

Parker County, Texas

Annual Financial Report

September 30, 2020

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Parker County, Texas
 Annual Financial Report
 Year Ended September 30, 2020
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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, 2020, 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 County'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.

Weaver and Tidwell, L.L.P.
2821 West 7th Street, Suite 700 / Fort Worth, Texas 76107
Main: 817.332.7905

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, 2020 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 Revenues, Expenditures and Changes in Fund Balance – Budget and 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 management's discussion and analysis and 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 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, 2021, 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, 2021

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Management's Discussion And Analysis

Management's discussion and analysis (MD&A) of Parker County's (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2020. 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, 2020 by \$10,120,791 (net position). Of this amount, \$17,066,384 is restricted for specific purposes and \$(17,921,256) represents a deficit in unrestricted net position. Net position also reflects net investment in capital assets of \$10,975,663.
- In contrast to the government-wide statements, the fund statements report a combined fund balance at September 30, 2020 of \$93,757,997; of which \$11,078 represents nonspendable fund balance, \$68,291,306 represents fund balance restricted for funding of debt service, capital projects, the lateral road fund, and federal and state programs, \$810,753 represents fund balance committed to state and special programs, and \$24,644,860 or 26% represents unassigned fund balance.
- The general fund reports a fund balance of \$25,416,800; of which \$10,081 represents nonspendable fund balance, \$56,278 represents amounts restricted for federal and state programs and \$705,581 represents amounts committed to state and special programs, with the remaining reported as unassigned. Unassigned fund balance for the general fund equals 51% 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-eight individual funds (excluding fiduciary funds), thirty-four 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 59 of this report. Combining statements and schedules are also included in the report as other supplementary information and can be found on pages 62 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 \$10,120,791 as of September 30, 2020.

Parker County's Net Position

	Governmental Activities	
	2020	2019
Current and other assets	\$ 109,933,304	\$ 71,125,673
Capital assets, net of depreciation	79,778,240	76,506,142
Total assets	189,711,544	147,631,815
Deferred outflow of resources	7,537,355	13,729,666
Long-term liabilities, including due in one year	175,410,927	150,541,879
Other liabilities	9,038,801	9,690,297
Total liabilities	184,449,728	160,232,176
Deferred inflow of resources	2,678,380	207,264
Net position		
Net investment in capital assets	10,975,663	8,434,069
Restricted	17,066,384	15,924,157
Unrestricted	(17,921,256)	(23,436,185)
Total net position	\$ 10,120,791	\$ 922,041

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 \$10,975,663. 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 \$17,066,384 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 \$17,921,256, which is the result of prior year conveyance of assets to other governmental entities.

The County's governmental activities increased net position by \$9,198,750 during the current year. The total cost of all governmental activities this year was \$72,090,805. The amount that our taxpayers paid for these activities through property taxes was \$52,009,269 or 72%.

Parker County's Changes in Net Position

	Governmental Activities	
	2020	2019
Revenues		
Program revenues		
Charges for services	\$ 12,394,388	\$ 11,921,240
Operating grants and contributions	4,701,907	5,495,047
General revenues		
Property taxes	52,009,269	47,597,402
Sales and other taxes	11,256,272	10,347,047
Investment earnings	872,709	1,528,679
Other	55,010	312,131
Total revenues	81,289,555	77,201,546
Expenses		
General government	12,493,697	11,239,182
Roads and bridges	11,339,750	11,816,011
Public safety	879,628	1,410,355
Law enforcement	23,590,574	24,032,849
Judicial	12,346,610	12,792,961
Health and welfare	815,745	836,925
Recording	3,729,955	3,440,662
Tax assessing-collecting	1,247,592	1,293,576
Interest and other costs	5,647,254	4,718,293
Total expenses	72,090,805	71,580,814
Change in net position	9,198,750	5,620,732
Net position-beginning	922,041	(4,698,691)
Net position-ending	\$ 10,120,791	\$ 922,041

Revenues by Source

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

- Program revenues of \$17,096,295 equaled 24% of governmental expenses of \$72,090,805. As expected, general revenues in the amount of \$64,193,260 provided the remaining support and coverage for expenses.
- 33% or \$23,590,574 of the expenses are law enforcement while this category provided 5% of total revenues.
- Roads and bridges and judicial account for \$23,686,360 or 33% of expenses while providing about 9% of total revenues.
- Operating grant revenues and contributions comprised about 6% 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 \$93,757,997 an increase of \$40,032,111 in comparison with the prior year. Approximately \$24,644,860 or 26% 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 \$11,078, committed fund balance of \$810,753, and restricted fund balance of \$68,291,306. 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 \$2,157,640, and fund capital projects in the amount of \$50,036,103, lateral roads in the amount of \$9,448,253, and federal and state programs in the amount of \$6,649,310.

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 \$25,416,800, of which \$10,081 was nonspendable fund balance, \$56,278 was restricted, \$705,581 was committed 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 97% of total fund balance for the general fund.

The fund balance of the County's general fund increased by \$6,308,073, which is primarily due to less expenditures than revenue to operate the County.

The debt service fund has a total fund balance of \$2,157,640, all of which is restricted for debt service. The increase in the debt service fund was \$542,580.

The capital projects funds had a total fund balance of \$50,036,103 which is restricted for construction and improvements of roads and bridges or acquisition of County-owned buildings and equipment. The net increase in fund balance during the current year in the capital projects funds was \$31,870,244 after capital outlay expenditures and bond proceeds from the issuance of debt during the current year.

The lateral road fund had a total fund balance of \$9,449,250, all of which is restricted for maintenance and construction of County roads and bridges outside of \$997 which is nonspendable. The net increase in fund balance during the current year in the lateral road fund was \$795,268 due to continued healthy property tax collections and less capital outlay than in the previous year.

General Fund Budgetary Highlights

The original fiscal year 2020 budget was adopted in September 2019, with total general fund expenditures in the amount of \$52,304,573.

In total, the original general fund budget for expenditures were \$41,379 less 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 \$4,615,727 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 \$3,679,971 less than budgeted primarily due to lower costs in general government, judicial 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, 2020, capital assets, net of accumulated depreciation, in the governmental activities totaled \$79,778,240. Depreciation on capital assets is recognized in the government-wide financial statements. Annual depreciation for buildings, improvements, infrastructure and machinery and equipment totaled \$6,294,865.

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

	Governmental Activities	
	2020	2019
Land	\$ 18,538,084	\$ 17,793,536
Work in progress	9,686,019	8,782,791
Buildings and improvements	17,608,704	20,227,180
Infrastructure	24,137,201	19,957,894
Office furniture and equipment	2,797,939	3,222,202
Transportation equipment	1,648,435	1,609,991
Road maintenance equipment	4,353,628	4,831,371
Emergency management equipment	50,469	29,449
Other	957,761	51,728
	\$ 79,778,240	\$ 76,506,142

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, 2020, the County had unlimited tax road bonds, tax note, and general obligation refunding bonds of \$144,375,000. Total capital leases payable were \$3,850,517.

The County's total property tax rate for fiscal year 2020 was \$0.358619 per \$100 assessed valuation, of which \$0.064598 was for annual debt service, \$0.074697 was for maintenance of County roads accounted for in the lateral road fund with the remaining \$0.219324 levied on general maintenance and operations in the general fund. Revenue in each of the taxing funds represented approximately 59%, 81% 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	\$ 31,519,093	\$ 11,089,866	\$ 9,229,157
Other Revenue	22,879,703	2,643,640	43,167
Total Revenue	54,398,796	13,733,506	9,272,324
Expenditures	48,665,981	13,111,158	8,742,626
Other Financing Sources (Uses)	575,258	172,920	12,882
	\$ 6,308,073	\$ 795,268	\$ 542,580

Parker County's Outstanding Debt

	Governmental Activities	
	2020	2019
Unlimited tax road bonds	\$ 135,545,000	\$ 106,185,000
Tax note	1,425,000	1,885,000
General obligation refunding bonds	7,405,000	8,765,000
Capital leases payable	3,850,517	3,495,713
Total	\$ 148,225,517	\$ 120,330,713

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 2021, 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 11%.

