles): | | | | |
| Accounts | - | - | - | - |
| Property taxes | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governments | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| | - | - | - | - |
| Total assets | \$ 197,636 | \$ 1,041 | \$ 31,512 | \$ 74,047 |
| LIABILITIES | | | | |
| Accounts payable | \$ 1,340 | \$ 1,016 | \$ 28,927 | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to other governments | - | - | - | - |
| Total liabilities | 1,340 | 1,016 | 28,927 | - |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| FUND BALANCES | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 196,296 | 25 | 2,585 | 74,047 |
| Total fund balances | 196,296 | 25 | 2,585 | 74,047 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 197,636 | \$ 1,041 | \$ 31,512 | \$ 74,047 |

| <u>Special Revenue</u> | | <u>Debt Service</u> | <u>Capital Projects</u> | | |
|---|-------------------------------------|---------------------|-------------------------|---------------------------------|--|
| <u>County Attorney Merchant Account</u> | <u>Tax Assessor - Collector VIT</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total Governmental Funds</u> | |
| \$ 21,103 | \$ 1,097,508 | \$ 551,235 | \$ 426,089 | \$ 6,006,204 | |
| - | - | - | 1,094,760 | 1,094,760 | |
| - | - | - | - | 31,330 | |
| - | - | 129,243 | - | 129,243 | |
| - | - | - | - | 73,567 | |
| - | - | 13,072 | - | 46,669 | |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,800</u> | |
| <u>\$ 21,103</u> | <u>\$ 1,097,508</u> | <u>\$ 693,550</u> | <u>\$ 1,520,849</u> | <u>\$ 7,386,573</u> | |
| \$ - | \$ - | \$ - | \$ 122,394 | \$ 629,573 | |
| - | - | - | - | 25,982 | |
| - | - | - | - | 94,208 | |
| - | 1,041,929 | - | - | 1,041,929 | |
| <u>-</u> | <u>1,041,929</u> | <u>-</u> | <u>122,394</u> | <u>1,791,692</u> | |
| <u>-</u> | <u>-</u> | <u>129,243</u> | <u>-</u> | <u>129,243</u> | |
| <u>-</u> | <u>-</u> | <u>129,243</u> | <u>-</u> | <u>129,243</u> | |
| - | - | - | - | 4,800 | |
| <u>21,103</u> | <u>55,579</u> | <u>564,307</u> | <u>1,398,455</u> | <u>5,460,838</u> | |
| <u>21,103</u> | <u>55,579</u> | <u>564,307</u> | <u>1,398,455</u> | <u>5,465,638</u> | |
| <u>\$ 21,103</u> | <u>\$ 1,097,508</u> | <u>\$ 693,550</u> | <u>\$ 1,520,849</u> | <u>\$ 7,386,573</u> | |

TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|--|--|--------------------------|------------|
| | Road and Bridge Precincts 1 and 3 | Road and Bridge Precincts 2 and 4 | County Law Library | Library |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Fees of office | 681,570 | 601,161 | 76,008 | - |
| Fines and forfeitures | - | - | - | - |
| Intergovernmental | 194,400 | 165,600 | - | - |
| Investment income | 617 | 1,418 | 202 | 716 |
| Miscellaneous | 60 | 4,756 | - | 31,941 |
| Total revenues | 876,647 | 772,935 | 76,210 | 32,657 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | 58,408 | - |
| Public safety | - | - | - | - |
| Highways and streets | 624,117 | 671,341 | - | - |
| Culture and recreation | - | - | - | 12,576 |
| Health and welfare | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and other charges | - | - | - | - |
| Capital outlay | 40,842 | 40,842 | - | 44,988 |
| Total expenditures | 664,959 | 712,183 | 58,408 | 57,564 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 211,688 | 60,752 | 17,802 | (24,907) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | 6,050 | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | 6,050 | - | - | - |
| NET CHANGE IN FUND BALANCES | 217,738 | 60,752 | 17,802 | (24,907) |
| FUND BALANCES, BEGINNING | 188,712 | 227,359 | 101,467 | 417,236 |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | - | - | - | - |
| FUND BALANCE, BEGINNING, AS RESTATED | 188,712 | 227,359 | 101,467 | 417,236 |
| FUND BALANCES, ENDING | \$ 406,450 | \$ 288,111 | \$ 119,269 | \$ 392,329 |

