

Parker County, Texas

Annual Financial Report

September 30, 2019

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Parker County, Texas
 Annual Financial Report
 Year Ended September 30, 2019
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Financial Section

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Independent Auditor's Report

To the Honorable County Judge
and County Commissioners' Court
Parker County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Parker County, Texas (the County) 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

The Honorable County Judge
and County Commissioners' Court
Parker County, Texas

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Texas County District Retirement System Pension and OPEB schedules, and Expenditures and Changes in Fund Balance – Budget to Actual General Fund and Lateral Road Fund 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, which 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 the County's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Honorable County Judge
and County Commissioners' Court
Parker County, Texas

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
June 29, 2020

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Management's Discussion And Analysis

Management's discussion and analysis (MD&A) of Parker County's 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 accompanying financial statements and the notes to those financial statements.

Financial Highlights

- The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources of the County at September 30, 2019 by \$922,041 (net position). Of this amount, \$15,924,157 is restricted for specific purposes and \$(23,436,185) represents a deficit in unrestricted net position. Net position also reflects net investment in capital assets of \$8,434,069.
- In contrast to the government-wide statements, the fund statements report a combined fund balance at September 30, 2019 of \$53,725,886; of which \$22,787 represents nonspendable fund balance, \$34,596,646 represents fund balance restricted for funding of debt service, capital projects, the lateral road fund, and federal and state programs, \$107,098 represents fund balance committed to state and special programs, and \$18,999,355 or 35% represents unassigned fund balance.
- The general fund reports a fund balance of \$19,108,727; of which \$22,787 represents nonspendable fund balance and \$86,585 represents amounts restricted for federal and state programs, with the remaining reported as unassigned. Unassigned fund balance for the General fund equals 39% of total General fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) other required supplementary information in addition to the basic financial statements themselves. This report also contains other supplementary information in addition to the basic 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 resource measurement focus using the accrual basis of accounting. These statements include all assets of the County as well as all liabilities (including long-term debt). Additionally, interfund activity has been eliminated.

The statement of net position presents information on all of the County's assets, deferred outflows of resources less liabilities and deferred inflows with the remaining reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year using the 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., uncollected taxes).

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; health and welfare; roads and bridges; law enforcement; judicial; recording; and tax assessing-collecting, along with interest and other costs.

The government-wide financial statements can be found on pages 19 and 20 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The 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 three categories: governmental funds, proprietary 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. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County maintains thirty-seven individual funds (excluding fiduciary funds), thirty-two special revenue funds, a capital project fund, a debt service fund, a lateral road fund, an internal service fund and a 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, Lateral Road Fund, Capital Projects Tax Road Bonds Fund and the Debt Service Fund, which are classified as major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages 21 and 23 of this report.

Proprietary funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among a government's various functions. The County uses an internal service fund to account for its self-insurance programs. Because these activities benefit governmental functions, they have been included with governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found on pages 25 through 27 of this 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 Assets and Liabilities. 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.

The fiduciary fund financial statement can be found on page 28 of this report.

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. The notes to the financial statements can be found on pages 29 through 51 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pensions, OPEB and budget comparisons. The required supplementary information can be found on pages 54 through 58 of this report. Combining statements and schedules are also included in the report as other supplementary information and can be found on pages 59 through 75.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$922,041 as of September 30, 2019.

Parker County's Net Position

	Governmental Activities	
	2019	2018
Current and other assets	\$ 71,125,673	\$ 71,998,061
Capital assets, net of depreciation	76,506,142	71,849,764
Total assets	147,631,815	143,847,825
Deferred outflow of resources	13,729,666	7,716,400
Long-term liabilities, including due in one year	150,541,879	146,257,255
Other liabilities	9,690,297	8,886,287
Total liabilities	160,232,176	155,143,542
Deferred inflow of resources	207,264	1,119,374
Net position		
Net investment in capital assets	8,434,069	347,331
Restricted	15,924,157	12,676,923
Unrestricted	(23,436,185)	(17,722,945)
Total net position	\$ 922,041	\$ (4,698,691)

Net investment in capital assets (e.g., land, buildings, infrastructure, furniture and equipment, and work in progress, etc.) less any related debt used to acquire those assets that is still outstanding is \$8,434,069. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional \$15,924,157 of the County's net position represents resources that are subject to external restrictions on how they may be used. All restricted assets of the County are being held for purposes established by state and local laws, future construction, and debt service requirements on the County's outstanding debt. The County currently has an unrestricted net deficit of \$23,436,185, which is the result of prior year conveyance of assets to other governmental entities.

The County's governmental activities increased net position by \$5,620,732 during the current year. The total cost of all governmental activities this year was \$71,580,814. The amount that our taxpayers paid for these activities through property taxes was \$47,597,402 or 66%.

Parker County's Changes in Net Position

	Governmental Activities	
	2019	2018
Revenues		
Program revenues		
Charges for services	\$ 11,921,240	\$ 12,425,032
Operating grants and contributions	5,495,047	4,638,627
General revenues		
Property taxes	47,597,402	45,768,392
Sales and other taxes	10,347,047	9,169,396
Investment earnings	1,528,679	1,040,543
Other	312,131	207,837
	77,201,546	73,249,827
Expenses		
General government	11,239,182	11,669,112
Roads and bridges	11,816,011	15,745,190
Public safety	1,410,355	1,987,319
Law enforcement	24,032,849	24,873,517
Judicial	12,792,961	13,061,741
Health and welfare	836,925	838,262
Recording	3,440,662	3,321,710
Tax assessing-collecting	1,293,576	1,225,688
Interest and other costs	4,718,293	5,602,339
	71,580,814	78,324,878
Change in net position	5,620,732	(5,075,051)
Net position-beginning	(4,698,691)	1,346,239
Cumulative effect of change in accounting principle	-	(969,879)
Net position-beginning, adjusted	(4,698,691)	376,360
Net position-ending	\$ 922,041	\$ (4,698,691)

Revenues by Source

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- Program revenues of \$17,416,287 equaled 24% of governmental expenses of \$71,580,814. As expected, general revenues in the amount of \$59,785,259 provided the remaining support and coverage for expenses.
- 34% or \$24,032,849 of the expenses are law enforcement while this category provided 6% of total revenues.
- Roads and bridges and judicial account for \$24,608,972 or 34% of expenses while only providing about 9% of total revenues.
- Operating grant revenues and contributions comprised about 7% of total revenues.

Financial Analysis of Governmental Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds. The general government functions are reported in the General, Special Revenue, Debt Service, and Capital Project Funds. 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 fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$53,725,886 a decrease of \$1,890,796 in comparison with the prior year. Approximately \$18,999,355 or 35% of the fund balance represents unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is made up of nonspendable fund balance of \$22,787, committed fund balance of \$107,098, and restricted fund balance of \$34,596,646. Committed fund balance is set aside for state and special programs while the restricted fund balance is set aside to pay debt service in the amount of \$1,615,060, and fund capital projects in the amount of \$18,165,859, lateral roads in the amount of \$8,653,982, and federal and state programs in the amount of \$6,161,745.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, fund balance of the general fund was \$19,108,727, of which \$22,787 was nonspendable fund balance, \$86,585 was restricted and the remainder was unassigned. As a measure of the general fund's liquidity, we compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents over 99%.

The fund balance of the County's general fund increased by \$1,548,665, which is primarily due to less expenditures than revenue to operate the County.

The debt service fund has a total fund balance of \$1,615,060, all of which is restricted for debt service. The increase in the debt service fund was \$428,305.

The capital projects funds had a total fund balance of \$18,165,859 which is restricted for construction and improvements of roads and bridges or acquisition of County-owned buildings and equipment. The net decrease in fund balance during the current year in the capital projects funds was \$6,809,719 after capital outlay expenditures during the current year.

The lateral road fund had a total fund balance of \$8,653,982, all of which is restricted for maintenance and construction of County roads and bridges. The net increase in fund balance during the current year in the lateral road fund was \$2,273,598 due to continued healthy property tax collections and less capital outlay than in the previous year.

General Fund Budgetary Highlights

The original fiscal year 2019 budget was adopted in September 2018, with total general fund expenditures in the amount of \$50,971,500.

In total, the original general fund budget for expenditures were \$1,282,107 more than the final general fund amended budget for expenditures.

Significant variations between the final budget and actual amounts include the following:

- Actual revenues were greater than budgeted by \$4,597,026 primarily due to the increase in sales tax collections and additional intergovernmental, fees of office and miscellaneous revenue over what was expected; and
- Actual expenditures were \$3,290,130 less than budgeted primarily due to lower costs in general government and law enforcement expenditures than anticipated.

Capital Assets and Debt Administration

The capital assets of the County are those assets which are used in the performance of the County's functions including current year expenditures for infrastructure assets. At September 30, 2019, capital assets, net of accumulated depreciation, in the governmental activities totaled \$76,506,142. Depreciation on capital assets is recognized in the government-wide financial statements. Annual depreciation for buildings, improvements, infrastructure and machinery and equipment totaled \$4,272,737.

**Parker County's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2019	2018
Land	\$ 17,793,536	\$ 15,871,574
Work in progress	8,782,791	6,457,233
Buildings and improvements	20,227,180	21,364,614
Infrastructure	19,957,894	19,188,475
Office furniture and equipment	3,222,202	2,781,037
Transportation equipment	1,609,991	1,293,441
Road maintenance equipment	4,831,371	4,810,432
Emergency management equipment	29,449	17,729
Other	51,728	65,229
	\$ 76,506,142	\$ 71,849,764
Total		

Additional information on the County's capital assets can be found in Note 6 of this report.

Long-term debt and capital leases. As of September 30, 2019, the County had unlimited tax road bonds, tax note, and general obligation refunding bonds of \$116,835,000. Total capital leases payable were \$3,495,713.

The County's total property tax rate for fiscal year 2019 was \$0.383806 per \$100 assessed valuation, of which \$0.079463 was for annual debt service, \$0.081488 was for maintenance of County roads accounted for in the lateral road fund with the remaining \$0.222855 levied on general maintenance and operations in the general fund. Revenue in each of the taxing funds represented approximately 54%, 76% and 99% for the General Fund, Lateral Road Fund and Debt Service Fund, respectively. The revenue generated through property taxes largely offset the expenditure incurred in the respective funds, as shown below.

	General Fund	Lateral Road Fund	Debt Service Fund
Property Taxes	\$ 27,674,570	\$ 10,438,926	\$ 9,824,224
Other Revenue	23,454,046	3,253,824	90,820
Total Revenue	51,128,616	13,692,750	9,915,044
Expenditures	48,963,477	11,631,991	9,487,937
Other Financing Sources (Uses)	(616,474)	212,839	1,198
Change in Fund Balance	\$ 1,548,665	\$ 2,273,598	\$ 428,305

Parker County's Outstanding Debt

	Governmental Activities	
	2019	2018
Unlimited tax road bonds	\$ 106,185,000	\$ 109,000,000
Tax note	1,885,000	2,335,000
General obligation refunding bonds	8,765,000	10,100,000
Capital leases payable	3,495,713	3,446,147
Total	<u>\$ 120,330,713</u>	<u>\$ 124,881,147</u>

Additional information on the County's long-term debt can be found in Note 7 of this report.

Economic Factors and Next Year's Budgets and Rates

The annual budget is developed to provide efficient and effective economic uses of the County's resources, as well as, a means to accomplish the highest priority objectives. Through the budget, the County Commissioners set the direction of the County, allocate its resources and establish its priorities.

In considering the County budget for fiscal year 2020, the County Commissioners and management considered that the County, which is located near the /Fort Worth Metroplex, is anticipating an increase in new large businesses and retail sales, therefore sales tax revenues for the County are expected to increase approximately 6%.

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 or need any additional financial information, contact the appropriate financial office (County Auditor) at 1112 Santa Fe Drive, Weatherford, Texas, 76086 or (Parker County Judge) at 1 Courthouse Square, Weatherford, Texas 76086.