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, 2020

Exhibit A-1

	<u>Primary Government</u>
	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 13,488,607
Investments	92,824,478
Receivables, net of allowance	3,509,141
Prepaid expenses and other assets	111,078
Land and work in progress	28,224,103
Other capital assets, net of depreciation	51,554,137
	<hr/>
Total assets	189,711,544
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	4,250,866
Deferred outflows related to pension	2,998,971
Deferred outflows related to OPEB	287,518
	<hr/>
Total deferred outflows of resources	7,537,355
LIABILITIES	
Accounts payable and accrued liabilities	4,505,863
Accrued salaries and benefits payable	1,780,273
Accrued interest payable	1,403,719
Due to other governmental entities	636,418
Unearned revenue	712,528
Noncurrent liabilities	
Due within one year	6,890,215
Due in more than one year	168,520,712
	<hr/>
Total liabilities	184,449,728
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension	2,597,144
Deferred inflows related to OPEB	81,236
	<hr/>
Total deferred inflows of resources	2,678,380
NET POSITION	
Net investment in capital assets	10,975,663
Restricted for	
Debt service	835,156
Lateral road	9,581,918
State and federal programs	6,649,310
Unrestricted	(17,921,256)
	<hr/>
Total net position	<u>\$ 10,120,791</u>

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

Parker County, Texas
Statement of Activities
Year Ended September 30, 2020

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	\$ 12,493,697	\$ 338,031	\$ 273,796	\$ (11,881,870)
Roads and bridges	11,339,750	2,577,364	167,225	(8,595,161)
Public safety	879,628	103,428	648,839	(127,361)
Law enforcement	23,590,574	1,880,483	2,165,545	(19,544,546)
Judicial	12,346,610	2,861,505	1,392,231	(8,092,874)
Health and welfare	815,745	423,608	54,271	(337,866)
Recording	3,729,955	1,629,426	-	(2,100,529)
Tax assessing-collecting	1,247,592	2,580,543	-	1,332,951
Interest and other costs	5,647,254	-	-	(5,647,254)
Total primary government	<u>\$ 72,090,805</u>	<u>\$ 12,394,388</u>	<u>\$ 4,701,907</u>	(54,994,510)

General revenue	
Property taxes	52,009,269
Sales and other taxes	11,256,272
Investment earnings	872,709
Other general revenue	55,010
Total general revenues	<u>64,193,260</u>
Change in net position	9,198,750
Net position, beginning of year	<u>922,041</u>
Net position, end of year	<u>\$ 10,120,791</u>

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

Parker County, Texas
Balance Sheet – Governmental Funds
September 30, 2020

Exhibit A-3

	General	Lateral Road	Capital Projects Tax Road Bonds	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 3,143,140	\$ 1,253,447	\$ 5,938,435	\$ 249,896	\$ 1,020,601	\$ 11,605,519
Investments	23,595,393	9,355,373	44,322,781	1,865,154	6,952,815	86,091,516
Receivables, net of allowance						
Property taxes	380,622	170,500	-	112,106	-	663,228
Intergovernmental	2,620,216	-	-	-	33,730	2,653,946
Other	81,692	47,625	-	11,719	34,412	175,448
Prepaid items and other assets	10,081	997	-	-	-	11,078
Total assets	29,831,144	10,827,942	50,261,216	2,238,875	8,041,558	101,200,735
Total assets and deferred outflows of resources	\$ 29,831,144	\$ 10,827,942	\$ 50,261,216	\$ 2,238,875	\$ 8,041,558	\$ 101,200,735
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 2,662,067	\$ 918,501	\$ 225,113	\$ -	\$ 97,018	\$ 3,902,699
Accrued salaries and benefits payable	1,317,013	326,526	-	-	51,099	1,694,638
Due to other governmental entities	153,709	-	-	-	482,709	636,418
Unearned revenue	-	-	-	-	712,528	712,528
Total liabilities	4,132,789	1,245,027	225,113	-	1,343,354	6,946,283
Deferred inflows of resources						
Property taxes	281,555	133,665	-	81,235	-	496,455
Total deferred inflows of resources	281,555	133,665	-	81,235	-	496,455
Fund balances						
Nonspendable						
Inventory	9,773	-	-	-	-	9,773
Prepaid	308	997	-	-	-	1,305
Restricted for						
Debt service	-	-	-	2,157,640	-	2,157,640
Capital projects	-	-	50,036,103	-	-	50,036,103
Lateral road	-	9,448,253	-	-	-	9,448,253
Federal and state programs	56,278	-	-	-	6,593,032	6,649,310
Committed for state and special programs	705,581	-	-	-	105,172	810,753
Unassigned	24,644,860	-	-	-	-	24,644,860
Total fund balances	25,416,800	9,449,250	50,036,103	2,157,640	6,698,204	93,757,997
Total liabilities, deferred inflows of resources and fund balances	\$ 29,831,144	\$ 10,827,942	\$ 50,261,216	\$ 2,238,875	\$ 8,041,558	\$ 101,200,735

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

Parker County, Texas
 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Position
 September 30, 2020

Total fund balances – governmental funds	\$ 93,757,997
Amounts reported for governmental activities in the statement of net position are different because:	
resources and therefore are not reported as assets in governmental funds.	79,778,240
Net deferred outflows and inflows of resources related to the pension liability 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	2,998,971
Deferred inflows related to pension	<u>(2,597,144)</u>
Net deferred outflows and inflows	401,827
Net 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	287,518
Deferred inflows related to OPEB	<u>(81,236)</u>
Net deferred outflows and inflows	206,282
Accrued 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.	(1,403,719)
Revenues earned but not available within sixty days of year-end are not recognized as revenue on the fund financial statements.	496,455
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	
Bonds payable	(144,375,000)
Capital leases	(3,850,517)
Deferred premiums on issuance	(14,568,895)
Net Pension liability	(10,261,968)
Total OPEB liability	(1,343,042)
Compensated absences	<u>(1,011,505)</u>
Total long-term liabilities	(175,410,927)
For debt refundings, 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.	4,250,866
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.	<u>8,043,770</u>
Total net position – governmental activities	<u>\$ 10,120,791</u>

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, 2020

	General	Lateral Road	Capital Projects Tax Road Bonds	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 31,519,093	\$ 11,089,866	\$ -	\$ 9,229,157	\$ -	\$ 51,838,116
Sales taxes	11,065,545	-	-	-	-	11,065,545
Intergovernmental	3,578,296	223,921	-	-	1,827,110	5,629,327
Fees of office	6,823,584	1,955,361	-	-	1,521,760	10,300,705
Fines and forfeitures	-	298,160	-	-	-	298,160
Interest	384,542	142,898	162,505	43,167	33,607	766,719
Royalties	31,530	-	-	-	-	31,530
Miscellaneous	996,206	23,300	25,179	-	105,497	1,150,182
Total revenues	54,398,796	13,733,506	187,684	9,272,324	3,487,974	81,080,284
EXPENDITURES						
Current						
General government	8,420,510	-	1,686	-	207,006	8,629,202
Roads and bridges	-	8,488,824	-	-	-	8,488,824
Public safety	350,619	-	-	-	465,387	816,006
Law enforcement	22,006,155	-	-	-	28,655	22,034,810
Judicial	10,376,161	-	-	-	1,278,891	11,655,052
Health and welfare	754,148	-	-	-	-	754,148
Recording	2,667,041	-	-	-	877,045	3,544,086
Tax assessing-collecting	1,182,519	-	-	-	-	1,182,519
Capital outlay	2,333,453	4,370,459	4,939,985	-	56,981	11,700,878
Debt service						
Principal	453,533	234,358	-	3,965,000	-	4,652,891
Interest and other charges	121,842	17,517	-	4,777,626	-	4,916,985
Bond issuance costs	-	-	456,011	-	-	456,011
Total expenditures	48,665,981	13,111,158	5,397,682	8,742,626	2,913,965	78,831,412
Excess (deficiency) of revenues over (under) expenditures	5,732,815	622,348	(5,209,998)	529,698	574,009	2,248,872
OTHER FINANCING SOURCES (USES)						
Operating transfers in	58,063	-	433,461	12,882	-	504,406
Operating transfers out	(433,461)	-	(12,882)	-	(58,063)	(504,406)
Proceeds on sale of assets	12,735	68,146	-	-	-	80,881
Proceeds from capital lease	937,921	104,774	-	-	-	1,042,695
Bond proceeds	-	-	31,505,000	-	-	31,505,000
Premium on long term debt issued	-	-	5,154,663	-	-	5,154,663
Total other financing sources (uses)	575,258	172,920	37,080,242	12,882	(58,063)	37,783,239
NET CHANGES IN FUND BALANCES	6,308,073	795,268	31,870,244	542,580	515,946	40,032,111
FUND BALANCES, beginning of year	19,108,727	8,653,982	18,165,859	1,615,060	6,182,258	53,725,886
FUND BALANCES, end of year	\$ 25,416,800	\$ 9,449,250	\$ 50,036,103	\$ 2,157,640	\$ 6,698,204	\$ 93,757,997

