

JACKSON COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

September 30, 2020

Jackson County, Texas
Annual Financial Report
For the Fiscal Year Ended September 30, 2020

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Judge and Commissioner's Court
Jackson County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Jackson County, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Jackson County, Texas' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Jackson County, Texas, as of September 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Road and Bridge Fund, and the Coastal Impact Assistance Fund 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 and the Employee Retirement System Information on pages 3–11 and 79-83 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jackson County, Texas' basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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 and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 26, 2021, on our consideration of Jackson County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jackson County, Texas' 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 Jackson County, Texas' internal control over financial reporting and compliance.

Beyer & Co.

BEYER & COMPANY
Certified Public Accountants
July 26, 2021

Management's Discussion and Analysis

As management of Jackson County, Texas, we offer readers of Jackson County, Texas' financial statements this narrative overview and analysis of the financial activities of Jackson County, Texas for the fiscal year ended September 30, 2020.

Financial Highlights

- . The assets of Jackson County, Texas exceeded its liabilities at the close of the most recent fiscal year by \$16,119,791 (net position). Of this amount, \$4,480,738 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- . The government's total net position increased by \$1,835,648. This increase is attributable to an increase in ad valorem taxes of \$488,751, an increase in Operating Grants and Contributions of \$1,022,307, and careful budget management.
- . As of the close of the current fiscal year, Jackson County, Texas' governmental funds reported combined ending fund balances of \$9,098,930, an increase of \$1,726,628 in comparison with the prior year. Approximately 58% of this total amount, \$5,267,420 is available for spending at the government's discretion (unassigned fund balance).
- . At the end of the current fiscal year, the unassigned fund balance for the general fund was \$5,275,070, or 60 percent of total general fund expenditures, the restricted fund balance for the road and bridge fund was \$717,108, or 28 percent of total road and bridge fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Jackson County, Texas' basic financial statements. Jackson County, Texas' basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of Jackson County, Texas' finances, in a manner like a private-sector business.

The statement of net position presents information on all of Jackson County, Texas' assets, and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Jackson County, Texas is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The government-wide financial statements distinguish functions of Jackson County, Texas that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Jackson County, Texas include general administration, public safety, environmental protection, public transportation, health and welfare, public facilities, legal, elections, financial administration, conservation, capital projects, and culture and recreation. The business-type activities of Jackson County, Texas include an airport fund, and a commissary fund.

The government-wide financial statements include only Jackson County, Texas itself (known as the primary government).

The government-wide financial statements can be found on pages 12-13 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. Jackson County, Texas, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on 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 a government'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 this comparison between governmental funds and governmental activities.

Jackson County, Texas maintains thirty-six (36) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road and Bridge Fund, and the Coastal Impact Assistance Fund, all of which are major funds. Data from the other twenty-seven (27) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Jackson County, Texas adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund, road and bridge fund, the coastal impact assistance fund and all the other special revenue funds for which budgets were adopted.

The basic governmental fund financial statements can be found on pages 14-21 of this report. The basic proprietary fund financial statements can be found on pages 22-25 of this report.

Jackson County, Texas also has three agency funds and one trust fund presented in this report. Such funds are not included in the county wide statement but are shown separately on pages 26-27.

Notes to the financial statements:

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-78 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Jackson County, Texas' progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 79-83 of this report.

The combining statements referred to earlier in connection with the general fund, the major road and bridge funds, the non-major governmental funds, and the non-major proprietary funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 84-105 of this report. The budget comparison schedules in connection with the non-major governmental funds can be found on pages 106-127 of this report.

The single audit section can be found on pages 128-137 of this report.

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 Jackson County, Texas, assets exceeded liabilities by \$16,119,791 at the close of the most recent fiscal year.

A large portion of Jackson County, Texas' net position (50 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment); less any related debt used to acquire those assets that are still outstanding. Jackson County, Texas uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Jackson County, Texas' 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.

JACKSON COUNTY, TEXAS NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$11,480,283	\$9,079,151	\$149,551	\$30,361	\$11,629,834	\$9,109,512
Capital Assets	7,141,312	7,600,822	883,196	776,852	8,024,508	8,377,674
Total Assets	18,621,595	16,679,973	1,032,747	807,213	19,654,342	17,487,186
Total Deferred Outflows of Resources	729,193	2,120,144			729,193	2,120,144
Long-Term Liabilities	2,881,759	4,928,408			2,881,759	4,928,408
Other Liabilities	522,846	391,789	1,797	2,990	524,643	394,779
Total Liabilities	3,404,605	5,320,197	1,797	2,990	3,406,402	5,323,187
Total Deferred Inflows of Resources	857,342				857,342	0
Net Assets						
Invested in Capital Assets, Net of Related Debt	7,106,402	7,532,016	883,196	776,852	7,989,598	8,308,868
Restricted	3,649,455	1,697,890			3,649,455	1,697,890
Unrestricted	4,332,984	4,250,014	147,754	27,371	4,480,738	4,277,385
Total Net Assets	\$15,088,841	\$13,479,920	\$1,030,950	\$804,223	\$16,119,791	\$14,284,143

An additional portion of Jackson County, Texas' net position (23 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$4,480,738 may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, Jackson County, Texas reported a positive balance in the governmental and business activities. For the prior fiscal year, Jackson County, Texas reported positive balances in net position, for the government, as well as for its separate governmental and business activities.

The government's total net position increased by \$1,835,648. This increase is attributable an increase in ad valorem taxes of \$488,751, an increase in Operating Grants and Contributions of \$1,022,307, and careful budget management.

There was an increase of \$1,951,565 in restricted net position reported in connection with Jackson County, Texas' government-type activities. This increase is mainly due to an increase in Permanent Improvements of \$944,535, an increase in the Coastal Impact Assistance fund of \$508,218, and an increase in Public Safety of \$590,913.