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Basic Financial Statements

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Parker County, Texas
Statement of Net Position
September 30, 2019

Exhibit A-1

	<u>Primary Government</u>
	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 9,089,030
Investments	58,790,296
Receivables, net of allowance	3,128,560
Prepaid expenses and other assets	117,787
Land and work in progress	26,576,327
Other capital assets, net of depreciation	49,929,815
	<hr/>
Total assets	147,631,815
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	4,625,496
Deferred outflows related to pension	9,050,161
Deferred outflows related to OPEB	54,009
	<hr/>
Total deferred outflows of resources	13,729,666
LIABILITIES	
Accounts payable and accrued liabilities	6,764,993
Accrued salaries and benefits payable	1,487,680
Accrued interest payable	680,742
Due to other governmental entities	756,882
Noncurrent liabilities	
Due within one year	6,128,247
Due in more than one year	144,413,632
	<hr/>
Total liabilities	160,232,176
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension	98,950
Deferred inflows related to OPEB	108,314
	<hr/>
Total deferred inflows of resources	207,264
NET POSITION	
Net investment in capital assets	8,434,069
Restricted for	
Debt service	1,004,919
Lateral road	8,757,493
State and federal programs	6,161,745
Unrestricted	(23,436,185)
	<hr/>
Total net position	<u>\$ 922,041</u>

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas
Statement of Activities
Year Ended September 30, 2019

Exhibit A-2

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary government				
Governmental activities				
General government	\$ 11,239,182	\$ 325,175	\$ 214,486	\$ (10,699,521)
Roads and bridges	11,816,011	2,977,048	205,810	(8,633,153)
Public safety	1,410,355	100,291	313,385	(996,679)
Law enforcement	24,032,849	1,171,143	3,734,065	(19,127,641)
Judicial	12,792,961	2,909,075	995,508	(8,888,378)
Health and welfare	836,925	353,794	31,793	(451,338)
Recording	3,440,662	1,382,482	-	(2,058,180)
Tax assessing-collecting	1,293,576	2,702,232	-	1,408,656
Interest and other costs	4,718,293	-	-	(4,718,293)
Total primary government	<u>\$ 71,580,814</u>	<u>\$ 11,921,240</u>	<u>\$ 5,495,047</u>	(54,164,527)

General revenue	
Property taxes	47,597,402
Sales and other taxes	10,347,047
Investment earnings	1,528,679
Other general revenue	312,131
Total general revenues	<u>59,785,259</u>
Change in net position	5,620,732
Net position, beginning of year	<u>(4,698,691)</u>
Net position, end of year	<u>\$ 922,041</u>

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas
Balance Sheet – Governmental Funds
September 30, 2019

Exhibit A-3

	General	Lateral Road	Capital Projects Tax Road Bonds	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 2,818,346	\$ 1,267,995	\$ 2,539,583	\$ 207,367	\$ 1,012,555	\$ 7,845,846
Investments	18,894,164	8,435,708	16,903,303	1,371,601	5,847,836	51,452,612
Receivables, net of allowance						
Property taxes	270,880	136,651	-	96,587	-	504,118
Intergovernmental	2,342,364	-	-	-	106,870	2,449,234
Other	51,993	98,956	-	10,106	10,337	171,392
Prepaid items and other assets	22,787	-	-	-	-	22,787
Total assets	24,400,534	9,939,310	19,442,886	1,685,661	6,977,598	62,445,989
Total assets and deferred outflows of resources	\$ 24,400,534	\$ 9,939,310	\$ 19,442,886	\$ 1,685,661	\$ 6,977,598	\$ 62,445,989
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 3,931,212	\$ 922,625	\$ 1,277,027	\$ -	\$ 75,417	\$ 6,206,281
Accrued salaries and benefits payable	1,128,926	259,192	-	-	43,520	1,431,638
Due to other governmental entities	80,479	-	-	-	676,403	756,882
Total liabilities	5,140,617	1,181,817	1,277,027	-	795,340	8,394,801
Deferred inflows of resources						
Property taxes	151,190	103,511	-	70,601	-	325,302
Total deferred inflows of resources	151,190	103,511	-	70,601	-	325,302
Fund balances						
Nonspendable						
Inventory	20,529	-	-	-	-	20,529
Prepaid	2,258	-	-	-	-	2,258
Long term receivable	-	-	-	-	-	-
Restricted for						
Debt service	-	-	-	1,615,060	-	1,615,060
Capital projects	-	-	18,165,859	-	-	18,165,859
Lateral road	-	8,653,982	-	-	-	8,653,982
Federal and state programs	86,585	-	-	-	6,075,160	6,161,745
Committed to state and special programs	-	-	-	-	107,098	107,098
Unassigned	18,999,355	-	-	-	-	18,999,355
Total fund balances	19,108,727	8,653,982	18,165,859	1,615,060	6,182,258	53,725,886
Total liabilities, deferred inflows of resources and fund balances	\$ 24,400,534	\$ 9,939,310	\$ 19,442,886	\$ 1,685,661	\$ 6,977,598	\$ 62,445,989

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Exhibit A-4

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2019

Total fund balances – governmental funds	\$ 53,725,886
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	76,506,142
Net of deferred outflows and inflows of resources related to the pension liability that are not due and payable in the current period, and therefore, have not been included in the fund financial statements.	
Deferred outflows related to pension	9,050,161
Deferred inflows related to pension	(98,950)
Net of deferred outflows and inflows	8,951,211
Net of deferred outflows and inflows of resources related to the OPEB liability that are not due and payable in the current period, and therefore, have not been included in the fund financial statements.	
Deferred outflows related to OPEB	54,009
Deferred inflows related to OPEB	(108,314)
Net of deferred outflows and inflows	(54,305)
Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.	(680,742)
Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements.	325,302
Noncurrent liabilities, including bonds payable, compensated absences, pension and OPEB liability are not due and payable in the current period and therefore are not reported in the fund financial statements.	
Bonds payable	(116,835,000)
Capital leases	(3,495,713)
Deferred premiums on issuance	(10,237,581)
Pension liability	(18,054,794)
OPEB liability	(1,000,625)
Compensated absences	(918,166)
Total long-term liabilities	(150,541,879)
For debt refunding, the difference between the acquisition price and the net carrying amount of the debt has been deferred and amortized in the government-wide financial statements.	4,625,496
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the government-wide statement of net position.	8,064,930
Total net position – governmental activities	\$ 922,041

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Exhibit A-5

Statement of Revenues, Expenditures,
and Changes in Fund Balance – Governmental Funds
Year Ended September 30, 2019

	General	Lateral Road	Capital Projects Tax Road Bonds	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 27,674,570	\$ 10,438,926	\$ -	\$ 9,824,224	\$ -	\$ 47,937,720
Sales taxes	10,128,991	-	-	-	-	10,128,991
Intergovernmental	4,409,767	285,120	-	-	1,063,091	5,757,978
Fees of office	6,883,310	2,200,939	-	-	1,390,731	10,474,980
Fines and forfeitures	-	334,462	-	-	-	334,462
Interest	834,370	307,091	-	90,820	69,360	1,301,641
Royalties	56,712	-	-	-	-	56,712
Miscellaneous	1,140,896	126,212	89,686	-	56,338	1,413,132
Total revenues	51,128,616	13,692,750	89,686	9,915,044	2,579,520	77,405,616
EXPENDITURES						
Current						
General government	8,919,946	-	184,361	-	125,445	9,229,752
Roads and bridges	-	8,642,118	-	-	-	8,642,118
Public safety	449,542	-	-	-	160,428	609,970
Law enforcement	21,830,724	-	-	-	127,608	21,958,332
Judicial	10,774,858	-	-	-	996,750	11,771,608
Health and welfare	761,312	-	-	-	-	761,312
Recording	2,648,003	-	-	-	482,109	3,130,112
Tax assessing-collecting	1,186,941	-	-	-	-	1,186,941
Capital outlay	1,420,031	2,851,374	7,253,846	-	18,825	11,544,076
Debt service						
Principal	871,009	125,530	-	4,600,000	-	5,596,539
Interest and other charges	101,111	12,969	-	4,887,937	-	5,002,017
Total expenditures	48,963,477	11,631,991	7,438,207	9,487,937	1,911,165	79,432,777
Excess (deficiency) of revenues over (under) expenditures	2,165,139	2,060,759	(7,348,521)	427,107	668,355	(2,027,161)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	124,359	540,000	1,198	-	665,557
Operating transfers out	(664,359)	-	(1,198)	-	-	(665,557)
Proceeds on sale of assets	47,885	88,480	-	-	-	136,365
Total other financing sources (uses)	(616,474)	212,839	538,802	1,198	-	136,365
NET CHANGES IN FUND BALANCES	1,548,665	2,273,598	(6,809,719)	428,305	668,355	(1,890,796)
FUND BALANCES, beginning of year	17,560,062	6,380,384	24,975,578	1,186,755	5,513,903	55,616,682
FUND BALANCES, end of year	\$ 19,108,727	\$ 8,653,982	\$ 18,165,859	\$ 1,615,060	\$ 6,182,258	\$ 53,725,886

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Exhibit A-6

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

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

Net changes in fund balances - total governmental funds \$ (1,890,796)

Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of the assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	9,597,694	
Depreciation	(4,272,737)	
Net capital outlay		5,324,957

The net effect of capital asset disposals decreases net position. (668,579)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (340,319)

Capital leases provide current financial resources to governmental funds while increasing long-term liabilities in the statement of net position. (1,046,081)

Expenditures related to the County's participation in the Texas County and District Retirement System are recorded as they are paid in the governmental funds, but are recognized based on the change in net pension liability in the statement of activities. (2,152,831)

Expenditures related to the County's participation in the Texas County and District Retirement System's Group Term Life program are recorded as they are paid in the governmental funds, but are recognized based on the change in total OPEB liability in the statement of activities. (27,843)

Repayment of long-term capital lease, general obligation bonds and unlimited tax road bonds principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 5,596,514

Some items reported in the statement of activities do not involve current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities are:

Amortization of deferred loss on refunding	(374,630)	
Amortization of premium from bond issuance	652,892	
Changes in accrued interest payable	5,487	
Changes in compensated absences	(7,269)	
Net increase in expenditures		276,480

Internal service funds are used by the County to account for health insurance activities. The net activity of the internal service fund is reported with governmental activities. 549,230

Change in net position of governmental activities - statement of activities \$ 5,620,732

Parker County, Texas
Statement of Net Position – Proprietary Fund
September 30, 2019

Exhibit A-7

	Insurance Escrow
ASSETS	
Cash	\$ 1,243,184
Investments	7,337,684
Receivables, net of allowance	3,816
Prepaid items and other assets	95,000
	<hr/>
Total assets	8,679,684
 LIABILITIES	
Accounts payable and accrued liabilities	558,712
Accrued salaries and benefits payable	56,042
	<hr/>
Total liabilities	614,754
	<hr/>
NET POSITION	
Unrestricted	8,064,930
	<hr/>
TOTAL NET POSITION	\$ 8,064,930
	<hr/> <hr/>

Parker County, Texas
Statement of Revenues, Expenses,
and Changes in Net Position – Proprietary Fund
Year Ended September 30, 2019

Exhibit A-8

	<u>Insurance Escrow</u>
OPERATING REVENUES	
Contributions	\$ 7,553,884
Total operating revenues	7,553,884
OPERATING EXPENSES	
Contractual	7,720,995
Total operating expenses	7,720,995
Operating loss	(167,111)
NONOPERATING REVENUES	
Miscellaneous	478,421
Interest	237,920
Total nonoperating revenues	716,341
Change in net position	549,230
NET POSITION, beginning of year	7,515,700
NET POSITION, end of year	<u>\$ 8,064,930</u>

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas
Statement of Cash Flows – Proprietary Fund
Year Ended September 30, 2019

Exhibit A-9

	<u>Insurance Escrow</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from interfund services provided	\$ 7,552,963
Payments to providers	(7,300,603)
	<hr/>
Net cash provided by operating activities	252,360
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(1,125,464)
Interest and related income	716,341
	<hr/>
Net cash used in investing activities	(409,123)
NET DECREASE IN CASH	(156,763)
CASH, beginning of year	1,399,947
	<hr/>
CASH, end of year	<u><u>\$ 1,243,184</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ (167,111)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Increase in accounts receivable	(921)
Increase in accounts payable	420,392
	<hr/>
Net cash provided by operating activities	<u><u>\$ 252,360</u></u>

Parker County, Texas
Statement of Fiduciary Assets and Liabilities –
Agency Funds
September 30, 2019

Exhibit A-10

ASSETS

Cash	\$	5,103,398
Investments		<u>675,640</u>
Total assets	\$	<u><u>5,779,038</u></u>

LIABILITIES

Deposits held and due to others	\$	<u>5,779,038</u>
Total liabilities	\$	<u><u>5,779,038</u></u>

The Notes to Financial Statements are an integral part of this statement.