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, 2020

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

Net changes in fund balances - total governmental funds		\$ 40,032,111
<p>Governmental funds report capital outlays 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.</p>		
Capital outlay	9,609,726	
Depreciation	(6,294,865)	
Net capital outlay		3,314,861
The net effect of capital asset disposals decreases net position.		(42,763)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		171,153
Capital leases provide current financial resources to governmental funds while increasing long-term liabilities in the statement of net position.		(1,042,695)
Bond proceeds provide current financial resources to governmental funds while increasing long-term liabilities in the statement of net position.		(31,505,000)
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.		(756,558)
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.		(81,830)
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		4,652,891
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	823,349	
Premium addition from bond issuance	(5,154,663)	
Changes in accrued interest payable	(722,977)	
Changes in compensated absences	(93,339)	
Net increase in expenditures		(5,522,260)
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.		(21,160)
Change in net position of governmental activities - statement of activities		\$ 9,198,750

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

Parker County, Texas
Statement of Net Position – Proprietary Fund
September 30, 2020

Exhibit A-7

	<u>Insurance Escrow</u>
ASSETS	
Cash	\$ 1,883,088
Investments	6,732,962
Receivables, net of allowance	16,519
Prepaid items and other assets	<u>100,000</u>
Total assets	8,732,569
LIABILITIES	
Accounts payable and accrued liabilities	603,164
Accrued salaries and benefits payable	<u>85,635</u>
Total liabilities	<u>688,799</u>
NET POSITION	
Unrestricted	<u>8,043,770</u>
TOTAL NET POSITION	<u><u>\$ 8,043,770</u></u>

Parker County, Texas
Statement of Revenues, Expenses,
and Changes in Net Position – Proprietary Fund
Year Ended September 30, 2020

Exhibit A-8

	<u>Insurance Escrow</u>
OPERATING REVENUES	
Contributions	\$ 6,797,221
Total operating revenues	6,797,221
OPERATING EXPENSES	
Contractual	7,421,118
Total operating expenses	7,421,118
Operating loss	(623,897)
NONOPERATING REVENUES	
Miscellaneous	496,747
Interest	105,990
Total nonoperating revenues	602,737
Change in net position	(21,160)
NET POSITION, beginning of year	8,064,930
NET POSITION, end of year	\$ 8,043,770

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, 2020

Exhibit A-9

	<u>Insurance Escrow</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from interfund services provided	\$ 6,779,518
Payments to providers	(7,347,073)
	<hr/>
Net used in operating activities	(567,555)
CASH FLOWS FROM INVESTING ACTIVITIES	
Sale of investments	604,722
Interest and related income	602,737
	<hr/>
Net cash provided by investing activities	1,207,459
NET INCREASE IN CASH	639,904
CASH, beginning of year	<hr/> 1,243,184
CASH, end of year	<hr/> <u>\$ 1,883,088</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (623,897)
Adjustments to reconcile operating loss to net cash used in operating activities	
Increase in accounts receivable	(12,703)
Increase in prepaid items and other assets	(5,000)
Increase in accounts payable	74,045
	<hr/>
Net cash used in operating activities	<u>\$ (567,555)</u>

Parker County, Texas
Statement of Fiduciary Assets and Liabilities –
Agency Funds
September 30, 2020

Exhibit A-10

ASSETS

Cash	\$	5,561,266
Investments		602,912
Accounts receivable		166
		<hr/>

Total assets	\$	6,164,344
		<hr/> <hr/>

LIABILITIES

Deposits held and due to others	\$	6,164,344
		<hr/>

Total liabilities	\$	6,164,344
		<hr/> <hr/>

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, the Parker County Historical Society (the Society). A component unit is an entity for which the County is considered to be financially accountable.

The County created the entity to account for revenues and expenses associated with the preservation and restoration activities of the 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 the County. The Society provides all of its services to the County. The Society is a blended component unit because, although legally separate, it is in substance part of the County's operations. As such, the Society has been included in the accompanying financial statements as the Historical Commission.

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 2013, Series 2017 and Series 2020 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 Governmental Funds are special revenue funds used to account for the proceeds of specific revenue sources which are set aside to finance particular functions or activities of the County.

The Insurance Escrow Fund is used to account for the group health insurance benefits provided to the County's departments on a cost reimbursement basis, and is an internal service fund.

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. Under the Property Tax Code, the County is required to calculate the "voter-approval tax rate" and "no-new-revenue" tax rate. If the proposed tax rate exceeds the no-new-revenue tax rate by more than 3.5%, referred to as the voter-approval tax rate, the County is required to hold an election. If voters do not approve, the tax rate is set at the voter-approval tax rate. Legislation does allow the County to "bank" unused amounts between the adopted tax rate and the voter-approval tax rate for up to three years. This is referred to as the unused increment rate and if used, would allow the County to exceed the voter-approval tax rate in a future year without requiring an 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, 2020.

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 or amortized cost.

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 furniture and equipment, road maintenance equipment, transportation equipment, firefighting equipment, emergency management equipment, 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 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 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. The County had no assigned fund balance as of September 30, 2020.

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 2020, the unassigned General Fund balance was 47% of final budgeted expenditures and the Debt Service Fund balance was at 50% 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, 2020 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.

Pension

For purposes of measuring the net pension liability, 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 Net Pension Liability is obtained from TCDRS through a report prepared for the County by TCDRS consulting actuary, Milliman, in compliance with 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 GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

Parker County, Texas

Notes to Financial Statements

Note 2. 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 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(2) 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, 2020, the County has the following pooled investments:

	Weighted Average Maturity	Credit Rating	Market Value	Percentage of Total
Baird - Federated Government Obligation Fund Institutional Class	43 days	AAAm	\$ 44,881,493	49%
Texas CLASS	84 days	AAAm	46,213,157	51%
Total pooled investments			\$ 91,094,650	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. Texas CLASS is measured at net asset value and is therefore excluded from fair value reporting within the hierarchy.

As of September 30, 2020, the County had \$2,332,740 in certificates of deposit that are considered level 2 within the hierarchy. As of September 30, 2020, the County's investments, including pooled investments and certificates of deposit, totaled \$ 93,427,390.

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, 2020, 100% of the County's portfolio had maturity dates less than two years.

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, 2020, 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. Certificate of deposits are not rated.

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

Parker County, Texas
Notes to Financial Statements

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, 2020, the County's deposits were insured or collateralized with securities held by the County or by its agent in the County's name.

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, 2020, excluding that portion budgeted for the retirement of long-term debt principal and interest was 0.294021 per \$100 valuation. The total tax rate for all purposes was 0.358619 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

In the governmental fund financial statements, 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, 2020:

Fund	Delinquent Taxes	Allowance	Net Receivable
General	\$ 1,009,926	\$ (629,304)	\$ 380,622
Debt Service	297,456	(185,350)	112,106
Lateral Road	391,971	(221,471)	170,500
Total	<u>\$ 1,699,353</u>	<u>\$ (1,036,125)</u>	<u>\$ 663,228</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, 2020 the value of accumulated vacation and compensatory benefits amounted to \$1,011,505. 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, 2020, the County completed various capital projects relating to infrastructure, roads and bridges, and right-of-ways.

