

Erath County, Texas

Annual Financial Report For the Year Ended September 30, 2019

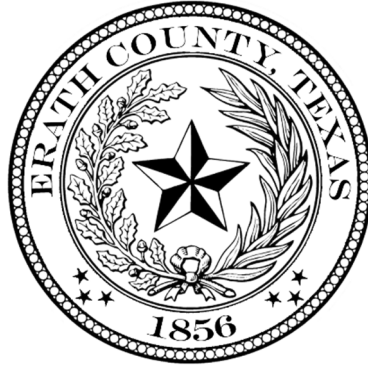
Kent Reeves
County Auditor

ERATH COUNTY, TEXAS
Annual Financial Report
For the Year Ended September 30, 2019

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INTRODUCTORY SECTION



ERATH COUNTY
OFFICE OF THE COUNTY AUDITOR

KENT B. REEVES
COUNTY AUDITOR
auditor@co.erath.tx.us

County Courthouse
100 W Washington
254-965-1484

June 29, 2020

To the Honorable District Judge, Commissioners Court Members, Citizens of Erath County and the Financial Community:

Texas Local Government Code, §114.025 requires that the County Auditor publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Financial Report of the County of Erath, Texas for the fiscal year ended September 30, 2019.

This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Because the cost of internal controls should not outweigh their benefits, the comprehensive framework of internal controls for Erath County has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Boucher, Morgan and Young, PC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by

management; and evaluating the overall financial statement presentation. The independent auditor concluded; based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statement for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the auditor's report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'K. Reeves', with a long horizontal flourish extending to the right.

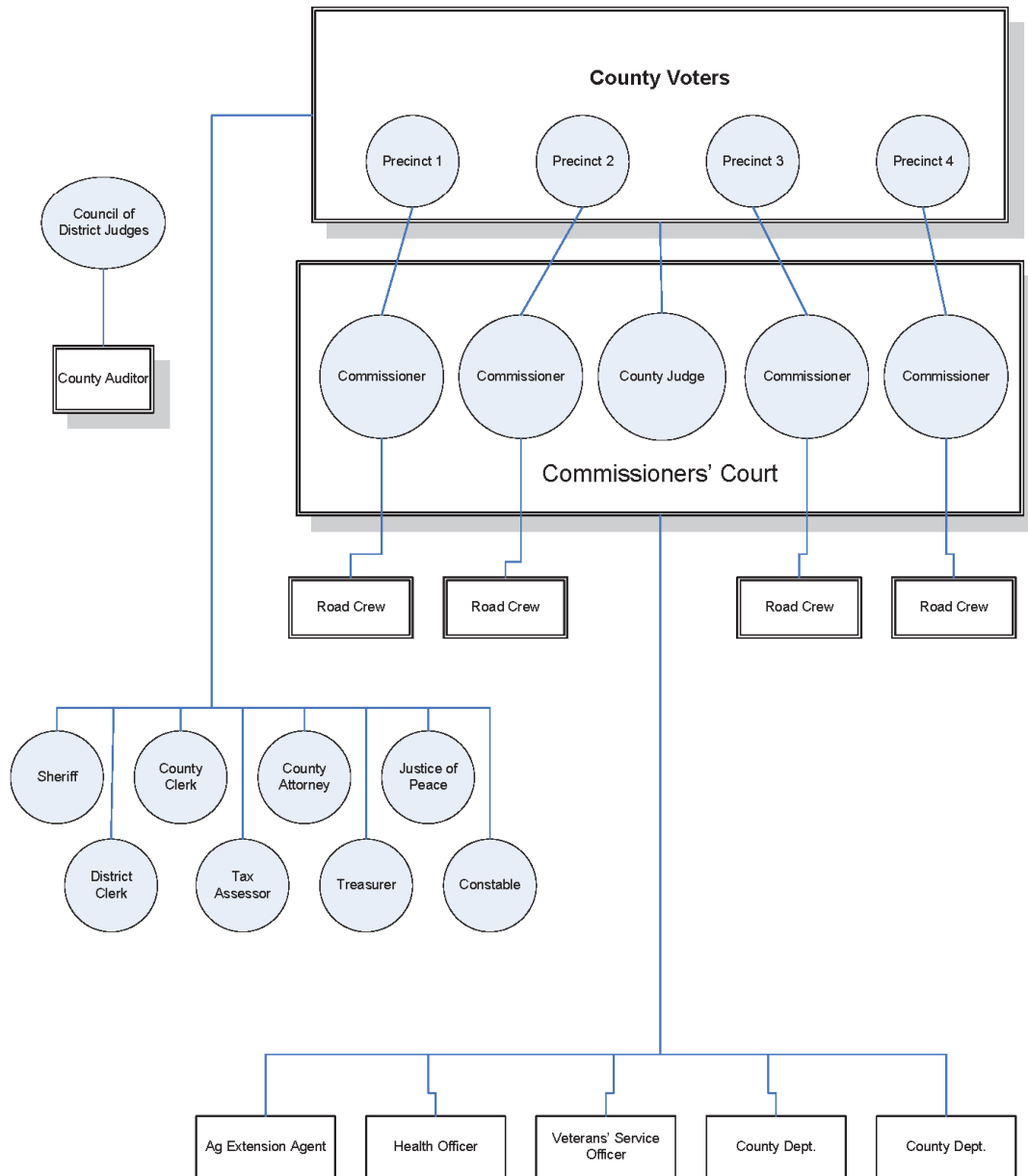
Kent Reeves
Erath County Auditor

ERATH COUNTY, TEXAS
PRINCIPAL OFFICERS

as of September 30, 2019

<u>Title</u>	<u>Name</u>
County Judge	Alfonso Campos
Commissioner, Precinct 1	Dee Stephens
Commissioner, Precinct 2	Albert Ray
Commissioner, Precinct 3	Joe Brown
Commissioner, Precinct 4	Jim Buck
County Auditor	Kent Reeves
County Treasurer	Kimberly Barrier
Tax Assessor-Collector	Jennifer Carey
County Clerk	Gwinda Jones
District Judge	Jason Cashon
District Clerk	Wanda Pringle
Sheriff	Matt Coates

Organization of County Government in Texas





FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable Members
of the Commissioners' Court
Erath County, Texas

We have audited the accompanying financial statements of the governmental activities, the discretely present component unit, each major fund, and the aggregate remaining fund information of Erath County, Texas, as of and for the year ended September 30, 2019, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes 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 financial statement 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 previously present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Erath County, Texas, as of September 30, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and Texas County and District Retirement System pension schedules on pages 12 through 19, and pages 53 through 66, 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 the purpose of forming opinions on the financial statements that collectively comprise Erath County's financial statements. The introductory section and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 financial statements or to the 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 are fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Boucher, Morgan & Young

Stephenville, Texas
June 29, 2020

Management's Discussion and Analysis

As management of Erath County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Discussion of the Financial Statements and Performance

This management discussion and analysis (MD&A) of Erath County (County) financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2019. The MD&A should be read in conjunction with the basic financial statements and the accompanying notes to those financial statements. The MD&A includes comparative data for the prior year.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

The government-wide financial position increased in FY2019. The fiscal year 2018 net position was \$40,638,238 compared to the fiscal 2019 net position of \$42,241,498. The net increase was \$1,603,260. The total net position is comprised of:

- \$ 1,905,814 - restricted by external regulators
- \$ 659,944 - restricted for debt service
- \$ 22,800,653 - unrestricted net position funds that may be used to meet on-going obligations to citizens and creditors
- \$ 17,409,155 – net investment in capital assets

Governmental Funds Financial Statements

The County's governmental funds reported combined fund balances of \$28,332,940 ; compared to \$25,426,805 of prior year. Components of fund balances are:

- \$ 68,894 - non-spendable
- \$ 12,376 - restricted - debt service
- \$ 1,905,814 - restricted - legislative
- \$ 4,959,189 - committed
- \$19,209,747 - unassigned

At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$19,258,135 or 129% of general fund expenditures (excluding other financing sources).

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

This report also contains other required 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 the County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resources measurement focus using full accrual basis of accounting. These statements include all assets of the County (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred in regards to inter-fund activity, payables, and receivables.

The *statement of net position* presents information on the County's assets and liabilities, including deferrals, and its component unit, with the difference between the two reported as *net position*. Fiduciary assets and liabilities are excluded. Increases or decreases in net position contrasted with budgetary decisions should serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal year using full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave). The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general government, public safety and law enforcement, road and bridge, and health and welfare.

Fund financial statements. A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and 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. Unlike the government-wide financial statements, however, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. In particular, unassigned, assigned, and committed fund balances may be useful in evaluating the County's near-term financing requirements. Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of

revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintains 26 individual governmental funds (excluding fiduciary funds) 19 special revenue funds, one debt service fund, five road and bridge funds, and the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Capital Projects Fund, and Road & Bridge Fund which are classified as major funds. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the Combining Fund Statements section of this Comprehensive Annual Financial Report.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning pension, and its component unit, and general fund budgetary schedules.

Discretely Presented Component Unit. The Erath County Volunteer Fire Department (VFD) is under the direction of a five-member board of managers who are appointed by the Commissioners' Court. The Commissioners' Court approves the VFD budget. The VFD financial data is presented separately to emphasize that it is legally separate from the County.

Complete financial statements for the VFD may be obtained from:

President

Erath County Volunteer Fire Department

830 A East Road

Stephenville, TX 76401

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County's net position at September 30, 2019 and 2018 are summarized as follows:

Erath County's Net Position Governmental Activities 2019-2018 Increase (Decrease)			
	2019	2018	Increase (Decrease)
Current and other assets	\$ 27,820,278	\$ 26,735,270	\$ 1,085,008
Capital assets (net of depreciation)	20,206,155	19,809,935	396,220
Deferred Outflows	2,975,211	835,008	2,140,203
Total assets and deferred outflows	<u>\$ 51,001,644</u>	<u>\$ 47,380,213</u>	<u>\$ 2,536,423</u>
Current and other liabilities	\$ 2,031,903	\$ 1,679,661	\$ 352,242
Noncurrent liabilities	6,650,827	4,392,689	2,258,138
Deferred inflows	77,416	669,625	(592,209)
Total liabilities and deferred inflow	<u>\$ 8,760,146</u>	<u>\$ 6,741,975</u>	<u>\$ 2,018,171</u>
Net investment in capital asset, net of related debt	\$ 17,409,155	\$ 16,545,935	\$ 863,220
Restricted	1,918,190	2,462,246	(544,056)
Unrestricted	22,914,153	21,630,057	1,284,096
Total net position	<u>\$ 42,241,498</u>	<u>\$ 40,638,238</u>	<u>\$ 1,603,260</u>

The current financial reporting model focusing on net position serves as a useful indicator of a Government's financial position. Net position is unrestricted, subject to external restrictions as to how they may be used, or are invested in capital assets less any related outstanding debt used to acquire those assets. Total net position exceeded liabilities by \$ 42,241,498 at the close of the most recent fiscal year, representing a 4% increase from the prior year. The largest portion of net position (54.2%) may be used to meet the government's commitments and on-going obligations to citizens and creditors. An additional portion of net position (4.5%) represents resources that are subject to external restrictions on how they may be used. Restrictions on net position include statutory requirements, bond covenants, and grantor conditions. The remaining balance of *net position* (41.2%) reflects net investments in capital assets (e.g., land, buildings, machinery, and equipment), less any related and outstanding debt used to acquire those assets. The County uses capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although investments in capital assets are reported net of related debt and the County's philosophy is "pay-as-you-go", it should be noted that the resources needed to repay any necessary debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental activities. Program revenues and expenses are presented net of inter-fund eliminations. Key elements for the years ended September 30, 2019 and 2018 are as follows:

Erath County's Changes in Net Position			
	2019	2018	Increase (Decrease)
Revenue			
Net program revenue:			
Charges for service	\$ 263,688	\$ 235,392	\$ 28,296
Fines and fees	3,056,751	3,168,665	(111,914)
Operating grants and contributions	126,937	157,985	(31,048)
Capital grants and contributions	43,706	145,452	(101,746)
General revenues:			
Property taxes	14,892,326	14,209,924	682,402
Other taxes	2,903,138	2,711,842	191,296
Misc revenue	228,028	186,138	41,890
Investment earnings	625,600	390,631	234,969
Gain (loss) on sales of capital assets	(161,647)	11,783	(173,430)
Total Revenues	\$ <u>21,978,527</u>	\$ <u>21,217,812</u>	\$ <u>760,715</u>
Expenses			
General administration	4,295,763	3,771,250	524,513
Judicial administration	2,841,980	2,819,418	22,562
Public safety and law enforcement	6,495,779	5,624,492	871,287
Road and bridge	4,740,603	4,596,264	144,339
Health and welfare	1,883,876	1,765,383	118,493
Interest on long-term debt	117,266	135,408	(18,142)
Total Expenses	\$ <u>20,375,267</u>	\$ <u>18,712,215</u>	\$ <u>1,663,052</u>
Change in net assets	1,603,260	2,505,597	(902,337)
Net assets - beginning	<u>40,638,238</u>	<u>38,132,641</u>	<u>2,505,597</u>
Net assets - ending	\$ <u><u>42,241,498</u></u>	\$ <u><u>40,638,238</u></u>	\$ <u><u>1,603,260</u></u>

General Revenues and Program Revenues

General revenues are revenues that are not assigned to support a specific function, but are available to provide financial resources as necessary. Included in general revenues are ad valorem taxes, other tax related revenues, interest earned from investments, and miscellaneous income. Total revenues (including program revenues) were \$21,978,527 compared to \$21,217,812 for prior fiscal year or 3.6% increase. Revenues increased \$760,715 from the prior fiscal period.

Property taxes increased by \$682,402 during the year. The change is due to increased taxable assessed values.

Expenses and Program Revenues - Governmental

Net functions/programs costs include the revenue generated from a particular service and the costs of the function. For FY 2019, net (expense) revenue was (\$16,884,185) compared to (\$15,004,721) in FY 2018.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted, the County uses *fund accounting* to ensure and demonstrate compliance with finance related legal requirements. Fund accounting budget controls and fiscal responsibility are the framework of the County's strong fiscal management and accountability.

Governmental funds. The general government functions are reported in the General, Special Revenue and Debt Service. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, *unassigned, assigned, and committed fund balances* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The County's aggregate governmental funds were increased by \$729,215 in the current fiscal year to \$26,156,020.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$19,189,241 in contrast to \$17,602,736 in the prior year.