Parker County, Texas

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The financial statements of Parker County, Texas (the County) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Reporting Entity

The authority of county governments and their specific functions and responsibilities are created by and dependent upon laws and legal regulations of the Texas State Constitution. The County performs all local government functions within its jurisdiction. The County is governed by an elected County Judge and four County Commissioners elected from individual precincts. The Judge and Commissioners form the governing body as provided by state statute. Various branches of the County government are led by duly elected officials. The Commissioners' Court has governance responsibilities over all activities related to the County. The County receives funding from local, state and federal government sources and must comply with the requirements of these funding sources. The accompanying financial statements of the County present the financial position of the governmental activities and the respective changes in financial position. The County is not included in any other governmental reporting entity.

As required by GAAP, these financial statements present the County and its component unit. A component unit is an entity for which the County is considered to be financially accountable.

Historical Commission - The County created the entity to account for revenues and expenses associated with the preservation and restoration activities of the Parker County Historical Society. The governing body is made up of members appointed by the Commissioner's Court. Upon dissolution of the Society, the assets of the Society shall be distributed to Parker County. The Society provides all of its services to Parker County, Texas. The Historical Commission is a blended component unit because, although legally separate, it is in substance part of the County's operations. As such, the Historical Commission has been included in the accompanying financial statements.

The County is a general purpose government providing the following services to its citizens: public safety, health and welfare, public transportation through roads and bridges, law enforcement, judicial, recording, tax assessing-collecting, and general and financial administrative services.

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the governmental, non-fiduciary, activities of the County. The effect of interfund transfers has been removed from the government-wide statements. Governmental activities are supported mainly by taxes and intergovernmental revenues.

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues. These statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Parker County, Texas

Notes to Financial Statements

Governmental Fund Financial Statements

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The General Fund, the Lateral Road Fund, the Capital Projects Tax Road Bonds Fund, and the Debt Service Fund meet criteria as major governmental funds. Each major fund is reported in a separate column in the fund financial statements. Nonmajor funds include other Special Revenue Funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented within the Combining Statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due. Capital asset acquisitions are reported as expenditures in governmental funds.

Proprietary fund financial statements present the Internal Service Fund using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenue is recognized when earned and expenses are recognized at the time the liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary fund include the cost of contractual services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary fund level financial statements include agency funds and use the economic resources measurement focus and the accrual basis of accounting. The County has only agency funds which are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other funds. Agency funds are custodial in nature therefore fund resources are recorded as assets and liabilities and do not include revenue, expenditures or fund equity.

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Lateral Road Fund is a special revenue fund used to account for the maintenance and construction of County roads and bridges. Financing is provided primarily by an annual property tax levy. Additional revenue is provided by a charge on each auto registration and from fines levied by the County.

Capital Projects Tax Road Bonds Fund is used to account for the proceeds of the Unlimited Tax Road Bonds - Series 2009, Series 2013 and Series 2017 and the Tax Note – Series 2015 which were obtained for constructing, improving, extending, expanding, upgrading and/or developing roads in the County, right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements, and payment of costs of issuance related to the bonds.

Debt Service Fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Parker County, Texas

Notes to Financial Statements

Additionally, the County reports the following fund types:

Other Special Revenue Funds are used to account for the proceeds of specific revenue sources which are set aside to finance particular functions or activities of the County.

The Internal Service Fund is used to account for the group health insurance benefits provided to the County's departments on a cost reimbursement basis.

Agency Funds are used to account for assets held by the County as an agent for individuals, business, other governments and/or other funds.

Budget and Budgetary Accounting

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

- A. In the event the Commissioners Court increases property taxes three percent or less, no public hearing is required. If the Court increases taxes more than three percent but less than eight percent, then a public hearing is required prior to final adoption. If the Court increases taxes more than eight percent, a public hearing is required and taxes are subject to a rollback petition and election.
- B. Public hearings are conducted at the Parker County Courthouse and Courthouse Annex to obtain taxpayer comments.
- C. Prior to October 1, the budget is legally enacted through adoption of an order by Commissioners Court.
- D. Budgeted amounts may be transferred between line items of the budget within the same fund. Any amendments which alter the line items or total expenditures of any department must be approved by the Commissioners Court. There must be an emergency condition existing in order for the Court to increase the total budget.

Budgets for the various funds are adopted on a basis consistent with GAAP. Expenditures in excess of appropriations are required by state statutes to be reported down to the department level. The budgeted amounts presented in these statements are as originally adopted, or as amended by, the Commissioners Court during the year ended September 30, 2019.

Cash and Investments

The County follows the practice of pooling cash and investments of all funds held by the County Treasurer, except when otherwise requested, in order to facilitate the management of cash. Balances in cash and pooled investments are available on a demand basis to each fund. Investments are reported at fair value.

The County considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Prepaid Items and Other Assets

Prepaid items and other assets consists of inventories accounted for under the first-in first-out method and prepaid items reflecting expenditures associated with future accounting periods.

Parker County, Texas

Notes to Financial Statements

Capital Assets and Depreciation

Capital assets, which include land, buildings and improvements, office furnishings, road maintenance, transportation, firefighting and other equipment, and infrastructure assets (e.g. roads and bridges) are reported in the government-wide financial statements. Capital assets are defined as assets with a cost of \$5,000 or more. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	10 - 40 years
Infrastructure	20 years
Office furniture and equipment	3 - 20 years
Road maintenance equipment	3 - 10 years
Transportation equipment	3 - 5 years
Firefighting equipment	5 years
Emergency management equipment	5 years
Other equipment	5 years

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Upon new debt issuance, premiums and discounts are deferred and amortized over the life of the debt.

In the fund financial statements, governmental fund types recognized debt premiums and discounts, as well as issuance costs during the current period. The face amount of debt issued is reported as other financing sources, net of the applicable premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Deferred Outflows/Inflows of Resources

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

- Deferred loss on refunding – A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension/OPEB liabilities – This difference is deferred and amortized over a closed five year period.
- Difference in expected actual pension/OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

Parker County, Texas

Notes to Financial Statements

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item that qualifies for reporting in this category, the portion of the County's property tax levy that was not collected until more than 60 days after the year end and, therefore, is not considered available.

Fund Balances

Governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Classifications of governmental funds are as follows:

Nonspendable Fund Balance - includes amounts that are not in spendable form, not expected to be converted into cash within the current period or at all, or legally or contractually required to be maintained intact.

Restricted Fund Balance - includes amounts that are restricted for specific purposes stipulated by law or external resource providers. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance - includes amounts that can only be used for the specific purposes determined by a formal action of Commissioner's Court, which is the County's highest level of decision-making authority, and, conjunctively, require the same formal action by Commissioner's Court to remove or revise the enacted constraint limitations.

Assigned Fund Balance - includes amounts intended to be used for specific purposes that are neither restricted nor committed. Intent is expressed by the Commissioner's Court, but operationally the ability to implement the intent may be delegated to one or more persons. Designees may be listed in the County's fund balance policy or, alternatively, in the County's budgetary policy.

Unassigned Fund Balance - represents the residual classification of all spendable amounts in the General Fund, not contained within the other classifications. The unassigned category is also used to report negative fund balances in all other funds.

It is the County's goal to achieve and maintain an unassigned General Fund balance of approximately 25% to 50% of budgeted expenditures for the fiscal year, to be used for unanticipated needs and to maintain restricted fund balance of the Debt Service Fund of approximately 25% of the following year's debt service requirements, to be used for debt service. At the end of fiscal year 2019, the unassigned General Fund balance was 36% of budgeted expenditures and the Debt Service Fund balance was at 18% of the following year's debt service requirements.

Where appropriate, the County will use restricted, committed, and assigned fund balances, in that order, prior to using unassigned resources.

Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets - the component of net position that reports the difference between capital assets less the accumulated depreciation and the outstanding balance of debt net of premiums and discounts, excluding any unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Parker County, Texas

Notes to Financial Statements

Since some of the County's borrowings are from financed capital assets owned by other governments, the portion of the capital assets owned by other governments add to the above equation. As of September 30, 2019 an estimated \$39,700,000 are County financed capital assets owned by other governments. This amount will be added to the net investment in capital assets.

Restricted net position - consists of external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments, enabling legislation, and constitutional provisions.

Unrestricted net position - represents net position not restricted for any project or other purpose.

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

Use of Estimates

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

Encumbrances

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at the end of the fiscal year. Encumbrances outstanding at that time are cancelled and become available for future appropriation.

Pensions

For purposes of measuring the net pension asset, pension related deferred outflows and inflows of resources, and pension expense, County specific information about its Fiduciary Net Position in the Texas County and District Retirement System (TCDRS) and additions to/deductions from the County's Fiduciary Net Position have been determined on the same basis as they are reported by TCDRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the County's Total Pension Liability is obtained from TCDRS through a report prepared for the County by TCDRS consulting actuary, Milliman, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions".

Other Post-Employment Benefits

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the County's actuary report. For this purpose, OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Information regarding the County's Total OPEB Liability is obtained from TCDRS through a report prepared for the County by TCDRS consulting actuary, Milliman, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

Parker County, Texas

Notes to Financial Statements

Note 2. Deposits and Investments

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

The County's deposits and investments are invested pursuant to the Investment Policy, which is approved annually by Commissioners' Court. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment. In addition, it includes an investment strategy that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification, yield and management of maturities.

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

1. Obligations of the United States or its instrumentalities;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed or insured by the State of Texas or the United States or its instrumentalities;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States or its instrumentalities;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state that are rated A or higher by a nationally recognized investment rating firm;
6. Certificates of deposit that are guaranteed or insured by the FDIC or are secured as to principal by obligations described in Section 2256.009(a) of the Public Funds Investment Act or any other manner or amount provided by law for County deposits;
7. Fully collateralized repurchase agreements that have a defined termination date, are fully secured by obligations described in Section 2256.009(ax 1) of the Public Funds Investment Act, and are placed through a primary government securities dealer or a bank domiciled in the State of Texas;
8. Banker's acceptances with the remaining term of 270 days or less, in the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1, or the equivalent by at least one nationally recognized credit rating agency;
9. Commercial paper that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a United States or state bank;
10. No-load money market mutual funds registered with the Securities and Exchange Commission (SEC) that have a dollar weighted average portfolio maturity of 90 days or less, and include in their investment objective the maintenance of a stable net asset value of \$1 for each share;
11. No-load mutual funds registered with the SEC, invested in obligations approved by the County that have an average weighted maturity of less than two years, continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent, and conformed to the eligibility of investment pools to receive and invest funds of investing entities; and
12. Eligible investment pools.

Parker County, Texas
Notes to Financial Statements

As of September 30, 2019, the County has the following pooled investments:

	Weighted Average Maturity	Credit Rating	Market Value	Percentage of Total
Baird - Federated Government Obligation Fund Institutional Class	33 days	AAAm	\$ 48,365,936	83%
Texas CLASS	80 days	AAAm	\$ 10,000,000	17%
Total pooled investments			\$ 58,365,936	100%

The County categorizes its fair value measurements within the fair value hierarchy established by GAAP which establishes a three-level fair value hierarchy based on the inputs that are used to measure assets and liabilities. Financial instruments valued at net asset value (NAV) are excluded from the hierarchy. The Federated Government Obligation Fund Institutional Class is measured at net asset value and is therefore excluded from fair value reporting within the hierarchy.

The Texas CLASS investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality liquidity, and diversification requirements within the investment pool.