Special Revenue

| County Clerk Preservation and Archive | Justice Court Technology | Records Management District Clerk | Courthouse and Justice Security | County Attorney Fee Account | District Attorney Fee Accounts |
|---|--------------------------------|--|---------------------------------------|--------------------------------------|---|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 518,204 | 38,515 | 7,951 | 88,366 | 2,718 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 651 | 71 | 13 | 232 | 13 | 16 |
| - | - | - | - | 6 | 2,512 |
| <u>518,855</u> | <u>38,586</u> | <u>7,964</u> | <u>88,598</u> | <u>2,737</u> | <u>2,528</u> |
| 360,056 | - | 1,876 | - | - | - |
| - | 62,335 | - | 16,438 | 7,233 | 3,076 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>360,056</u> | <u>62,335</u> | <u>1,876</u> | <u>16,438</u> | <u>7,233</u> | <u>3,076</u> |
| <u>158,799</u> | <u>(23,749)</u> | <u>6,088</u> | <u>72,160</u> | <u>(4,496)</u> | <u>(548)</u> |
| - | - | - | - | - | - |
| - | - | - | (40,000) | - | - |
| - | - | - | (40,000) | - | - |
| 158,799 | (23,749) | 6,088 | 32,160 | (4,496) | (548) |
| <u>311,146</u> | <u>42,724</u> | <u>4,671</u> | <u>99,958</u> | <u>9,306</u> | <u>8,750</u> |
| - | - | - | - | - | - |
| <u>311,146</u> | <u>42,724</u> | <u>4,671</u> | <u>99,958</u> | <u>9,306</u> | <u>8,750</u> |
| <u>\$ 469,945</u> | <u>\$ 18,975</u> | <u>\$ 10,759</u> | <u>\$ 132,118</u> | <u>\$ 4,810</u> | <u>\$ 8,202</u> |

TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|----------------------------------|---------------------|------------------|---------------------------------|
| | Records Management County Courts | Judicial Efficiency | LEOSE Training | Judicial Education County Judge |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Fees of office | 51,788 | - | - | 4,173 |
| Fines and forfeitures | - | - | - | - |
| Intergovernmental | - | 21,128 | 14,276 | - |
| Investment income | 131 | 63 | 93 | 30 |
| Miscellaneous | - | - | - | - |
| Total revenues | <u>51,919</u> | <u>21,191</u> | <u>14,369</u> | <u>4,203</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 82,387 | - | - | - |
| Public safety | - | 19,012 | 14,683 | - |
| Highways and streets | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and other charges | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | <u>82,387</u> | <u>19,012</u> | <u>14,683</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(30,468)</u> | <u>2,179</u> | <u>(314)</u> | <u>4,203</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | <u>(30,468)</u> | <u>2,179</u> | <u>(314)</u> | <u>4,203</u> |
| FUND BALANCES, BEGINNING | <u>85,186</u> | <u>31,776</u> | <u>48,842</u> | <u>17,527</u> |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, BEGINNING, AS RESTATED | <u>85,186</u> | <u>31,776</u> | <u>48,842</u> | <u>17,527</u> |
| FUND BALANCES, ENDING | <u>\$ 54,718</u> | <u>\$ 33,955</u> | <u>\$ 48,528</u> | <u>\$ 21,730</u> |

Special Revenue

| Lateral Road | Graffiti Eradication | Election Contract Service | Guardianship | Child Abuse Prevention | County Attorney Pretrial Diversion Program | District Attorney Pretrial Diversion Program |
|-----------------|-------------------------|---------------------------------|------------------|---------------------------|--|--|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | 13,117 | 260 | 57,500 | 37,500 |
| - | - | - | - | - | - | - |
| 33,860 | - | 21,096 | - | - | - | - |
| 49 | 1 | 198 | 23 | 3 | 31 | 128 |
| - | - | 65,134 | - | - | - | - |
| <u>33,909</u> | <u>1</u> | <u>86,428</u> | <u>13,140</u> | <u>263</u> | <u>57,531</u> | <u>37,628</u> |
| - | - | 55,295 | - | - | - | - |
| - | - | - | 8,940 | - | 20,763 | 28,312 |
| 30,392 | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | 2,088 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>30,392</u> | <u>-</u> | <u>55,295</u> | <u>8,940</u> | <u>2,088</u> | <u>20,763</u> | <u>28,312</u> |
| <u>3,517</u> | <u>1</u> | <u>31,133</u> | <u>4,200</u> | <u>(1,825)</u> | <u>36,768</u> | <u>9,316</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 3,517 | 1 | 31,133 | 4,200 | (1,825) | 36,768 | 9,316 |
| <u>2,416</u> | <u>636</u> | <u>107,372</u> | <u>6,865</u> | <u>2,088</u> | <u>(2,613)</u> | <u>69,321</u> |
| - | - | - | - | - | - | - |
| <u>2,416</u> | <u>636</u> | <u>107,372</u> | <u>6,865</u> | <u>2,088</u> | <u>(2,613)</u> | <u>69,321</u> |
| <u>\$ 5,933</u> | <u>\$ 637</u> | <u>\$ 138,505</u> | <u>\$ 11,065</u> | <u>\$ 263</u> | <u>\$ 34,155</u> | <u>\$ 78,637</u> |

TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|---------------------------------|--|-------------------------------|-----------------------------|
| | District Clerk Technology | District/ County Court Technology | County Speciality Court | Waste Water Treatment |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Fees of office | 15,399 | 2,601 | 8,903 | 3,460 |
| Fines and forfeitures | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Investment income | 98 | 23 | - | - |
| Miscellaneous | - | - | - | - |
| Total revenues | 15,497 | 2,624 | 8,903 | 3,460 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | 3,180 |
| Public safety | - | 1,119 | - | - |
| Highways and streets | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and other charges | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | - | 1,119 | - | 3,180 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 15,497 | 1,505 | 8,903 | 280 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| NET CHANGE IN FUND BALANCES | 15,497 | 1,505 | 8,903 | 280 |
| FUND BALANCES, BEGINNING | 48,932 | 12,568 | 3,073 | - |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | - | - | - | 170 |
| FUND BALANCE, BEGINNING, AS RESTATED | 48,932 | 12,568 | 3,073 | 170 |
| FUND BALANCES, ENDING | \$ 64,429 | \$ 14,073 | \$ 11,976 | \$ 450 |

Special Revenue

| 51st D.A. Special Forfeiture | 119th D.A. Special Forfeiture | State Municipal Fees | State Fees - Criminal | State Fees - Civil | Child Safety Fee | Child Restraint State Fee |
|------------------------------------|-------------------------------------|----------------------------|--------------------------|-----------------------|---------------------|---------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | 285,455 | 1,153,552 | 534,673 | 24,770 | 8,982 |
| 7,624 | 7,950 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 1,210 | 60 | - | - | - | - | - |
| - | - | - | - | - | 62 | - |
| <u>8,834</u> | <u>8,010</u> | <u>285,455</u> | <u>1,153,552</u> | <u>534,673</u> | <u>24,832</u> | <u>8,982</u> |
| - | - | 284,244 | 1,154,217 | 537,439 | - | 8,982 |
| 65,952 | 16,512 | - | - | - | 21,561 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>65,952</u> | <u>16,512</u> | <u>284,244</u> | <u>1,154,217</u> | <u>537,439</u> | <u>21,561</u> | <u>8,982</u> |
| (57,118) | (8,502) | 1,211 | (665) | (2,766) | 3,271 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| (57,118) | (8,502) | 1,211 | (665) | (2,766) | 3,271 | - |
| - | - | - | - | - | - | - |
| <u>772,161</u> | <u>39,378</u> | <u>76</u> | <u>665</u> | <u>2,766</u> | <u>32,742</u> | <u>-</u> |
| <u>772,161</u> | <u>39,378</u> | <u>76</u> | <u>665</u> | <u>2,766</u> | <u>32,742</u> | <u>-</u> |
| <u>\$ 715,043</u> | <u>\$ 30,876</u> | <u>\$ 1,287</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 36,013</u> | <u>\$ -</u> |

TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Special Revenue | | | |
|--|-----------------------|---------------------------|-----------------------|--|
| | Sheriff Forfeiture | Third Court of Appeals | Unclaimed Property | Truancy Prevention and Diversion |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Fees of office | - | 10,842 | - | 40,733 |
| Fines and forfeitures | 3,574 | - | - | - |
| Intergovernmental | - | - | - | - |
| Investment income | 318 | - | 78 | - |
| Miscellaneous | - | - | 546 | - |
| Total revenues | 3,892 | 10,842 | 624 | 40,733 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | 10,842 | 490 | - |
| Public safety | 8,175 | - | - | - |
| Highways and streets | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and other charges | - | - | - | - |
| Capital outlay | - | - | - | - |
| Total expenditures | 8,175 | 10,842 | 490 | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (4,283) | - | 134 | 40,733 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| NET CHANGE IN FUND BALANCES | (4,283) | - | 134 | 40,733 |
| FUND BALANCES, BEGINNING | - | - | - | 33,314 |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | 200,579 | 25 | 2,451 | - |
| FUND BALANCE, BEGINNING, AS RESTATED | 200,579 | 25 | 2,451 | 33,314 |
| FUND BALANCES, ENDING | \$ 196,296 | \$ 25 | \$ 2,585 | \$ 74,047 |