Grant categories represent federal and state awards, which are included in other Non-Major governmental funds. The following table presents the amount of revenues from various sources, as well as increases or decreases from the prior year.

Governmental Funds - Revenue Classified By Source

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>	<u>Percentage of Change</u>
Taxes and registrations	\$ 19,099,800	\$ 18,147,193	\$ 952,607	5.25%
Intergovernmental	621,670	826,019	(204,349)	-24.74%
Fines, fees and charges for service	1,681,966	1,683,608	(1,642)	-0.10%
Interest	625,600	390,631	234,969	60.15%
Other Revenue	71,151	192,366	(121,215)	-63.01%
Total	<u><u>\$ 22,100,187</u></u>	<u><u>\$ 21,239,817</u></u>	<u><u>\$ 860,370</u></u>	

- **Taxes and registrations** – increased by \$952,607 with property taxes accounting for \$685,270, sales taxes increased \$191,296, and auto registrations increase by \$76,041. Property values and new construction accounted for the increase in property tax revenue. Increased sales of taxable personal property fueled the increase in sales tax revenue.
- **Intergovernmental** – decreased as a result of less grant money received.
- **Fines, fees, and charges for services** – remained static
- **Interest** – the increase was the result of participation in the CDARS program and an increase in investments balance.

The following table presents expenditures by function compared to prior year amounts.

Expenditures by Function - Governmental Funds

Function:	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>	<u>Percent of Change</u>
General Administration	\$ 4,131,442	\$ 3,760,134	\$ 371,308	10%
Legal	801,129	720,477	80,652	11%
Judicial	1,966,527	1,847,848	118,679	6%
Road & Bridge	4,156,710	4,014,578	142,132	4%
Public Safety	5,713,725	4,475,815	1,237,910	28%
Health & Welfare	1,890,826	2,097,007	(206,181)	-10%
Capital Projects	2,468,880	1,518,138	950,742	63%
Debt Service - Interest	62,832	234,713	(171,881)	-73%
Debt Service - Principal	467,000	495,411	(28,411)	-6%
Debt Service - Bank Charges	592	641	(49)	-8%
Total	<u>\$ 21,659,663</u>	<u>\$ 19,164,762</u>	<u>\$ 2,494,901</u>	

GENERAL FUND BUDGETARY HIGHLIGHTS

The FY2019 legally adopted budget totaled \$19,467,326 , an increase of \$1,118,028 from FY2018 budget.

DEBT ADMINISTRATION AND CAPITAL ASSETS

Long-term debt. At September 30, 2019, the County had certificates of obligation outstanding in the amount of \$2,797,000. According to Texas statutes, particularly the Certificate of Obligation Act of 1971, the county is conferred the authority to obtain these certificates. Additional long term debt consists of compensated absences and vehicle leases.

The following represents the activity of the long-term debt of the County for FY2019:

	<u>Beginning</u>			<u>Ending</u>	<u>Due Within</u>
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>One Year</u>
Governmental Activities:					
Compensated absences	\$ 240,717	\$ -	\$ 19,780	\$ 220,937	\$ 194,425
Certificates of obligation	3,264,000	-	467,000	2,797,000	467,000
Total:	<u>\$ 3,504,717</u>	<u>\$ -</u>	<u>\$ 486,780</u>	<u>\$ 3,017,937</u>	<u>\$ 661,425</u>

Capital assets. The capital assets of the County are those assets (land, buildings, improvements, and machinery and equipment (M&E)), which are used in the performance of the County's functions. The County owns and maintains the original courthouse constructed in 1893 which has been renovated to preserve its historical stature. At September 30, 2019, net capital assets of the governmental activities totaled \$20,206,155 reflecting a net increase of \$396,220 from the prior fiscal year as a result of asset acquisitions. Depreciation of capital assets is recognized in the government-wide financial statements. FY 2019 depreciation for buildings, improvements, and M&E totaled \$1,616,461.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Erath County budget is developed annually and intended to provide efficient, effective and controlled usage of the County's resources, as well as a means to accomplish the highest priorities of the Erath County Commissioners. Through the budget, the County Commissioners set the direction of the County, allocate its resources and establish its priorities. The FY2019 Budget meets the key established policy directive of the Commissioners Court. The FY2019 budget process was primarily focused identifying various balancing strategies that impact services provided to the citizens of Erath County as minimally as possible.

Highlights from Erath County FY2019 Budget and anticipated expenses into FY2020 include the following:

- The FY2019 tax rate remained unchanged.
- The County continues to grow and prosper and that prosperity leads to the need for additional services. Along with County growth, the County as a subdivision of the State is required to provide additional services.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report, separate report of the County's component unit, or need any additional financial information, contact the County Auditor at 100 W. Washington, Stephenville, TX 76401.

GOVERNMENT -WIDE FINANCIAL STATEMENTS

ERATH COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Primary Government Governmental Activities	Component Unit- Erath County Volunteer Fire Department
ASSETS:		
Cash and investments	\$ 26,556,491	\$ 49,365
Receivables (net of allowance for uncollectible)		
Taxes	1,016,463	-
Other	150,295	-
Other assets	81,029	-
Restricted assets		
Cash and cash equivalents	16,000	-
Capital Assets (net of accumulated depreciation)		
Land	1,170,095	-
Construction in progress	97,000	-
Buildings, net	11,974,473	-
Furniture and equipment, net	6,964,587	24,029
	<u>48,026,433</u>	<u>73,394</u>
Total Assets		
	<u>48,026,433</u>	<u>73,394</u>
DEFERRED OUTFLOWS:		
Deferred retirement contributions	635,429	-
Deferred investment experience	2,253,980	-
Deferred assumption/input changes	85,802	-
	<u>2,975,211</u>	<u>-</u>
Total Deferred Outflows		
	<u>2,975,211</u>	<u>-</u>
LIABILITIES:		
Accounts payable and accrued liabilities	856,881	11,481
Accrued salaries and wages	405,086	17,974
Accrued interest	53,842	-
Due to other governments	35,772	-
Due to other funds	-	-
Other liabilities	18,897	-
Certificate of obligation-due within one year	467,000	-
Accrued compensated absences-due within one year	194,425	-
Noncurrent liabilities		
Certificate of obligation-due in more than one year	2,330,000	-
Accrued compensated absences-due in more than one year	26,512	-
Net pension liability	4,294,315	-
	<u>8,682,730</u>	<u>29,455</u>
Total Liabilities		
	<u>8,682,730</u>	<u>29,455</u>
DEFERRED INFLOWS:		
Deferred actual vs. assumption	77,416	-
NET POSITION:		
Net investment in capital assets	17,409,155	-
Restricted for:		
Debt service	12,376	-
Special revenue purposes	1,905,814	-
Unrestricted	22,914,153	43,939
	<u>42,241,498</u>	<u>43,939</u>
Total Net Position		
	<u>\$ 42,241,498</u>	<u>\$ 43,939</u>

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

ERATH COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Program Activities	Expenses	Program Revenues	
		Fees, Fines and Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental Activities:			
General administration	\$ 4,295,763	\$ 263,688	\$ 76,257
Judicial administration	2,841,980	940,664	6,800
Public safety and law enforcement	6,495,779	775,960	43,880
Road and bridge	4,740,603	1,070,976	-
Health and welfare	1,883,876	269,151	-
Interest and fees on long-term debt	117,266	-	-
Total Governmental Activities	<u>20,375,267</u>	<u>3,320,439</u>	<u>126,937</u>
Total primary government	<u>\$ 20,375,267</u>	<u>\$ 3,320,439</u>	<u>\$ 126,937</u>
Component Unit:			
Erath County Volunteer Fire Department	<u>277,579</u>	<u>-</u>	<u>275,485</u>
Total Primary Government	<u>\$ 277,579</u>	<u>\$ -</u>	<u>\$ 275,485</u>
General Revenues:			
Property taxes, levied for general purposes			
Other taxes			
Penalty and interest			
Miscellaneous revenue			
Investment earnings			
Loss on disposal of asset			
Total General Revenues			
Change in Net Position			
Net Position - Beginning			
Net Position - Ending			

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

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position	Component Unit-
	Governmental Activities	Erath County Volunteer Fire Department
\$ -	\$ (3,955,818)	\$ -
-	(1,894,516)	-
-	(5,675,939)	-
43,706	(3,625,921)	-
-	(1,614,725)	-
-	(117,266)	-
<u>\$ 43,706</u>	<u>(16,884,185)</u>	<u>-</u>
	<u>\$ (16,884,185)</u>	<u>\$ -</u>
	-	(2,094)
	<u>\$ -</u>	<u>\$ (2,094)</u>
	\$ 14,892,326	\$ -
	2,903,138	-
	158,257	-
	69,771	-
	625,600	-
	(161,647)	-
	<u>18,487,445</u>	<u>-</u>
	1,603,260	(2,094)
	40,638,238	46,033
	<u>\$ 42,241,498</u>	<u>\$ 43,939</u>

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

**ERATH COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	General Fund	Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 19,318,210	\$ 5,299,992	\$ 1,938,289	\$ 26,556,491
Taxes receivable	890,323	124,017	2,123	1,016,463
Due from other fund	-	-	-	-
Other receivable	354	-	15,035	15,389
Other assets	68,894	10,000	2,135	81,029
Restricted cash and cash equivalents	16,000	-	-	16,000
Total Assets and Other Debits	<u>\$ 20,293,781</u>	<u>\$ 5,434,009</u>	<u>\$ 1,957,582</u>	<u>\$ 27,685,372</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 499,467	\$ 341,493	\$ 15,921	\$ 856,881
Wages and salaries payable	328,006	76,238	842	405,086
Due to other fund	-	-	-	-
Due to other governments	35,772	-	-	35,772
Other liabilities	18,897	-	-	18,897
Total Liabilities	<u>882,142</u>	<u>417,731</u>	<u>16,763</u>	<u>1,316,636</u>
Deferred inflows:				
Deferred property taxes	<u>153,504</u>	<u>57,089</u>	<u>2,123</u>	<u>212,716</u>
Fund Balances:				
Nonspendable	68,894	-	-	68,894
Restricted				
Debt service	-	-	12,376	12,376
Election	-	-	38,917	38,917
General administration	-	-	43,414	43,414
Judicial	-	-	309,018	309,018
Legal	-	-	151,817	151,817
Public safety	-	-	295,259	295,259
Records management	-	-	1,067,389	1,067,389
Committed				
Road & bridge	-	4,959,189	-	4,959,189
Unassigned	19,189,241	-	20,506	19,209,747
Total Fund Balances	<u>19,258,135</u>	<u>4,959,189</u>	<u>1,938,696</u>	<u>26,156,020</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 20,293,781</u>	<u>\$ 5,434,009</u>	<u>\$ 1,957,582</u>	<u>\$ 27,685,372</u>

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

ERATH COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

Total Fund Balances- Governmental Funds		\$	26,156,020
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Amounts reported in governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds balance sheet.

Governmental capital assets	\$	39,293,958	
Accumulated depreciation		<u>(19,087,803)</u>	20,206,155

Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported in the fund financial statements.			(3,017,937)
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Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements.

Office fees		134,906	
Property taxes		<u>212,716</u>	347,622

The statement of net position includes the County's proportionate share of the TCDRS net pension liability as well as certain pension related transactions accounted for as Deferred Inflows and Outflows of resources.

Net pension liability		(4,294,315)	
Deferred actual vs. assumption		(77,416)	
Deferred retirement contributions		635,429	
Deferred assumption/input changes		85,802	
Deferred investment experience		<u>2,253,980</u>	(1,396,520)

Net Position of Governmental Activities			<u><u>\$</u></u>	<u><u>42,241,498</u></u>
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The accompanying notes are an integral part of the financial statements.

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General Fund	Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
REVENUE:				
Taxes:				
Property taxes	\$ 10,830,084	\$ 4,087,460	\$ 8,310	\$ 14,925,854
General sales and other taxes	2,903,138	-	-	2,903,138
Auto registrations	199,832	1,070,976	-	1,270,808
Intergovernmental revenue and grants	542,226	79,444	-	621,670
Charges for services	206,701	-	35,000	241,701
Fines and fees	1,128,393	-	303,798	1,432,191
Forfeitures	8,074	-	-	8,074
Investment earnings	435,032	148,803	41,765	625,600
Other revenue	71,130	21	-	71,151
Total Revenues	<u>16,324,610</u>	<u>5,386,704</u>	<u>388,873</u>	<u>22,100,187</u>
EXPENDITURES:				
Current:				
General Government:				
Public finance	1,816,364	-	73,060	1,889,424
General administration	2,187,923	-	54,099	2,242,022
Judicial	1,951,651	-	14,876	1,966,527
Legal	772,748	-	28,381	801,129
Public safety	5,699,854	-	13,871	5,713,725
Health and welfare	1,890,826	-	-	1,890,826
Road and bridge	-	4,156,710	-	4,156,710
Debt Service:				
Bank charges	-	-	592	592
Principal	-	-	467,000	467,000
Interest	-	-	62,832	62,832
Capital Outlay:				
Capital outlay	662,144	1,800,879	5,857	2,468,880
Total Expenditures	<u>14,981,510</u>	<u>5,957,589</u>	<u>720,568</u>	<u>21,659,667</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,343,100</u>	<u>(570,885)</u>	<u>(331,695)</u>	<u>440,520</u>
OTHER FINANCING SOURCES (USES):				
Proceeds on sale of assets	9,626	279,069	-	288,695
Transfers in	-	275,000	(190,329)	84,671
Transfers out	190,329	(275,000)	-	(84,671)
Total Other Financing Sources (Uses)	<u>199,955</u>	<u>279,069</u>	<u>(190,329)</u>	<u>288,695</u>
Net Change in Fund Balances	1,543,055	(291,816)	(522,024)	729,215
Fund Balances - Beginning	17,715,080	5,251,005	2,460,720	25,426,805
Fund Balances - Ending	<u>\$ 19,258,135</u>	<u>\$ 4,959,189</u>	<u>\$ 1,938,696</u>	<u>\$ 26,156,020</u>

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

ERATH COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2019

Net Change in Fund Balances-Total Governmental Funds	\$	729,215
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Amounts reported for governmental activities in the statement of activities are different because:

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. This is the amount of capital assets recorded in the current period.	2,463,023
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Depreciation expense on capital asses is reported in the statement of activities and does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.	(1,616,461)
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Governmental funds recognize all amounts received on the sale of ficed assets as a gain. However, in the statement of activities, the gain or loss is offset by the remaining net book value of the asset.	(450,342)
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The issuance of long-term debt, including bonds, provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position.