The investment pool transacts at a net asset value of \$1.00 per share, investments held are highlight rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. Texas CLASS has a redemption notice period of one day and no maximum transaction amount. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity.

As of September 30, 2019, the County had \$1,100,000 in certificates of deposit that are considered level 2 within the hierarchy. As of September 30, 2019, the County's investments, including pooled investments and certificates of deposit, totaled \$59,465,936.

Interest Rate Risk - The County limits exposure to fair value losses arising from interest rates by not directly investing in securities with maturity dates that exceed 2 years from the date of purchase. At September 30, 2019, 100% of the County's portfolio had maturity dates less than one year.

Credit Risk - Investments are exposed to credit risk if the security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. As of September 30, 2019, the County's investments are rated by Standard and Poor's (see credit ratings above) and have an average weighted maturity of less than 90 days. CD investments are not rated.

Concentration of Credit Risk - The County does not place a limit on the amount that may be invested.

Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name. At September 30, 2019, the County's deposits were insured or collateralized with securities held by the County or by its agent in the County's name.

Parker County, Texas
Notes to Financial Statements

Note 3. Property Tax

Taxes are levied on October 1 in conformity with Subtitle E, Texas Property Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1. Property taxes attach as an enforceable lien as of January 1 to secure the payment of all taxes, penalties, and interest ultimately imposed. The Parker County Appraisal District assesses and collects property taxes for the County. The tax rate for the year ended September 30, 2019, excluding that portion budgeted for the retirement of long-term debt principal and interest was 0.304343 per \$100 valuation. The total tax rate for all purposes was 0.383806 per \$100 valuation. The County's tax note, bonds and certificates of obligation require an annual tax levy sufficient to pay principal and interest on the bonds with allowances being made for delinquent taxes.

Note 4. Delinquent Property Taxes

At the governmental fund level, property taxes are recognized as revenue when collected including those collected 60 days after fiscal year end. Delinquent property taxes receivable represent all uncollected property taxes and an account for estimated uncollectible taxes (allowance) is established based on the County's collection history. Deferred inflows of resources are reported in connection with property taxes receivable for revenues that are not considered to be available. The County's taxes on real property are a lien against such property until paid.

The following schedule details delinquent property taxes receivable by fund at September 30, 2019:

Fund	Delinquent Taxes	Allowance	Net Receivable
General	\$ 818,184	\$ (547,304)	\$ 270,880
Debt Service	291,738	(195,151)	96,587
Lateral Road	343,634	(206,983)	136,651
Total	<u>\$ 1,453,556</u>	<u>\$ (949,438)</u>	<u>\$ 504,118</u>

Note 5. Compensatory Pay

County policy allows the accrual of vacation, compensatory time, and sick pay benefits for all employees other than elected officials. The expense of the benefits is recognized when incurred. Vacation and compensatory pay is paid upon termination if the employee gives two weeks' notice or is terminated by the County. The liability for accrued vacation and compensatory pay is included below with general long-term debt. At September 30, 2019 the value of accumulated vacation and compensatory benefits amounted to \$918,166. The General Fund has been used to liquidate the liability.

Parker County, Texas
Notes to Financial Statements

Note 6. Changes in Capital Assets

During the year ended September 30, 2019, the County completed various capital projects relating to infrastructure, roads and bridges, and right of way.

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

	Beginning 10/1/18	Transfers	Additions	Deletions	Balance 9/30/19
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 15,871,574	\$ (1,360)	\$ 2,164,314	\$ 240,992	\$ 17,793,536
Work in progress	6,457,233	(1,746,105)	4,071,663	-	8,782,791
Total capital assets not being depreciated	22,328,807	(1,747,465)	6,235,977	240,992	26,576,327
Depreciable capital assets					
Buildings and improvements	38,986,945	-	-	-	38,986,945
Infrastructure	136,587,936	1,747,465	114,128	-	138,449,529
Office furniture and equipment	5,767,589	-	1,355,030	335,417	6,787,202
Transportation equipment	5,820,660	-	808,458	322,672	6,306,446
Road maintenance equipment	18,062,408	-	943,625	367,429	18,638,604
Emergency management equipment	594,045	-	96,027	77,201	612,871
Other	183,941	-	44,449	31,101	197,289
Total depreciable capital assets	206,003,524	1,747,465	3,361,717	1,133,820	209,978,886
Less accumulated depreciation for					
Buildings and improvements	17,622,331	-	1,137,434	-	18,759,765
Infrastructure	117,399,461	-	1,092,174	-	118,491,635
Office furniture and equipment	2,986,552	-	596,508	18,060	3,565,000
Transportation equipment	4,527,219	-	491,311	322,075	4,696,455
Road maintenance equipment	13,251,976	-	920,636	365,379	13,807,233
Emergency management equipment	576,316	-	7,227	121	583,422
Other	118,712	-	27,447	598	145,561
Total accumulated depreciation	156,482,567	-	4,272,737	706,233	160,049,071
Depreciable capital assets, net	49,520,957	1,747,465	(911,020)	427,587	49,929,815
Governmental activities capital assets, net	\$ 71,849,764	\$ -	\$ 5,324,957	\$ 668,579	\$ 76,506,142

Parker County, Texas
Notes to Financial Statements

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

Governmental activities	
General government	\$ 1,324,547
Roads and bridges	1,666,367
Public safety	726,366
Law enforcement	470,001
Judicial	42,728
Recording	42,728
	<hr/>
Total depreciation for governmental activities	<u>\$ 4,272,737</u>

Note 7. Long-Term Debt and Capital Leases

Unlimited Tax Road Bonds

The County issued \$59,999,975 in unlimited tax road bonds in April of 2009 for the purpose of constructing, improving, extending, expanding, upgrading and/or developing roads in the County, right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements. In April of 2016, the County refunded \$53,885,000 of the bonds outstanding. Principal payments are due in annual installments on February 15. The remaining bonds are scheduled to mature in February of 2019. Interest is payable February 15 and August 15, at interest rates ranging from 3.75% to 5.25%. The outstanding balance at September 30, 2019 was \$0.

The County issued \$18,965,000 in unlimited tax road bonds in December of 2012 for the purpose of constructing, improving, extending, expanding, upgrading and/or developing roads in the County, right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements. Principal payments are due in annual installments on February 15. The bonds are scheduled to mature in February of 2038. Interest is payable February 15 and August 15, at interest rates ranging from 2.0% to 4.0%. The outstanding balance at September 30, 2019 was \$17,515,000.

The County issued \$36,325,000 in unlimited tax road bonds in February 2017 for the purpose of (1) construction, acquisition by purchase, maintenance, and operation of macadamized, graveled or paved roads, or in aid thereof, within the County, including, but not limited to, constructing, improving, extending, expanding, upgrading and/or developing roads in the county, including right-of-way acquisition, utility relocation, traffic safety and operational improvements and other transportation related improvements,. Principal payments are due in annual installments on February 15. The bonds are scheduled to mature in February of 2042. Interest is payable February 15 and August 15, at interest rates ranging from 2.0% to 5.0%. The outstanding balance at September 30, 2019 was \$35,515,000.

Unlimited Tax Refunding Bonds

The County issued \$53,350,000 in refunding bonds in April of 2016 with interest rates ranging from 2 to 5%. The proceeds were used to advance refund \$53,885,000 of Unlimited Tax Road Bond, Series 2009 which had interests rate ranging from 3 to 5.25%. The proceeds were placed in an irrevocable trust with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, \$53,885,000 of Unlimited Tax Road Bonds, Series 2009 are considered defeased and the liability for those bonds has been removed from the Statement of Net Position. The outstanding balance at September 30, 2019 was \$53,155,000.

Parker County, Texas
Notes to Financial Statements

General Obligation Refunding Bonds

On December 15, 2015, the County issued \$2,435,000 General Obligation Refunding Bonds, Series 2015 with an interest rate of 2.09%. The proceeds were used to refund \$2,335,000 of General Obligation Refunding Bonds, Series 2005 which had interest rates ranging from 3.8 to 4.5%. The proceeds were placed with an escrow agent and refunded all of the General Obligation Refunding Bonds, Series 2005 on January 21, 2016. The outstanding balance at September 30, 2019 was \$1,495,000.

The County issued refunding General Obligation Bonds; Series 2014 in the amount of \$12,645,000 with interest rates between 0.393% and 3.469%. Principal payments are due in annual installments on February 15. Interest is due on February 15 and August 15 of each year. The bonds are scheduled to mature in February of 2025. The outstanding balance on the Series 2014 bonds at September 30, 2019 was \$7,270,000.

Current requirements for bonded indebtedness of the County are accounted for in the Debt Service funds.

Tax Note

The County issued Tax Note - Series 2015 in December of 2015 in the amount of \$3,175,000 with an interest rate of 2.020% to fund capital projects related to building renovations. Principal payments are due in annual installments on December 15. Interest is due on June 15 and December 15. The bonds are scheduled to mature in February of 2023. The outstanding balance at September 30, 2019 was \$1,885,000.

Debt service requirements for the outstanding tax note, bonds, and certificates of obligation are as follows:

Year	Principal	Interest	Total
2020	\$ 3,965,000	\$ 4,775,536	\$ 8,740,536
2021	4,345,000	4,647,592	8,992,592
2022	4,670,000	4,480,733	9,150,733
2023	4,965,000	4,298,319	9,263,319
2024	4,995,000	4,104,782	9,099,782
2025-2029	29,570,000	17,031,776	46,601,776
2030-2034	36,490,000	10,254,063	46,744,063
2035-2039	18,110,000	4,478,007	22,588,007
2040-2042	9,725,000	745,625	10,470,625
	\$ 116,835,000	\$ 54,816,433	\$ 171,651,433

Parker County, Texas
Notes to Financial Statements

A summary of changes in governmental activities long-term debt are as follows:

	October 1, 2018	Additions	Retirements	September 30, 2019	Due Within One Year
General Obligation Refunding Bonds, Series 2014	\$ 8,375,000	\$ -	\$ 1,105,000	\$ 7,270,000	\$ 1,125,000
General Obligation Refunding Bonds, Series 2015	1,725,000	-	230,000	1,495,000	235,000
Unlimited Tax Road Bonds 2009	1,525,000	-	1,525,000	-	-
Unlimited Tax Road Bonds 2013	17,930,000	-	415,000	17,515,000	500,000
Tax Note, Series 2015	2,335,000	-	450,000	1,885,000	460,000
Unlimited Tax Refunding, Series 2016	53,220,000	-	65,000	53,155,000	1,645,000
Unlimited Tax Road Bonds 2017	36,325,000	-	810,000	35,515,000	-
Deferred premiums on issuance	10,890,473	-	652,892	10,237,581	625,093
Capital lease payable	3,446,146	1,046,081	996,514	3,495,713	619,988
Net pension liability	8,491,192	9,563,602	-	18,054,794	-
Total OPEB liability	1,083,547	-	82,922	1,000,625	-
Compensated absences	910,897	1,255,355	1,248,086	918,166	918,166
Totals	\$ 146,257,255	\$ 11,865,038	\$ 7,580,414	\$ 150,541,879	\$ 6,128,247

Capital Leases Payable

Precinct One

The County entered into a capital lease agreement in December 2015 in the amount of \$226,162. The lease balance is payable in four successive annual payments of \$60,898 and a final of \$1, bearing interest at the rate of 3.185% per annum. The capital lease proceeds were used to purchase equipment by Precinct One (Fund 01). The balance as of September 30, 2019 was \$59,018.

The County entered into a capital lease agreement in June 2019 in the amount of \$198,979. The lease balance is payable in five successive annual payments of \$44,395 and a final of \$1, bearing interest at the rate of 3.76% per annum. The capital lease proceeds were used to purchase equipment by Precinct One (Fund 01). The balance as of September 30, 2019 was \$198,979.

Precinct Two

The County entered into a capital lease agreement in June 2015 in the amount of \$223,775. The lease balance is payable in seven successive annual payments of \$35,613 each and a final payment of \$1, bearing interest at the rate of 3.245% per annum. The capital lease proceeds were used to purchase equipment by Precinct Two (Fund 02). The balance at September 30, 2019 was \$100,264.