**JACKSON COUNTY, TEXAS
CHANGE IN NET POSITION**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues						
Charges for Services	\$2,095,691	\$1,910,370	\$16,582	\$22,517	\$2,112,273	\$1,932,887
Operating Grants and Contributions	1,990,275	967,968			1,990,275	967,968
Capital Grants and Contributions	(22,310)		157,819	17,400	135,509	17,400
General Revenues						
Maintenance and Operations Taxes	9,877,040	9,388,289			9,877,040	9,388,289
Sales Tax	1,293,667	1,641,290			1,293,667	1,641,290
Other Taxes	40,757	49,904			40,757	49,904
Unrestricted Investment Earnings	127,955	210,362	1,744	951	129,699	211,313
Miscellaneous	420,897	303,739			420,897	303,739
Total Revenue	15,823,972	14,471,922	176,145	40,868	16,000,117	14,512,790
Expenses:						
General Administration	1,619,668	1,562,688			1,619,668	1,562,688
Judicial	1,501,840	1,456,073			1,501,840	1,456,073
Legal	6,655	7,661			6,655	7,661
Financial Administration	996,264	969,194			996,264	969,194
Public Facilities	859,506	593,988			859,506	593,988
Public Safety	4,030,804	4,239,387	7,282	5,635	4,038,086	4,245,022
Public Transportation	2,926,522	3,121,314			2,926,522	3,121,314
Environmental Protections	1,673,909	1,697,789			1,673,909	1,697,789
Culture and Recreation	291,432	291,851	77,270	94,428	368,702	386,279
Health and Welfare	77,241	97,916			77,241	97,916
Conservation - Agriculture	94,018	91,350			94,018	91,350
Interest and Fiscal Charges	2,058	3,041			2,058	3,041
Total Expenses	14,079,917	14,132,252	84,552	100,063	14,164,469	14,232,315
Increase in Net Position Before Transfers and Special Items	1,744,055	339,670	91,593	(59,195)	1,835,648	280,475
Transfers	(135,134)	(37,495)	135,134	37,495	0	0
Increase in Net Position	1,608,921	302,175	226,727	(21,700)	1,835,648	280,475
Net Position at 9/30/2019 - Restated	13,479,920	13,177,745	804,223	825,923	14,284,143	14,003,668
Net Position at 9/30/2020	\$15,088,841	\$13,479,920	\$1,030,950	\$804,223	\$16,119,791	\$14,284,143

Governmental activities increased Jackson County, Texas' net position by \$1,608,921, thereby accounting for 88 percent of the total increase in the net position of Jackson County, Texas. This increase is attributable to an increase in ad valorem taxes of \$488,751, an increase in Operating Grants and Contributions of \$1,022,307, and careful budget management.

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Government Activities:				
General Administration	\$1,619,668	\$438,485	\$22,210	
Judicial	1,501,840	547,703	30,249	
Legal	6,655	769		
Financial Administration	996,264	215,108		
Public Facilities	859,506			(22,310)
Public Safety	4,030,804	103,042	961,423	
Public Transportation	2,926,522	621,815	23,326	
Environmental Protections	1,673,909	166,526		
Culture and Recreation	291,432	2,243	320,706	
Health and Welfare	77,241		632,361	
Conservation - Agriculture	94,018			
Interest and Fiscal Charges	2,058			
Total Government Activities	\$14,079,917	\$2,095,691	\$1,990,275	(\$22,310)

Revenues by Source - Governmental Activities

	<u>REVENUES</u>	<u>%</u>
Charges for Services	\$2,095,691	13.24%
Operating Grants and Contributions	1,990,275	12.58%
Capital Grants and Contributions	(22,310)	-0.14%
Maintenance and Operations Taxes	9,877,040	62.42%
Sales Tax	1,293,667	8.18%
Other Taxes	40,757	0.26%
Unrestricted Investment Earnings	127,955	0.80%
Miscellaneous	420,897	2.66%
	<u>\$15,823,972</u>	<u>100.00%</u>

Business-Type Activities:

Business-type activities (commissary and airport fund) increased the County’s net position by \$226,727. This increase is attributable to an increase in Capital Grants and Contributions of \$140,419 and careful budget management.

Expenses and Program Revenues - Business Activities

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Business-Type Activities:				
Airport	\$77,270	\$5,744		\$157,819
Jail Commissary	7,282	10,838		
Total Business-Type Activities:	<u>\$84,552</u>	<u>\$16,582</u>	<u>\$0</u>	<u>\$157,819</u>

Revenues by Source - Business-Type Activities

	<u>REVENUES</u>	<u>%</u>
Charges for Services	\$16,582	9.41%
Capital Grants and Contributions	157,819	89.60%
Unrestricted Investment Earnings	1,744	0.99%
	<u>\$176,145</u>	<u>100.00%</u>

Business-type activities:

Business-type activities increased the County’s net position by \$226,727.

- Demand for services for business-type activities decreased by \$5,935.
- Total grant proceeds increased by \$140,419.
- Total expenses decreased by \$15,511.

Financial Analysis of the Government's Funds

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

Governmental funds:

The focus of Jackson County, Texas' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Jackson County, Texas' financing requirements. 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, Jackson County, Texas' governmental funds reported combined ending fund balances of \$9,098,930, an increase of \$1,726,628 in comparison with the prior year. Approximately 58 percent of this total amount (\$5,267,420) constitutes unassigned fund balance, which is available for spending at the government's discretion.

The general fund is the chief operating fund of Jackson County, Texas. At the end of the current fiscal year, unassigned fund balance of the general fund was \$5,275,070, while total fund balance reached \$6,442,686. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 60 percent of total general fund expenditures, while total fund balance represents 73 percent of that same amount.

The fund balance of Jackson County, Texas' general fund increased by \$717,192 during the current fiscal year. Key factors in this increase are as follows: This increase is attributable to an increase in ad valorem taxes of \$573,680 and careful budget management.

The road and bridge fund had a total fund balance of \$737,341. As a measure of the road and bridge fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Restricted fund balance represents 28 percent of total general fund expenditures, while total fund balance represents 29 percent of that same amount. The fund balance of the road and bridge fund increased by \$306,349 during the current year. Key factor in this increase is as follows: This increase is attributable to careful budget management.

There is no analysis for the Coastal Impact Assistance fund because it is a grant, and any analysis would be illusory.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget for the general fund were an increase of \$151,601. The major increase is in the Sheriff department which increased by \$86,441. This included such items as overtime, fuel, repairs, and capital expenditures.

Capital Asset and Debt Administration

Capital assets:

Jackson County, Texas' investment in capital assets for its governmental activities and business-type activities as of September 30, 2020, amounts to \$8,024,507 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, and infrastructure items such as roads, highways, and bridges. The total decrease in Jackson County, Texas' investment in capital assets for the current fiscal year was 4.22 percent (6.05 percent decrease for governmental activities and 13.69 percent increase for business-type activities). The County had a sewer improvement construction project and an airport construction project during the year ended September 30, 2020.