Principal payments	467,000	
Decrease in compensated absences	19,780	486,780

Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.	(53,842)
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Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.

Office fees	(84,742)	
Property taxes	124,729	39,987

Net pension liabilities as well as the related deferred outflows of resources generated from those liabilities are not payable from current resources and therefore, are not reported in the governmental funds. These balances increase (decreased) by this amount.	4,900
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Change in Net Position of Governmental Activities	\$	<u>1,603,260</u>
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The accompanying notes are an integral part of the financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

ERATH COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2019

	<u>Agency Funds</u>
ASSETS	
Cash and short-term investments	\$ 3,329,533
Total Assets	<u>\$ 3,329,533</u>
LIABILITIES	
Due to others	\$ 3,329,533
Total Liabilities	<u>\$ 3,329,533</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity

Erath County, Texas is a state mandated governmental unit of the State of Texas. The Commissioners' Court, which is made up of four commissioners and the County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general, administration, judicial (courts, juries, etc.), legal (district attorney, county attorney, etc.), public safety (sheriff, jail, etc.), transportation, facilities, and public service (e.g. rural fire protection and emergency management).

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either there is ongoing financial benefit or burden or operational responsibility. A primary government might also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has operational responsibility for an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Some organizations are included as component units because of the fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government.

Based on these criteria, the County has one component unit: the Erath County Volunteer Fire Department (VFD). The VFD is governed by a five-member board of directors approved by Commissioners' Court. Additional information about the VFD is contained in the MD&A. The County is not a component unit of any other reporting entity as defined by the GASB Statement. Complete financial statements of the VFD can be obtained from their administrative offices.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Financial Statement Presentation

Government-wide financial statements - The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements - The fund financial statements provide information about the County's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The County reports the following fund types:

Major Governmental Funds:

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

Road and Bridge Funds - The Road and Bridge Funds are special revenue funds that are used to account for resources used by the County in connection with providing transportation services to its citizens.

Nonmajor Governmental Funds:

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds - These funds are used to account for the accumulation of funds for the periodic payment of principal and interest on long-term debt resulting from the construction of the County Jail.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Fiduciary Fund Types:

Agency Funds - These funds are used to report funds of the County's fees offices and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fees are generated and retained by the fee offices until notification is received to disburse funds to the proper individual or entity. Fees generated include fines, restitution, bail bond deposits, and inmate trust funds.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support County programs, these funds are not included in the government-wide statements.

Measurement Focus and Basis of Accounting

Government-wide and Fiduciary Fund Financial statements - These financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Fund Financial Statements - Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenue and sales tax receipts are considered measurable and available when collected by the respective intermediary agency and recognized as revenue at that time. Miscellaneous revenues are recorded as revenue when received because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the County incurs expenditures or expenses for which both restricted and unrestricted resources may be used, it is the County's policy to use restricted resources first, then unrestricted resources.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

C. Assets, Liabilities, and Net Position or Fund Balance

Cash and Cash Equivalents

For the purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

Property tax revenues are considered available 1) when they become due or past due and receivable within the current period and 2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

Property taxes are recorded net of the allowance for uncollectible taxes (\$95,583 General Fund, \$36,420 Road and Bridge Fund and \$5,594 Debt Service Fund). Allowances for uncollectible tax receivables at the fund level are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature that affects the methods of property assessment and tax collection in the County. This legislation, with certain exceptions, exempts intangible personal property, household goods and family-owned automobiles from taxation. In addition, this legislation creates a "Property Tax Code" and provides, among other things, for the establishment of county wide appraisal districts and for the State Property Tax Board which commenced operation in January, 1980.

As of October 1, 1981, the appraisal of property within the County is the responsibility of Erath County Appraisal District. The Erath County Tax Assessor-Collector assesses and collects the County's property taxes. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment rations. Beginning January 1, 1984, the value of property within the Appraisal District must be reappraised every three years. The County may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the County continues to set tax rates on County property. However, if the effective tax rates for bonds and other contractual obligations and adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the County may petition for an election to determine whether to limit the tax rate to no more than 8% above the effective rate of the previous year.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

The County is permitted by Article 8, Section 9 of the State of Texas Constitution to levy taxes up to \$0.80 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt.

The County's taxes on real property are a lien against such property until paid. The County may foreclose real property upon which it has a lien for unpaid taxes. Although the County makes little effort to collect delinquent taxes through foreclosure proceedings, delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title on property.

The tax rate assessed for the year ended September 30, 2019 to finance maintenance and operations of the County and Road and Bridge were \$0.3233 and \$0.1225 respectively, for a total of \$0.4458 per \$100 valuation.

Property tax revenues are recorded as receivables and deferred revenue at the time the tax levy is billed. Revenues are recognized as the related property taxes are collected and are prorated between maintenance and debt service based on the rates adopted for the year of the levy. Allowances for uncollectible within funds are based upon historical experience in collecting property taxes.

Prepaid Items and Inventory

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Inventory is stated at cost. In the fund financial statements, they are offset by nonspendable fund balance which indicates they do not represent "available spendable resources."

Capital Assets

General capital assets are not capitalized in the funds used to acquire them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are capitalized in the government-wide statement of net position.

Donated capital assets are recorded at their estimated fair value at the date of the donation.

The County capitalizes all capital assets which have a cost of \$5,000 or more and a useful life in excess of two years. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

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

Buildings	30 – 40 years
Furniture and Equipment	3 – 15 years

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Receivables and Payables

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts.

There are no significant receivables which are not scheduled for collection within one year of year end.

Compensated Absences

A liability for unused vacation time for all full-time employees is calculated and reported in the government-wide statements. For financial reporting, the following criteria must be met to be considered as compensated absences:

1. Leave or compensation is attributable to services already rendered
2. Leave or compensation is not contingent on specific event (such as illness)

Per GASB Interpretation No. 6 liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued as long-term liabilities in the government-wide statements.

County policy allows accrual of vacation and sick pay benefit for all employees other than elected and appointed officials. The expense of the benefits is recognized when incurred. Vacation pay is paid upon termination if the employee gives two weeks' notice or is terminated by the County.

Ten percent of sick pay is paid upon termination. At September 30, 2019, the value of accumulated vacation benefits was \$177,584 and the value of accumulated sick pay benefits was approximately \$43,353 for a total of \$220,937.

The portion of accrued vacation pay and sick pay that has been classified as current is \$194,425.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net 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.

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

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions, except quasi-external transactions and reimbursements, are treated as transfers. Transfers in and transfers out are netted and presented as a single “transfers” line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single “internal balance” line of the government-wide statement of net position.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management’s estimates. Actual results could differ from those estimates.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. On new bond issues, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are capitalized and amortized over the term of the related debt.

Legally Adopted Budgets

All governmental funds have legally adopted budgets.

Other Accounting Policies

The County provides statutory workers’ compensation insurance for its employees through Texas Association of Counties (“TAC”), a joint insurance fund, in which the County is a member.

See independent auditors’ report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Restricted Fund Balance – includes amounts that can be spent only for the specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments' laws and regulations. Examples include federal and state grant programs, retirement of long-term debt, and construction

- a. The aggregate fund balance of the debt service fund is legally restricted for payment of bonded indebtedness and is not available for other purposes until all bonded indebtedness is liquidated.
- b. The fund balance of the capital projects fund reflects an amount restricted for construction and major renovation projects and it usually represents unexpended proceeds from the sale of bonds, which primarily have restricted use.
- c. The proceeds of specific revenue sources that are restricted to expenditures for specified purposes as designated by grantors, contributors, by vote of citizens, or governmental entities over state or local program grants.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the County Commissioners' Court. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provision, or enabling legislation.

Assigned Fund Balance – represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent funds are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the General Fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending or specific purposes for which amounts had been restricted, committed or assigned.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

When an expenditure is incurred for a purpose of 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.

The County's Fund Balance Policy establishes and documents the County's policies concerning maintaining fund balance of the various operating funds at levels sufficient to protect the County's creditworthiness as well as its financial position from emergencies. The policy provides for the following:

General Fund: Unassigned fund balance of approximately 50% of budgeted expenditures for the fiscal year, to be used for unanticipated needs.

Road and Bridge Fund: Total fund balance of approximately 75 days funds of current fiscal year budgeted expenditures should be maintained to compensate for the period before tax revenues are received after January 1 of the next year.

Debt Service Fund: Restricted fund balances of approximately 100% of the following year's debt service requirements, to be used for debt service based on contractual obligations.

NOTE 2: Deposits and Investments

The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledged securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Cash and investments as of September 30, 2019 consist of the following:

Cash on hand	\$ 6,950
Deposits with financial institutions	11,910,917
Short-term investments	11,632,838
Certificates of deposit	<u>3,005,786</u>
	<u><u>\$ 26,556,491</u></u>

A. Cash Deposits

At September 30, 2019, the County's cash deposits were entirely covered by FDIC insurance or by pledged collateral held by the County's bank in the County's name.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2: Deposits and Investments (cont.)

B. Investments

The County is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversity, yield, and maturity and the quality and capability of investment management; include a list of types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The Public Funds Investment Act (Act) requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the County adhered to the requirements of the Act. Additionally, investment practices of the County were in accordance with local policies.

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, obligations of the U.S. Treasury, certain U.S. agencies, the State of Texas, certificates of deposit, certain municipal securities, money market savings accounts, repurchasing agreements, bankers acceptance, mutual funds, local government investment pools, guaranteed investment contracts, and common trust funds.

Investments at September 30, 2019 consisted of the following:

<u>Investment Type</u>	<u>Amount</u>	<u>Weighted Average Maturity</u>
Texpool	\$ 11,632,838	32 days
Certificates of deposit	<u>3,005,786</u>	180 days
	<u><u>\$ 14,638,624</u></u>	

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2: Deposits and Investments (cont.)

The County is a voluntary participant in the TexPool external investment pool. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool Shares.

TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. KPMG Peat Marwick, 111 Congress Avenue, Suite 1100, Austin, Texas 78701 performs the annual audit. In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office.

Policies Governing Deposits and Investment and Analysis of Specific Deposit and Investment Risks:

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end:

Custodial Credit Risk – Deposits: This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County was not exposed to custodial credit risk because its deposits at year-end and during the year ended September 30, 2019 were covered by depository insurance or by pledged collateral held by the County's agent bank in the County's name.

Custodial Credit Risk – Investment: This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk: There is a risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk, TexPool's investment policy allows the portfolio's investment manager to only invest in obligations of the U.S. Government, its agencies; repurchase agreements; and no-load AAAm money market mutual funds registered with the SEC.

As of September 30, 2019, TexPool's investment credit quality rating was AAAm (Standard & Poor's). The certificates of deposit are not rated.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2: Deposits and Investments (cont.)

Interest Rate Risk: In accordance with its investment policy, the County manages its exposure to declines in fair value by structuring maturities to meet obligations of the County first and then achieve the highest rate of return of interest. When the County has funds not required to meet current obligations, maturity restraints will be imposed upon the investment strategy for each group of funds. The maximum allowable stated maturity of any individual investment owned by the County shall not exceed eighteen months from the time of purchase.

NOTE 3: Capital Assets

Capital asset activity for the year ended September 30, 2019 was as follows:

	October 1, 2018	Increase	Decrease	September 30, 2019
Government activities capital assets:				
Non-depreciable assets:				
Land	\$ 970,095	\$ 200,000	\$ -	\$ 1,170,095
Construction in progress	132,594	-	(35,594)	97,000
Total non-depreciable assets	<u>1,102,689</u>	<u>200,000</u>	<u>(35,594)</u>	<u>1,267,095</u>
Depreciable assets:				
Buildings	19,615,724	-	-	19,615,724
Furniture and equipment	17,671,481	2,263,023	(1,523,365)	18,411,139
Total depreciable assets	<u>37,287,205</u>	<u>2,263,023</u>	<u>(1,523,365)</u>	<u>38,026,863</u>
Totals at historic cost	<u>38,389,894</u>	<u>2,463,023</u>	<u>(1,558,959)</u>	<u>39,293,958</u>
Less accumulated depreciation:				
Buildings	(7,170,182)	(471,069)	-	(7,641,251)
Furniture and equipment	(11,409,777)	(1,145,392)	1,108,617	(11,446,552)
Total accumulated depreciation	<u>(18,579,959)</u>	<u>(1,616,461)</u>	<u>1,108,617</u>	<u>(19,087,803)</u>
Total capital assets, being depreciated, net	<u>18,707,246</u>	<u>646,562</u>	<u>(414,748)</u>	<u>18,939,060</u>
Governmental capital assets, net	<u>\$ 19,809,935</u>	<u>\$ 846,562</u>	<u>\$ (450,342)</u>	<u>\$ 20,206,155</u>

Infrastructure assets (roads and bridges) acquired prior to fiscal year 2004 are not included in Erath County's capital assets.

Current year depreciation expense was charged to governmental functions as follows:

Depreciation by function:	
General administration	\$ 167,042
Justice	71,374
Public safety	792,868
Public transportation	585,177
Total depreciation expense	<u>\$ 1,616,461</u>

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4: Interfund Transactions

The General Fund owed the Debt Service Fund \$647,568 for a transfer that had not been completed prior to year-end. This interfund balance is to be repaid or collected in the normal course of business, within one year of the fiscal year-end.

During the year ended September 30, 2019, General Fund transferred \$457,239 to the Debt Service Fund

During the year ended September 30, 2019, Road and Bridge performed an interfund transfer to fund operations of the Maintenance Barn in the amount of \$200,000.

NOTE 5: Long-Term Obligations

During the year ended September 30, 2010, the Erath County Commissioners' Court determined that certificates of obligation should be issued pursuant to the provisions of the Certificates of Obligation Act of 1971, Section 271.046, Texas Local Government Code, for the purpose of (1) construction and renovation of the Erath County Jail and (2) professional services rendered in relation to the building project and the financing thereof.

The County issued Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2010 to provide funds for the aforementioned projects including the renovation and making improvements to the County Jail building and to pay costs related to the issuance of the Certificates.