Capital asset activity for the year ended September 30, 2020 was as follows:

	Beginning 10/1/19	Additions	Deletions	Transfers	Reclassifications	Balance 9/30/20
Governmental activities						
Capital assets, not being depreciated						
Land	\$ 17,793,536	\$ 744,548	\$ -	\$ -	\$ -	\$ 18,538,084
Work in progress	8,782,791	5,098,828	-	(4,195,600)	-	9,686,019
Total capital assets not being depreciated	26,576,327	5,843,376	-	(4,195,600)	-	28,224,103
Depreciable capital assets						
Buildings and improvements	38,986,945	235,415	8,246	-	(2,021,066)	37,193,048
Infrastructure	138,449,529	1,142,284	-	4,195,600	-	143,787,413
Office furniture and equipment	6,787,202	157,267	89,381	-	2,011,327	8,866,415
Transportation equipment	6,306,446	626,571	344,009	-	134,709	6,723,717
Road maintenance equipment	18,638,604	633,524	334,880	-	(119,450)	18,817,798
Emergency management equipment	612,871	31,700	-	-	(5,520)	639,051
Other	197,289	939,589	7,621	-	-	1,129,257
Total depreciable capital assets	209,978,886	3,766,350	784,137	4,195,600	-	217,156,699
Less accumulated depreciation for						
Buildings and improvements	18,759,765	1,169,152	8,246	-	(336,327)	19,584,344
Infrastructure	118,491,635	1,158,577	-	-	-	119,650,212
Office furniture and equipment	3,565,000	2,246,525	68,950	-	325,901	6,068,476
Transportation equipment	4,696,455	633,835	322,929	-	67,921	5,075,282
Road maintenance equipment	13,807,233	1,044,693	334,880	-	(52,876)	14,464,170
Emergency management equipment	583,422	9,779	-	-	(4,619)	588,582
Other	145,561	32,304	6,369	-	-	171,496
Total accumulated depreciation	160,049,071	6,294,865	741,374	-	-	165,602,562
Depreciable capital assets, net	49,929,815	(2,528,515)	42,763	4,195,600	-	51,554,137
Governmental activities capital assets, net	\$ 76,506,142	\$ 3,314,861	\$ 42,763	\$ -	\$ -	\$ 79,778,240

Parker County, Texas
Notes to Financial Statements

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

Governmental activities		
General government	\$	3,301,657
Roads and bridges		2,329,100
Public safety		26,438
Law enforcement		535,693
Judicial		83,092
Health and Welfare		10,072
Recording		8,813
		<hr/>
Total depreciation for governmental activities	\$	<u>6,294,865</u>

Note 7. Long-Term Debt and Capital Leases

Unlimited Tax Road Bonds

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, 2020 was \$17,015,000.

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, 2020 was \$35,515,000.

The County issued \$31,505,000 in unlimited tax road bonds in March of 2020 for the purpose of 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 2046. Interest is payable February 15 and August 15, at interest rates ranging from 3.5% to 3.75%. The outstanding balance at September 30, 2020 was \$31,505,000.

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, 2020 was \$51,510,000.

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, 2020 was \$1,260,000.

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, 2020 was \$6,145,000.

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 note is scheduled to mature in February of 2023. The outstanding balance at September 30, 2020 was \$1,425,000.

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

Year	Principal	Interest	Total
2021	\$ 4,345,000	\$ 6,442,681	\$ 10,787,681
2022	5,385,000	5,722,569	11,107,569
2023	5,720,000	5,503,406	11,223,406
2024	5,785,000	5,271,244	11,056,244
2025	6,145,000	5,025,339	11,170,339
2026-2030	35,820,000	20,704,875	56,524,875
2031-2035	39,305,000	12,660,550	51,965,550
2036-2040	24,765,000	6,320,131	31,085,131
2041-2045	15,185,000	1,581,006	16,766,006
2046	1,920,000	38,400	1,958,400
	\$ 144,375,000	\$ 69,270,201	\$ 213,645,201

Parker County, Texas
Notes to Financial Statements

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

	October 1, 2019	Additions	Retirements	September 30, 2020	Due Within One Year
General Obligation Refunding Bonds, Series 2014	\$ 7,270,000	\$ -	\$ 1,125,000	\$ 6,145,000	\$ 1,155,000
General Obligation Refunding Bonds, Series 2015	1,495,000	-	235,000	1,260,000	245,000
Unlimited Tax Road Bonds 2013	17,515,000	-	500,000	17,015,000	595,000
Tax Note, Series 2015	1,885,000	-	460,000	1,425,000	465,000
Unlimited Tax Refunding, Series 2016	53,155,000	-	1,645,000	51,510,000	1,700,000
Unlimited Tax Road Bonds 2017	35,515,000	-	-	35,515,000	185,000
Unlimited Tax Road Bonds 2020	-	31,505,000	-	31,505,000	-
Deferred premiums on issuance	10,237,581	5,154,663	823,349	14,568,895	823,349
Capital lease payable	3,495,713	1,042,695	687,891	3,850,517	710,361
Net pension liability	18,054,794	-	7,792,826	10,261,968	-
Total OPEB liability	1,000,625	342,417	-	1,343,042	-
Compensated absences	918,166	884,346	791,007	1,011,505	1,011,505
	<u>\$ 150,541,879</u>	<u>\$ 38,929,121</u>	<u>\$ 14,060,073</u>	<u>\$ 175,410,927</u>	<u>\$ 6,890,215</u>
Totals	<u>\$ 150,541,879</u>	<u>\$ 38,929,121</u>	<u>\$ 14,060,073</u>	<u>\$ 175,410,927</u>	<u>\$ 6,890,215</u>

Capital Leases Payable

Precinct One

The County entered into a capital lease agreement in December 2015 in the amount of \$226,162. The capital lease proceeds were used to purchase equipment by Precinct One (Fund 01). The balance of the lease was paid off during fiscal year 2020.

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 payment 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, 2020 was \$162,066.

The County entered into a capital lease agreement in April 2020 in the amount of \$104,774. The lease balance is payable in three successive annual payments of \$37,419 and a final of \$1, bearing interest at the rate of 3.53% per annum. The capital lease proceeds were used to purchase equipment by Precinct One (Fund 01). The balance as of September 30, 2020 was \$104,774.

Precinct Two

The County entered into a capital lease agreement in June 2015 in the amount of \$223,775. The capital lease proceeds were used to purchase equipment by Precinct Two (Fund 02). The balance of the lease was paid off during fiscal year 2020.

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, 2020 was \$80,078.

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, 2020 in the amount of \$1,718,586. 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, 2020 was \$847,092.

Election Equipment

The County entered into a capital lease agreement in October 2019 in the amount of \$937,921. The lease balance is payable in seven successive annual payments of \$152,192, bearing interest at the rate of 3.29% per annum. The capital lease proceeds were used to purchase election equipment for the elections department. The balance at September 30, 2020 was \$937,921.

The following is an analysis of equipment leased under capital leases as of September 30, 2020:

	Governmental Activities
	<hr/>
Equipment	\$ 5,793,595
Less accumulated depreciation	(2,127,125)
	<hr/>
Total	<u>\$ 3,666,470</u>

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

Scheduled minimum lease payments	\$ 4,400,855
Amount representing interest	(550,338)
	<hr/>
Present value of future minimum capital lease payments (principal payoff)	<u>\$ 3,850,517</u>

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

Year	Principal	Interest	Total
<hr/>	<hr/>	<hr/>	<hr/>
2021	\$ 710,361	\$ 141,015	\$ 851,376
2022	734,294	117,081	851,375
2023	717,042	92,338	809,380
2024	562,906	68,119	631,025
2025	264,934	47,482	312,416
2026-2029	860,980	84,303	945,283
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 3,850,517</u>	<u>\$ 550,338</u>	<u>\$ 4,400,855</u>

Parker County, Texas

Notes to Financial Statements

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 an annual comprehensive financial report on a calendar year basis. The annual comprehensive financial report 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 12.4% and 11.6% for the months of the calendar year 2020 and 2019, respectively.