| <u>Special Revenue</u> | | <u>Debt Service</u> | <u>Capital Projects</u> | |
|---|-------------------------------------|---------------------|-------------------------|---------------------------------|
| <u>County Attorney Merchant Account</u> | <u>Tax Assessor - Collector VIT</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total Governmental Funds</u> |
| \$ - | \$ - | \$ 4,938,633 | \$ - | \$ 4,938,633 |
| 27,904 | 1,533,938 | - | - | 5,830,043 |
| - | - | - | - | 19,148 |
| - | - | - | - | 450,360 |
| - | 1,532 | 1,622 | 2,869 | 12,509 |
| - | - | - | - | 105,017 |
| <u>27,904</u> | <u>1,535,470</u> | <u>4,940,255</u> | <u>2,869</u> | <u>11,355,710</u> |
| - | 1,530,266 | 1,200 | - | 4,088,882 |
| 27,904 | - | - | - | 322,015 |
| - | - | - | - | 1,325,850 |
| - | - | - | - | 12,576 |
| - | - | - | - | 2,088 |
| - | - | 2,300,000 | - | 2,300,000 |
| - | - | 2,423,718 | - | 2,423,718 |
| - | - | - | 1,034,626 | 1,161,298 |
| <u>27,904</u> | <u>1,530,266</u> | <u>4,724,918</u> | <u>1,034,626</u> | <u>11,636,427</u> |
| - | 5,204 | 215,337 | (1,031,757) | (280,717) |
| - | - | - | - | 6,050 |
| - | - | - | - | (40,000) |
| - | - | - | - | (33,950) |
| - | 5,204 | 215,337 | (1,031,757) | (314,667) |
| - | - | 348,970 | 2,430,212 | 4,657,814 |
| <u>21,103</u> | <u>50,375</u> | <u>-</u> | <u>-</u> | <u>1,122,491</u> |
| <u>21,103</u> | <u>50,375</u> | <u>348,970</u> | <u>2,430,212</u> | <u>5,780,305</u> |
| \$ <u>21,103</u> | \$ <u>55,579</u> | \$ <u>564,307</u> | \$ <u>1,398,455</u> | \$ <u>5,465,638</u> |

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CUSTODIAL FUNDS

TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2021

| | <u>Investment Trust Funds</u> | | |
|--|-------------------------------|---------------------------------|---|
| | <u>County Clerk Trust</u> | <u>District Clerk Trust</u> | <u>Total Investment Trust Funds</u> |
| ASSETS | | | |
| Cash | \$ 605,240 | \$ 1,125,240 | \$ 1,730,480 |
| Receivables | - | - | - |
| Due from other governments | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 605,240</u> | <u>\$ 1,125,240</u> | <u>\$ 1,730,480</u> |
| LIABILITIES | | | |
| Liabilities: | | | |
| Accounts payable | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total liabilities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| NET POSITION | | | |
| Restricted for individuals, organizations and other governments | <u>\$ 605,240</u> | <u>\$ 1,125,240</u> | <u>\$ 1,730,480</u> |
| Total net position | <u>\$ 605,240</u> | <u>\$ 1,125,240</u> | <u>\$ 1,730,480</u> |

| Custodial Funds | | | | Custodial Funds | | |
|-----------------|-----------------------------|-------------------------|-------------------|----------------------------|---------------------|---------------------|
| Juror Donations | Tax Assessor - Collector | Cafeteria Plan Trust | District Attorney | Bailbondsmen Collateral | Juvenile Probation | CSCD |
| \$ 1,296 | \$ 617,427 | \$ 38,788 | \$ 505,459 | \$ 632,194 | \$ 1,573,434 | \$ 4,390,494 |
| - | 8,135 | - | - | - | - | 23 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>107,973</u> |
| <u>\$ 1,296</u> | <u>\$ 625,562</u> | <u>\$ 38,788</u> | <u>\$ 505,459</u> | <u>\$ 632,194</u> | <u>\$ 1,573,434</u> | <u>\$ 4,498,490</u> |
| \$ - | \$ 690 | \$ - | \$ - | \$ - | \$ - | \$ - |
| <u>-</u> | <u>690</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 1,296</u> | <u>\$ 624,872</u> | <u>\$ 38,788</u> | <u>\$ 505,459</u> | <u>\$ 632,194</u> | <u>\$ 1,573,434</u> | <u>\$ 4,498,490</u> |
| <u>\$ 1,296</u> | <u>\$ 624,872</u> | <u>\$ 38,788</u> | <u>\$ 505,459</u> | <u>\$ 632,194</u> | <u>\$ 1,573,434</u> | <u>\$ 4,498,490</u> |