The following are certificates outstanding at September 30, 2019:

	Interest Rate	Date of Issue	Date of Maturity	Amount of Bond
Certificates of obligation, Series 2010	3.85%	2010	2025	\$ 7,000,000

Annual debt service requirements to maturity for bonds are as follows:

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2020	467,000	98,695	\$ 565,695
2021	467,000	80,715	547,715
2022	467,000	62,736	529,736
2023	467,000	44,756	511,756
2024	467,000	26,777	493,777
2025-2026	462,000	8,894	470,894
	<u>\$ 2,797,000</u>	<u>\$ 322,573</u>	<u>\$ 3,119,573</u>

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 5: Long-Term Obligations (cont.)

Long-term obligations include debt and compensated absences. Changes in long-term obligations for the period ended September 30, 2019, are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated absences	\$ 240,717	\$ -	\$ 19,780	\$ 220,937	\$ 194,425
Certificate of obligation	3,264,000	-	467,000	2,797,000	467,000
Total Governmental Activities	<u>\$ 3,504,717</u>	<u>\$ -</u>	<u>\$ 486,780</u>	<u>\$ 3,017,937</u>	<u>\$ 661,425</u>

NOTE 6: Commitments Under Operating Leases

The County has entered into several lease agreements for photocopiers to be used in the County's various offices. Commitments under these lease agreements provide for minimum future lease payments as of September 30, 2019, as follows:

	Year Ending September 30,	
	2020	\$ 631
Total Minimum Future Lease Obligations		<u>\$ 631</u>
	Rental Expenditures in 2019	<u>\$ 9,243</u>

NOTE 7: Risk Management

The County has risk exposure in various areas including general liability, workers compensation, automobile liability, property damage, etc. To reduce its risk exposure in these areas, the County is a member of Texas Association of Counties Risk Pool ("the Pool") for liability, property, and worker's compensation. The Pool is a public entity risk pool and was created based on the general objectives of formulating, developing, and administering a program of self-insurance for membership and obtaining lower costs for coverage. The Pool coverage is offered through interlocal agreements between the Pool and counties. The Pool has the power to establish fees, contributions and methods for establishing rates. Under contract with the Pool, the Association provides for such services as claims administration and management, underwriting, loss control services and training and financial reporting for its members. The Association submits sealed bids to counties during the bid process. The Pool is governed by a Board of Directors made up of employees or officials of counties, which are members of the Pool. Member counties make contributions to the Pool, and the Pool provides insurance coverage and applicable reinsurance or stop loss coverage. The insurance policies carry various deductibles and aggregate maximum loss totals. The by-laws of the Pool are detailed in a separate document, which can be obtained from the Texas Association of Counties, 1210 San Antonio Street, Austin, TX 78701.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7: Risk Management (cont.)

Health Care

During the year ended September 30, 2019, the employees of the County were covered by a health insurance plan. Employees had the option of participating in PPO provider plan. Employees, at their option, authorize payroll withholdings to pay remaining premiums for dependents. All premiums were paid to a licensed insurer. The plan was authorized by Article 3.51.2 of the Texas Insurance Code and was documented by contractual agreement.

NOTE 8: Pension Plan

A. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for administration of the statewide agent multiple-employer public employee retirement system consisting of 677 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

B. Benefits Provided

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 20 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 8 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 expect to be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. There are no automatic post-employment benefit changes, including automatic COLAs.

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefits terms:

Inactive employees of beneficiaries currently receiving benefits	115
Inactive employees entitled to but not yet receiving benefits	39
Active employees	198
	<u>352</u>

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 8: Pension Plan (cont.)

C. Contributions

The employer has elected the annually determined contribution rate (Variable Rate) plan provision of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually.

The employer contributed using the actuarially determined rate of 11.19% for the calendar year ending in 2019. The deposit rate payable by the employee members for calendar year 2019 is the rate of 7% as adopted by the governing body of the employer. The employee and employer deposit rates may be changed by the governing body of the employer within the options available in the TCDRS Act.

D. Net Pension Liability

The employer's Net Pension Liability (NPL) for the year ended September 30, 2019, was measured as of December 31, 2018, 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, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75% per year
Overall payroll growth	3.25% per year
Investment Rate of Return	8.0%, net of pension plan investment expense, including inflation

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.25% (made up of 2.75% inflation and .5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee.

Mortality rates for depositing members were based on 90% of the RP-2014 Active Employee Mortality Table for males and females as appropriate, both projected with 110% of the MP-2014 Ultimate scale after 2014. Service retirees, beneficiaries and non-depositing members were based on the RP-2014 Healthy Annuitant Mortality Table, for males and females as appropriate, with adjustments, both projected with 110% of the MP-2014 Ultimate scale after 2014. Disabled retirees were based on RP-2014 Disabled Annuitant Mortality Table, for males and females as appropriate, with adjustments, both projected with 110% of the MP-2014 Ultimate scale after 2014.

As described above, updated mortality assumptions were adopted in 2017 and new annuity purchase rates were reflected for benefits earned after 2017. All other actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2013 – December 31, 2016, except where required to be different by GASB 68.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 8: Pension Plan (cont.)

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The numbers shown are based on January 2019 information for a 10 year time horizon and are re-assessed at a minimum every four years, and it is set based on a 30-year time horizon, the most recent analysis was performed in 2017. Best estimates of geometric real rates of return (net of inflation, assumed at 1.70%) for each major asset class included in the target asset allocation (as adopted by the TCDRS board in April 2019) are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	10.5%	5.40%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	18.0%	8.40%
Global Equities	MSCI World (net) Index	2.5%	5.70%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	10.0%	5.40%
Int'l Equities - Emerging Markets	MSCI Emergeng Markets (net) Index	7.0%	5.90%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.0%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.0%	4.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.0%	7.95%
Distressed Debt	Cambridge Associates Distressed Securities Index	2.0%	7.20%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.0%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.0%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.0%	6.30%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	13.0%	3.90%
Total		100.0%	

Discount Rate:

The discount rate used to measure the Total Pension Liability was 8.1%. Using the alternative method, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments based on the funding requirements under the County's funding policy and the legal requirements under the TCDRS Act.

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

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and the net pension liability of the County is equal to the long-term assumed rate of return on investments.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 8: Pension Plan (cont.)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2017	\$ 38,063,868	\$ 36,497,065	\$ 1,566,803
Changes for the year:			
Service cost	991,086	-	991,086
Interest on total pension liability	3,096,296	-	3,096,296
Effect of plan changes	154,655	-	154,655
Effect of economic/demographic gains or losses	11,290	-	11,290
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(103,517)	(103,517)	-
Benefit payments	(1,587,570)	(1,587,570)	-
Administrative expenses	-	(29,182)	29,182
Member contributions	-	564,644	(564,644)
Net investment income	-	(674,137)	674,137
Employer contributions	-	1,645,365	(1,645,365)
Other	-	19,125	(19,125)
Net changes	\$ 2,562,240	\$ (165,272)	\$ 2,727,512
Balance at 12/31/2018	\$ 40,626,108	\$ 36,331,793	\$ 4,294,315

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, 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 (7.1%) or 1-percentage point higher (9.1%) than the current rate:

	1% Decrease in Discount Rate (7.10%)	Discount Rate (8.10%)	1% Increase in Discount Rate (9.10%)
Total pension liability	\$ 45,593,454	\$ 40,626,108	\$ 36,415,556
Fiduciary net position	36,331,793	36,331,793	36,331,793
Net pension liability (asset)	\$ 9,261,661	\$ 4,294,315	\$ 83,763

E. Pension Plan Fiduciary Net Position

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

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 8: Pension Plan (cont.)

F. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2019, the County recognized pension expense of \$1,654,337.

As of September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 130,897	\$ 53,481
Changes of assumptions	-	85,802
Net difference between projected and actual earnings	-	2,253,980
Contributions subsequent to the measurement date	-	635,429
Total	\$ 130,897	\$ 3,028,692

\$635,429 is reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Valuation year ended December 31:	
2019	\$ 885,889
2020	332,938
2021	313,419
2022	730,120
2023	-
Thereafter	-

NOTE 9: Commitments and Contingencies

Contingencies

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds or any money received may be required and collectability of any related receivable at September 30, 2019, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulation governing the respective grant; therefore no provision has been recorded in the accompanying financial statements for such contingencies.

Litigation

The County Attorney has indicated that there are no lawsuits filed and pending against the County that will result in a material effect on the County's financial position.

See independent auditors' report.

ERATH COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10: Tax Abatements

As of September 30, 2019, Erath County provides tax abatements through the Texas Property Redevelopment and Tax Abatement Act, V.A.T.S Tax Code Chapter 312:

The Texas Property Redevelopment and Tax Abatement Act Chapter 312 of the Tax Code authorizes local taxing units, other than school districts, at their discretion to offer temporary property tax exemptions for improvements to existing property. For Texas Counties, property may be exempted for up to 10 years with property tax exemptions at an amount up to 100%.

Texas Law - Article VIII, Section 1-g (a) The Legislature by general law may authorize cities, towns, and other taxing units to grant exemptions or other relief from ad valorem taxes on property located in a reinvestment zone for the purpose of encouraging development or redevelopment and improvement of the property.

Erath County has two such abatements as of September 30, 2019:

EQUIBRAND PRODUCTS GROUP LP

Established – 2018

Expiration – 2026

Term – 9 years

Abated Investment Real Property - \$4,862,040

Abated Investment Equipment - \$1,770,280

Employees added - 60

Abatement percent Real Property – Variable 100% in year one to 25% in year nine

Abatement percent Equipment – Variable 100% in year one to 25% in year nine

FMC TECHNOLOGIES, INC (FMCTECHNIP)

Established – 2012

Expiration – 2021

Term – 10 years

Abated Investment Real Property - \$6,250,000

Abated Investment Equipment - \$9,000,000

Employees added – 80

Abatement percent Real Property – Variable 100% in year one to 20% in year ten

Abatement percent Equipment – Variable 100% in year one to 25% in year ten

For the fiscal year ended September 30, 2019, Erath County abated property taxes under this program for all entities in the amount of \$21,882,320

See independent auditors' report.



REQUIRED SUPPLEMENTARY INFORMATION

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget - Positive (Negative)
REVENUES:				
Taxes:				
Current taxes	\$ 10,554,474	\$ 10,554,474	\$ 10,631,837	\$ 77,363
Delinquent taxes	58,000	58,000	85,324	27,324
Penalty & interest	60,500	60,500	105,339	44,839
Mixed drink tax	95,000	95,000	127,073	32,073
Sales tax	2,100,000	2,100,000	2,757,545	657,545
Tax certificate	15,000	15,000	18,520	3,520
Late rendition penalty	5,500	5,500	7,584	2,084
Total Taxes	12,888,474	12,888,474	13,733,222	844,748
General County				
Interest	121,400	121,400	382,104	260,704
Tobacco settlement	20,000	20,000	40,519	20,519
State juror reimbursement	10,000	10,000	6,800	(3,200)
Health insurance reimbursement	-	-	5,922	5,922
Vending machines	-	-	127	127
General county miscellaneous	-	-	3,969	3,969
Total General County	151,400	151,400	439,441	288,041
County Clerk				
Drug court cost	1,200	1,200	1,107	(93)
Judicial support fee	200	200	153	(47)
Juror fee	-	-	102	102
Bond forfeiture	6,000	6,000	8,074	2,074
Judges education	500	500	515	15
Fees	428,500	445,300	432,781	(12,519)
5% cash bond	500	500	1,850	1,350
State traffic fee	100	100	13	(87)
Indigent legal	100	100	172	72
DPS arrest	1,500	1,500	1,236	(264)
EMS trauma	1,000	1,000	1,107	107
Other revenue	2,500	2,500	4,349	1,849
Total County Clerk	442,100	458,900	451,459	(7,441)
Tax Collector/Assessor				
TERP surcharge fee	1,500	1,500	3,601	2,101
Tax entity commission	38,000	38,000	36,232	(1,768)
Auto commission	100,000	100,000	116,689	16,689
Motor vehicle titles	42,000	42,000	42,680	680
Chapter 19 reimbursement	-	-	2,068	2,068
Total Tax Collector/Assessor	181,500	181,500	201,270	19,770
Sanitation				
Fees	45,000	45,000	62,450	17,450
Total Sanitation	45,000	45,000	62,450	17,450

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
Election				
Reimbursed election expense	13,000	13,200	24,891	11,691
Total Election	13,000	13,200	24,891	11,691
Volunteer Fire Department				
Workers comp refund	5,000	5,000	5,012	12
Grant revenue	-	-	7,146	7,146
Total Volunteer Fire Department	5,000	5,000	12,158	7,158
911 Emergency				
COG reimbursement 911	35,000	35,000	26,600	(8,400)
Total 911 Emergency	35,000	35,000	26,600	(8,400)
District Clerk				
Restitution	-	-	257	257
Drug court cost	-	-	149	149
Judicial support fee	-	-	27	27
AG citation fee	4,000	4,000	11,514	7,514
AG motion fee	-	-	525	525
Court appointed attorney	16,000	16,000	6,995	(9,005)
Fees	147,000	147,000	123,910	(23,090)
Jury trial tee	1,200	1,200	920	(280)
Visual recorder	-	-	15	15
5% cash bond	-	-	54	54
Court reporter fee	4,500	4,500	5,513	1,013
Consolidated court cost	750	750	616	(134)
AG child support	600	600	637	37
Time payments	800	800	528	(272)
EMS trauma	100	100	49	(51)
Indigent legal	200	200	284	84
Bureau of vital statistics	150	150	177	27
Other	-	-	2	2
Total District Clerk	175,300	175,300	152,172	(23,128)
District Attorney				
Judicial district apportionment	27,500	27,500	36,667	9,167
Assistant DA longevity	980	980	1,542	562
State witness reimbursement	-	-	597	597
Miscellaneous	4,343	4,343	7,143	2,800
Total District Attorney	32,823	32,823	45,949	13,126