Precinct Four

The County entered into a capital lease agreement in June 2015 in the amount of \$263,915. The lease balance is payable in seven successive annual payments of \$41,995 each and a final payment of \$1, bearing interest at the rate of 3.24% per annum. The capital lease proceeds were used to purchase equipment by Precinct Four (Fund 04). The balance at September 30, 2019 was \$118,242.

Parker County, Texas
Notes to Financial Statements

Emergency Management

The County has a capital lease agreement related to County-wide communications equipment with an ending balance at September 30, 2019 in the amount of \$2,172,109. The lease balance is payable in five successive annual payments of \$525,853 and a final payment of \$274,214 in fiscal year 2024 bearing interest at the rate of 3.33% per annum.

The County entered into a capital lease agreement in December 2018 in the amount of \$847,102. The lease balance is payable in ten successive annual payments of \$49,521 for the first four years and 160,224 for the remaining six years, bearing interest at the rate of 4.786%. The capital lease proceeds were used to upgrade County-wide communications equipment. The balance at September 30, 2019 was \$847,102.

Sheriff Administration

The County entered into a capital lease agreement in December 2013 in the amount of \$2,039,400. The lease balance is payable in five successive annual payments of \$445,930, bearing interest at the rate of 3.2% per annum. The capital lease proceeds were used to purchase a judicial software system for the courts and an automatic dispatch and retrieval system for the Sheriff's Department. The balance at September 30, 2019 was \$0.

The following is analysis of equipment leased under capital leases as of September 30, 2019:

	Governmental Activities
Equipment	\$ 10,814,328
Less accumulated depreciation	(8,634,359)
Total	<u>\$ 2,179,969</u>

Future minimum lease payments for the above capital leases are as follows:

Scheduled minimum lease payments	\$ 4,052,755
Amount representing interest	(557,042)
Present value of future minimum capital lease payments (principal payoff)	<u>\$ 3,495,713</u>

The following are the future annual requirements for the capital leases:

Year	Principal	Interest	Total
2020	\$ 619,988	\$ 138,287	\$ 758,275
2021	588,716	108,662	697,378
2022	608,552	88,826	697,378
2023	551,450	68,320	619,770
2024	429,197	49,636	478,833
2025-2029	697,810	103,311	801,121
Total	<u>\$ 3,495,713</u>	<u>\$ 557,042</u>	<u>\$ 4,052,755</u>

Note 8. Retirement Plan

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide TCDRS. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 586 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, Texas 78768-2034. This report is also available at www.tcdrs.org.

The plan provisions are adopted by the Commissioners Court within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 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 Commissioners Court within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the County'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.

Contributions

The employer has elected the annually determined contribution rate (variable-rate) plan provisions 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, however the County may elect to contribute at a rate higher than the actuarially determined rate, or make additional lump sum contributions on an ad hoc basis to pay down their liabilities faster, pre-fund benefit enhancements and/or buffer against future adverse experience. The employer contributed using the actuarially determined rate of 11.6% and 11.4% for the months of the calendar year 2019 and 2018, respectively.

The deposit rate payable by the employee members for calendar year 2019 and 2018 is the rate of 7% as adopted by the Commissioner's Court. The employee contribution rate and the employer contribution rate may be changed by the Commissioner's Court of the employer within the options available in the TCDRS Act.

Parker County, Texas
Notes to Financial Statements

Actuarial Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2018
Actuarial cost method	Entry Age Normal
Asset valuation method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.75%
Salary increase	Varies by age and service 4.9% average over career, including inflation
Investment rate of return	8%, net of administrative and investment expenses, including inflation
Payroll growth	3.25%

Discount Rate

The discount rate used to measure the total pension liability was 8.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Parker County, Texas
Notes to Financial Statements

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of December 31, 2018 are summarized below:

<u>Asset Class</u>	<u>Target Allocation ⁽¹⁾</u>	<u>Geometric Real ⁽²⁾</u>
US Equities	10.50%	5.40%
Private Equities	18.00%	8.40%
Global Equities	2.50%	5.70%
International Equities - Developed	10.00%	5.40%
International Equities - Emerging	7.00%	5.90%
Investment - Grade Bonds	3.00%	1.60%
Strategic Credit	12.00%	4.39%
Direct Lending	11.00%	7.95%
Distressed Debt	2.00%	7.20%
REIT Equities	2.00%	4.15%
Master Limited Partnerships (MLPs)	3.00%	5.35%
Private Real Estate Partnerships	6.00%	6.30%
Hedge Funds	13.00%	3.90%
Total	100.00%	

(1) Target asset allocation adopted at the April 2019 TCDRS Board meeting.

(2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.70%, per Cliffwater's 2019 capital market assumptions.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net pension liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8.10%) in measuring the net pension liability at December 31, 2018:

	1% Decrease in Discount Rate (7.10%)	Discount Rate (8.10%)	1% Increase in Discount Rate (9.10%)
Total pension liability	\$ 127,598,257	\$ 112,784,131	\$ 100,327,291
Fiduciary net pension	94,729,337	94,729,337	94,729,337
Net pension liability / (asset)	<u>\$ 32,868,920</u>	<u>\$ 18,054,794</u>	<u>\$ 5,597,954</u>

Parker County, Texas
Notes to Financial Statements

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

At September 30, 2019, the County reported \$18,054,794 for the net pension liability and pension expense of \$5,206,515 related to the December 31, 2018 valuation. The breakdown of the components of pension expense follows:

	<u>Pension Expense</u>	
Service cost	\$	3,271,658
Interest on total pension liability ⁽¹⁾		8,556,590
Effect of plan changes		-
Administrative expenses		76,087
Member contributions		(1,779,272)
Expected investment return net of investment expenses		(7,788,059)
Recognition of deferred inflows/outflows of resources		
Recognition of economic/demographic gains or losses		(19,588)
Recognition of assumption changes or inputs		280,949
Recognition of investment gains or losses		2,639,627
Other ⁽²⁾		(31,477)
		<u> </u>
Pension expense	\$	<u>5,206,515</u>

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

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

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

	<u>Deferred outflows of Resources</u>	<u>Deferred inflows of Resources</u>
Differences between expected and actual economic experience	\$ 552,266	\$ 98,950
Change in assumption	139,355	-
Net difference between projected and actual investment earnings	6,128,774	-
Contributions subsequent to the measurement date	2,229,766	-
	<u> </u>	<u> </u>
Total	<u>\$ 9,050,161</u>	<u>\$ 98,950</u>

Parker County, Texas
Notes to Financial Statements

The \$2,229,766 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the pension liability for the measurement year ending December 30, 2018 (i.e. recognized in the County's financial statements for the year ended September 30, 2019). Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ended December 31</u>	<u>Pension Expense Amount</u>
2019	\$ 2,597,042
2020	1,224,415
2021	987,070
2022	<u>1,912,918</u>
Total	<u>\$ 6,721,445</u>

Note 9. Postemployment Benefits other than Pensions

Plan Description

The County participates in a defined-benefit group-term life insurance plan operated by TCDRS. This plan is referred to as the Group Term Life Fund (GTLF). This optional plan provides group term life insurance coverage to current eligible employees and, if elected by employers, to retired employees. As the GTLF covers both active and retiree participants, with no segregation of assets, the GTLF is considered to be a single-employer unfunded OPEB plan.

Membership in the plan at December 31, 2018, the date of the latest actuarial valuation, consists of the following:

Inactive employees currently receiving benefits	222
Inactive employees entitled to but not yet receiving benefits	109
Active employees	<u>469</u>
Total	<u>800</u>

Valuation of Assets

For purposes of calculating the total OPEB liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

Actuarial Assumptions

The OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions. All actuarial assumptions that determined the total OPEB liability as of December 31, 2018 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 75.

Parker County, Texas
Notes to Financial Statements

Annual rates of disability and annual rates of retirement were based on a service-related table. Mortality rates for depositing members were based on 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014. Mortality rates for Service retirees, beneficiaries and non-depositing members were based on 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. Mortality rates for disabled retirees were based on 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

Discount Rate

Because the Group Term Life Fund is considered an unfunded trust under GASB Statement No. 75, paragraph 155, the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Based on the 20 Year Bond GO Index published by bondbuyer.com as of the measurement date of December 31, 2018, a discount rate of 4.10% is used.

	OPEB Liability
Beginning Liability	\$ 1,083,547
Changes for the year:	
Service cost	33,924
Interest (on total OPEB liability)	38,051
Change of benefit terms	-
Difference between expected and actual experience	(9,889)
Changes of assumptions	(122,132)
Benefit payments, including refunds of employee contributions	(22,876)
Net changes	(82,922)
Ending Liability	\$ 1,000,625

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.10%) in measuring the total OPEB liability at December 31, 2018:

	1% Decrease in Discount Rate (3.10%)	Discount Rate (4.10%)	1% Increase in Discount Rate (5.10%)
Total OPEB liability	\$ 1,194,332	\$ 1,000,625	\$ 850,112

Parker County, Texas
Notes to Financial Statements

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

For the year ended September 30, 2019, the County recognized OPEB expense of \$53,585.

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

	Deferred outflows of Resources	Deferred inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,608
Changes of assumptions	34,754	97,706
Contributions made subsequent to measurement date	19,255	-
Total	\$ 54,009	\$ 108,314

The \$19,255 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the measurement year ending December 30, 2018 (i.e. recognized in the County's financial statements for the year ended September 30, 2019). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending September 30	Net deferred outflows (inflows) of resources
2019	\$ (18,390)
2020	(18,390)
2021	(18,390)
2022	(18,390)
Total	\$ (73,560)

Note 10. Commitments and Contingencies

The County participates in several programs that are subject to audit by various State and Federal Agencies. These programs have complex compliance requirements. Should State or Federal auditors discover areas of material noncompliance, those County funds may be subject to refund if so determined by administrative audit review.

The County is subject to various lawsuits. Although the outcome of any litigation is not presently determinable, it is the opinion of the County's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

Parker County, Texas

Notes to Financial Statements

Note 11. Risk Management

The County is exposed to various risks of loss related to torts, theft of; damage to and destruction of assets; errors and omissions; and natural disasters. To reduce its risk of exposure in these areas, the County is a member of the Texas Association of Counties Risk Pool for property. 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 the membership and obtaining lower costs for coverages. 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 based on fixed premiums, and the pool provides insurance coverage and applicable reinsurance or stop loss coverage to prevent extraordinary or catastrophic losses.

The County purchases a fully insured program for general liability and workers' compensation coverage through Travelers Insurance.

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.

There have been no significant reductions in coverage from the coverage in the past fiscal year, and there have been no settlements exceeding insurance coverage in the current or past three fiscal years.

Note 12. Tax Abatements

The County has economic development agreements which are negotiated under Chapter 381 of the Texas Local Government Code. This act allows localities to rebate property taxes for economic development purposes which include business relocation, retention and expansion.

The County has entered into agreements that reduce property taxes. The agreements call for a 50% rebate of County general and road property taxes paid for a period of 10 years. Property taxes for County debt service are excluded from the property tax rebate. Each agreement requires a developer to maintain a minimum assessed valuation. Property taxes rebated for the fiscal year ended September 30, 2019 amounted to \$270,420.

Note 13. Healthcare Coverage

During the year ended September 30, 2019, employees of Parker County, Texas were covered by a self-funded health insurance plan (the Plan). The County contributes each month to employee coverage. Employees authorize payroll withholdings to pay for a portion of the premium. The Plan is accounted for in the Insurance Escrow Fund, an internal service fund. Should the Plan's income from operations for a given Plan year be inadequate to pay the ultimate cost of claims incurred in that Plan year, the General fund is liable to pay the additional claims.

Estimates of claims payable and of claims incurred but not reported at September 30, 2019, are reflected as accounts and claims payable of the Fund. The plan is funded to discharge liabilities of the Fund as they become due. As of September 30, 2019, the County had \$378,060 in claims incurred but not reported, which has been included on the Proprietary Fund Statement of Net Position within accounts payable and accrued liabilities.