JACKSON COUNTY, TEXAS CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$397,779	\$397,779	\$70,254	\$70,254	\$468,033	\$468,033
Construction in Progress	24,848	31,966	187,495	11,655	212,343	43,621
Building and Improvements	1,791,968	1,921,688	73,263	82,114	1,865,231	2,003,802
Machinery and Equipment	2,071,452	2,138,049	42,463	46,473	2,113,915	2,184,522
Infrastructure	2,855,265	3,111,340	509,720	566,356	3,364,985	3,677,696
Total	<u>\$7,141,312</u>	<u>\$7,600,822</u>	<u>\$883,195</u>	<u>\$776,852</u>	<u>\$8,024,507</u>	<u>\$8,377,674</u>

Long-term debt:

At the end of the current fiscal year, Jackson County, Texas had no bonded debt.

Economic Factors

As a result of the spread of the COVID-19 coronavirus and the impact on the oil & gas industry, ranching, and farming, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the County. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors 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 additional financial information, contact the County's business office, at Jackson County, Texas, 411 N. Wells, Room 201, Edna, Texas 77957.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

JACKSON COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$9,174,503	\$145,790	\$9,320,293
Receivables (net of allowance for uncollectibles)	2,195,440	189	2,195,629
Prepaid Items	110,340	3,572	113,912
Capital assets not being depreciated:			
Land	397,779	70,254	468,033
Construction in Progress	24,848	187,495	212,343
Total Capital assets being depreciated, net			
Building and Improvements	1,791,968	73,263	1,865,231
Machinery and Equipment	2,071,452	42,464	2,113,916
Infrastructure	2,855,265	509,720	3,364,985
Total Assets	<u>\$18,621,595</u>	<u>\$1,032,747</u>	<u>\$19,654,342</u>
DEFERRED OUTFLOWS OF RESOURCES			
GASB 68			
Contributions (after 12/31/19)	652,756		652,756
Changes of assumptions	34,403		34,403
GASB 75			
Changes of assumptions	42,034		42,034
Total Deferred Outflows of Resources	<u>729,193</u>	<u>0</u>	<u>729,193</u>
LIABILITIES:			
Accounts Payable	\$157,961	\$430	\$158,391
Due to Others	57,492		57,492
Accrued Wages Payables	171,656		171,656
Deferred Revenues	135,737	1,367	137,104
Noncurrent Liabilities:			
Due within one year	191,858		191,858
Due in more than one year	2,689,901		2,689,901
Total Liabilities	<u>3,404,605</u>	<u>1,797</u>	<u>3,406,402</u>
DEFERRED INFLOWS OF RESOURCES			
GASB 68			
Net difference between projected and actual earnings	664,388		664,388
Differences between expected and actual experience	5,315		5,315
GASB 75			
Differences between expected and actual experience	187,639		187,639
Total Deferred Inflows of Resources	<u>857,342</u>	<u>0</u>	<u>857,342</u>
NET POSITION			
Invested in Capital Assets, Net of Related Debt	7,106,402	883,196	7,989,598
Restricted			
General Administration	250,112		250,112
Judicial	309,938		309,938
Legal	3,850		3,850
Permanent Improvement	1,095,627		1,095,627
Public Safety	1,272,820		1,272,820
Public Transportation	717,108		717,108
Unrestricted	4,332,984	147,754	4,480,738
Total Net Position	<u>\$15,088,841</u>	<u>\$1,030,950</u>	<u>\$16,119,791</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Expenses	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Position	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Business- Type Activities	Total
Primary government							
Government Activities:							
General Administration	\$1,619,668	\$438,485	\$22,210	\$0	(\$1,158,973)		(\$1,158,973)
Judicial	1,501,840	547,703	30,249		(923,888)		(923,888)
Legal	6,655	769			(5,886)		(5,886)
Financial Administration	996,264	215,108			(781,156)		(781,156)
Public Facilities	859,506			(22,310)	(881,816)		(881,816)
Public Safety	4,030,804	103,042	961,423		(2,966,339)		(2,966,339)
Public Transportation	2,926,522	621,815	23,326		(2,281,381)		(2,281,381)
Environmental Protection	1,673,909	166,526			(1,507,383)		(1,507,383)
Culture and Recreation	291,432	2,243	320,706		31,517		31,517
Health and Welfare	77,241		632,361		555,120		555,120
Conservation - Agriculture	94,018				(94,018)		(94,018)
Interest and Fiscal Charges	2,058				(2,058)		(2,058)
Total Government Activities	14,079,917	2,095,691	1,990,275	(22,310)	(10,016,261)	0	(10,016,261)
Business-Type Activities:							
Airport	77,270	5,744		157,819		86,293	86,293
Jail Commissary	7,282	10,838				3,556	3,556
Total Business-Type Activities:	84,552	16,582	0	157,819	0	89,849	89,849
Total Primary Government	\$14,164,469	\$2,112,273	\$1,990,275	\$135,509	(10,016,261)	89,849	(9,926,412)
General Revenues							
Property Taxes, Levies for General Purposes					9,877,040		9,877,040
Sales Taxes					1,293,667		1,293,667
Other Taxes					40,757		40,757
Unrestricted Investment Earnings					127,955	1,744	129,699
Miscellaneous					420,897		420,897
Transfers					(135,134)	135,134	0
Total General Revenues					11,625,182	136,878	11,762,060
Change in Net Position					1,608,921	226,727	1,835,648
Net Position - Beginning - Restated					13,479,920	804,223	14,284,143
Net Position - Ending					\$15,088,841	\$1,030,950	\$16,119,791