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
District Court				
Appointed attorney	30,000	30,000	15,279	(14,721)
Total District Court	30,000	30,000	15,279	(14,721)
County Attorney				
State salary allocation	70,000	70,000	-	(70,000)
Court apportionment	5,800	5,800	6,387	587
Miscellaneous	-	-	-	-
Total County Attorney	75,800	75,800	6,387	(69,413)
Court At Law				
State salary allocation	84,000	84,000	84,000	-
Court apportionment	30,000	30,000	24,898	(5,102)
Probate fees	-	-	206	206
Interpreter fees	-	-	200	200
Total Court At Law	114,000	114,000	109,304	(4,696)
Justice of The Peace #1				
Judicial fee	1,000	1,000	1,238	238
City apportionment	149,246	149,246	147,719	(1,527)
Jury fee	650	650	825	175
Expungent fee	-	-	440	440
Fees	137,000	137,000	137,805	805
Defensive driving	2,000	2,000	3,225	1,225
Traffic	2,000	2,000	3,637	1,637
Consolidated court cost	6,500	6,500	8,261	1,761
Indigent legal	9,500	9,500	13,453	3,953
Arrest fee	6,000	6,000	7,982	1,982
Time payments	2,200	2,200	2,957	757
Motor carrier fee	2,000	2,000	4,000	2,000
Child safety seat	-	-	120	120
Other	-	-	100	100
Total Justice of The Peace #1	318,096	318,096	331,762	13,666
Justice of The Peace #2				
Judicial fee	200	200	250	50
Jury fee	-	-	167	167
Fees	40,000	40,000	34,284	(5,716)
Defensive driving	650	650	772	122
Traffic	750	750	794	44
Consolidated court cost	1,600	1,600	1,668	68
Failure to appear	-	-	5	5
DPS arrest	1,500	1,500	1,632	132
Time payments	-	-	113	113
Motor carrier	-	-	500	500
Total Justice of The Peace #2	44,700	44,700	40,185	(4,515)

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
Sheriff				
Crime victim reimbursement	2,500	2,500	15,021	12,521
Fees	45,000	45,000	50,385	5,385
Visual recorder fee	1,500	1,500	1,706	206
Bail bond fee	1,200	1,200	1,235	35
Estray cattle	5,000	5,000	2,655	(2,345)
State inmate reimbursement	5,000	5,000	5,627	627
City of Dublin inmates	1,500	1,500	-	(1,500)
City of Stephenville inmates	12,000	12,000	14,400	2,400
Inmate phone commission	35,000	35,000	72,531	37,531
Extradition reimbursement	800	800	-	(800)
Inmate SSA	1,200	1,200	1,600	400
Insurance claim reimbursement	-	15,045	16,690	1,645
Grant revenues	4,200	9,440	22,800	13,360
Inmate housing revenue	130,000	130,000	146,992	16,992
Total Sheriff	244,900	265,185	351,642	86,457
Constable #1				
Fees	25,000	35,371	45,975	10,604
Total Constable #1	25,000	35,371	45,975	10,604
Constable #2				
Fees	3,000	3,000	3,215	215
Total Constable #2	3,000	3,000	3,215	215
Pretrial Diversion				
Interlock fees	-	-	860	860
Fees	800	800	110	(690)
UA fees	-	-	230	230
Total Pretrial Diversion	800	800	1,200	400
Non-Departmental				
Reimbursements	-	-	2,959	2,959
Total Non-departmental Diversion	-	-	2,959	2,959
Emergency Medical Services				
Charges for services	200,000	200,000	206,701	6,701
FEMA	-	-	6,153	6,153
Donations	-	350	400	50
Total Emergency Medical Services	200,000	200,000	213,254	12,904
Indigent Healthcare				
Inmate Medical Copay	7,000	7,000	908	(6,092)
Interest	5,500	5,500	52,928	47,428
Total Indigent Healthcare	12,500	12,500	53,836	41,336
TOTAL REVENUES	15,038,393	15,086,050	16,324,610	1,238,210

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
EXPENDITURES:				
County Judge				
Salary	172,105	188,905	184,761	4,144
Operating	6,550	6,550	5,407	1,143
Supplies	2,000	2,300	2,111	189
Schools & dues	6,250	7,300	7,057	243
Equipment	3,500	2,150	1,332	818
Total County Judge	190,405	207,205	200,668	6,537
County Clerk				
Salary	449,740	454,760	441,927	12,833
Operating	4,500	4,500	3,125	1,375
Supplies	9,650	9,650	9,360	290
Schools & dues	7,500	8,800	7,380	1,420
Software/hardware maintenance	28,097	28,097	26,707	1,390
Equipment	1,500	1,180	285	895
Total County Clerk	500,987	506,987	488,784	18,203
County Auditor				
Salary	262,112	262,112	251,669	10,443
Operating	2,020	2,020	1,165	855
Supplies	3,200	3,200	2,698	502
Schools & dues	7,000	7,470	7,225	245
Equipment	8,970	9,000	8,990	10
Software/hardware maintenance	30,197	25,197	20,356	4,841
Total County Auditor	313,499	308,999	292,103	16,896
County Treasurer				
Salary	246,233	246,233	242,550	3,683
Operating	8,300	4,800	2,998	1,802
Advertising	6,000	6,000	3,079	2,921
Supplies	5,850	5,850	5,424	426
Schools & dues	7,500	11,000	10,559	441
Equipment	4,000	5,600	5,545	55
Software/hardware maintenance	14,497	14,497	14,356	141
Drug screening	7,000	5,400	3,970	1,430
Total County Treasurer	299,380	299,380	288,481	10,899

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
Tax Assessor/Collector				
Salary	655,408	655,408	632,064	23,344
Operating	88,502	87,772	56,437	31,335
Supplies	18,000	18,930	18,754	176
Schools & dues	5,000	5,000	4,151	849
Equipment	11,800	11,800	9,672	2,128
Software/hardware maintenance	15,500	15,300	15,300	0
Data processing	16,000	16,000	10,618	5,382
Total Tax Assessor/Collector	810,210	810,210	746,996	63,214
Veteran's Service				
Salary	31,667	31,667	25,066	6,601
Operating	2,268	2,268	1,925	343
Supplies	1,000	875	768	107
Advertising	150	150	70	80
Equipment	-	125	125	-
Software/hardware maintenance	450	450	449	1
Total Veteran's Service	35,535	35,535	28,403	7,132
Sanitation				
Salary	130,746	90,546	67,017	23,529
Operating	7,150	7,400	3,796	3,604
Supplies	1,000	1,000	963	37
Schools & dues	1,500	1,500	1,447	53
Equipment	39,298	39,048	26,567	12,481
Software/hardware maintenance	2,000	2,000	400	1,600
Fuel	2,500	2,500	1,442	1,058
Travel	500	500	-	500
Total Sanitation	184,694	144,494	101,632	42,862
Elections				
Salary	5,384	5,384	5,382	2
Operating	22,100	22,100	19,793	2,307
Supplies	5,000	3,184	1,996	1,188
Equipment	7,000	9,016	8,982	34
Software/hardware maintenance	4,000	13,285	13,245	40
Total Elections	43,484	52,969	49,398	3,571

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
Fire Suppression				
Salary	420	82,566	48,841	33,725
Operating	74,200	82,847	69,901	12,946
Schools and dues	3,000	500	206	294
Equipment	40,000	44,600	44,349	251
Software/hardware maintenance	1,350	1,350	990	360
EMS	101,000	101,000	101,000	-
Volunteer fire departments	276,634	265,887	258,643	7,244
Total Fire Suppression	496,604	578,749	523,930	54,819
Non-Departmental				
Salary	780,000	780,850	779,712	1,138
Operating	1,172,750	920,087	321,479	598,608
Advertising	8,000	8,000	6,072	1,928
Schools & dues	2,000	2,000	100	1,900
Equipment	120,000	120,000	2,940	117,060
Professional services	68,000	82,090	72,246	9,844
Software/hardware maintenance	184,500	184,500	158,943	25,557
Pauper burials	5,000	5,000	3,302	1,698
Autopsies	100,000	100,000	84,055	15,945
Historical society	1,000	1,000	382	618
Erath county senior citizens	18,000	18,000	18,000	-
Central appraisal district allocation	394,657	394,657	378,337	16,320
Erath county trapper	38,400	38,400	35,200	3,200
Humane society	18,000	18,000	18,000	-
Capital projects	2,070,000	2,070,000	335,706	1,734,294
Storm-related repairs	1,000	1,000	(20)	1,020
Total Non-Departmental	4,981,307	4,743,584	2,214,454	2,529,130
911 Emergency				
Addressing contract	45,000	45,000	45,000	-
Total 911 Emergency	45,000	45,000	45,000	-
District Judge				
Salary	324,627	324,627	309,762	14,865
Operating	2,600	2,600	2,078	522
Supplies	4,000	4,000	2,375	1,625
Schools & dues	7,000	7,000	2,939	4,061
Equipment	10,000	10,000	703	9,297
Software/hardware maintenance	4,922	4,922	1,914	3,008
Total District Judge	353,149	353,149	319,771	33,378

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
District Clerk				
Salary	300,614	300,614	293,406	7,208
Operating	8,600	8,385	8,046	339
Supplies	6,500	5,995	5,384	611
Schools & dues	5,500	6,220	4,859	1,361
Equipment	5,000	5,000	2,935	2,065
Software/hardware maintenance	27,845	27,845	26,523	1,322
Total District Clerk	354,059	354,059	341,153	12,906
District Attorney				
Salary	394,182	394,182	373,528	20,654
Operating	27,668	28,385	9,555	18,830
Supplies	9,000	8,955	7,621	1,334
Schools & dues	10,000	10,000	4,852	5,148
Equipment	2,500	2,500	1,020	1,480
Software/hardware maintenance	13,532	13,532	13,615	(83)
Fuel	1,500	1,500	1,395	105
Professional fees	25,000	24,328	6,654	17,674
Total District Attorney	483,382	483,382	418,240	65,142
District Court				
Administration	4,000	4,000	1,902	2,098
Transcript	12,000	17,000	15,731	1,269
Court Expense	38,000	28,000	2,821	25,179
Equipment	17,500	47,500	16,535	30,965
Professional fees	15,000	15,000	5,265	9,735
Civil attorney ad litem	30,000	25,000	7,865	17,135
Criminal attorney ad litem	120,000	120,000	85,635	34,365
Petit jury	19,500	19,500	8,385	11,115
Grand jury	6,000	6,000	3,842	2,158
Jury meals	1,000	1,000	118	882
Crime victims jury	750	750	345	405
Cross timbers jury	3,500	3,500	1,432	2,068
Juror donation	2,000	2,000	1,791	209
Erath county child welfare	3,500	3,500	2,167	1,333
Total District Court	272,750	292,750	153,834	138,916
County Attorney				
Salary	350,910	350,910	320,489	30,421
Operating	2,540	2,065	1,884	181
Supplies	2,500	2,472	1,219	1,253
Schools & dues	5,000	6,189	3,203	2,986
Equipment	2,100	5,756	4,115	1,641
Software/hardware maintenance	23,416	23,510	23,649	(139)
Court expense	785	100	100	-
Total County Attorney	387,251	391,001	354,659	36,342

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget - Positive (Negative)
Court At Law				
Salary	273,449	273,449	267,159	6,290
Operating	26,900	29,200	24,369	4,831
Supplies	800	1,400	925	475
Schools & dues	1,000	2,761	2,754	7
Attorney ad litem	115,000	109,910	85,979	23,931
Juror donation	250	382	382	-
Petit jury	1,750	2,625	2,542	83
Crime victims	500	300	139	161
Cross timbers	500	540	540	-
Erath county child welfare	1,700	1,400	1,012	388
Professional fees	2,500	4,000	3,913	87
Software/hardware maintenance	5,100	4,725	4,734	(9)
Total Court At Law	429,449	430,692	394,448	36,244
Justice of The Peace #1				
Salary	281,917	281,922	251,429	30,493
Operating	2,420	3,220	2,703	517
Supplies	3,200	3,200	2,508	692
Schools & dues	2,000	2,000	1,824	176
Equipment	1,500	1,000	-	1,000
Petit Jury	2,000	2,000	610	1,390
Crime victims	650	650	40	610
Cross timbers	500	500	40	460
Juror donation	250	250	240	10
Erath county child welfare	500	500	30	470
Professional fees	500	500	-	500
Total Justice of the Peace #1	295,437	295,742	259,424	36,318
Justice of the Peace #2				
Salary	130,551	130,551	128,542	2,009
Operating	5,448	5,448	3,418	2,030
Supplies	1,700	1,700	712	988
Schools & dues	2,500	1,906	1,445	461
Crime victims	300	300	-	300
Cross timbers	300	300	-	300
Erath county child welfare	800	800	-	800
Equipment	500	1,094	594	500
Software/hardware maintenance	7,775	7,775	7,822	(47)
Total Justice of the Peace #2	149,874	149,874	142,533	7,341

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
Facilities				
Salary	163,264	163,264	161,196	2,068
Utilities	100,000	100,000	69,387	30,613
Supplies	2,800	2,600	2,435	165
Operating	65,500	65,500	59,473	6,027
Equipment	12,600	25,500	22,615	2,885
Fuel	500	500	447	53
Building maintenance	305,700	293,700	90,227	203,473
Total Facilities	650,364	651,064	405,780	245,284
Sheriff				
Salary	2,411,788	2,404,188	2,251,436	152,752
Operating	153,721	171,409	158,918	12,491
Estray cattle	18,500	5,700	5,368	332
Supplies	22,500	18,309	17,181	1,128
Advertising	1,000	1,000	625	375
Schools & dues	34,857	34,657	32,520	2,137
Equipment	213,500	262,941	254,248	8,693
Fuel	85,000	101,338	97,559	3,779
Software/hardware maintenance	42,000	43,500	43,386	114
Professional fees	4,265	4,265	-	4,265
Total Sheriff	2,987,130	3,047,306	2,861,241	186,065
Jail				
Salary	1,680,092	1,680,092	1,551,398	128,694
Operating	169,532	165,444	150,234	15,210
Utilities	110,000	118,905	118,903	2
Supplies	43,000	41,160	40,746	414
Schools & dues	25,000	29,095	26,373	2,722
Equipment	46,000	58,799	56,465	2,334
Building repair/maintenance	33,000	33,593	32,985	608
Prisoner Food	170,000	129,435	116,141	13,294
Software/hardware maintenance	3,990	4,590	4,590	-
Total Jail	2,280,614	2,261,113	2,097,835	163,278
Highway Patrol				
Salary	56,952	56,952	56,080	872
Supplies	875	875	830	45
Weights & measures	250	250	-	250
Equipment	2,090	2,090	-	2,090
Total Highway Patrol	60,167	60,167	56,910	3,257