The deposit rate payable by the employee members for calendar year 2020 and 2019 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, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2019
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, 2019 are summarized below:

<u>Asset Class</u>	<u>Target Allocation ⁽¹⁾</u>	<u>Geometric Real ⁽²⁾</u>
US Equities	14.50%	5.20%
Private Equities	20.00%	8.20%
Global Equities	2.50%	5.50%
International Equities - Developed	7.00%	5.20%
International Equities - Emerging	7.00%	5.70%
Investment - Grade Bonds	3.00%	-0.20%
Strategic Credit	12.00%	3.14%
Direct Lending	11.00%	7.16%
Distressed Debt	4.00%	6.90%
REIT Equities	3.00%	4.50%
Master Limited Partnerships (MLPs)	2.00%	8.40%
Private Real Estate Partnerships	6.00%	5.50%
Hedge Funds	8.00%	2.30%
Total	100.00%	

(1) Target asset allocation adopted at the June 2020 TCDRS Board meeting.

(2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.80%, per Cliffwater's 2020 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, 2019:

	1% Decrease in Discount Rate (7.10%)	Discount Rate (8.10%)	1% Increase in Discount Rate (9.10%)
Total pension liability	\$ 136,338,733	\$ 120,724,284	\$ 107,569,137
Fiduciary net pension	110,462,316	110,462,316	110,462,316
Net pension liability / (asset)	\$ 25,876,417	\$ 10,261,968	\$ (2,893,179)

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, 2020, the County reported \$10,261,968 for the net pension liability and pension expense of \$4,117,592 related to the December 31, 2019 valuation. The breakdown of the components of pension expense follows:

	<u>Pension Expense</u>	
Service cost	\$	3,361,530
Interest on total pension liability ⁽¹⁾		9,218,976
Administrative expenses		84,176
Member contributions		(1,893,924)
Expected investment return net of investment expenses		(7,680,096)
Recognition of deferred inflows/outflows of resources		
Recognition of economic/demographic gains or losses		130,961
Recognition of assumption changes or inputs		69,677
Recognition of investment gains or losses		849,809
Other ⁽²⁾		(23,517)
		<u> </u>
Pension expense	\$	<u>4,117,592</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, 2020, 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	\$ 436,861	\$ -
Change in assumption	69,678	-
Net difference between projected and actual investment earnings	-	2,597,144
Contributions subsequent to the measurement date	2,492,432	-
	<u> </u>	<u> </u>
Total	<u>\$ 2,998,971</u>	<u>\$ 2,597,144</u>

Parker County, Texas
Notes to Financial Statements

The \$2,492,432 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 31, 2020 (i.e. recognized in the County's financial statements for the year ended September 30, 2021). 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>
2020	\$ (322,180)
2021	(559,525)
2022	366,321
2023	<u>(1,575,221)</u>
Total	<u>\$ (2,090,605)</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, 2019, the date of the latest actuarial valuation, consists of the following:

Inactive employees currently receiving benefits	235
Inactive employees entitled to but not yet receiving benefits	109
Active employees	<u>474</u>
Total	<u>818</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, 2019 actuarial valuation was determined using the following actuarial assumptions. All actuarial assumptions that determined the total OPEB liability as of December 31, 2019 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

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

For the year ended September 30, 2020, the County recognized OPEB expense of \$111,388.

At September 30, 2020, 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
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 9,845	\$ 7,956
Changes of assumptions	255,616	73,280
Contributions made subsequent to measurement date	22,057	-
	<u> </u>	<u> </u>
Total	<u>\$ 287,518</u>	<u>\$ 81,236</u>

The \$22,057 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 31, 2020 (i.e. recognized in the County's financial statements for the year ended September 30, 2021). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31	Net deferred outflows (inflows) of resources
<u> </u>	<u> </u>
2020	\$ 41,458
2021	41,458
2022	41,458
2023	59,851
	<u> </u>
Total	<u>\$ 184,225</u>

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, 2020 amounted to \$252,132.

Note 13. Healthcare Coverage

During the year ended September 30, 2020, employees of the County 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 (the 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 of the County is liable to pay the additional claims.

Estimates of claims payable and of claims incurred but not reported at September 30, 2020, 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, 2020, the County had \$338,537 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 \$17,921,256 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, 2020, through June 29, 2021, the date which the financial statements were available to be issued.

In November 2020, the County issued \$15,729,412 in refunding bonds. Bond proceeds will be used to refund existing Unlimited Tax Road Bonds, Series 2013. 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 2038.

In April 2021, the County issued \$6,000,000 in tax notes for construction and renovation to buildings within the County. The notes will be payable from the levy and collection of ad valorem taxes. Principal payments are due in annual installments on February 15. Interest is due on February 15 and August 15 of each year. The notes are scheduled to mature in February of 2028.

In June 2021, the County received \$13,876,189 from the US Department of the Treasury under the American Rescue Plan Coronavirus State & Local Fiscal Recovery Funds.

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. Even though impact was minimal during the year ended September 30, 2020, management is assessing the impact on future years.

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Required Supplementary Information

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, 2020

	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service cost	\$ 3,361,530	\$ 3,271,658	\$ 3,393,141	\$ 3,460,575	\$ 2,887,467	\$ 2,748,729
Interest (on the total pension liability)	9,218,976	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	114,506	598,793	206,343	(395,797)	(487,692)	174,522
Benefit payments/refunds of contributions	(4,754,858)	(3,939,643)	(3,662,750)	(3,135,686)	(2,701,616)	(2,798,116)
Net Change in Total Pension Liability	7,940,154	8,487,398	8,134,014	7,151,872	6,674,924	6,283,426
Total Pension Liability - Beginning	112,784,129	104,296,731	96,162,717	89,010,845	82,335,921	76,052,495
Total Pension Liability - Ending (a)	\$ 120,724,283	\$ 112,784,129	\$ 104,296,731	\$ 96,162,717	\$ 89,010,845	\$ 82,335,921
Plan Fiduciary Net Position						
Contributions - Employer	\$ 3,098,369	\$ 2,905,299	\$ 2,672,957	\$ 2,576,021	\$ 2,557,388	\$ 2,317,316
Contributions - Employee	1,893,924	1,779,272	1,713,434	1,674,294	1,627,429	1,475,998
Investment income net of investment expenses	15,556,204	(1,776,522)	12,127,987	5,644,776	(1,089,605)	4,721,721
Benefit payments/refunds of contributions	(4,754,858)	(3,939,643)	(3,662,750)	(3,135,686)	(2,701,616)	(2,798,116)
Administrative expense	(84,176)	(76,087)	(63,714)	(61,520)	(54,895)	(56,458)
Other	23,517	31,476	9,097	(53,623)	34,155	(100,779)
Net Change in Plan Fiduciary Net Position	15,732,980	(1,076,205)	12,797,011	6,644,262	372,856	5,559,682
Plan Fiduciary Net Position - Beginning	94,729,335	95,805,540	83,008,529	76,364,267	75,991,412	70,431,730
Plan Fiduciary Net Position - Ending (b)	\$ 110,462,315	\$ 94,729,335	\$ 95,805,540	\$ 83,008,529	\$ 76,364,268	\$ 75,991,412
Net Pension Liability - Ending (a) - (b)	\$ 10,261,968	\$ 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	91.50%	83.99%	91.86%	86.32%	85.79%	92.29%
Covered Employee Payroll	\$ 27,552,641	\$ 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	37.24%	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 six 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, 2020

	Year Ended December 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 3,098,369	\$ 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
Contributions in relation to the actuarially determined contribution	3,098,369	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
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 26,756,214	\$ 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
Contributions as a percentage of covered-employee payroll	11.6%	11.4%	10.9%	10.8%	11.0%	11.0%	10.5%	9.9%	11.1%	10.8%

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	12.8 years (based on contribution rate calculated in 12/31/19 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 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule 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. 2019: 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, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 28,288	\$ 33,924	\$ 33,002
Interest (on the total OPEB liability)	41,642	38,051	38,075
Effect of plan changes	-	-	-
Effect of assumption changes or inputs	286,937	(122,132)	52,130
Effect of economic/demographic (gains) or losses	12,306	(9,889)	(4,045)
Benefit payments/refunds of contributions	(26,756)	(22,876)	(19,582)
Net Change in Total OPEB Liability	<u>342,417</u>	<u>(82,922)</u>	<u>99,580</u>
Total OPEB Liability - Beginning	<u>1,000,625</u>	<u>1,083,547</u>	<u>983,967</u>
Total OPEB Liability - Ending (a)	<u>\$ 1,343,042</u>	<u>\$ 1,000,625</u>	<u>\$ 1,083,547</u>
Covered Employee Payroll	\$ 26,756,214	\$ 25,418,178	\$ 24,477,626
Total OPEB Liability as a Percentage of Covered Employee Payroll	5.02%	3.94%	4.43%