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

JACKSON COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	General Fund	Road and Bridge	Coastal Impact Assistance	Other Governmental Funds	Total Governmental Funds
<i>ASSETS</i>					
Cash and Cash Equivalents	\$6,457,887	\$745,493	\$1,116,889	\$854,234	\$9,174,503
Receivables (net of allowance for uncollectibles)	665,614	38,685		117,737	822,036
Prepaid Insurance	71,989	37,459		892	110,340
Due from Others	472			0	472
Total Assets	\$7,195,962	\$821,637	\$1,116,889	\$972,863	\$10,107,351
LIABILITIES AND FUND BALANCES:					
<i>Liabilities</i>					
Accounts Payable	\$88,519	\$54,630		\$14,812	\$157,961
Due to Others				57,492	57,492
Accrued Wages Payable	140,243	29,666		1,747	171,656
Deferred Revenues	360				360
Total Liabilities	229,122	84,296	0	74,051	387,469
<i>DEFERRED INFLOWS OF RESOURCES</i>					
Deferred Property Taxes	524,154			96,798	620,952
<i>Fund Balances:</i>					
<i>Non-Spendable</i>					
Prepaid Items	71,989	20,233		892	93,114
<i>Restricted</i>					
Judicial				309,938	309,938
Legal				3,850	3,850
Permanent Improvement	1,095,627				1,095,627
Public Safety			1,116,889	155,931	1,272,820
Public Transportation		717,108			717,108
<i>Committed</i>					
Construction	0			0	0
General Administration				250,112	250,112
Culture and Recreation				53,148	53,148
Health and Welfare				8,270	8,270
Public Safety				27,523	27,523
Unassigned	5,275,070			(7,650)	5,267,420
Total Fund Balance	6,442,686	737,341	1,116,889	802,014	9,098,930
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$7,195,962	\$821,637	\$1,116,889	\$972,863	\$10,107,351

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, TEXAS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 SEPTEMBER 30, 2020

Total Fund Balances - governmental funds balance sheet	\$9,098,930
Amounts reported for governmental activities in the statement of Net Position ("SNP") are different because:	
Capital assets used in governmental activities are not reported in the funds.	7,141,312
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,109,406
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectibles).	620,952
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(2,881,759)
Net Position of governmental activities - statement of Net Position	<u>\$15,088,841</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2020

	General Fund	Road and Bridge	Coastal Impact Assistance	Other Governmental Funds	Total Governmental Funds
<i>REVENUES</i>					
Taxes					
Property	\$8,633,623	\$0		\$1,266,372	\$9,899,995
Sales	1,293,667				1,293,667
Other	40,757				40,757
Intergovernmental	365,037	23,326	499,458	564,194	1,452,015
Licenses and Permits		621,815			621,815
Charges for Services	662,557			335,580	998,137
Fines and Forfeitures	441,973				441,973
Interest	88,983	22,478	8,878	7,616	127,955
Miscellaneous	126,136	228,501		49,574	404,211
Total Revenues	11,652,733	896,120	508,336	2,223,336	15,280,525
<i>EXPENDITURES</i>					
Current:					
General Administration	1,481,345			112,369	1,593,714
Judicial	1,418,225			30,828	1,449,053
Legal				6,655	6,655
Financial Administration	940,720				940,720
Public Facilities	417,343			315,286	732,629
Public Safety	3,766,887		118	290,758	4,057,763
Public Transportation		2,569,351			2,569,351
Environmental Protection	389,156			1,266,372	1,655,528
Culture and Recreation	200,928			7,289	208,217
Health and Welfare	77,241			0	77,241
Conservation - Agriculture	91,938				91,938
Debt Service					
Principal Retirement	33,897				33,897
Interest and Fiscal Charges	2,057				2,057
Total Expenditures	8,819,737	2,569,351	118	2,029,557	13,418,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,832,996	(1,673,231)	508,218	193,779	1,861,762
<i>OTHER FINANCING SOURCES (USES):</i>					
Operating Transfers In	199,080	2,430,199		1,090	2,630,369
Operating Transfers Out	(2,314,884)	(450,619)			(2,765,503)
Total Other Financing Sources (Uses)	(2,115,804)	1,979,580	0	1,090	(135,134)
Net Changes in Fund Balances	717,192	306,349	508,218	194,869	1,726,628
Fund Balances - Beginning	5,725,494	430,992	608,671	607,145	7,372,302
Fund Balances - Ending	\$6,442,686	\$737,341	\$1,116,889	\$802,014	\$9,098,930

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2020

Net Changes in Fund Balances - total governmental funds	\$1,726,628
Amounts reported for governmental activities in the statement of Net Position ("SNP") are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(459,510)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. This is the change in these amounts this year.	566,402
GASB 68	
Deferred Outflow of Resources-Contributions (after 12/31/19). This is the change in these amounts this year.	29,747
Net difference between projected and actual earnings. This is the change in these amounts this year.	(2,076,935)
Deferred Inflow-Changes of assumptions. This is the change in these amounts this year.	(34,402)
Deferred Inflow-Differences between expected and actual experience. This is the change in these amounts this year.	(21,098)
GASB 75	
Deferred Outflow-Changes of assumptions. This is the change in these amounts this year.	42,034
Deferred Inflow-Differences between expected and actual experience. This is the change in these amounts this year.	(187,639)
(Increase) decrease in Compensated absences from beginning of period to end of period.	2,732
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(22,955)
Net Pension Payable. This is the change in these amounts this year.	1,969,001
Net OPEB Payable. This is the change in these amounts this year.	41,020
Repayment of loan principal is an expenditure in the funds but not an expense in the SOA.	33,896
Change in Net Position of governmental activities - statement of activities	<u>\$1,608,921</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
<i>REVENUES</i>				
Taxes				
Property	\$8,666,053	\$8,666,053	\$8,634,406	(\$31,647)
Sales	1,200,000	1,200,000	1,343,789	143,789
Other	42,400	42,400	43,209	809
Intergovernmental	181,815	293,340	406,634	113,294
Charges for Services	606,200	617,800	632,719	14,919
Fines and Forfeitures	382,100	382,100	441,973	59,873
Interest	150,134	150,134	89,150	(60,984)
Miscellaneous	71,600	100,075	101,826	1,751
Total Revenues	11,300,302	11,451,902	11,693,706	241,804
<i>EXPENDITURES</i>				
Current:				
General Administration				
Commissioner's Court	376,895	376,895	373,199	3,696
County Clerk	437,921	436,878	416,526	20,352
County Judge	203,915	203,915	201,586	2,329
Non-Departmental	520,520	514,024	473,654	40,370
Judicial				
Court Expense	223,000	223,000	197,266	25,734
Criminal District Attorney	482,396	482,396	463,752	18,644
District Clerk	290,335	290,344	288,851	1,493
District Court	79,315	79,315	75,322	3,993
Jury	39,602	39,602	18,045	21,557
Justice of the Peace No. 1	209,552	209,543	196,039	13,504
Justice of the Peace No. 2	193,110	193,110	184,552	8,558
Financial Administration				
County Auditor	336,541	336,541	319,484	17,057
County Treasurer	186,375	186,375	173,749	12,626
Tax Assessor-Collector	456,846	468,446	441,604	26,842
Public Facilities				
County Facilities	332,350	332,350	17,350	315,000
Public Facilities	396,815	425,715	410,757	14,958