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget - Positive (Negative)
Constable #1				
Salary	69,692	69,692	67,468	2,224
Operating	3,325	12,656	12,011	645
Supplies	500	500	185	315
Schools & dues	1,500	1,340	840	500
Fuel	3,000	3,000	2,548	452
Equipment	1,450	3,150	2,999	151
Total Constable #1	79,467	90,338	86,051	4,287
Constable #2				
Salary	70,545	70,545	27,985	42,560
Operating	3,428	3,428	836	2,592
Supplies	500	500	-	500
Schools & dues	1,250	1,250	35	1,215
Fuel	1,000	1,000	31	969
Equipment	1,750	1,750	-	1,750
Total Constable #2	78,473	78,473	28,887	49,586
Probation				
Juvenile probation office rent	18,000	18,000	18,000	-
Operating	2,500	2,500	435	2,065
Equipment	1,800	1,800	-	1,800
Juvenile board fund allocation	52,469	52,469	52,469	-
Total Probation	74,769	74,769	70,904	3,865
County Extension Agents				
Salary	152,222	152,222	138,050	14,172
Operating	2,813	2,613	1,894	719
Livestock show	8,500	10,300	10,295	5
Supplies	2,400	2,600	2,578	22
Schools & dues	2,000	2,000	1,942	58
Equipment	2,100	3,748	3,645	103
Travel	16,000	14,352	13,770	582
Demonstration	600	600	58	542
Total County Extension Agents	186,635	188,435	172,232	16,203
Pretrial Diversion				
Salary	69,071	69,071	65,756	3,315
Operating	1,871	1,871	971	900
Supplies	1,370	670	369	301
Schools & dues	1,000	1,000	386	614
Equipment	130	1,330	1,283	47
Total Pretrial Diversion	73,441	73,941	68,765	5,176

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget -
			(See Note)	Positive
				(Negative)
Information Technology				
Salary	75,824	76,824	76,182	642
Supplies	1,000	1,000	276	724
Schools & dues	4,350	3,350	774	2,576
Software/hardware maintenance	-	5,000	1,571	3,429
Total Information Technology	81,174	86,174	78,803	7,371
Emergency Medical Services				
Salary	982,970	997,085	995,199	1,886
Operating	98,887	98,167	49,731	48,436
Supplies	39,713	34,713	28,304	6,409
Advertising	200	200	-	200
Schools & dues	11,000	8,921	6,211	2,710
Equipment	33,500	34,550	29,839	4,711
Software/hardware maintenance	3,000	4,510	4,510	-
Professional services	6,000	6,569	6,569	-
Fuel	15,000	15,000	10,587	4,413
Dublin ambulance service	40,000	45,000	45,000	-
Total Emergency Medical Services	1,230,270	1,244,715	1,175,950	68,765
Emergency Management				
Salary	100,422	100,422	85,397	15,025
Operating	13,750	13,750	6,668	7,082
Supplies	4,000	4,000	1,148	2,852
Schools & dues	3,000	3,000	1,613	1,387
Equipment	24,250	120,250	105,155	15,095
Software/hardware maintenance	1,500	51,500	10,406	41,094
Fuel	4,000	4,000	1,564	2,436
Total Emergency Management	150,922	296,922	211,951	84,971
Indigent Healthcare				
Supplies	2,750	2,750	2,179	571
Healthcare - jail	180,000	180,000	63,459	116,541
Healthcare	609,694	609,694	173,944	435,750
HOPE Clinic	25,000	25,000	25,000	-
Professional fees	50,000	50,000	-	50,000
Software/hardware maintenance	15,000	15,000	12,708	2,292
Pecan Valley MHMR	25,000	25,000	25,000	-
Total Indigent Healthcare	907,444	907,444	302,290	605,154
TOTAL EXPENDITURES	19,467,326	19,544,623	14,981,510	4,563,113
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,428,932)	(4,458,573)	1,343,100	5,801,323
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of assets	-	9,626	9,626	-
Transfers in	8,413,220	8,413,220	647,568	7,765,652
Transfers out	(3,970,499)	(3,970,499)	(457,239)	(3,513,260)
Total Other Financing Sources (Uses)	4,442,721	4,452,346	199,955	4,252,392
Net Change in Fund Balance	13,788	(6,227)	1,543,055	1,548,931
Fund Balance-Beginning	17,715,080	17,715,080	17,715,080	-
Fund Balance-Ending	\$ 17,728,868	\$ 17,708,853	\$ 19,258,135	\$ 1,548,931

ERATH COUNTY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS
Last 10 Years (will ultimately be displayed)

Total Pension Liability	2018	2017	2016	2015	2014
Service Cost	\$ 991,086	\$ 1,082,729	\$ 1,061,170	\$ 909,594	\$ 917,752
Interest on total pension liability	3,096,296	2,924,113	2,686,025	2,503,916	2,291,796
Effect of plan changes	154,655	-	-	664,792	-
Effect of assumption changes or inputs	-	171,604	-	338,995	-
Effect of economic/demographic (gains) or losses	11,290	(261,794)	180,055	(395,640)	39,025
Benefit payments/refunds of contributions	(1,691,087)	(1,707,180)	(1,399,555)	(1,313,254)	(930,118)
Net Change in Total Pension Liability	2,562,240	2,209,472	2,527,695	2,708,403	2,318,455
Total Pension Liability, beginning	38,063,868	35,854,396	33,326,701	30,618,299	28,299,844
Total Pension Liability, ending (a)	\$ 40,626,108	\$ 38,063,868	\$ 35,854,396	\$ 33,326,702	\$ 30,618,299
Fiduciary Net Position					
Employer contributions	\$ 1,645,365	\$ 841,433	\$ 862,429	\$ 1,354,107	\$ 1,285,545
Member contributions	564,644	547,908	541,435	513,054	508,998
Investment income net of investment expenses	(674,137)	4,688,430	2,208,516	(120,627)	1,852,972
Benefit payments/refunds of contributions	(1,691,087)	(1,707,180)	(1,399,555)	(1,313,254)	(930,118)
Administrative expenses	(29,182)	(24,272)	(24,004)	(21,304)	(21,569)
Other	19,125	(4,488)	185,453	55,414	(1,334)
Net Change in Fiduciary Net Position	(165,272)	4,341,831	2,374,274	467,390	2,694,494
Fiduciary Net Position, beginning	36,497,065	32,155,234	29,780,960	29,313,571	26,619,077
Fiduciary Net Position, ending (b)	\$ 36,331,793	\$ 36,497,065	\$ 32,155,234	\$ 29,780,961	\$ 29,313,571
Net Pension Liability (Asset), ending = (a) - (b)	\$ 4,294,315	\$ 1,566,803	\$ 3,699,162	\$ 3,545,741	\$ 1,304,728
Fiduciary net position as a % of total pension liability	89.43%	95.88%	89.68%	89.36%	95.74%
Pensionable covered payroll	\$ 8,066,342	\$ 7,827,256	\$ 7,734,783	\$ 7,329,338	\$ 7,064,263
Net pension liability as a % of covered payroll	53.24%	20.02%	47.83%	48.38%	18.47%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in

accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented

ERATH COUNTY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last 10 Years

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	\$ 629,805	\$ 629,805	\$ -	\$ 6,772,094	9.3%
2010	698,859	698,859	-	7,023,709	9.9%
2011	698,234	698,234	-	6,975,380	10.0%
2012	755,633	755,633	-	7,251,806	10.4%
2013	745,200	745,200	-	6,893,642	10.8%
2014	785,545	1,285,545	(500,000)	7,064,263	18.2%
2015	779,107	1,354,107	(575,000)	7,329,338	18.5%
2016	862,429	862,429	-	7,734,783	11.2%
2017	841,433	841,433	-	7,827,256	10.8%
2018	895,365	1,645,365	(750,000)	8,066,342	20.4%

ERATH COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Information

Annual budgets are adopted on the cash basis of accounting for the General Fund, certain Special Revenue Funds, Capital Projects Fund, and Debt Service Fund. The County employs an encumbrance system as a method of accomplishing budgetary control. At year end, open encumbrances are closed, and departments are required to re-appropriate those funds in the following year's budget.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget request and holds an informal hearing when needed. Before October 1, a proposed budget is presented to Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments.

Once the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping members of the Commissioners' Court advised of the condition of various funds and accounts.

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. No amendments may be made without Commissioners' Court approval to the total budget for each department within a fund. Thus, the legal level of budgetary control is at the department level. No supplemental appropriations were required during the year.

Retirement Schedules

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later. GASB 68, Paragraph 81.2.b requires that the data in the Schedule of Contributions be presented as of the District's current fiscal year as opposed to the valuation measurement date as provided in other schedules of these financial statements.

ERATH COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Retirement Schedules (cont'd)

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	12.1 years (based on contribution rate calculated in 12/31/18 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	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.
Changes in Plan Provisions Reflected in the Schedule	2015: No changes in plan provisions were reflected in the Schedule 2016: Employer contributions reflect that a 100% CPI COLA was adopted. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017 2018: No changes in plan provisions were reflected in the Schedule.



COMBINING FUND STATEMENTS

ERATH COUNTY, TEXAS
COMBINING BALANCE SHEET
ROAD AND BRIDGE FUNDS
SEPTEMBER 30, 2019

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Maintenance Barn	Total Road and Bridge Funds
ASSETS						
Cash and investments	\$ 1,563,588	\$ 1,209,902	\$ 1,532,022	\$ 991,887	\$ 2,593	\$ 5,299,992
Receivables (net of allowance for uncollectible)	26,925	34,514	34,742	27,836	-	124,017
Other assets	2,500	2,500	2,500	2,500	-	10,000
Total Assets	<u>\$ 1,593,013</u>	<u>\$ 1,246,916</u>	<u>\$ 1,569,264</u>	<u>\$ 1,022,223</u>	<u>\$ 2,593</u>	<u>\$ 5,434,009</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 148,332	\$ 15,803	\$ 86,355	\$ 86,927	\$ 4,076	\$ 341,493
Salary payable	16,250	18,080	19,984	16,485	5,439	76,238
Total Liabilities	<u>164,582</u>	<u>33,883</u>	<u>106,339</u>	<u>103,412</u>	<u>9,515</u>	<u>417,731</u>
Deferred inflows:						
Deferred property taxes	<u>12,530</u>	<u>16,904</u>	<u>16,290</u>	<u>11,365</u>	<u>-</u>	<u>57,089</u>
Fund Balances:						
Committed	<u>1,415,901</u>	<u>1,196,129</u>	<u>1,446,635</u>	<u>907,446</u>	<u>(6,922)</u>	<u>4,959,189</u>
Total Fund Balances	<u>1,415,901</u>	<u>1,196,129</u>	<u>1,446,635</u>	<u>907,446</u>	<u>(6,922)</u>	<u>4,959,189</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 1,593,013</u>	<u>\$ 1,246,916</u>	<u>\$ 1,569,264</u>	<u>\$ 1,022,223</u>	<u>\$ 2,593</u>	<u>\$ 5,434,009</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ROAD AND BRIDGE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Maintenance Barn	Total Road and Bridge Funds
REVENUES:						
Taxes:						
Property taxes						
Current	\$ 869,303	\$ 1,031,116	\$ 1,113,990	\$ 998,218	\$ -	\$ 4,012,627
Delinquent	6,730	8,283	8,914	8,186	-	32,113
Penalty & interest	9,363	10,990	11,782	10,585	-	42,720
Intergovernmental	7,730	9,182	53,605	8,927	-	79,444
Auto registrations	231,682	275,166	294,939	269,189	-	1,070,976
Interest	40,987	38,366	44,404	25,046	-	148,803
Miscellaneous	-	-	21	-	-	21
Total Revenues	<u>1,165,795</u>	<u>1,373,103</u>	<u>1,527,655</u>	<u>1,320,151</u>	<u>-</u>	<u>5,386,704</u>
EXPENDITURES:						
Salaries	481,325	541,854	571,375	483,229	142,814	2,220,597
Equipment	220,626	342,216	812,867	273,944	66,021	1,715,674
Equipment repair	54,101	98,794	61,418	75,058	23,933	313,304
Fuel	56,287	68,147	55,548	67,034	5,605	252,621
Road expense	239,248	422,929	380,756	210,994	-	1,253,927
Operating	<u>24,785</u>	<u>41,701</u>	<u>37,717</u>	<u>39,336</u>	<u>57,927</u>	<u>201,466</u>
Total Expenditures	<u>1,076,372</u>	<u>1,515,641</u>	<u>1,919,681</u>	<u>1,149,595</u>	<u>296,300</u>	<u>5,957,589</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>89,423</u>	<u>(142,538)</u>	<u>(392,026)</u>	<u>170,556</u>	<u>(296,300)</u>	<u>(570,885)</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	275,000	275,000
Proceeds from sale of assets	166	14,802	185,086	75,330	3,685	279,069
Transfers out	<u>(68,750)</u>	<u>(68,750)</u>	<u>(68,750)</u>	<u>(68,750)</u>	<u>-</u>	<u>(275,000)</u>
Total Other Financing Sources (Uses)	<u>(68,584)</u>	<u>(53,948)</u>	<u>116,336</u>	<u>6,580</u>	<u>278,685</u>	<u>279,069</u>
Net Changes in Fund Balances	20,839	(196,486)	(275,690)	177,136	(17,615)	(291,816)
Fund Balance-Beginning	<u>1,395,062</u>	<u>1,392,615</u>	<u>1,722,325</u>	<u>730,310</u>	<u>10,693</u>	<u>5,251,005</u>
Fund Balance-Ending	<u>\$ 1,415,901</u>	<u>\$ 1,196,129</u>	<u>\$ 1,446,635</u>	<u>\$ 907,446</u>	<u>\$ (6,922)</u>	<u>\$ 4,959,189</u>