Parker County, Texas
Notes to Financial Statements

Note 14. Deficit in Unrestricted Net Position

The statement of net position reported a deficit in unrestricted net position of \$23,436,185 mainly due to unfunded pension and other post-employment benefit liabilities and conveyance of assets to other governmental entities.

Note 15. Subsequent Events

The County has evaluated subsequent events that occurred after September 30, 2019, through June 29, 2020, the date which the financial statements were available to be issued.

Bond Issuance

In March 2020, the County issued \$31,505,000 in unlimited tax road bonds. The road bonds were issued under the 2016 Bond Election approved by voters of the County on November 8, 2016. Proceeds from the sale of the road bonds will be used for road improvements within the County. The bonds will be payable from the levy and collection of ad valorem taxes.

COVID-19

The extent of the operational and financial impact the COVID-19 pandemic may have on the County has yet to be determined and is dependent on its duration and spread, any related operational restrictions and the overall economy. Currently, the County is unable to accurately predict how COVID-19 will affect the results of its operations because the virus's severity and the duration of the pandemic are uncertain.

On June 4, 2020, Parker County submitted an application to the Texas Department of Emergency Management to claim the County's allocation of Coronavirus Relief Fund (CRF), under the CARES Act, in the amount of \$4,713,115. Parker County received an initial advance of \$942,623 on June 17, 2020. The remainder of the allocation will be reimbursement based.

Required Supplementary Information

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Parker County, Texas

Texas County District Retirement System Schedule of Changes in Employer's Net Pension Liability and Related Ratios for the Employees of Parker County Year Ended September 30, 2019

	2019	2018	2017	2016	2015
Total Pension Liability					
Service cost	\$ 3,271,658	\$ 3,393,141	\$ 3,460,575	\$ 2,887,467	\$ 2,748,729
Interest (on the total pension liability)	8,556,590	7,918,571	7,222,780	6,688,056	6,158,291
Effect of plan changes	-	-	-	(556,380)	-
Effect of assumption changes or inputs	-	278,709	-	845,089	-
Effect of economic/demographic (gains) or losses	598,793	206,343	(395,797)	(487,692)	174,522
Benefit payments/refunds of contributions	(3,939,643)	(3,662,750)	(3,135,686)	(2,701,616)	(2,798,116)
Net Change in Total Pension Liability	8,487,398	8,134,014	7,151,872	6,674,924	6,283,426
Total Pension Liability - Beginning	104,296,731	96,162,717	89,010,845	82,335,921	76,052,495
Total Pension Liability - Ending (a)	\$ 112,784,129	\$ 104,296,731	\$ 96,162,717	\$ 89,010,845	\$ 82,335,921
Plan Fiduciary Net Position					
Contributions - Employer	\$ 2,905,299	\$ 2,672,957	\$ 2,576,021	\$ 2,557,388	\$ 2,317,316
Contributions - Employee	1,779,272	1,713,434	1,674,294	1,627,429	1,475,998
Investment income net of investment expenses	(1,776,522)	12,127,987	5,644,776	(1,089,605)	4,721,721
Benefit payments/refunds of contributions	(3,939,643)	(3,662,750)	(3,135,686)	(2,701,616)	(2,798,116)
Administrative expense	(76,087)	(63,714)	(61,520)	(54,895)	(56,458)
Other	31,476	9,097	(53,623)	34,155	(100,779)
Net Change in Plan Fiduciary Net Position	(1,076,205)	12,797,011	6,644,262	372,856	5,559,682
Plan Fiduciary Net Position - Beginning	95,805,540	83,008,529	76,364,267	75,991,412	70,431,730
Plan Fiduciary Net Position - Ending (b)	\$ 94,729,335	\$ 95,805,540	\$ 83,008,529	\$ 76,364,268	\$ 75,991,412
Net Pension Liability - Ending (a) - (b)	\$ 18,054,794	\$ 8,491,191	\$ 13,154,188	\$ 12,646,577	\$ 6,344,509
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	83.99%	91.86%	86.32%	85.79%	92.29%
Covered Employee Payroll	\$ 25,418,178	\$ 24,477,626	\$ 23,918,485	\$ 23,248,980	\$ 21,085,679
Net Pension Liability as a Percentage of Covered Employee Payroll	71.03%	34.69%	55.00%	54.40%	30.09%

Notes to Schedule:

As of December 31 - Measurement date

Benefit changes. There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of assumptions. There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

Only five years of data is presented in accordance with GASB 68, Paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

Parker County, Texas
Texas County District Retirement System
Schedule of Employer Contributions
Year Ended September 30, 2019

	Year Ended December 31,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 2,905,299	\$ 2,672,957	\$ 2,576,021	\$ 2,557,388	\$ 2,317,316	\$ 2,134,740	\$ 1,936,701	\$ 2,173,044	\$ 2,161,779	\$ 2,003,344
Contributions in relation to the actuarially determined contribution	2,905,299	2,672,957	2,576,021	2,557,388	2,317,316	2,134,740	1,936,701	2,173,044	2,161,779	2,003,344
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 25,418,178	\$ 24,477,626	\$ 23,918,485	\$ 23,248,980	\$ 21,085,679	\$ 20,234,526	\$ 19,483,984	\$ 19,629,775	\$ 20,035,025	\$ 19,679,211
Contributions as a percentage of covered-employee payroll	11.4%	10.9%	10.8%	11.0%	11.0%	10.5%	9.9%	11.1%	10.8%	10.2%

Notes to Schedule:

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	13.8 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 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
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 of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule.

Parker County, Texas

Texas County District Retirement System Schedule of Changes in Employer's Total OPEB Liability and Related Ratios for the Employees of Parker County
Year Ended September 30, 2019

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 33,924	\$ 33,002
Interest (on the total OPEB liability)	38,051	38,075
Effect of plan changes	-	-
Effect of assumption changes or inputs	(122,132)	52,130
Effect of economic/demographic (gains) or losses	(9,889)	(4,045)
Benefit payments/refunds of contributions	(22,876)	(19,582)
Net Change in Total OPEB Liability	<u>(82,922)</u>	<u>99,580</u>
Total OPEB Liability - Beginning	<u>1,083,547</u>	<u>983,967</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 1,000,625</u></u>	<u><u>\$ 1,083,547</u></u>
Covered Employee Payroll	\$ 25,418,178	\$ 24,477,626
Total OPEB Liability as a Percentage of Covered Employee Payroll	3.94%	4.43%

Notes to Schedule:

As of December 31, 2019 and 2018 - Measurement date

Only two years of data is presented in accordance with GASB 75, Paragraph 245. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

Parker County, Texas
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 General Fund
 Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Over (Under)
REVENUES				
Property taxes	\$ 27,742,088	\$ 27,742,088	\$ 27,674,570	\$ (67,518)
Sales taxes	8,250,000	8,250,000	10,128,991	1,878,991
Intergovernmental	2,615,833	4,017,886	4,409,767	391,881
Fees of office	5,816,895	5,821,308	6,883,310	1,062,002
Interest	203,400	203,400	834,370	630,970
Royalties	10,000	10,000	56,712	46,712
Miscellaneous	486,908	486,908	1,140,896	653,988
Total revenues	45,125,124	46,531,590	51,128,616	4,597,026
EXPENDITURES				
General government				
Commissioners' court	204,448	81,500	78,301	3,199
County judge	387,419	387,419	377,022	10,397
Veterans' service officer	77,237	77,237	76,934	303
Non-departmental	4,367,601	3,702,321	3,277,298	425,023
Employee benefits	203,108	203,108	201,516	1,592
Election expenses	881,897	881,897	519,393	362,504
County auditor	652,363	652,363	646,934	5,429
County treasurer	344,851	344,851	341,993	2,858
Building and grounds	1,973,357	1,906,281	1,605,366	300,915
Purchasing administration	329,435	330,301	314,353	15,948
Information technology	1,014,153	981,295	912,358	68,937
Social services	223,940	223,940	214,065	9,875
County extension services	368,097	368,097	354,413	13,684
Total general government	11,027,906	10,140,610	8,919,946	1,220,664
Public safety				
Emergency management	263,978	277,135	111,758	165,377
Fire protection	536,330	514,673	337,784	176,889
Total public safety	800,308	791,808	449,542	342,266
Law enforcement				
Jail	6,951,688	9,070,411	8,601,302	469,109
Constable #1	235,739	238,223	211,727	26,496
Constable #2	262,595	262,595	234,940	27,655
Constable #3	229,852	229,852	208,756	21,096
Constable #4	225,544	225,544	198,265	27,279
Sheriff administration	11,414,225	11,409,914	11,020,593	389,321
Sheriff investigation	120,089	117,739	114,203	3,536
Sheriff dispatching	8,500	12,560	12,439	121
Sheriff patrol	425,686	425,186	409,242	15,944
Training division	38,956	39,369	37,252	2,117
Jail transfer	116,287	91,287	58,867	32,420
Narcotics task force	106,820	106,320	102,319	4,001
Game warden	1,797	1,797	656	1,141
Animal control	505,614	505,214	489,545	15,669
Highway patrol (North)	61,366	61,366	59,365	2,001
Highway patrol (South)	75,587	75,587	71,253	4,334
Total law enforcement	20,780,345	22,872,964	21,830,724	1,042,240

Parker County, Texas
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 General Fund – Continued
 Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Judicial				
District court 43rd	1,010,708	1,010,708	949,360	61,348
District court 415th	1,018,414	1,019,789	971,579	48,210
County court-at-law #1	952,877	952,878	859,185	93,693
County court-at-law #2	981,358	972,351	892,899	79,452
Justice of the peace #1	424,816	424,816	420,396	4,420
Justice of the peace #2	520,764	520,764	519,293	1,471
Justice of the peace #3	584,989	584,989	544,362	40,627
Justice of the peace #4	486,331	486,331	487,240	(909)
County attorney	2,601,388	2,601,388	2,553,198	48,190
District attorney	1,776,191	1,776,191	1,663,403	112,788
Adult probation	10,000	10,000	5,839	4,161
Probate	149,932	149,932	132,277	17,655
Juvenile probation	906,593	906,593	775,827	130,766
Total judicial	11,424,361	11,416,730	10,774,858	641,872
Health and welfare				
Medical examiner-investigator	301,171	301,171	282,466	18,705
911 addressing	68,186	68,186	68,142	44
Sanitations	439,850	439,850	410,704	29,146
Total health and welfare	809,207	809,207	761,312	47,895
Recording				
County clerk	615,665	616,665	589,969	26,696
County clerk court division	1,026,250	1,026,250	992,658	33,592
District clerk	1,093,253	1,093,253	1,065,376	27,877
Total recording	2,735,168	2,736,168	2,648,003	88,165
Tax assessing-collecting	1,133,836	1,133,836	1,186,941	(53,105)
Total tax assessing-collecting	1,133,836	1,133,836	1,186,941	(53,105)
Capital outlay	1,227,082	1,450,314	1,420,031	30,283
Total capital outlay	1,227,082	1,450,314	1,420,031	30,283
Capital lease				
Principal	927,715	751,096	871,009	(119,913)
Interest	105,572	150,874	101,111	49,763
Total debt service	1,033,287	901,970	972,120	(70,150)
Total expenditures	50,971,500	52,253,607	48,963,477	3,290,130
Excess (deficiency) of revenues over (under) expenditures	(5,846,376)	(5,722,017)	2,165,139	7,887,156
OTHER FINANCING SOURCES				
Operating transfers in	650,000	650,000	-	(650,000)
Operating transfers out	(540,000)	(664,359)	(664,359)	-
Sale of assets	5,000	5,000	47,885	42,885
Total other financing sources	115,000	(9,359)	(616,474)	(607,115)
Net changes in fund balances	(5,731,376)	(5,731,376)	1,548,665	7,280,041
FUND BALANCES, October 1	17,560,062	17,560,062	17,560,062	-
FUND BALANCES, September 30	\$ 11,828,686	\$ 11,828,686	\$ 19,108,727	\$ 7,280,041

Parker County, Texas
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 Lateral Road Fund
 Year Ended September 30, 2019