(continued)

(continued)

Public Safety				
Adult Probation	3,251	3,352	2,806	546
Emergency Management	49,446	49,446	47,393	2,053
Constable No. 1	116,931	116,931	113,788	3,143
Constable No. 2	117,340	117,340	115,145	2,195
Corrections	1,528,416	1,532,075	1,431,629	100,446
Disaster	0	0	74	(74)
D.P.S./License and Weight	2,722	2,722	999	1,723
D.P.S./Troopers	1,150	1,150	851	299
EMS/Jaws of Life	0	0	0	0
Fire	14,250	14,250	10,500	3,750
Permitting and Inspections	70,748	71,350	56,310	15,040
Law Enforcement Agreement	235,844	244,137	242,252	1,885
Sheriff	1,626,588	1,713,029	1,661,647	51,382
T.J.P.C.	64,509	64,509	43,816	20,693
Environmental Protection				
Sanitation	384,259	393,715	388,051	5,664
Culture and Recreation				
County Library	189,548	197,198	188,906	8,292
Parks	4,176	5,571	5,568	3
Health and Welfare				
Gulf Bend Mental Health	52,274	52,274	52,241	33
Senior Citizens Center	25,000	25,000	25,000	0
Conservation - Agriculture				
Agriculture Extension Service	99,321	99,321	88,687	10,634
U.S. Soil Conservation	2,500	2,500	2,500	0
Debt Service				
Principal Retirement	33,897	33,897	33,897	0
Interest and Fiscal Charges	1,014	2,057	2,057	0
Total Expenditures	<u>9,388,672</u>	<u>9,540,273</u>	<u>8,765,853</u>	<u>774,420</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>1,911,630</u>	<u>1,911,629</u>	<u>2,927,853</u>	<u>1,016,224</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	199,080	199,080	199,080	0
Operating Transfers Out	<u>(2,314,884)</u>	<u>(2,314,884)</u>	<u>(2,314,884)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(2,115,804)</u>	<u>(2,115,804)</u>	<u>(2,115,804)</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$204,174)</u>	<u>(\$204,175)</u>	<u>812,049</u>	<u>\$1,016,224</u>
Reconciliation from cash basis to modified accrual basis:				
Changes in Cash			(46)	
Changes in Receivables			2,755	
Changes in Prepaid Expenses			(1,081)	
Changes in Due to/from Others			2,281	
Changes in Accounts Payable			(82,386)	
Changes in Accrued Wages Payable			(33,912)	
Changes in Deferred Revenue			17,532	
Net Changes in Fund Balances - Modified Accrual Basis			<u>717,192</u>	
Fund Balances - Beginning			<u>5,725,494</u>	
Fund Balances - Ending			<u>\$6,442,686</u>	

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

JACKSON COUNTY, TEXAS
ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$20,896	\$20,880	\$23,326	\$2,446
Licenses and Permits	571,860	571,860	586,621	14,761
Interest	24,265	24,265	22,478	(1,787)
Miscellaneous	400	164,796	226,252	61,456
Total Revenues	<u>617,421</u>	<u>781,801</u>	<u>858,677</u>	<u>76,876</u>
EXPENDITURES				
Current				
Public Transportation	<u>3,021,197</u>	<u>3,189,911</u>	<u>2,525,567</u>	<u>664,344</u>
Total Expenditures	<u>3,021,197</u>	<u>3,189,911</u>	<u>2,525,567</u>	<u>664,344</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(2,403,776)</u>	<u>(2,408,110)</u>	<u>(1,666,890)</u>	<u>741,220</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	2,430,199	2,430,199	2,430,199	0
Operating Transfers Out	<u>(450,619)</u>	<u>(450,619)</u>	<u>(450,619)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>1,979,580</u>	<u>1,979,580</u>	<u>1,979,580</u>	<u>0</u>
Net Changes in Fund Balances	<u>(\$424,196)</u>	<u>(\$428,530)</u>	312,690	<u>\$741,220</u>
Reconciliation from cash basis to modified accrual				
Changes in Officers Fees and Sales Tax Receivable			35,194	
Changes in Prepaid Insurance			1,519	
Changes in Accounts Payable			(34,502)	
Changes in Accrued Wages Payable			<u>(8,552)</u>	
Net Changes in Fund Balances-Modified Accrual Basis			306,349	
Fund Balances - Beginning			<u>430,992</u>	
Fund Balances - Ending			<u>\$737,341</u>	

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

JACKSON COUNTY, TEXAS
 COASTAL IMPACT ASSISTANCE
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Intergovernmental	\$100,000	\$100,000	\$499,458	\$399,458
Interest	8,000	8,000	8,878	878
Total Revenues	108,000	108,000	508,336	400,336
EXPENDITURES				
Current				
Culture and Recreation	716,320	716,320	118	716,202
Total Expenditures	716,320	716,320	118	716,202
Excess (Deficiency) of Revenues Over (Under) Expenditures	(608,320)	(608,320)	508,218	1,116,538
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	0	0		0
Operating Transfers Out	0	0		0
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	(608,320)	(608,320)	508,218	1,116,538
Fund Balances - Beginning	608,671	608,671	608,671	
Fund Balances - Ending	\$351	\$351	\$1,116,889	\$1,116,538

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

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Airport Fund Current Year	Airport Fund Prior Year	Other Proprietary Funds Current Year	Other Proprietary Funds Prior Year	Total Proprietary Funds Current Year
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$137,561	\$21,740	\$8,229	\$4,167	\$145,790
Receivables (net of allowance for uncollectibles)			189	1,152	189
Prepaid Insurance	3,572	3,302	0	0	3,572
Total Current Assets	141,133	25,042	8,418	5,319	149,551
Noncurrent Assets					
Capital Assets					
Land	70,254	70,254			70,254
Construction in Progress	187,495	11,655			187,495
Buildings and Improvements	362,446	362,446			362,446
Machinery and Equipment	80,114	80,114			80,114
Infrastructure	1,385,254	1,385,254			1,385,254
Total Capital Assets	2,085,563	1,909,723	0	0	2,085,563
Less Accumulated Depreciation	(1,202,367)	(1,132,871)			(1,202,367)
Total Capital Assets (net of accumulated depreciation)	883,196	776,852	0	0	883,196
Total Noncurrent Assets	883,196	776,852	0	0	883,196
TOTAL ASSETS	\$1,024,329	\$801,894	\$8,418	\$5,319	\$1,032,747
LIABILITIES, FUND EQUITY AND OTHER CREDITS					
Liabilities					
Current Liabilities(Payable from Current Assets)					
Accounts Payable	\$430	\$0	\$0	\$530	\$430
Accrued Wages Payable					0
Deferred Revenue	1,367	2,460			1,367
Total Current Liabilities	1,797	2,460	0	530	1,797
TOTAL LIABILITIES	1,797	2,460	0	530	1,797
Invested in Capital Assets, Net of Related Debt	883,196	776,852			883,196
Unrestricted	139,336	22,582	8,418	4,789	147,754
TOTAL NET POSITION	\$1,022,532	\$799,434	\$8,418	\$4,789	\$1,030,950