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

ERATH COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - ROAD AND BRIDGE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget
			(See Note)	Positive
				(Negative)
REVENUES:				
Taxes:				
Property taxes				
Current	\$ 3,983,452	\$ 3,983,452	\$ 4,012,627	\$ 29,175
Delinquent	33,500	33,500	32,113	(1,387)
Penalty & Interest	30,400	30,400	42,720	12,320
Intergovernmental	40,000	40,000	79,444	39,444
Auto registrations	992,800	992,800	1,070,976	78,176
Interest	33,350	33,350	148,803	115,453
Miscellaneous	-	-	21	21
Total Revenues	<u>5,113,502</u>	<u>5,113,502</u>	<u>5,386,704</u>	<u>273,202</u>
EXPENDITURES:				
Salaries	2,577,749	2,577,575	2,220,597	356,978
Equipment	1,473,000	1,675,777	1,715,674	(39,897)
Equipment Repair	335,600	348,582	313,304	35,278
Fuel	344,000	336,894	252,621	84,273
Road Expense	1,487,706	1,741,175	1,253,927	487,248
Operating	216,322	303,756	201,466	102,290
Total Expenditures	<u>6,434,377</u>	<u>6,983,759</u>	<u>5,957,589</u>	<u>1,026,170</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(1,320,875)</u>	<u>(1,870,257)</u>	<u>(570,885)</u>	<u>1,299,372</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	301,058	301,058	275,000	(26,058)
Proceeds from Sale of Assets	-	209,682	279,069	69,387
Transfers Out	(303,088)	(303,088)	(275,000)	28,088
Total Other Financing Sources (Uses)	<u>(2,030)</u>	<u>207,652</u>	<u>279,069</u>	<u>71,417</u>
Net Changes in Fund Balances	(1,322,904)	(1,662,604)	(291,816)	1,370,788
Fund Balance-Beginning	<u>5,251,005</u>	<u>5,251,005</u>	<u>5,251,005</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 3,928,101</u>	<u>\$ 3,588,401</u>	<u>\$ 4,959,189</u>	<u>\$ 1,370,788</u>

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

ERATH COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	JP#1 Technology Fund	JP#2 Technology Fund	County Clerk Technology Fund	District Clerk Technology Fund
ASSETS				
Cash and investments	\$ 138,652	\$ 31,047	\$ 7,982	\$ 34,690
Receivables (net of Allowance for Uncollectible)	1,274	391	100	642
Other assets	1,804	-	-	-
Due from other funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 141,730</u>	<u>\$ 31,438</u>	<u>\$ 8,082</u>	<u>\$ 35,332</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 350	\$ 68	\$ -	\$ -
Salary payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>350</u>	<u>68</u>	<u>-</u>	<u>-</u>
Deferred inflows:				
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted				
Debt service	-	-	-	-
Election	-	-	-	-
General administration	-	-	8,082	35,332
Judicial	141,380	31,370	-	-
Legal	-	-	-	-
Public safety	-	-	-	-
Records management	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>141,380</u>	<u>31,370</u>	<u>8,082</u>	<u>35,332</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 141,730</u>	<u>\$ 31,438</u>	<u>\$ 8,082</u>	<u>\$ 35,332</u>

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

ERATH COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Contractual Elections	County Attorney Intervention	Bail Bond	Law Library	Courthouse Security
ASSETS					
Cash and investments	\$ 38,917	\$ 77,652	\$ 12,349	\$ 131,123	\$ 293,292
Receivables (net of Allowance for Uncollectible)	-	500	-	3,780	1,967
Other assets	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total Assets	<u>\$ 38,917</u>	<u>\$ 78,152</u>	<u>\$ 12,349</u>	<u>\$ 134,903</u>	<u>\$ 295,259</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 608	\$ -
Salary payable	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>608</u>	<u>-</u>
Deferred inflows:					
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted					
Debt service	-	-	-	-	-
Election	38,917	-	-	-	-
General administration	-	-	-	-	-
Judicial	-	78,152	12,349	-	-
Legal	-	-	-	134,295	-
Public safety	-	-	-	-	295,259
Records management	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>38,917</u>	<u>78,152</u>	<u>12,349</u>	<u>134,295</u>	<u>295,259</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 38,917</u>	<u>\$ 78,152</u>	<u>\$ 12,349</u>	<u>\$ 134,903</u>	<u>\$ 295,259</u>

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

ERATH COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	County Clerk Digitized Records	District Clerk Digitized Records	County Clerk Records Management	County Clerk Records Preservation
ASSETS				
Cash and investments	\$ 23,040	\$ 940	\$ 766,104	\$ 274,435
Receivables (net of Allowance for Uncollectible)	470	-	3,348	2,192
Other assets	-	-	-	-
Due from other funds	-	-	-	-
Total Assets	<u>\$ 23,510</u>	<u>\$ 940</u>	<u>\$ 769,452</u>	<u>\$ 276,627</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 12,893	\$ -
Salary payable	-	-	603	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>13,496</u>	<u>-</u>
Deferred inflows:				
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted				
Debt service	-	-	-	-
Election	-	-	-	-
General administration	-	-	-	-
Judicial	-	-	-	-
Legal	-	-	-	-
Public safety	-	-	-	-
Records management	23,510	940	755,956	276,627
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>23,510</u>	<u>940</u>	<u>755,956</u>	<u>276,627</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 23,510</u>	<u>\$ 940</u>	<u>\$ 769,452</u>	<u>\$ 276,627</u>

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

ERATH COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	District Clerk Records Preservation	County Attorney Hot Check	District Attorney Hot Check	District Attorney Forfeiture
ASSETS				
Cash and investments	\$ 11,985	\$ 17,763	\$ 7,684	\$ 29,990
Receivables (net of Allowance for Uncollectible)	371	-	-	-
Other assets	-	-	-	-
Due from other funds	-	-	-	-
Total Assets	<u>\$ 12,356</u>	<u>\$ 17,763</u>	<u>\$ 7,684</u>	<u>\$ 29,990</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,000	\$ 2	\$ -	\$ -
Salary payable	-	239	-	-
Total Liabilities	<u>2,000</u>	<u>241</u>	<u>-</u>	<u>-</u>
Deferred inflows:				
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted				
Debt service	-	-	-	-
Election	-	-	-	-
General administration	-	-	-	-
Judicial	-	-	7,684	29,990
Legal	-	17,522	-	-
Public safety	-	-	-	-
Records management	10,356	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>10,356</u>	<u>17,522</u>	<u>7,684</u>	<u>29,990</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 12,356</u>	<u>\$ 17,763</u>	<u>\$ 7,684</u>	<u>\$ 29,990</u>