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TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2021

| | <u>Total Custodial Funds</u> | <u>Total Fiduciary Funds</u> |
|--|--------------------------------------|--------------------------------------|
| ASSETS | | |
| Cash | \$ 7,759,092 | \$ 9,489,572 |
| Receivables | 8,158 | 8,158 |
| Due from other governments | <u>107,973</u> | <u>107,973</u> |
| Total assets | <u>\$ 7,875,223</u> | <u>\$ 9,605,703</u> |
| LIABILITIES | | |
| Liabilities: | | |
| Accounts payable | \$ <u>690</u> | \$ <u>690</u> |
| Total liabilities | <u>\$ 690</u> | <u>\$ 690</u> |
| NET POSITION | | |
| Restricted for individuals, organizations and other governments | <u>\$ 7,874,533</u> | <u>\$ 9,605,013</u> |
| Total net position | <u>\$ 1,802,609</u> | <u>\$ 9,605,013</u> |

TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | <u>Investment Trust Funds</u> | | | <u>Custodial Funds</u> |
|---|-------------------------------|---------------------|------------------------------------|------------------------|
| | County Clerk Trust | DC Trust | Total Investment Trust Funds | County Sheriff |
| INCREASES | | | | |
| Contributions from judgements | \$ 83,033 | \$ 616,192 | \$ 699,225 | \$ 40,017 |
| Interest | 340 | 893 | 1,233 | - |
| Deposits held | - | - | - | - |
| Bonds received | 130,075 | - | 130,075 | - |
| Donations | - | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total increases | \$ <u>213,448</u> | \$ <u>617,085</u> | \$ <u>830,533</u> | \$ <u>40,017</u> |
| DECREASES | | | | |
| Deposits returned | \$ - | \$ - | \$ - | \$ - |
| Disbursements to beneficiaries | <u>229,944</u> | <u>438,764</u> | <u>668,708</u> | <u>40,017</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total decreases | \$ <u>229,944</u> | \$ <u>438,764</u> | \$ <u>668,708</u> | \$ <u>40,017</u> |
| NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION | <u>(16,496)</u> | <u>178,321</u> | <u>161,825</u> | <u>-</u> |
| NET POSITION, BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | <u>621,736</u> | <u>946,919</u> | <u>1,568,655</u> | <u>-</u> |
| NET POSITION, BEGINNING, AS RESTATED | <u>621,736</u> | <u>946,919</u> | <u>1,568,655</u> | <u>-</u> |
| NET POSITION, ENDING | \$ <u>605,240</u> | \$ <u>1,125,240</u> | \$ <u>1,730,480</u> | \$ <u>-</u> |

Custodial Funds

| Juror Donations | Tax Assessor - Collector | Cafeteria Plan Trust | District Attorney | Cafeteria/ ZP | Bailbondsmen Collateral |
|-----------------|-----------------------------|-------------------------|-------------------|------------------|----------------------------|
| \$ - | \$ - | \$ - | \$ 224,983 | \$ - | \$ - |
| - | - | 57 | - | - | - |
| - | 74,837,709 | 57,380 | - | 55,234 | 120,545 |
| - | - | - | - | - | - |
| <u>308</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 308</u> | <u>\$ 74,837,709</u> | <u>\$ 57,437</u> | <u>\$ 224,983</u> | <u>\$ 55,234</u> | <u>\$ 120,545</u> |
| \$ - | \$ - | \$ 55,234 | \$ - | \$ 55,234 | \$ 37,360 |
| <u>162</u> | <u>74,788,731</u> | <u>-</u> | <u>582,235</u> | <u>-</u> | <u>-</u> |
| <u>\$ 162</u> | <u>\$ 74,788,731</u> | <u>\$ 55,234</u> | <u>\$ 582,235</u> | <u>\$ 55,234</u> | <u>\$ 37,360</u> |
| <u>146</u> | <u>48,978</u> | <u>2,203</u> | <u>(357,252)</u> | <u>-</u> | <u>83,185</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>1,150</u> | <u>575,894</u> | <u>36,585</u> | <u>862,711</u> | <u>-</u> | <u>549,009</u> |
| <u>1,150</u> | <u>575,894</u> | <u>36,585</u> | <u>862,711</u> | <u>-</u> | <u>549,009</u> |
| <u>\$ 1,296</u> | <u>\$ 624,872</u> | <u>\$ 38,788</u> | <u>\$ 505,459</u> | <u>\$ -</u> | <u>\$ 632,194</u> |