Exhibit B-2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Property taxes	\$ 10,008,031	\$ 10,008,031	\$ 10,438,926	\$ 430,895
Intergovernmental	820,288	820,288	285,120	(535,168)
Fees of office	1,913,500	1,913,500	2,200,939	287,439
Fines and forfeitures	337,000	337,000	334,462	(2,538)
Interest	91,500	91,500	307,091	215,591
Miscellaneous	134,450	163,492	126,212	(37,280)
Total revenues	13,304,769	13,333,811	13,692,750	358,939
EXPENDITURES				
Roads and bridges				
General	78,373	202,732	194,359	8,373
Precinct 1	2,694,632	2,622,948	2,155,071	467,877
Precinct 2	2,563,640	2,427,554	2,054,750	372,804
Precinct 3	2,782,295	2,838,839	2,362,525	476,314
Precinct 4	1,961,557	2,000,963	1,875,413	125,550
Total roads and bridges	10,080,497	10,093,036	8,642,118	1,450,918
Capital outlay				
Precinct 1	610,000	681,684	609,500	72,184
Precinct 2	798,186	934,272	848,321	85,951
Precinct 3	1,395,540	1,338,996	419,384	919,612
Precinct 4	1,159,977	1,149,613	974,169	175,444
Total capital outlay	3,963,703	4,104,565	2,851,374	1,253,191
Debt service				
Precinct 1	60,899	60,899	60,898	1
Precinct 2	36,300	36,300	35,606	694
Precinct 4	41,996	41,996	41,995	1
Total debt service	139,195	139,195	138,499	696
Total expenditures	14,183,395	14,336,796	11,631,991	2,704,805
Excess (deficiency) of revenues over (under) expenditures	(878,626)	(1,002,985)	2,060,759	3,063,744
OTHER FINANCING SOURCES				
Operating transfers in	-	124,359	124,359	-
Sale of assets	15,000	15,000	88,480	73,480
Total other financing sources	15,000	139,359	212,839	73,480
NET CHANGE IN FUND BALANCES	(863,626)	(863,626)	2,273,598	3,137,224
FUND BALANCES, beginning of year	6,380,384	6,380,384	6,380,384	-
FUND BALANCES, end of year	\$ 5,516,758	\$ 5,516,758	\$ 8,653,982	\$ 3,137,224

Supplementary Information

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Nonmajor funds – Special Revenue Funds

Historical Commission Fund - To account for revenues and expenses associated with the preservation and restoration activities of the Parker County Historical Society, a blended component unit of Parker County, Texas.

Estray Fund - To account for the proceeds and expenses associated with the capture and sale of stray livestock.

Abandoned Vehicle Fund - To account for the proceeds and expenses associated with abandoned vehicles sold at public auction.

Courthouse Security Fund - To account for proceeds and expenses associated with courthouse security measures.

Voter Registration Fund - Monies received by the Elections for registering new voters and keeping voter registration lists up to date.

Sheriff's Forfeiture Federal Share Fund - Monies received through federal forfeitures held for use by the Sheriff in drug enforcement activities.

Contract Elections Fund - Monies received and disbursed in conducting elections.

Pre-Trial Intervention Fund - To account for revenues and expenses associated with pre-trial intervention.

Sheriff's Forfeiture and Evidence Funds - Monies not returned to the defendant held for use by the Sheriff in drug enforcement activities.

Law Enforcement Officers Standards and Education (LEOSE) Fund - These funds are allocated by the Legislature to be used for continuing education of Law Enforcement Officers.

District Attorney State Supplement Fund - To account for revenues from the State and expenses associated with the District Attorney's office salary supplements and part time employees.

Special District Attorney Fund - To account for the collection of fees from felony hot checks (over \$750) and expenses associated with law enforcement supplemental salaries and equipment purchases.

Special County Attorney Fund - To account for the collection of fees from misdemeanor hot checks (under \$750) and expenses associated with law enforcement supplemental salaries and equipment purchases.

District Attorney Awarded Fund - To account for the proceeds and expenses associated with property seizures in criminal cases under current law.

Justice Technology Fund - To account for revenues and expenses associated with the justice of the peace technology.

Law Library Fund - The County and District Clerks collect fees which are used for publications and maintenance of the law library located on the basement of the district courthouse.

Nonmajor funds – Special Revenue Funds (Continued)

Road and Bridge Escrow Fund - To account for funds held for road maintenance bonds.

Juvenile Probation Fees and Grant Fund - To account for proceeds collected at a local level and restricted for expenses in association with the social education of juvenile probationers and to account for the grant proceeds and expenses to support basic juvenile probation services and assist the board in adhering to the standards and policies.

Adult Probation Bond Fund - To account for revenues and expenses associated with the supervision bond fees of adult probationers in Parker County.

District Court Records Technology Fund - To account for revenues and expenses associated with the district court records technology.

Justice Court Security Fund - To account for the security protection for all justice of the peace courts.

County/District Technology Fund - To account for revenues and expenses associated with the district and county technology.

County Clerk Records Management Fund - To account for proceeds and expenses associated with record management and preservation by the County Clerk office as required by State Law.

County Clerk Vital Records Fund - To account for fees received and expenses associated with County Clerk employees to attend vital statistic training seminars.

Records Management County Wide Fund - To account for the proceeds and expenses associated with records management and preservation county wide as required by State Law.

District Clerk Records Management Fund - To account for the proceeds and expenses associated with record management and preservation by the District Clerk office as required by State Law.

Court Reporters Service Fund - To account for proceeds and expenses associated with court reporting services.

District Clerk Fund - The County collects fees for ADR services which are then paid out per a Contract that the County has with Dispute Resolution Services of North Texas.

Court Record Preservation Fund - To account for fees and related expenditures to preserve court records.

Documentation Preservation Fund - To account for the County records archive revenues.

Other Grant Funds - To account for grants not accounted for in other funds.

Parker County, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Special Revenue Funds				
	Historical Commission	Estray	Abandoned Vehicle	Courthouse Security	Voter Registration
ASSETS					
Cash	\$ 928	\$ 11,217	\$ 3,546	\$ 17,637	\$ 2,655
Investments	106,170	74,621	23,591	117,336	17,662
Receivables:					
Intergovernmental	-	-	-	-	1,910
Other	-	-	-	770	-
Prepaid expenses and other assets	-	-	-	-	-
Total assets	\$ 107,098	\$ 85,838	\$ 27,137	\$ 135,743	\$ 22,227
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 8	\$ -
Accrued salaries and benefits payable	-	-	-	2,565	-
Due to other governmental entities	-	-	-	-	-
Total liabilities	-	-	-	2,573	-
Fund balances:					
Restricted for state and federal programs	-	85,838	27,137	133,170	22,227
Committed to state and special programs	107,098	-	-	-	-
Total fund balances	107,098	85,838	27,137	133,170	22,227
Total liabilities and fund balances	\$ 107,098	\$ 85,838	\$ 27,137	\$ 135,743	\$ 22,227

Special Revenue Funds

Sheriff's Forfeiture Federal Share	Contract Elections	Pre-trial Intervention	Sheriff's Evidence	Sheriff's Forfeiture	LEOSE Education	District Attorney State Supplement	Special District Attorney	Special County Attorney	District Attorney Awarded
\$ 122,151	\$ 17,556	\$ 7,904	\$ 1,354	\$ 18,747	\$ 1,313	\$ 832	\$ 2,899	\$ 1,098	\$ 34,939
-	116,793	52,580	9,011	-	8,737	5,536	19,290	7,301	181,312
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	376	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>\$ 122,151</u>	<u>\$ 134,349</u>	<u>\$ 60,484</u>	<u>\$ 10,365</u>	<u>\$ 18,747</u>	<u>\$ 10,426</u>	<u>\$ 6,368</u>	<u>\$ 22,189</u>	<u>\$ 8,399</u>	<u>\$ 216,251</u>
\$ 18,825	\$ -	\$ -	\$ -	\$ -	\$ 779	\$ -	\$ -	\$ 22	\$ -
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
18,825	-	-	-	-	779	-	-	22	-
103,326	134,349	60,484	10,365	18,747	9,647	6,368	22,189	8,377	216,251
-	-	-	-	-	-	-	-	-	-
103,326	134,349	60,484	10,365	18,747	9,647	6,368	22,189	8,377	216,251
<u>\$ 122,151</u>	<u>\$ 134,349</u>	<u>\$ 60,484</u>	<u>\$ 10,365</u>	<u>\$ 18,747</u>	<u>\$ 10,426</u>	<u>\$ 6,368</u>	<u>\$ 22,189</u>	<u>\$ 8,399</u>	<u>\$ 216,251</u>

Parker County, Texas
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
September 30, 2019

	Special Revenue Funds						
	Justice Technology Fund	Law Library	Road and Bridge Escrow	Juvenile Probation Fees and Grant Funds	Adult Probation Bond Fund	District Court Records Technology	Justice Court Security
ASSETS							
Cash	\$ 66,687	\$ 43,007	\$ 88,386	\$ 35,995	\$ 6,924	\$ 16,074	\$ 18,220
Investments	443,655	286,119	588,017	239,471	46,067	106,937	121,216
Receivables:							
Intergovernmental	-	-	-	95,313	-	-	-
Other	232	1,080	-	-	-	523	58
Prepaid expenses and other assets	-	-	-	-	-	-	-
Total assets	\$ 510,574	\$ 330,206	\$ 676,403	\$ 370,779	\$ 52,991	\$ 123,534	\$ 139,494
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 499	\$ 1,220	\$ -	\$ 67	\$ -	\$ -	\$ -
Accrued salaries and benefits payable	-	160	-	34,863	-	-	-
Due to other governmental entities	-	-	676,403	-	-	-	-
Total liabilities	499	1,380	676,403	34,930	-	-	-
Fund balances:							
Restricted for state and federal programs	510,075	328,826	-	335,849	52,991	123,534	139,494
Committed to state and special programs	-	-	-	-	-	-	-
Total fund balances	510,075	328,826	-	335,849	52,991	123,534	139,494
Total liabilities and fund balances	\$ 510,574	\$ 330,206	\$ 676,403	\$ 370,779	\$ 52,991	\$ 123,534	\$ 139,494

Special Revenue Funds										
County/ District Technology Fund	County Clerk Records Management	County Clerk Vital Records	Records Management County Wide	District Clerk Records Management	Court Reporters Service	District Clerk	Court Record Preservation	Document Preservation	Other Grant Funds	Total Non-major Governmental Funds
\$ 4,409	\$ 210,117	\$ 4,801	\$ 51,823	\$ 17,304	\$ 46,800	\$ 37,843	\$ 30,693	\$ 79,586	\$ 9,110	\$ 1,012,555
29,335	1,397,868	31,943	344,766	115,118	311,349	251,765	204,192	529,473	60,605	5,847,836
-	-	-	-	-	-	-	-	-	9,647	106,870
8	2,175	29	568	270	690	540	723	2,295	-	10,337
-	-	-	-	-	-	-	-	-	-	-
<u>\$ 33,752</u>	<u>\$ 1,610,160</u>	<u>\$ 36,773</u>	<u>\$ 397,157</u>	<u>\$ 132,692</u>	<u>\$ 358,839</u>	<u>\$ 290,148</u>	<u>\$ 235,608</u>	<u>\$ 611,354</u>	<u>\$ 79,362</u>	<u>\$ 6,977,598</u>
\$ 4	\$ 318	\$ -	\$ 32	\$ -	\$ -	\$ 10	\$ 10	\$ 49,012	\$ 4,611	\$ 75,417
-	2,966	-	-	-	-	-	-	2,966	-	43,520
-	-	-	-	-	-	-	-	-	-	676,403
4	3,284	-	32	-	-	10	10	51,978	4,611	795,340
33,748	1,606,876	36,773	397,125	132,692	358,839	290,138	235,598	559,376	74,751	6,075,160
-	-	-	-	-	-	-	-	-	-	107,098
33,748	1,606,876	36,773	397,125	132,692	358,839	290,138	235,598	559,376	74,751	6,182,258
<u>\$ 33,752</u>	<u>\$ 1,610,160</u>	<u>\$ 36,773</u>	<u>\$ 397,157</u>	<u>\$ 132,692</u>	<u>\$ 358,839</u>	<u>\$ 290,148</u>	<u>\$ 235,608</u>	<u>\$ 611,354</u>	<u>\$ 79,362</u>	<u>\$ 6,977,598</u>