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

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Airport Fund Current Year	Airport Fund Prior Year	Other Proprietary Funds Current Year	Other Proprietary Funds Prior Year	Total Proprietary Funds Current Year
OPERATING REVENUES:					
Charges for Services	\$5,744	\$5,768	\$10,838	\$10,350	\$16,582
Miscellaneous		6,399			0
TOTAL OPERATING REVENUES	5,744	12,167	10,838	10,350	16,582
OPERATING EXPENSES					
Personal Services		0			0
Supplies	276	276	7,282	5,635	7,558
Other Services and Charges	7,497	24,448	0	0	7,497
Depreciation	69,497	69,704			69,497
TOTAL OPERATING EXPENSES	77,270	94,428	7,282	5,635	84,552
OPERATING INCOME (LOSS)	(71,526)	(82,261)	3,556	4,715	(67,970)
NON-OPERATING REVENUES (EXPENSES):					
Interest Income	1,671	869	73	82	1,744
TOTAL NON-OPERATING REVENUES (EXPENSES)	1,671	869	73	82	1,744
Income Before Transfers	(69,855)	(81,392)	3,629	4,797	(66,226)
Federal Grant	157,819	17,400			157,819
Transfers In	135,134	37,495	0	0	135,134
Change in Net Position	223,098	(26,497)	3,629	4,797	226,727
Total Net Position - Beginning	799,434	825,931	4,789	(8)	804,223
Total Net Position - Ending	\$1,022,532	\$799,434	\$8,418	\$4,789	\$1,030,950

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

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Airport Fund Current Year	Airport Fund Prior Year	Other Proprietary Funds Current Year	Other Proprietary Funds Prior Year	Total Proprietary Funds Current Year
Cash flows from Operating Activities					
Receipts from Customers and Users	\$4,651	\$11,073	\$11,801	\$9,198	\$16,452
Payments to Suppliers	(7,613)	(25,479)	(7,812)	(6,311)	(15,425)
Payments to Employees	0	0	0	0	0
Net Cash Provided(Used) By Operating Activities:	(2,962)	(14,406)	3,989	2,887	1,027
Cash Flows from Non-Capital and Related Financing Activities					
Transfers In	135,134	37,495	0	0	135,134
Net Cash Provided(Used) By Non-Capital and Related Financing Activities	135,134	37,495	0	0	135,134
Cash Flows from Capital and Related Financing Activities					
Federal Grant	157,819	17,400	0	0	157,819
Net Cash Provided(Used) By Capital and Related Financing Activities	157,819	17,400	0	0	157,819
Cash Flows from Capital and Related Financing Activities					
Purchases of Capital Assets	(175,840)	(24,450)	0	0	(175,840)
Net Cash Provided (Used) By Capital and Related Financing Activities	(175,840)	(24,450)	0	0	(175,840)
Cash Flows from Investing Activities					
Interest Received	1,670	869	73	82	1,743
Net Cash Provided(Used) By Investing Activities	1,670	869	73	82	1,743
Net Increase (Decrease) in Cash Equivalents	115,821	16,908	4,062	2,969	119,883
Cash and Cash Equivalents at Beginning of Year	21,740	4,832	4,167	1,198	25,907
Cash and Cash Equivalents at End of Year	\$137,561	\$21,740	\$8,229	\$4,167	\$145,790

(continued)

(continued)

Reconciliation of Operating Income to Net Cash

Provided(Used) By Operating Activities

Operating Income (Loss)	(\$71,526)	(\$82,261)	\$3,556	\$4,715	(\$67,970)
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Adjustments to Reconcile to Net Cash Flow

Non-Cash Items Included in Net Income

Depreciation	69,497	69,704	0	0	69,497
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Changes in Current Items

Decrease(Increase) in Accounts Receivable	0	0	963	(1,152)	963
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Decrease(Increase) in Prepaid Insurance	(270)	(755)	0	0	(270)
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Increase(Decrease) in Accounts Payable	430	0	(530)	(676)	(100)
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Increase(Decrease) in Accrued Wages Payable	0	0	0	0	0
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Increase(Decrease) in Deferred Revenue	(1,093)	(1,094)	0	0	(1,093)
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Net Cash Provided(Used) by Operating Activities	<u>(\$2,962)</u>	<u>(\$14,406)</u>	<u>\$3,989</u>	<u>\$2,887</u>	<u>\$1,027</u>
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Noncash Investing, Capital and Financing Activities:

State Grant	<u>\$157,819</u>	<u>\$17,400</u>	<u>\$0</u>	<u>\$0</u>	<u>\$157,819</u>
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Note: The above funds are all Enterprise Funds

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

JACKSON COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Agency Funds	Investment Trust Fund <u>Brackenridge School Fund</u>
ASSETS		
Cash and Cash Equivalents	\$1,030,712	\$50,000
Receivables (net of allowance for uncollectibles)	0	
Total Assets	<u>\$1,030,712</u>	<u>\$50,000</u>
LIABILITIES		
Accounts Payable	0	0
Due to Others	1,030,712	0
Total Liabilities	<u>1,030,712</u>	<u>0</u>
NET POSITION		
Held in Trust-Unexpendable	0	50,000
Held in Trust-Educational Purposes	0	0
Total Net Position	<u>\$0</u>	<u>\$50,000</u>

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

JACKSON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

I. Summary of Significant Accounting Policies

A. Reporting entity

Jackson County operates under a County Judge – Commissioners’ Court type of government and provides the following services throughout the County: public safety (fire, ambulance, and law enforcement), environmental protections (sanitation), public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services. The accounting policies of Jackson County, Texas, (the County) conform to generally accepted accounting principles.