Notes to Schedule:

As of December 31 - Measurement date

Only three 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 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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Property taxes	\$ 31,373,633	\$ 31,373,633	\$ 31,519,093	\$ 145,460
Sales taxes	8,750,000	8,750,000	11,065,545	2,315,545
Intergovernmental	2,664,747	2,704,866	3,578,296	873,430
Fees of office	5,948,600	5,949,860	6,823,584	873,724
Interest	451,600	451,600	384,542	(67,058)
Royalties	15,000	15,000	31,530	16,530
Miscellaneous	538,110	538,110	996,206	458,096
Total revenues	49,741,690	49,783,069	54,398,796	4,615,727
EXPENDITURES				
General government				
Commissioners' court	102,500	102,500	79,761	22,739
County judge	408,166	408,166	333,230	74,936
Veterans' service officer	76,292	76,292	70,494	5,798
Non-departmental	3,570,340	3,526,839	2,719,050	807,789
Employee benefits	205,073	205,073	203,764	1,309
Election expenses	810,209	810,209	680,018	130,191
County auditor	656,523	656,523	645,457	11,066
County treasurer	345,862	345,862	345,579	283
Building and grounds	1,807,509	1,747,509	1,502,517	244,992
Purchasing administration	332,071	332,071	324,028	8,043
Information technology	1,042,510	1,042,510	931,499	111,011
Social services	236,727	236,727	238,102	(1,375)
County extension services	369,585	369,585	347,011	22,574
Total general government	9,963,367	9,859,866	8,420,510	1,439,356
Public safety				
Emergency management	255,231	271,731	134,340	137,391
Fire protection	349,510	286,010	216,279	69,731
Total public safety	604,741	557,741	350,619	207,122
Law enforcement				
Jail	8,919,928	8,919,728	8,556,292	363,436
Constable #1	228,781	293,237	282,534	10,703
Constable #2	269,235	335,799	319,831	15,968
Constable #3	240,366	241,866	229,908	11,958
Constable #4	231,311	231,311	207,922	23,389
Sheriff administration	11,367,532	11,262,075	11,029,879	232,196
Sheriff investigation	120,089	114,932	93,548	21,384
Sheriff dispatching	8,500	9,100	6,222	2,878
Sheriff patrol	422,620	419,298	395,201	24,097
Training division	40,144	41,404	29,145	12,259
Jail transfer	118,741	123,741	59,969	63,772
Narcotics task force	120,720	120,220	113,252	6,968
Game warden	1,797	1,797	1,118	679
Animal control	516,579	518,735	549,302	(30,567)
Highway patrol (North)	61,600	61,600	61,856	(256)
Highway patrol (South)	76,383	76,383	70,176	6,207
Total law enforcement	22,744,326	22,771,226	22,006,155	765,071

Parker County, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
General Fund – Continued
Year Ended September 30, 2020

Exhibit B-1
Page 2 of 2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Judicial				
District court 43rd	1,013,769	1,013,769	856,326	157,443
District court 415th	1,046,917	1,046,917	839,337	207,580
County court-at-law #1	1,080,316	1,080,316	877,223	203,093
County court-at-law #2	1,010,865	1,008,345	884,892	123,453
Justice of the peace #1	432,855	432,855	427,521	5,334
Justice of the peace #2	526,147	526,147	506,774	19,373
Justice of the peace #3	579,753	579,753	553,455	26,298
Justice of the peace #4	492,230	492,230	495,973	(3,743)
County attorney	2,639,038	2,660,538	2,537,137	123,401
District attorney	1,789,824	1,789,824	1,633,535	156,289
Adult probation	10,000	10,000	4,788	5,212
Probate	145,395	145,395	105,691	39,704
Juvenile probation	940,137	932,018	653,509	278,509
Total judicial	11,707,246	11,718,107	10,376,161	1,341,946
Health and welfare				
Medical examiner-investigator	302,460	302,460	274,783	27,677
911 addressing	68,747	68,747	67,915	832
Sanitations	441,698	441,698	411,450	30,248
Total health and welfare	812,905	812,905	754,148	58,757
Recording				
County clerk	633,833	633,833	606,681	27,152
County clerk court division	1,016,297	1,016,297	962,705	53,592
District clerk	1,162,605	1,162,605	1,097,655	64,950
Total recording	2,812,735	2,812,735	2,667,041	145,694
Tax assessing-collecting	1,223,915	1,223,915	1,182,519	41,396
Total tax assessing-collecting	1,223,915	1,223,915	1,182,519	41,396
Capital outlay	1,859,963	2,014,082	2,333,453	(319,371)
Total capital outlay	1,859,963	2,014,082	2,333,453	(319,371)
Debt service				
Principal	453,533	453,533	453,533	-
Interest	121,842	121,842	121,842	-
Total debt service	575,375	575,375	575,375	-
Total expenditures	52,304,573	52,345,952	48,665,981	3,679,971
Excess (deficiency) of revenues over (under) expenditures	(2,562,883)	(2,562,883)	5,732,815	8,295,698
OTHER FINANCING SOURCES				
Operating transfers in	58,063	58,063	58,063	-
Operating transfers out	(444,921)	(444,921)	(433,461)	11,460
Proceeds on sale of assets	15,000	15,000	12,735	(2,265)
Proceeds from capital lease	-	-	937,921	937,921
Total other financing sources	(371,858)	(371,858)	575,258	947,116
Net changes in fund balances	(2,934,741)	(2,934,741)	6,308,073	9,242,814
FUND BALANCES, October 1	19,108,727	19,108,727	19,108,727	-
FUND BALANCES, September 30	\$ 16,173,986	\$ 16,173,986	\$ 25,416,800	\$ 9,242,814

Parker County, Texas
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual
 Lateral Road Fund
 Year Ended September 30, 2020

Exhibit B-2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 11,007,448	\$ 11,007,448	\$ 11,089,866	\$ 82,418
Intergovernmental	123,500	147,760	223,921	76,161
Fees of office	1,918,000	1,918,000	1,955,361	37,361
Fines and forfeitures	280,000	280,000	298,160	18,160
Interest	160,000	160,000	142,898	(17,102)
Miscellaneous	6,000	6,000	23,300	17,300
Total revenues	13,494,948	13,519,208	13,733,506	214,298
EXPENDITURES				
Roads and bridges				
General	625,120	50,290	50,341	(51)
Precinct 1	2,710,520	2,578,677	2,149,956	428,721
Precinct 2	2,567,665	2,466,643	2,071,127	395,516
Precinct 3	2,779,456	2,809,456	2,327,772	481,684
Precinct 4	2,135,077	2,245,765	1,889,628	356,137
Total roads and bridges	10,817,838	10,150,831	8,488,824	1,662,007
Capital outlay				
Precinct 1	817,544	1,093,094	1,175,567	(82,473)
Precinct 2	996,832	1,172,265	876,209	296,056
Precinct 3	2,166,080	2,279,788	1,358,550	921,238
Precinct 4	1,323,714	1,380,993	960,133	420,860
Total capital outlay	5,304,170	5,926,140	4,370,459	1,555,681
Debt service				
Precinct 1	105,293	105,293	104,952	341
Precinct 2	35,655	104,952	104,928	24
Precinct 4	41,997	41,997	41,995	2
Total debt service	182,945	252,242	251,875	367
Total expenditures	16,304,953	16,329,213	13,111,158	3,218,055
Excess (deficiency) of revenues over (under) expenditures	(2,810,005)	(2,810,005)	622,348	3,432,353
OTHER FINANCING SOURCES				
Proceeds on sale of assets	3,500	3,500	68,146	64,646
Proceeds from capital lease	-	-	104,774	104,774
Total other financing sources	3,500	3,500	172,920	169,420
NET CHANGE IN FUND BALANCES	(2,806,505)	(2,806,505)	795,268	3,601,773
FUND BALANCES, October 1	8,653,982	8,653,982	8,653,982	-
FUND BALANCES, September 30	\$ 5,847,477	\$ 5,847,477	\$ 9,449,250	\$ 3,601,773

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Supplementary Information

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 Evidence Fund - Monies not returned to the defendant held for use by the Sheriff in drug enforcement activities.