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TOM GREEN COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Custodial Funds | | Total Custodial Funds | Total Fiduciary Funds |
|---|-----------------------|----------------------|-----------------------------|-----------------------------|
| | Juvenile Probation | CSCD | | |
| INCREASES | | | | |
| Contributions from judgements | \$ - | \$ - | \$ 265,000 | \$ 964,225 |
| Bonds | 2,967 | 6,344 | 9,368 | 10,601 |
| Deposits held | 1,265,363 | 17,092,847 | 93,429,078 | 93,429,078 |
| Bonds | - | - | - | 130,075 |
| Donations | - | - | 308 | 308 |
| Total increases | <u>\$ 1,268,330</u> | <u>\$ 17,099,191</u> | <u>\$ 93,703,754</u> | <u>\$ 94,534,287</u> |
| DECREASES | | | | |
| Cash bond forfeitures | \$ 1,460,221 | \$ 16,417,720 | \$ 18,025,769 | \$ 18,025,769 |
| Uninvested disbursements | - | - | 75,411,145 | 76,079,853 |
| Total decreases | <u>\$ 1,460,221</u> | <u>\$ 16,417,720</u> | <u>\$ 93,436,914</u> | <u>\$ 94,105,622</u> |
| NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION | <u>(191,891)</u> | <u>681,471</u> | <u>266,840</u> | <u>428,665</u> |
| NET POSITION, BEGINNING | <u>1,315,132</u> | <u>-</u> | <u>1,315,132</u> | <u>1,315,132</u> |
| PRIOR PERIOD ADJUSTMENT - CHANGE IN ACCOUNTING PRINCIPLE | <u>450,193</u> | <u>3,817,019</u> | <u>6,292,561</u> | <u>7,861,216</u> |
| NET POSITION, BEGINNING, AS RESTATED | <u>1,765,325</u> | <u>3,817,019</u> | <u>7,607,693</u> | <u>9,176,348</u> |
| NET POSITION, ENDING | <u>\$ 1,573,434</u> | <u>\$ 4,498,490</u> | <u>\$ 7,874,533</u> | <u>\$ 9,605,013</u> |

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SINGLE AUDIT SECTION

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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

Honorable County Judge and Members of the
Commissioners' Court of Tom Green County
San Angelo, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tom Green County, Texas, of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Tom Green County, Texas' basic financial statements, and have issued our report thereon dated March 30, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tom Green County, Texas' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tom Green County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Tom Green County, Texas' 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. However, material weaknesses may exist that have not been identified.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tom Green County, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 30, 2022

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE *UNIFORM GUIDANCE AND
THE STATE OF TEXAS UNIFORM GRANT MANAGEMENT STANDARDS***

Honorable County Judge and Members of the
Commissioners’ Court of Tom Green County
San Angelo, Texas

Report on Compliance for Each Major Federal and State Program

We have audited Tom Green County, Texas’ (the “County”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State of Texas Uniform Grant Management Standards* that could have a direct and material effect on each of the County’s major federal and state programs for the year ended September 30, 2021. The County’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the County’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *State of Texas Uniform Grant Management Standards*. Those standards, the Uniform Guidance, and the *State of Texas Uniform Grant Management Standards* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the County’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State of Texas *Uniform Grant Management Standards*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 30, 2022