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

ERATH COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Sheriff Forfeiture	LEOSE Training	Total Special Revenue Funds	Certificates of Obligation	Total Nonmajor Governmental Funds
ASSETS					
Cash and investments	\$ 8,093	\$ 20,506	\$ 1,926,244	\$ 12,045	\$ 1,938,289
Receivables (net of Allowance for Uncollectible)	-	-	15,035	2,123	17,158
Other assets	-	-	1,804	331	2,135
Due from other funds	-	-	-	-	-
Total Assets	<u>\$ 8,093</u>	<u>\$ 20,506</u>	<u>\$ 1,943,083</u>	<u>\$ 14,499</u>	<u>\$ 1,957,582</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 15,921	\$ -	\$ 15,921
Salary payable	-	-	842	-	842
Total Liabilities	<u>-</u>	<u>-</u>	<u>16,763</u>	<u>-</u>	<u>16,763</u>
Deferred inflows:					
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,123</u>	<u>2,123</u>
Fund Balances:					
Restricted					
Debt service	-	-	-	12,376	12,376
Election	-	-	38,917	-	38,917
General administration	-	-	43,414	-	43,414
Judicial	8,093	-	309,018	-	309,018
Legal	-	-	151,817	-	151,817
Public safety	-	-	295,259	-	295,259
Records management	-	-	1,067,389	-	1,067,389
Unassigned	<u>-</u>	<u>20,506</u>	<u>20,506</u>	<u>-</u>	<u>20,506</u>
Total Fund Balances	<u>8,093</u>	<u>20,506</u>	<u>1,926,320</u>	<u>12,376</u>	<u>1,938,696</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 8,093</u>	<u>\$ 20,506</u>	<u>\$ 1,943,083</u>	<u>\$ 14,499</u>	<u>\$ 1,957,582</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	JP#1 Technology Fund	JP#2 Technology Fund	County Clerk Technology Fund	District Clerk Technology Fund
REVENUES:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and fees	12,322	1,668	1,025	5,131
Other revenue	-	-	-	-
Interest	3,346	726	191	777
Total Revenues	<u>15,668</u>	<u>2,394</u>	<u>1,216</u>	<u>5,908</u>
EXPENDITURES:				
Supplies	-	-	-	-
Equipment	6,922	-	629	-
Software/hardware maintenance	7,823	-	-	-
Schools & dues	-	-	-	-
Professional fees	5,152	207	-	-
Law books	-	-	-	-
Legal research	-	-	-	-
Courthouse security	-	-	-	-
Salary	-	-	-	-
Records preservation	-	-	-	-
Donations	-	-	-	-
Bank service charge	-	-	-	-
Miscellaneous	-	-	-	-
Interest payment	-	-	-	-
Principal payment	-	-	-	-
Total Expenditures	<u>19,897</u>	<u>207</u>	<u>629</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(4,229)</u>	<u>2,187</u>	<u>587</u>	<u>5,908</u>
OTHER FINANCING SOURCES (USES):				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(4,229)	2,187	587	5,908
Fund Balance-Beginning	<u>145,609</u>	<u>29,183</u>	<u>7,495</u>	<u>29,424</u>
Fund Balance-Ending	<u>\$ 141,380</u>	<u>\$ 31,370</u>	<u>\$ 8,082</u>	<u>\$ 35,332</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Contractual Elections	County Attorney Intervention	Bail Bond	Law Library	Courthouse Security
REVENUES:					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	35,000	-	-	-	-
Fines and fees	4,166	1,360	12,323	25,040	23,109
Other revenue	-	-	-	-	-
Interest	756	1,861	26	2,800	6,673
Total Revenues	<u>39,922</u>	<u>3,221</u>	<u>12,349</u>	<u>27,840</u>	<u>29,782</u>
EXPENDITURES:					
Supplies	-	977	-	-	-
Equipment	-	-	-	-	-
Software/hardware maintenance	18,824	-	-	-	-
Schools & dues	-	-	-	-	-
Professional fees	-	-	-	-	-
Law books	-	-	-	3,296	-
Legal research	-	-	-	7,373	-
Courthouse security	-	-	-	-	16,407
Salary	18,870	-	-	-	-
Records preservation	-	-	-	-	-
Donations	-	-	-	-	-
Bank service charge	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Interest payment	-	-	-	-	-
Principal payment	-	-	-	-	-
Total Expenditures	<u>37,694</u>	<u>977</u>	<u>-</u>	<u>10,669</u>	<u>16,407</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	<u>2,228</u>	<u>2,244</u>	<u>12,349</u>	<u>17,171</u>	<u>13,375</u>
OTHER FINANCING SOURCES (USES):					
Proceeds from sale of assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,228	2,244	12,349	17,171	13,375
Fund Balance-Beginning	<u>36,689</u>	<u>75,908</u>	<u>-</u>	<u>117,124</u>	<u>281,884</u>
Fund Balance-Ending	<u>\$ 38,917</u>	<u>\$ 78,152</u>	<u>\$ 12,349</u>	<u>\$ 134,295</u>	<u>\$ 295,259</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	County Clerk Digitized Records	District Clerk Digitized Records	County Clerk Records Management	County Clerk Records Preservation
REVENUES:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and fees	3,490	-	155,845	19,856
Other revenue	-	-	-	-
Interest	-	-	16,456	6,308
Total Revenues	<u>3,490</u>	<u>-</u>	<u>172,301</u>	<u>26,164</u>
EXPENDITURES:				
Supplies	-	-	-	-
Equipment	-	-	4,955	-
Software/hardware maintenance	-	-	28,918	6,100
Schools & dues	-	-	-	-
Professional fees	-	-	-	-
Law books	-	-	-	-
Legal research	-	-	-	-
Courthouse security	-	-	-	-
Salary	-	-	14,956	-
Records preservation	-	-	16,126	-
Donations	-	-	-	-
Bank service charge	-	-	-	-
Interest payment	-	-	-	-
Principal payment	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>64,955</u>	<u>6,100</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>3,490</u>	<u>-</u>	<u>107,346</u>	<u>20,064</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of assets	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,490	-	107,346	20,064
Fund Balance-Beginning	<u>20,020</u>	<u>940</u>	<u>648,610</u>	<u>256,563</u>
Fund Balance-Ending	<u>\$ 23,510</u>	<u>\$ 940</u>	<u>\$ 755,956</u>	<u>\$ 276,627</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	District Clerk Records Preservation	County Attorney Hot Check	District Attorney Hot Check	District Attorney Forfeiture
REVENUES:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and fees	7,012	2,194	-	-
Other revenue	-	-	-	-
Interest	-	439	173	733
Total Revenues	<u>7,012</u>	<u>2,633</u>	<u>173</u>	<u>733</u>
EXPENDITURES:				
Supplies	2,001	-	-	-
Equipment	-	-	-	-
Software/hardware maintenance	-	-	-	567
Schools & dues	-	239	-	-
Professional fees	-	-	-	-
Law books	-	-	-	-
Legal research	-	-	-	-
Courthouse security	-	-	-	-
Salary	-	5,595	-	-
Records preservation	-	-	-	-
Donations	-	-	-	2,905
Bank service charge	-	-	-	-
Miscellaneous	-	-	-	206
Interest payment	-	-	-	-
Principal payment	-	-	-	-
Total Expenditures	<u>2,001</u>	<u>5,834</u>	<u>-</u>	<u>3,678</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>5,011</u>	<u>(3,201)</u>	<u>173</u>	<u>(2,945)</u>
OTHER FINANCING SOURCES (USES):				
Transfers	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	5,011	(3,201)	173	(2,945)
Fund Balance-Beginning	<u>5,345</u>	<u>20,723</u>	<u>7,511</u>	<u>32,935</u>
Fund Balance-Ending	<u>\$ 10,356</u>	<u>\$ 17,522</u>	<u>\$ 7,684</u>	<u>\$ 29,990</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Sheriff Forfeiture	LEOSE Training	Total Special Revenue Funds	Certificates of Obligation	Total Nonmajor Governmental Funds
REVENUES:					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ 8,310	\$ 8,310
Charges for services	-	-	35,000	-	35,000
Fines and fees	-	29,257	303,798	-	303,798
Other revenue	-	-	-	-	-
Interest	384	-	41,649	116	41,765
Total Revenues	<u>384</u>	<u>29,257</u>	<u>380,447</u>	<u>8,426</u>	<u>388,873</u>
EXPENDITURES:					
Supplies	92	-	3,070	-	3,070
Equipment	13,779	-	26,285	-	26,285
Software/hardware maintenance	-	-	62,232	-	62,232
Schools & dues	-	7,225	7,464	-	7,464
Professional fees	-	-	5,359	-	5,359
Law books	-	-	3,296	-	3,296
Legal research	-	-	7,373	-	7,373
Courthouse security	-	-	16,407	-	16,407
Salary	-	-	39,421	-	39,421
Records preservation	-	-	16,126	-	16,126
Donations	-	-	2,905	-	2,905
Bank service charge	-	-	-	592	592
Miscellaneous	-	-	206	-	206
Interest payment	-	-	-	62,832	62,832
Principal payment	-	-	-	467,000	467,000
Total Expenditures	<u>13,871</u>	<u>7,225</u>	<u>190,144</u>	<u>530,424</u>	<u>720,568</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	<u>(13,487)</u>	<u>22,032</u>	<u>190,303</u>	<u>(521,998)</u>	<u>(331,695)</u>
OTHER FINANCING SOURCES (USES):					
Transfers	-	-	-	(190,329)	(190,329)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(190,329)</u>	<u>(190,329)</u>
Net Change in Fund Balance	(13,487)	22,032	190,303	(712,327)	(522,024)
Fund Balance-Beginning	21,580	(1,526)	1,736,017	724,703	2,460,720
Fund Balance-Ending	<u>\$ 8,093</u>	<u>\$ 20,506</u>	<u>\$ 1,926,320</u>	<u>\$ 12,376</u>	<u>\$ 1,938,696</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	BALANCE October 1 2018	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2019
Tax Assessor Collector - Dublin				
Assets:				
Cash and cash equivalents	<u>\$ 7,094</u>	<u>\$ 3,294,782</u>	<u>\$ 3,301,574</u>	<u>\$ 302</u>
Liabilities:				
Due to others	<u>\$ 7,094</u>	<u>\$ 3,294,782</u>	<u>\$ 3,301,574</u>	<u>\$ 302</u>
Tax Assessor Collector - Sales Tax				
Assets:				
Cash and cash equivalents	<u>\$ 311,556</u>	<u>\$ 5,532,454</u>	<u>\$ 5,397,634</u>	<u>\$ 446,376</u>
Liabilities:				
Due to others	<u>\$ 311,556</u>	<u>\$ 5,532,454</u>	<u>\$ 5,397,634</u>	<u>\$ 446,376</u>
Tax Assessor Collector - Escrow Payments				
Assets:				
Cash and cash equivalents	<u>\$ 18,873</u>	<u>\$ 78,008</u>	<u>\$ 80,214</u>	<u>\$ 16,667</u>
Liabilities:				
Due to others	<u>\$ 18,873</u>	<u>\$ 78,008</u>	<u>\$ 80,214</u>	<u>\$ 16,667</u>
Tax Assessor Collector - Auto Fund				
Assets:				
Cash and cash equivalents	<u>\$ 66,902</u>	<u>\$ 8,721,885</u>	<u>\$ 8,708,257</u>	<u>\$ 80,530</u>
Liabilities:				
Due to others	<u>\$ 66,902</u>	<u>\$ 8,721,885</u>	<u>\$ 8,708,257</u>	<u>\$ 80,530</u>
Tax Assessor Collector - State				
Assets:				
Cash and cash equivalents	<u>\$ 12,203</u>	<u>\$ 15,540,696</u>	<u>\$ 15,550,611</u>	<u>\$ 2,288</u>
Liabilities:				
Due to others	<u>\$ 12,203</u>	<u>\$ 15,540,696</u>	<u>\$ 15,550,611</u>	<u>\$ 2,288</u>
Tax Assessor Collector - District Account				
Assets:				
Cash and cash equivalents	<u>\$ 66,636</u>	<u>\$ 58,901,861</u>	<u>\$ 58,836,974</u>	<u>\$ 131,523</u>
Liabilities:				
Due to others	<u>\$ 66,636</u>	<u>\$ 58,901,861</u>	<u>\$ 58,836,974</u>	<u>\$ 131,523</u>
Tax Assessor Collector - Motor Vehicle Internet				
Assets:				
Cash and cash equivalents	<u>\$ 2,032</u>	<u>\$ 143,255</u>	<u>\$ 145,135</u>	<u>\$ 152</u>
Liabilities:				
Due to others	<u>\$ 2,032</u>	<u>\$ 143,255</u>	<u>\$ 145,135</u>	<u>\$ 152</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BALANCE OCTOBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2019
Tax Assessor Collector - Motor Vehicle Escrow				
Assets:				
Cash and cash equivalents	<u>\$ 138,687</u>	<u>\$ 300,415</u>	<u>\$ 289,333</u>	<u>\$ 149,769</u>
Liabilities:				
Due to others	<u>\$ 138,687</u>	<u>\$ 300,415</u>	<u>\$ 289,333</u>	<u>\$ 149,769</u>
Justice of the Peace #2 - Dublin				
Assets:				
Cash and cash equivalents	<u>\$ 4,392</u>	<u>\$ 42,469</u>	<u>\$ 40,812</u>	<u>\$ 6,049</u>
Liabilities:				
Due to others	<u>\$ 4,392</u>	<u>\$ 42,469</u>	<u>\$ 40,812</u>	<u>\$ 6,049</u>
Treasurer - Credit Card				
Assets:				
Cash and cash equivalents	<u>\$ 34,495</u>	<u>\$ 486,336</u>	<u>\$ 388,812</u>	<u>\$ 132,019</u>
Liabilities:				
Due to others	<u>\$ 34,495</u>	<u>\$ 486,336</u>	<u>\$ 388,812</u>	<u>\$ 132,019</u>
Treasurer - Bail Bond Board				
Assets:				
Cash and cash equivalents	<u>\$ 12,173</u>	<u>\$ 12,500</u>	<u>\$ 24,673</u>	<u>\$ -</u>
Liabilities:				
Due to others	<u>\$ 12,173</u>	<u>\$ 12,500</u>	<u>\$ 24,673</u>	<u>\$ -</u>
Treasurer - Civil E Filing				
Assets:				
Cash and cash equivalents	<u>\$ 18,189</u>	<u>\$ 205,391</u>	<u>\$ 171,564</u>	<u>\$ 52,016</u>
Liabilities:				
Due to others	<u>\$ 18,189</u>	<u>\$ 205,391</u>	<u>\$ 171,564</u>	<u>\$ 52,016</u>
County Attorney - Escrow				
Assets:				
Cash and cash equivalents	<u>\$ 18,519</u>	<u>\$ 19,410</u>	<u>\$ 20,195</u>	<u>\$ 17,734</u>
Liabilities:				
Due to others	<u>\$ 18,519</u>	<u>\$ 19,410</u>	<u>\$ 20,195</u>	<u>\$ 17,734</u>
Sheriff - Jail Inmate Fund				
Assets:				
Cash and cash equivalents	<u>\$ 16,850</u>	<u>\$ 5,528</u>	<u>\$ 21,239</u>	<u>\$ 1,139</u>
Liabilities:				
Due to others	<u>\$ 16,850</u>	<u>\$ 5,528</u>	<u>\$ 21,239</u>	<u>\$ 1,139</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BALANCE OCTOBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2019
Jail Inmate Escrow				
Assets:				
Cash and cash equivalents	\$ 100	\$ 247,951	\$ 231,989	\$ 16,062
Liabilities:				
Due to others	\$ 100	\$ 247,951	\$ 231,989	\$ 16,062
Sheriff's Office Special Account				
Assets:				
Cash and cash equivalents	\$ 1,018	\$ 113,910	\$ 114,928	\$ -
Liabilities:				
Due to others	\$ 1,018	\$ -	\$ 114,928	\$ -
Sheriff - Jail Commissary				
Assets:				
Cash and cash equivalents	\$ 25,642	\$ 4,563	\$ 30,205	\$ -
Liabilities:				
Due to others	\$ 25,642	\$ 4,563	\$ 30,205	\$ -
Sheriff - Jail Commissary Acct				
Assets:				
Cash and cash equivalents	\$ 100	\$ 50,512	\$ 24,334	\$ 26,278
Liabilities:				
Due to others	\$ 100	\$ 50,512	\$ 24,334	\$ 26,278
Sheriff - Bond Account				
Assets:				
Cash and cash equivalents	\$ 5,500	\$ 59,400	\$ 42,900	\$ 22,000
Liabilities:				
Due to others	\$ 5,500	\$ 59,400	\$ 42,900	\$ 22,000
District Clerk - Receiver Acct				
Assets:				
Cash and cash equivalents	\$ 1,051	\$ -	\$ -	\$ 1,051
Liabilities:				
Due to others	\$ 1,051	\$ -	\$ -	\$ 1,051
District Clerk Erath County Trust				
Assets:				
Cash and cash equivalents	\$ 48,495	\$ 78,153	\$ 6,679	\$ 119,969
Liabilities:				
Due to others	\$ 48,495	\$ 78,153	\$ 6,679	\$ 119,969

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	BALANCE OCTOBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2019
District Clerk Registry				
Assets:				
Cash and cash equivalents	<u>\$ 17,500</u>	<u>\$ 16,118</u>	<u>\$ 13,618</u>	<u>\$ 20,000</u>
Liabilities:				
Due to others	<u>\$ 17,500</u>	<u>\$ 16,118</u>	<u>\$ 13,618</u>	<u>\$ 20,000</u>
County Clerk Registry				
Assets:				
Cash and cash equivalents	<u>\$ 257,853</u>	<u>\$ 2,271,475</u>	<u>\$ 802,337</u>	<u>\$ 1,726,991</u>
Liabilities:				
Due to others	<u>\$ 257,853</u>	<u>\$ 2,271,475</u>	<u>\$ 802,337</u>	<u>\$ 1,726,991</u>
County Clerk - Bonds				
Assets:				
Cash and cash equivalents	<u>\$ 109,458</u>	<u>\$ 39,100</u>	<u>\$ 24,825</u>	<u>\$ 123,733</u>
Liabilities:				
Due to others	<u>\$ 109,458</u>	<u>\$ 39,100</u>	<u>\$ 24,825</u>	<u>\$ 123,733</u>
District Attorney - Escrow				
Assets:				
Cash and cash equivalents	<u>\$ 9,490</u>	<u>\$ 8,348</u>	<u>\$ 5,315</u>	<u>\$ 12,523</u>
Liabilities:				
Due to others	<u>\$ 9,490</u>	<u>\$ 8,348</u>	<u>\$ 5,315</u>	<u>\$ 12,523</u>
District Attorney - Forfeiture				
Assets:				
Cash and cash equivalents	<u>\$ 10,298</u>	<u>\$ 241</u>	<u>\$ -</u>	<u>\$ 10,539</u>
Liabilities:				
Due to others	<u>\$ 10,298</u>	<u>\$ 241</u>	<u>\$ -</u>	<u>\$ 10,539</u>
District Attorney - Drug Education				
Assets:				
Cash and cash equivalents	<u>\$ 759</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 777</u>
Liabilities:				
Due to others	<u>\$ 759</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 777</u>
District Attorney - Individual				
Assets:				
Cash and cash equivalents	<u>\$ 20,622</u>	<u>\$ 1,039</u>	<u>\$ -</u>	<u>\$ 21,661</u>
Liabilities:				
Due to others	<u>\$ 20,622</u>	<u>\$ 1,039</u>	<u>\$ -</u>	<u>\$ 21,661</u>

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

ERATH COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	BALANCE OCTOBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2019
District Clerk - Individual				
Assets:				
Cash and cash equivalents	<u>\$ 116,630</u>	<u>\$ 16,945</u>	<u>\$ -</u>	<u>\$ 133,575</u>
Liabilities:				
Due to others	<u>\$ 116,630</u>	<u>\$ 16,945</u>	<u>\$ -</u>	<u>\$ 133,575</u>
TexPool - R Court 15				
Assets:				
Cash and cash equivalents	<u>\$ 1,144</u>	<u>\$ 27</u>	<u>\$ -</u>	<u>\$ 1,171</u>
Liabilities:				
Due to others	<u>\$ 1,144</u>	<u>\$ 27</u>	<u>\$ -</u>	<u>\$ 1,171</u>
TexPool - R Court 19				
Assets:				
Cash and cash equivalents	<u>\$ 9,750</u>	<u>\$ 228</u>	<u>\$ -</u>	<u>\$ 9,978</u>
Liabilities:				
Due to others	<u>\$ 9,750</u>	<u>\$ 228</u>	<u>\$ -</u>	<u>\$ 9,978</u>
TexPool - R Court 30				
Assets:				
Cash and cash equivalents	<u>\$ 932</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 954</u>
Liabilities:				
Due to others	<u>\$ 932</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 954</u>
TexPool - R Court 31				
Assets:				
Cash and cash equivalents	<u>\$ 23,553</u>	<u>\$ 551</u>	<u>\$ -</u>	<u>\$ 24,104</u>
Liabilities:				
Due to others	<u>\$ 23,553</u>	<u>\$ 551</u>	<u>\$ -</u>	<u>\$ 24,104</u>

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ERATH COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	BALANCE OCTOBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2019
TexPool - R Court 34				
Assets:				
Cash and cash equivalents	<u>\$ 1,118</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 1,144</u>
Liabilities:				
Due to others	<u>\$ 1,118</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 1,144</u>
TexPool - R Court 35				
Assets:				
Cash and cash equivalents	<u>\$ 6,437</u>	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 6,587</u>
Liabilities:				
Due to others	<u>\$ 6,437</u>	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 6,587</u>
TexPool - R Court 38				
Assets:				
Cash and cash equivalents	<u>\$ 13,554</u>	<u>\$ 318</u>	<u>\$ -</u>	<u>\$ 13,872</u>
Liabilities:				
Due to others	<u>\$ 13,554</u>	<u>\$ 318</u>	<u>\$ -</u>	<u>\$ 13,872</u>
Total Fiduciary Funds				
Assets:				
Cash and cash equivalents	<u>\$ 1,409,605</u>	<u>\$ 96,137,130</u>	<u># \$ 94,274,157</u>	<u>\$ 3,329,533</u>
Liabilities:				
Due to others	<u>\$ 1,409,605</u>	<u>\$ 96,137,130</u>	<u>\$ 94,274,157</u>	<u>\$ 3,329,533</u>

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