Sheriff's Forfeiture Fund - 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 that can be used for Dispute Resolution court cases.

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.

Child Abuse Prevention Fund - To account for the collection of fines by the County and District Clerks in certain criminal cases. The monies are to be used only to fund child abuse prevention programs in the County.

Specialty Court Fund - To account for specialty court programs established under Subtitle K, Title 2, Government Code.

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

Parker County, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2020

	Special Revenue Funds				
	Historical Commission	Estray	Abandoned Vehicle	Courthouse Security	Voter Registration
ASSETS					
Cash	\$ 611	\$ 4,666	\$ 3,206	\$ 20,054	\$ 2,681
Investments	104,561	34,824	23,931	149,675	10,102
Receivables:					
Intergovernmental	-	-	-	-	13,156
Other	-	-	-	1,947	-
Total assets	\$ 105,172	\$ 39,490	\$ 27,137	\$ 171,676	\$ 25,939
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 557	\$ -	\$ 396	\$ 3,712
Accrued salaries and benefits payable	-	-	-	3,236	-
Due to other governmental entities	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total liabilities	-	557	-	3,632	3,712
Fund balances:					
Restricted for state and federal programs	-	38,933	27,137	168,044	22,227
Committed for state and special programs	105,172	-	-	-	-
Total fund balances	105,172	38,933	27,137	168,044	22,227
Total liabilities and fund balances	\$ 105,172	\$ 39,490	\$ 27,137	\$ 171,676	\$ 25,939

Special Revenue Funds

Sheriff's Forfeiture Federal Share	Contract Elections	Pre-Trial Intervention	Sheriff's Evidence	Sheriff's Forfeiture	LEOSE	District Attorney State Supplement	Special District Attorney	Special County Attorney	District Attorney Awarded
\$ 87,374	\$ 16,586	\$ 7,698	\$ 1,225	\$ 14,360	\$ 1,530	\$ -	\$ 2,718	\$ 1,129	\$ 35,772
21,544	123,789	57,458	9,140	36,936	11,420	-	20,285	8,429	211,966
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	7,500	-	-	-
<u>\$ 108,918</u>	<u>\$ 140,375</u>	<u>\$ 65,156</u>	<u>\$ 10,365</u>	<u>\$ 51,296</u>	<u>\$ 12,950</u>	<u>\$ 7,500</u>	<u>\$ 23,003</u>	<u>\$ 9,558</u>	<u>\$ 247,738</u>
\$ 435	\$ 292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44	\$ -
-	-	-	-	-	-	1,481	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
435	292	-	-	-	-	1,481	-	44	-
108,483	140,083	65,156	10,365	51,296	12,950	6,019	23,003	9,514	247,738
-	-	-	-	-	-	-	-	-	-
108,483	140,083	65,156	10,365	51,296	12,950	6,019	23,003	9,514	247,738
<u>\$ 108,918</u>	<u>\$ 140,375</u>	<u>\$ 65,156</u>	<u>\$ 10,365</u>	<u>\$ 51,296</u>	<u>\$ 12,950</u>	<u>\$ 7,500</u>	<u>\$ 23,003</u>	<u>\$ 9,558</u>	<u>\$ 247,738</u>

Parker County, Texas
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
September 30, 2020

	Special Revenue Funds						
	Justice Technology Fund	Law Library	Road and Bridge Escrow	Juvenile Probation Fees and Grant	Adult Probation Bond Fund	District Court Records Technology	Justice Court Security
ASSETS							
Cash	\$ 63,036	\$ 41,031	\$ 57,033	\$ 95,052	\$ 7,889	\$ 16,408	\$ 16,784
Investments	470,479	306,246	425,676	709,435	58,884	122,466	125,271
Receivables:							
Intergovernmental	-	-	-	13,739	-	-	-
Other	308	2,984	-	-	-	2,240	96
Total assets	\$ 533,823	\$ 350,261	\$ 482,709	\$ 818,226	\$ 66,773	\$ 141,114	\$ 142,151
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 668	\$ 3,849	\$ -	\$ 32,912	\$ -	\$ -	\$ -
Accrued salaries and benefits payable	-	169	-	37,904	-	-	1,493
Due to other governmental entities	-	-	482,709	-	-	-	-
Unearned Revenue	-	-	-	145,996	-	-	-
Total liabilities	668	4,018	482,709	216,812	-	-	1,493
Fund balances:							
Restricted for state and federal programs	533,155	346,243	-	601,414	66,773	141,114	140,658
Committed for state and special programs	-	-	-	-	-	-	-
Total fund balances	533,155	346,243	-	601,414	66,773	141,114	140,658
Total liabilities and fund balances	\$ 533,823	\$ 350,261	\$ 482,709	\$ 818,226	\$ 66,773	\$ 141,114	\$ 142,151

Special Revenue Funds												
County/ District Technology	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	Child Abuse Prevention	Specialty Court	Other Grant Funds	Total Non-major Governmental Funds
\$ 4,408	\$ 177,997	\$ 2,729	\$ 51,621	\$ 15,082	\$ 44,090	\$ 36,699	\$ 30,764	\$ 79,881	\$ 72	\$ 552	\$ 79,863	\$ 1,020,601
32,896	1,328,515	20,372	385,286	112,566	329,075	273,908	229,614	596,205	538	4,119	597,204	6,952,815
-	-	-	-	-	-	-	-	-	-	-	6,835	33,730
255	2,070	17	2,799	1,226	2,130	1,492	1,998	2,140	-	620	4,590	34,412
\$ 37,559	\$ 1,508,582	\$ 23,118	\$ 439,706	\$ 128,874	\$ 375,295	\$ 312,099	\$ 262,376	\$ 678,226	\$ 610	\$ 5,291	\$ 688,492	\$ 8,041,558
\$ -	\$ 13	\$ -	\$ -	\$ -	\$ 235	\$ -	\$ -	\$ 1,513	\$ -	\$ -	\$ 52,392	\$ 97,018
-	3,475	-	-	-	-	-	-	3,341	-	-	-	51,099
-	-	-	-	-	-	-	-	-	-	-	-	482,709
-	-	-	-	-	-	-	-	-	-	-	566,532	712,528
-	3,488	-	-	-	235	-	-	4,854	-	-	618,924	1,343,354
37,559	1,505,094	23,118	439,706	128,874	375,060	312,099	262,376	673,372	610	5,291	69,568	6,593,032
-	-	-	-	-	-	-	-	-	-	-	-	105,172
37,559	1,505,094	23,118	439,706	128,874	375,060	312,099	262,376	673,372	610	5,291	69,568	6,698,204
\$ 37,559	\$ 1,508,582	\$ 23,118	\$ 439,706	\$ 128,874	\$ 375,295	\$ 312,099	\$ 262,376	\$ 678,226	\$ 610	\$ 5,291	\$ 688,492	\$ 8,041,558

Parker County, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Nonmajor Governmental Funds Year Ended September 30, 2020

	Special Revenue Funds					Sheriff's
	Historical Commission	Estray	Abandoned Vehicle	Courthouse Security	Voter Registration	Forfeiture Federal Share
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 40,888	\$ 13,515
Fees of office	-	-	-	103,403	-	-
Interest	75	-	-	-	-	211
Miscellaneous	-	19,080	-	-	-	-
Total revenues	75	19,080	-	103,403	40,888	13,726
EXPENDITURES						
Current						
General government	2,001	-	-	-	40,888	-
Public safety	-	-	-	68,529	-	-
Law enforcement	-	7,922	-	-	-	8,569
Judicial	-	-	-	-	-	-
Recording	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-
Total expenditures	2,001	7,922	-	68,529	40,888	8,569
Excess (deficiency) of revenues						
Net changes in fund balances	(1,926)	11,158	-	34,874	-	5,157
OTHER FINANCING SOURCES (USES)						
Operating transfers out	-	(58,063)	-	-	-	-
Total financing other sources (uses)	-	(58,063)	-	-	-	-
NET CHANGES IN FUND BALANCES	(1,926)	(46,905)	-	34,874	-	5,157
Fund balances - beginning of year	107,098	85,838	27,137	133,170	22,227	103,326
Fund balances - end of year	\$ 105,172	\$ 38,933	\$ 27,137	\$ 168,044	\$ 22,227	\$ 108,483