TOM GREEN COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

| Federal Grantor/Pass-through Grantor/ Program Title | Assistance Listing Number | Pass-through Grantor's Number | Expenditures | Pass-Through Expenditures |
|--|---------------------------------|-------------------------------------|----------------|------------------------------|
| FEDERAL AWARDS | | | | |
| <u>U. S. Department of Agriculture</u> | | | | |
| Passed through Texas Health and Human Services: | | | | |
| School Lunch Program | 10.555 | 226-2004 | \$ 26,631 | \$ - |
| NSLP Equipment Assistance Grant | 10.579 | 6TX300355 | <u>12,410</u> | <u>-</u> |
| Total Passed through Texas Health and Human Services | | | <u>39,041</u> | <u>-</u> |
| Total U. S. Department of Agriculture | | | <u>39,041</u> | <u>-</u> |
| <u>U. S. Department of Justice</u> | | | | |
| Direct Program: | | | | |
| Tom Green County Juvenile Drug Court Treatment Program | 16.585 | 2020-DC-BX-0005 | <u>14,210</u> | <u>-</u> |
| Total Direct Program | | | <u>14,210</u> | <u>-</u> |
| Passed through Office of the Governor: | | | | |
| VOCA - Tom Green County Sheriff's DA | 16.575 | 33290-03 | 34,532 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 4004801 | <u>10,804</u> | <u>-</u> |
| Total Passed through Texas Office of the Governor | | | <u>45,336</u> | <u>-</u> |
| Passed through City of San Angelo: | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2020-DJ-BX-0826 | <u>6,401</u> | <u>-</u> |
| Total Passed through City of San Angelo | | | <u>6,401</u> | <u>-</u> |
| Total U. S. Department of Justice | | | <u>65,947</u> | <u>-</u> |
| <u>U. S. Department of Transportation</u> | | | | |
| Passed through Texas Department of Transportation: | | | | |
| STEP Comprehensive Grant | 20.600 | 2021-Tomgreen-CIOT-THA-00035 | 5,985 | - |
| STEP Comprehensive Grant | 20.600 | 2021-Tomgreen-S-1YG-00095 | 25,837 | - |
| STEP Comprehensive Grant | 20.600 | 2021-Tomgreen-CIOT-00050 | 3,623 | - |
| STEP Comprehensive Grant | 20.600 | 2021-Tomgreen-IDM-00025 | 14,310 | - |
| STEP Comprehensive Grant | 20.600 | 2021-Tomgreen-S-CMV-00026 | <u>11,316</u> | <u>-</u> |
| Total Passed through Texas Department of Transportation | | | <u>61,071</u> | <u>-</u> |
| Total U. S. Department of Transportation | | | <u>61,071</u> | <u>-</u> |
| <u>U. S. Department of Treasury</u> | | | | |
| Passed through Texas Department of Emergency Management | | | | |
| Coronavirus Relief Fund (COVID-19) | 21.019 | N/A | 454,379 | - |
| Fiscal Recovery Grant | 21.027 | N/A | <u>101,972</u> | <u>-</u> |
| Total Passed through Texas Department of Emergency Management | | | <u>556,351</u> | <u>-</u> |
| Total U. S. Department of Treasury | | | <u>556,351</u> | <u>-</u> |
| <u>U. S. Institute of Museum and Library Services</u> | | | | |
| Passed through Texas State Library and Archives Commission | | | | |
| InterLibrary Loan Program | 45.310 | LS-246193-OLS-20 | 17,222 | - |
| TSLAC Special Project - STEM | 45.310 | LS-249990-OLS-21 | 740 | - |
| TSLAC CARES | 45.310 | LS-246561-OLS-20 | <u>49,960</u> | <u>-</u> |
| Total Passed through Texas State Library and Archives Commission | | | <u>67,922</u> | <u>-</u> |
| Total U. S. Institute of Museum and Library Services | | | <u>67,922</u> | <u>-</u> |
| <u>U. S. Election Assistance Commission</u> | | | | |
| Passed through Texas Secretary of State: | | | | |
| HAVA CARES (COVID-19) ACT | 90.404 | TX20101CARES-226 | <u>30,312</u> | <u>-</u> |
| Total Passed through Texas Secretary of State | | | <u>30,312</u> | <u>-</u> |
| Total U. S. Election Assistance Commission | | | <u>30,312</u> | <u>-</u> |

TOM GREEN COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| Federal Grantor/Pass-through Grantor/ Program Title | Assistance Listing Number | Pass-through Grantor's Number | Expenditures | Pass-Through Expenditures |
|---|---------------------------------|-------------------------------------|-------------------|------------------------------|
| FEDERAL AWARDS | | | | |
| <u>U. S. Department of Health and Human Services</u> | | | | |
| Direct Program: | | | | |
| Foster Care Title IV-E | 93.658 | TJPC-E-2020-226 | \$ 42,518 | \$ - |
| Total Direct Program | | | <u>42,518</u> | <u>-</u> |
| Total U. S. Department of Health and Human Services | | | <u>42,518</u> | <u>-</u> |
| <u>U. S. Department of Homeland Security</u> | | | | |
| Passed through Office of the Governor: | | | | |
| Homeland Security Grant | 97.067 | 3990801 | <u>48,539</u> | <u>-</u> |
| Total Passed through Office of the Governor | | | <u>48,539</u> | <u>-</u> |
| Total U. S. Department of Homeland Security | | | <u>48,539</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | \$ <u>911,701</u> | \$ <u>-</u> |