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

B. Government-Wide and Fund Financial Statements

The County’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental Activities for the County accompanied by a total column.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the County’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities, which are presented as internal balances and eliminated in the total primary government column. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The County has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues and charges for services. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The government reports the following major governmental funds:

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

The road and bridge fund accounts for the activities of the government's road and bridge operations. The flood control fund accounts for the activities of the government's environmental protection operations. The Coastal Impact Assistance fund accounts for monies held for coastal preservation.

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. The principal operating revenues of the Airport Fund are charges to customers for sales, rentals, and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

The government reports the following major proprietary funds: The airport fund accounts for airport activities.

C. Fiduciary Fund Types

Fiduciary Funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. As such, fiduciary funds are not reported in the government-wide statements. The County's fiduciary funds include the following: The County Officer Accounts, the Trust Investment fund, and the State Fees fund are both used to account for the fines and fees collected and remitted by the County Officers in the course of their operations.

D. Assets, Liabilities, and Net Assets or Equity

a. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Government and the District to invest in obligations of the U.S. Treasury. Investments for the Government are reported at fair value. For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

b. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to a total of 2 percent of the current outstanding property taxes at September 30, 2020 and 10 percent of the delinquent outstanding property taxes at September 30, 2020. Property is appraised and a lien on such property becomes enforceable as of January 1, subject to certain procedures for rendition, appraisal, appraisal review and judicial review. Traditionally, property taxes are levied October 1, of the year in which assessed or as soon thereafter as practicable. Taxes are due and payable when levied since that is when the County bills the taxpayers. The County begins to collect the taxes as soon as the taxpayers are billed.

c. Inventories and Prepaid Items

Inventories of materials and supplies held by the General Fund are considered immaterial and thus are not accounted for in the Balance Sheet. In the General Fund, disbursements for supplies and materials are considered to be expenditures at the time of purchase. There were no inventory items at September 30, 2020. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

d. Restricted Assets

There were no restricted assets at September 30, 2020.

e. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost as follows and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Property and Equipment with a dollar value greater or equal to \$500 but less than \$1,000 are considered inventoried assets. These assets are inventoried for security purposes in the Fixed Asset System but not capitalized for depreciation purposes.

Buildings/Building Improvements	\$5,000
Improvements Other Than Buildings	\$5,000
Infrastructure	\$125,000
Machinery, Equipment, and Other Assets	\$1,000
Leasehold Improvements	\$5,000

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The County had a sewer improvement construction project and an airport construction project during the year ended September 30, 2020.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<i>Assets</i>	<i>Years</i>
Buildings	30-40
Building Improvements	20-40
System Infrastructure	15-45
Vehicles	5-10
Office Equipment	5-10
Computer Equipment	5

f. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in government-wide financial statements.

g. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

h. Fund Balances – Governmental Funds

As of September 30, 2020, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted — amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed — amounts that can be used only for specific purposes determined by a formal action of Commissioners' Court. Commissioners' Court is the highest level of decision-making authority for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Commissioners' Court.

Unassigned — all other spendable amounts.

As of September 30, 2020, fund balances are composed of the following:

Fund Balances:	
Non-Spendable	
Prepaid Items	\$93,114
Restricted	
Judicial	309,938
Legal	3,850
Permanent Improvement	1,095,627
Public Safety	1,272,820
Public Transportation	717,108
Committed	
Construction	0
General Administration	250,112
Culture and Recreation	53,148
Health and Welfare	8,270
Public Safety	27,523
Unassigned	<u>5,267,420</u>
Total Fund Balance	<u><u>\$9,098,930</u></u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Commissioners' Court or the finance committee has provided otherwise in its commitment or assignment actions.

In fiscal year 2011, the Commissioners' Court adopted a minimum fund balance policy for the General Fund. The policy requires the unassigned fund balance at fiscal year-end to be at least equal to 18 to 25 percent of the subsequent year's budgeted General Fund expenditures.

i. Comparative data/reclassifications

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

j. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows/inflows 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 government only has two items that qualify for reporting in this category. They are deferred under GASB 68 and GASB 75.

The County reports unearned revenue on its fund financial statements. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period (fund financial statements). Unearned revenues also arise when resources are unearned by the County and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures (fund financial statements and government-wide financial statements). In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the applicable financial statement and revenue is recognized. Pursuant to GASB 65 we have included deferred ad valorem taxes as deferred inflows in the fund financial statements.

k. Net position flow assumption

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

II. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$2,881,759 difference are as follows:

GASB 75-Other Post Employment Benefits	\$2,144,972
GASB 68-Pension Liability	544,929
Capital Lease Payable	34,910
Compensated Absences	156,948
Total	<u>\$2,881,759</u>

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds" report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this \$7,141,312 difference are as follows:

Capital Assets Not Being Depreciated	\$422,627
Capital Assets Being Depreciated	21,515,262
Depreciation Expense	(14,796,577)
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$7,141,312</u>

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectible.)" The details of this \$620,952 difference are as follows:

Property Taxes Receivable	\$678,194
Allowance for Doubtful Accounts	<u>(57,242)</u>
Net	<u>\$620,952</u>

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets. (continued)

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds." The details of this \$1,109,406 difference are as follows:

Fines Receivable	\$3,483,364
Allowance for Doubtful Accounts	(2,741,647)
GASB 68	
Deferred Outflow of Resources-Contributions (after 12/31/19)	652,756
Net difference between projected and actual earnings	(664,388)
Changes of assumptions	34,403
Differences between expected and actual experience	(5,315)
GASB 75	
Changes of assumptions	42,034
Differences between expected and actual experience	(187,639)
GASB 34 Receivables	631,215
Deferred Grant Revenues	<u>(135,377)</u>
Net	<u><u>\$1,109,406</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this (\$459,510) difference are as follows:

Capital Outlay - Additions - Not Being Depreciated	\$297,140
Capital Outlay - Additions - Being Depreciated	521,519
Capital Outlay - Deletions	(312,745)
Depreciation Expense	(965,424)
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u><u>(\$459,510)</u></u>

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

The original budget is adopted by the Commissioners' Court and filed with the County Clerk. Amendments are made during the year on approval by the Commissioners' Court.

The final amended budget is used in this report.