Special Revenue Funds										
Contract Elections	Pre-Trial Intervention	Sheriff's Evidence	Sheriff's Forfeiture	LEOSE	District Attorney State Supplement	Special District Attorney	Special County Attorney	District Attorney Awarded	Justice Technology Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,500	\$ -	\$ -	\$ -	\$ -	
110,925	4,672	-	-	3,871	-	525	2,952	-	47,925	
-	-	-	25	-	-	289	118	2,718	-	
-	-	-	44,120	-	-	-	-	42,297	-	
110,925	4,672	-	44,145	3,871	22,500	814	3,070	45,015	47,925	
105,191	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
-	-	-	11,596	568	-	-	-	-	-	
-	-	-	-	-	22,849	-	1,933	13,528	24,845	
-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
105,191	-	-	11,596	568	22,849	-	1,933	13,528	24,845	
5,734	4,672	-	32,549	3,303	(349)	814	1,137	31,487	23,080	
-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
5,734	4,672	-	32,549	3,303	(349)	814	1,137	31,487	23,080	
134,349	60,484	10,365	18,747	9,647	6,368	22,189	8,377	216,251	510,075	
\$ 140,083	\$ 65,156	\$ 10,365	\$ 51,296	\$ 12,950	\$ 6,019	\$ 23,003	\$ 9,514	\$ 247,738	\$ 533,155	

Parker County, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Governmental Funds – Continued
Year Ended September 30, 2020

	Special Revenue Funds						
	Law Library	Road and Bridge Escrow	Juvenile Probation Fees and Grant	Adult Probation Bond Fund	District Court Records Technology	Justice Court Security	County/ District Technology
REVENUES							
Intergovernmental	\$ -	\$ -	\$ 1,226,938	\$ -	\$ -	\$ -	\$ -
Fees of office	43,334	-	41,186	140,606	17,580	14,028	3,811
Interest	-	-	-	696	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	43,334	-	1,268,124	141,302	17,580	14,028	3,811
EXPENDITURES							
Current							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-
Judicial	25,917	-	1,002,559	127,520	-	12,864	-
Recording	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	25,917	-	1,002,559	127,520	-	12,864	-
Excess (deficiency) of revenues							
Net changes in fund balances	17,417	-	265,565	13,782	17,580	1,164	3,811
OTHER FINANCING SOURCES (USES)							
Operating transfers out	-	-	-	-	-	-	-
Total financing other sources (uses)	-	-	-	-	-	-	-
NET CHANGES IN FUND BALANCES	17,417	-	265,565	13,782	17,580	1,164	3,811
Fund balances - beginning of year	328,826	-	335,849	52,991	123,534	139,494	33,748
Fund balances - end of year	\$ 346,243	\$ -	\$ 601,414	\$ 66,773	\$ 141,114	\$ 140,658	\$ 37,559

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	Child Abuse Prevention	Specialty Court Fund	Other Grant Funds	Total Non-major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 523,269	\$ 1,827,110
417,230	6,345	42,581	9,787	27,520	21,961	26,778	420,197	610	5,291	8,642	1,521,760
21,275	-	-	-	-	-	-	8,192	-	-	8	33,607
-	-	-	-	-	-	-	-	-	-	-	105,497
438,505	6,345	42,581	9,787	27,520	21,961	26,778	428,389	610	5,291	531,919	3,487,974
-	-	-	-	11,299	-	-	-	-	-	47,627	207,006
-	-	-	-	-	-	-	-	-	-	396,858	465,387
-	-	-	-	-	-	-	-	-	-	-	28,655
-	-	-	-	-	-	-	-	-	-	46,876	1,278,891
540,287	20,000	-	2,365	-	-	-	314,393	-	-	-	877,045
-	-	-	11,240	-	-	-	-	-	-	45,741	56,981
540,287	20,000	-	13,605	11,299	-	-	314,393	-	-	537,102	2,913,965
(101,782)	(13,655)	42,581	(3,818)	16,221	21,961	26,778	113,996	610	5,291	(5,183)	574,009
-	-	-	-	-	-	-	-	-	-	-	(58,063)
-	-	-	-	-	-	-	-	-	-	-	(58,063)
(101,782)	(13,655)	42,581	(3,818)	16,221	21,961	26,778	113,996	610	5,291	(5,183)	515,946
1,606,876	36,773	397,125	132,692	358,839	290,138	235,598	559,376	-	-	74,751	6,182,258
\$ 1,505,094	\$ 23,118	\$ 439,706	\$ 128,874	\$ 375,060	\$ 312,099	\$ 262,376	\$ 673,372	\$ 610	\$ 5,291	\$ 69,568	\$ 6,698,204

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.

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, 2020

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	\$ 6,730	\$ 445,952	\$ 963,893	\$ 47,146	\$ 1,138	\$ 461,541	\$ 72,813
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 6,730</u>	<u>\$ 445,952</u>	<u>\$ 963,893</u>	<u>\$ 47,146</u>	<u>\$ 1,138</u>	<u>\$ 461,541</u>	<u>\$ 72,813</u>
LIABILITIES							
Deposits held and due to others	<u>\$ 6,730</u>	<u>\$ 445,952</u>	<u>\$ 963,893</u>	<u>\$ 47,146</u>	<u>\$ 1,138</u>	<u>\$ 461,541</u>	<u>\$ 72,813</u>
Total liabilities	<u>\$ 6,730</u>	<u>\$ 445,952</u>	<u>\$ 963,893</u>	<u>\$ 47,146</u>	<u>\$ 1,138</u>	<u>\$ 461,541</u>	<u>\$ 72,813</u>

Parker County, Texas

Combining Statement of Fiduciary Assets and Liabilities –
 Agency Funds – Continued
 September 30, 2020

	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 Office Inmate Trust Account	County Jail Commissary Fund
ASSETS							
Cash	\$ 472,263	\$ 1,175,115	\$ 159,307	\$ 1,110,677	\$ 184,257	\$ 59,171	\$ 109,213
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 472,263</u>	<u>\$ 1,175,115</u>	<u>\$ 159,307</u>	<u>\$ 1,110,677</u>	<u>\$ 184,257</u>	<u>\$ 59,171</u>	<u>\$ 109,213</u>
LIABILITIES							
Deposits held and due to others	<u>\$ 472,263</u>	<u>\$ 1,175,115</u>	<u>\$ 159,307</u>	<u>\$ 1,110,677</u>	<u>\$ 184,257</u>	<u>\$ 59,171</u>	<u>\$ 109,213</u>
Total liabilities	<u>\$ 472,263</u>	<u>\$ 1,175,115</u>	<u>\$ 159,307</u>	<u>\$ 1,110,677</u>	<u>\$ 184,257</u>	<u>\$ 59,171</u>	<u>\$ 109,213</u>

Parker County, Texas

Combining Statement of Fiduciary Assets and Liabilities –
 Agency Funds – Continued
 September 30, 2020

Exhibit C-4

Page 3 of 3

	Adult Probation Fund	V.I.T Interest Account	District Attorney Trust Account	County Clerk's Probate Fund	Juvenile Probation Restitution Account	Total Agency Funds
ASSETS						
Cash	\$ 80,779	\$ 42,932	\$ 118,599	\$ 45,069	\$ 4,671	\$ 5,561,266
Investments	602,912	-	-	-	-	602,912
Accounts receivable	166	-	-	-	-	166
	<hr/>					
Total assets	\$ 683,857	\$ 42,932	\$ 118,599	\$ 45,069	\$ 4,671	\$ 6,164,344
<hr/>						
LIABILITIES						
Deposits held and due to others	\$ 683,857	\$ 42,932	\$ 118,599	\$ 45,069	\$ 4,671	\$ 6,164,344
	<hr/>					
Total liabilities	\$ 683,857	\$ 42,932	\$ 118,599	\$ 45,069	\$ 4,671	\$ 6,164,344
	<hr/>					