Parker County, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) Nonmajor Governmental Funds Year Ended September 30, 2019

	Special Revenue Funds					Sheriff's Forfeiture Federal Share
	Historical Commission	Estray	Abandoned Vehicle	Courthouse Security	Voter Registration	
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 12,555	\$ 38,984
Fees of office	-	-	-	99,918	-	-
Interest	206	-	-	-	-	3,225
Miscellaneous	-	17,982	-	-	-	-
Total revenues	206	17,982	-	99,918	12,555	42,209
EXPENDITURES						
Current						
General government	512	-	84	-	12,697	-
Public safety	-	-	-	67,064	-	-
Law enforcement	-	5,064	-	-	-	98,077
Judicial	-	-	-	-	-	-
Recording	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	18,825
Total expenditures	512	5,064	84	67,064	12,697	116,902
Excess (deficiency) of revenues						
Net changes in fund balances	(306)	12,918	(84)	32,854	(142)	(74,693)
OTHER FINANCING USES						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total financing other uses	-	-	-	-	-	-
NET CHANGES IN FUND BALANCES	(306)	12,918	(84)	32,854	(142)	(74,693)
Fund balances (deficit) - beginning of year	107,404	72,920	27,221	100,316	22,369	178,019
Fund balances - end of year	\$ 107,098	\$ 85,838	\$ 27,137	\$ 133,170	\$ 22,227	\$ 103,326

Special Revenue Funds									
Contract Elections	Pre-trial Intervention	Sheriff's Evidence	Sheriff's Forfeiture	LEOSE Education	District Attorney State Supplement	Special District Attorney	Special County Attorney	District Attorney Awarded	Justice Technology Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,480	\$ -	\$ -	\$ -	\$ -
84,173	6,197	-	-	3,827	-	481	2,282	-	59,001
-	-	-	459	-	-	629	230	6,127	-
-	-	-	25,439	-	-	-	-	12,430	-
84,173	6,197	-	25,898	3,827	22,480	1,110	2,512	18,557	59,001
73,357	-	32	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	21,372	3,095	-	-	-	-	-
-	-	-	-	3,772	25,891	-	2,034	13,102	38,630
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
73,357	-	32	21,372	6,867	25,891	-	2,034	13,102	38,630
10,816	6,197	(32)	4,526	(3,040)	(3,411)	1,110	478	5,455	20,371
-	-	-	-	-	4,477	-	-	-	-
-	-	-	-	-	-	-	-	(4,477)	-
-	-	-	-	-	4,477	-	-	(4,477)	-
10,816	6,197	(32)	4,526	(3,040)	1,066	1,110	478	978	20,371
123,533	54,287	10,397	14,221	12,687	5,302	21,079	7,899	215,273	489,704
\$ 134,349	\$ 60,484	\$ 10,365	\$ 18,747	\$ 9,647	\$ 6,368	\$ 22,189	\$ 8,377	\$ 216,251	\$ 510,075

Parker County, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) Nonmajor Governmental Funds – Continued Year Ended September 30, 2019

	Special Revenue Funds						
	Law Library	Road and Bridge Escrow	Juvenile Probation Fees and Grant Funds	Adult Probation Bond Fund	District Court Records Technology	Justice Court Security	County/ District Technology Fund
REVENUES							
Intergovernmental	\$ -	\$ -	\$ 811,222	\$ -	\$ -	\$ -	\$ -
Fees of office	46,847	-	80,066	128,557	16,961	14,715	4,480
Interest	-	-	-	1,660	-	-	-
Miscellaneous	-	-	487	-	-	-	-
Total revenues	46,847	-	891,775	130,217	16,961	14,715	4,480
EXPENDITURES							
Current							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-
Judicial	25,964	-	700,686	123,712	-	1,602	-
Recording	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	25,964	-	700,686	123,712	-	1,602	-
Excess (deficiency) of revenues							
Net changes in fund balances	20,883	-	191,089	6,505	16,961	13,113	4,480
OTHER FINANCING USES							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total financing other uses	-	-	-	-	-	-	-
NET CHANGES IN FUND BALANCES	20,883	-	191,089	6,505	16,961	13,113	4,480
Fund balances (deficit) - beginning of year	307,943	-	144,760	46,486	106,573	126,381	29,268
Fund balances - end of year	\$ 328,826	\$ -	\$ 335,849	\$ 52,991	\$ 123,534	\$ 139,494	\$ 33,748

Special Revenue Funds									
County Clerk Records Management	County Clerk Vital Records	Records Management County Wide	District Clerk Records Management	Court Reporters Service	District Clerk	Court Record Preservation	Document Preservation	Other Grant Funds	Total Non-major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,850	\$ 1,063,091
342,371	6,171	47,489	9,342	29,131	23,549	27,900	346,747	10,526	1,390,731
42,432	-	-	-	-	-	-	14,392	-	69,360
-	-	-	-	-	-	-	-	-	56,338
384,803	6,171	47,489	9,342	29,131	23,549	27,900	361,139	188,376	2,579,520
-	-	-	-	-	-	-	-	38,763	125,445
-	-	-	-	-	-	-	-	93,364	160,428
-	-	-	-	-	-	-	-	-	127,608
-	-	-	-	-	-	-	-	61,357	996,750
77,283	5,450	-	1,574	-	-	-	397,802	-	482,109
-	-	-	-	-	-	-	-	-	18,825
77,283	5,450	-	1,574	-	-	-	397,802	193,484	1,911,165
307,520	721	47,489	7,768	29,131	23,549	27,900	(36,663)	(5,108)	668,355
-	-	-	-	-	-	-	-	-	4,477
-	-	-	-	-	-	-	-	-	(4,477)
-	-	-	-	-	-	-	-	-	-
307,520	721	47,489	7,768	29,131	23,549	27,900	(36,663)	(5,108)	668,355
1,299,356	36,052	349,636	124,924	329,708	266,589	207,698	596,039	79,859	5,513,903
\$ 1,606,876	\$ 36,773	\$ 397,125	\$ 132,692	\$ 358,839	\$ 290,138	\$ 235,598	\$ 559,376	\$ 74,751	\$ 6,182,258

Fiduciary Fund – Agency Funds

Agency Funds - To account for assets held by the County as an agent for individuals, private organizations, other governmental units or other funds.

Sheriff's Jail Trust Account - This account is used to temporarily hold cash bonds, fines, and sheriff's sale proceeds.

Auto Registration Account - To account for monies received for registering automobiles in Parker County.

Vehicle Inventory Tax Escrow - To account for monies collected and held in escrow for vehicle inventory tax account.

County Clerk's Court Fund Account - To account for monies received from individuals or the adult probation department to pay for court fees.

County Attorney's Escrow Account - To account for monies received by the County Attorney's office for NSF checks.

County Clerk's Deposit Account - To account for monies received from court issued bonds.

County Clerk's Bond Account - To account for monies received from court issued bonds.

County Clerk's Registry Account - To account for monies used for condemnation suits and for defendants to reimburse the County Treasurer for court appointed attorneys.

County Clerk's Individual Trust Account - To account for monies in trust for several individuals.

District Court Deposit Account - To account for monies received by the District Clerk for court fees.

District Clerk's Registry Account - To account for monies received by court order in care of an individual. Also cash bonds are accounted for in this account.

District Clerk's Individual Trust Accounts - To account for monies in trust for several individuals.

Sheriff's Office Inmate Trust Account - To account for inmates' monies which were confiscated during arrests and to hold deposits from family members of the inmates.

County Jail Commissary Fund - To account for funds held in the inmates' names for personal purchases.

Adult Probation Funds - To account for funds relating to the adult probation supervision grant and the adult probation CCP grant.

V.I.T. Interest Account - To account for interest earned on the Vehicle Inventory Tax for the T.A.C. to defray the cost of administration of the prepayment procedure.

District Attorney Trust Account - To account for monies in trust for several individuals.

County Clerk's Probate Fund - To account for monies received by court order in care of an individual.

TPWD Funds Account - To account for monies received for the taxation of water vehicles for Texas Parks and Wildlife Department.

Juvenile Probation Restitution Account - To account for monies received by Juvenile Probation for probation fees received prior to distribution to the County.

Parker County, Texas

Combining Statement of Fiduciary Assets and Liabilities –
 Agency Funds
 September 30, 2019

Exhibit C-4

Page 1 of 3

	Sheriff's Jail Trust Account	Auto Registration Account	Vehicle Inventory Tax Escrow	County Clerk's Court Fund Account	County Attorney's Escrow Account	County Clerk's Deposit Account	County Clerk's Bond Account
ASSETS							
Cash	\$ 20,722	\$ 532,341	\$ 901,024	\$ 52,565	\$ 1,198	\$ 492,591	\$ 65,668
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
	<hr/>						
Total assets	<u>\$ 20,722</u>	<u>\$ 532,341</u>	<u>\$ 901,024</u>	<u>\$ 52,565</u>	<u>\$ 1,198</u>	<u>\$ 492,591</u>	<u>\$ 65,668</u>
LIABILITIES							
Deposits held and due to others	<u>\$ 20,722</u>	<u>\$ 532,341</u>	<u>\$ 901,024</u>	<u>\$ 52,565</u>	<u>\$ 1,198</u>	<u>\$ 492,591</u>	<u>\$ 65,668</u>
	<hr/>						
Total liabilities	<u>\$ 20,722</u>	<u>\$ 532,341</u>	<u>\$ 901,024</u>	<u>\$ 52,565</u>	<u>\$ 1,198</u>	<u>\$ 492,591</u>	<u>\$ 65,668</u>

Parker County, Texas

Combining Statement of Fiduciary Assets and Liabilities –
 Agency Funds – Continued
 September 30, 2019

Exhibit C-4

Page 2 of 3

	County Clerk's Registry Account	County Clerk's Individual Trust Account	District Court Deposit Account	District Clerk's Registry Account	District Clerk's Individual Trust Account	Sherriff's Inmate Trust Account	County Jail Commissary Fund
ASSETS							
Cash	\$ 130,555	\$ 1,262,536	\$ 82,168	\$ 869,267	\$ 138,295	\$ 51,815	\$ 66,292
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 130,555</u>	<u>\$ 1,262,536</u>	<u>\$ 82,168</u>	<u>\$ 869,267</u>	<u>\$ 138,295</u>	<u>\$ 51,815</u>	<u>\$ 66,292</u>
LIABILITIES							
Deposits held and due to others	<u>\$ 130,555</u>	<u>\$ 1,262,536</u>	<u>\$ 82,168</u>	<u>\$ 869,267</u>	<u>\$ 138,295</u>	<u>\$ 51,815</u>	<u>\$ 66,292</u>
Total liabilities	<u>\$ 130,555</u>	<u>\$ 1,262,536</u>	<u>\$ 82,168</u>	<u>\$ 869,267</u>	<u>\$ 138,295</u>	<u>\$ 51,815</u>	<u>\$ 66,292</u>

Parker County, Texas

Combining Statement of Fiduciary Assets and Liabilities –
 Agency Funds – Continued
 September 30, 2019

Exhibit C-4

Page 3 of 3

	Adult Probation Fund	V.I.T Interest Account	District Attorney Trust Account	County Clerk's Probate Fund	TPWD Funds Account	Juvenile Probation Restitution Account	Total Agency Funds
ASSETS							
Cash	\$ 101,557	\$ 44,206	\$ 244,854	\$ 42,419	\$ -	\$ 3,325	\$ 5,103,398
Investments	675,640	-	-	-	-	-	675,640
Accounts receivable	-	-	-	-	-	-	-
Total assets	\$ 777,197	\$ 44,206	\$ 244,854	\$ 42,419	\$ -	\$ 3,325	\$ 5,779,038
LIABILITIES							
Deposits held and due to others	\$ 777,197	\$ 44,206	\$ 244,854	\$ 42,419	\$ -	\$ 3,325	\$ 5,779,038
Total liabilities	\$ 777,197	\$ 44,206	\$ 244,854	\$ 42,419	\$ -	\$ 3,325	\$ 5,779,038