TOM GREEN COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| State Grantor/Pass-through Grantor/ Program Title | Grantor or Pass-through Grantor's Number | Program Award Expenditures | Pass-Through Subrecipients |
|--|---|----------------------------------|-------------------------------|
| STATE AWARDS | | | |
| <u>Office of the Attorney General</u> | | | |
| Direct Programs: | | | |
| Victim Coordinator Liaison Grant (VCLG-DA) | 21-07324 | \$ 38,285 | \$ - |
| Victim Coordinator Liaison Grant (VCLG-DA) | 22-15234 | <u>3,715</u> | <u>-</u> |
| Total Victim Coordinator Liaison Grant (VCLG-DA) | | <u>42,000</u> | <u>-</u> |
| Victim Coordinator Liaison Grant (VCLG-CA) | 21-07316 | 38,453 | - |
| Victim Coordinator Liaison Grant (VCLG-CA) | 22-15226 | <u>3,541</u> | <u>-</u> |
| Total Victim Coordinator Liaison Grant (VCLG-CA) | | <u>41,994</u> | <u>-</u> |
| Crime Victim Services (OVAG-CIU) | 21-10328 | 38,546 | - |
| Crime Victim Services (OVAG-CIU) | 22-17263 | <u>3,568</u> | <u>-</u> |
| Total Crime Victim Services (OVAG-CIU) | | <u>42,114</u> | <u>-</u> |
| SAVNS Maintenance Grant | 21-11870 | <u>30,123</u> | <u>-</u> |
| Total SAVNS Maintenance Grant | | <u>30,123</u> | <u>-</u> |
| Total Office of the Attorney General | | <u>156,231</u> | <u>-</u> |
| <u>Texas Department of Transportation</u> | | | |
| Direct Program: | | | |
| County Transportation Infrastructure Fund Grant | CTIF-02-226 | <u>194,640</u> | <u>-</u> |
| Total Texas Department of Transportation | | <u>194,640</u> | <u>-</u> |
| <u>Texas Juvenile Justice Department</u> | | | |
| Direct Program: | | | |
| Parole Services | 2021 | <u>936</u> | <u>-</u> |
| Total Texas Juvenile Justice Department | | <u>936</u> | <u>-</u> |
| <u>Task Force on Indigent Defense</u> | | | |
| Direct Program: | | | |
| Senate Bill 7 | 212-21-226 | <u>120,993</u> | <u>-</u> |
| Total Task Force on Indigent Defense | | <u>120,993</u> | <u>-</u> |
| <u>Texas Office of the Governor</u> | | | |
| Direct Program: | | | |
| Texas Military Preparedness Commission | TMPC-2020-01-01 | <u>1,487,042</u> | <u>-</u> |
| Total Texas Office of the Governor | | <u>1,487,042</u> | <u>-</u> |
| <u>Texas Department of Criminal Justice</u> | | | |
| Direct Program: | | | |
| Community Supervision and Corrections Dept | Interlocal Agreement | <u>21,961</u> | <u>-</u> |
| Total U. S. Election Assistance Commission | | <u>21,961</u> | <u>-</u> |
| Total Expenditures of State Awards | | \$ <u>1,981,803</u> | \$ <u>-</u> |

TOM GREEN COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Basis of Accounting

The Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State of Texas *Uniform Grant Management Standards*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Basis of Presentation

The Schedule of Expenditures of Federal and State Awards presents the activity of all applicable federal and state awards programs of the County. The County's reporting entity is defined in Note 1 of the basic financial statements. Federal and state awards received directly from federal and state agencies, as well as awards passed through other government agencies, are included on the Schedule of Expenditures of Federal and State Awards.

Indirect Costs

The County has elected not to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance.

TOM GREEN COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Summary of Auditor's Results

Financial Statements:

| | |
|---|---------------|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting: Material weakness(es) identified? | No |
| Significant deficiency(ies) identified that are not considered a material weakness? | None reported |
| Noncompliance material to financial statements noted? | None |

Federal and State Awards:

| | |
|---|---------------|
| Internal control over major programs: Material weakness(es) identified? | No |
| Significant deficiency(ies) identified that are not considered a material weakness? | None reported |
| Type of auditor's report issued on compliance for major programs | Unmodified |

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 100.516(a) or the State of Texas *Uniform Grant Management Standards* None

Identification of major programs:

| | |
|---|---|
| Assistance Listing Number(s): 21.019 | Name of Program or Cluster: Coronavirus Relief Fund (COVID-19) |
| Identification of major state program: | Texas Military Preparedness Commission |

Dollar threshold used to distinguish between type A and type B federal programs. \$750,000

Dollar threshold used to distinguish between type A and type B state programs \$300,000

Auditee qualified as low-risk auditee for federal single audit? No

Auditee qualified as low-risk auditee under State of Texas Uniform Grant Management Standards? No

Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs for Federal Awards

None

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