The budget should not be exceeded in any expenditure category under State law. Unused appropriations lapse at the end of each year. The County Judge is, by statute, the Budget Officer of the County. She usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by the Commissioners' Court, the County Auditor prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to the Commissioners' Court. The Commissioners' Court invites various department heads to appear for a hearing concerning the departments' budget requests. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the County Auditor's estimate of revenues and available cash. The final budget can be legally amended by the Commissioners' Court to whatever extent the Court desires as long as the amended figures do not exceed the County Auditor's estimate of revenues and available cash. When the Budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control for each legally adopted annual operating budget is the line item. Budgets for all budgeted General and Special Revenue Funds are adopted on a budgetary basis which is not in conformity with generally accepted accounting principles (GAAP). Budgets for the 2020 fiscal year were adopted for the General Fund, the Road and Bridge Funds, the Coastal Impact Assistance Fund, and other applicable non- major governmental funds.

B. Excess of Expenditures over Appropriations

For the year ended September 30, 2020, expenditures did not exceed appropriations in any fund except for the Construction fund where actual expenditures of \$315,068 exceeded budgetary expenditures of \$312,456 by \$2,612.

C. Deficit fund equity

The county had no deficit fund balances at September 30, 2020 except for the Construction Grants fund which had a deficit balance of \$7,650. This deficit is expected to be liquidated by future resources of the fund.

IV. Detailed Notes on All Funds

A. Deposits and investments

Legal and Contractual Provisions Governing Deposits and Investments:

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

In compliance with the Public Funds Investment Act, the County has adopted a deposit and investment policy. That policy does address the following risks:

Deposits:

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government has a deposit policy for custodial credit risk. As of September 30, 2020, the government's bank balance of \$2,008,842 was not exposed to custodial credit risk because it was fully insured by the U.S. Government and/or the State of Texas and/or is collateralized with securities held by the pledging financial institution's trust department or agent. The fair market value of the securities pledged is \$8,328,585 and the FDIC coverage is \$308,055.

Investments:

The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code, provide for the creation of public funds investment pools, such as TexPool and Texas Class, through which political subdivisions and other entities may invest public funds.

TexPool and Texas Class use amortized cost to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. TexPool and Texas Class does not place any limitations or restrictions such as notice periods or maximum transaction amounts, on withdrawals.

All funds participate in a pooling of cash and investment income in order to maximize investment opportunities. Each fund may liquidate its equity in the pool on demand.

The County’s investments are authorized by County resolutions, bond ordinances, and State statutes. The County is authorized to invest in obligations of the U.S. Government and its agencies or instrumentalities; direct obligations of Texas and its agencies and instrumentalities; obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent rating; insured or collateralized certificates of deposit; fully collateralized repurchase agreements; and government pools.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The County’s investments by fair value level are classified in Level 2 of the fair value hierarchy and are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. The County has no Level 1 investments (investments valued using prices quoted in active markets for identical securities) or Level 3 investments (investments valued using significant unobservable inputs). As of September 30, 2020, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>	<u>Weighted Average</u>
Texpool	\$350,310	Less than 1 year	Less than 1 year
Texas Class	\$8,381,719	Less than 1 year	Less than 1 year

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year.

Concentration of credit risk: The County places no limit on the amount the County may invest in any one issuer. Texpool (4% of portfolio) and Texas Class (96% of portfolio).

Credit Risk. The County’s investment policy is to apply the “prudent investor” standard: “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.” The County’s investments were rated as follows: As of September 30, 2020, the local investment pool - Texpool (4% of portfolio) was rated AAAM by Standard and Poor’s and Texas Class (96% of portfolio) was rated AAAM by Standard and Poor’s.

B. Receivables

Receivables as of September 30, 2020 for the government's individual major funds and non- major, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities					Total
	General Fund	Road and Bridge	County Wide Drainage	Other Governmental Funds	Jail Commissary	
<u>Receivables</u>						
Ad Valorem Taxes	\$572,198		\$105,996			\$678,194
Sales Tax	75,304					75,304
Fines	3,483,364					3,483,364
Intergovernmental	631,687			10,347		642,034
Other	66,156	38,685	1,363	9,229	189	115,622
Gross Receivables	4,828,709	38,685	107,359	19,576	189	4,994,518
Less: Allowance for Uncollectibles	2,789,691		9,198			2,798,889
Net Total Receivables	\$2,039,018	\$38,685	\$98,161	\$19,576	\$189	\$2,195,629

C. Capital Assets

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$397,779			\$397,779
Construction in Progress	31,966	297,140	304,258	24,848
Total capital assets not being depreciated:	429,745	297,140	304,258	422,627
Capital assets being depreciated:				
Building and Improvements	6,367,927	39,610	0	6,407,537
Machinery, Equipment and Vehicles	9,489,151	481,909	176,257	9,794,803
Infrastructure	5,312,922	0	0	5,312,922
Total capital assets being depreciated:	21,170,000	521,519	176,257	21,515,262
Less: Accumulated Depreciation for:				
Building and Improvements	4,446,239	169,330	0	4,615,569
Machinery, Equipment and Vehicles	7,351,102	540,019	167,770	7,723,351
Infrastructure	2,201,582	256,075	0	2,457,657
Total Accumulated Depreciation	13,998,923	965,424	167,770	14,796,577
Total Capital Assets Depreciated, Net	7,171,077	(443,905)	8,487	6,718,685
Governmental Activities capital assets, Net	\$7,600,822	(\$146,765)	\$312,745	\$7,141,312
Business Type Activities:				
Capital assets not being depreciated:				
Land	70,254			70,254
Construction in Progress	11,655	175,840	0	187,495
Total capital assets not being depreciated:	81,909	175,840	0	257,749
Capital assets being depreciated:				
Building and Improvements	362,446			362,446
Machinery, Equipment and Vehicles	80,114			80,114
Infrastructure	1,385,254			1,385,254
Total capital assets being depreciated:	1,827,814	0	0	1,827,814
Less: Accumulated Depreciation for:				
Building and Improvements	280,332	8,851		289,183
Machinery, Equipment and Vehicles	33,641	4,010		37,651
Infrastructure	818,898	56,636		875,534
Total Accumulated Depreciation	1,132,871	69,497	0	1,202,368
Total Capital Assets Depreciated, Net	694,943	(69,497)	0	625,446
Business Type Activities capital assets, Net	776,852	106,343	0	883,195

Construction commitments

The County had a sewer improvement construction project and an airport construction project during the year ended September 30, 2020.

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

Governmental Activities	
General Administration	\$43,535
Judicial	17,768
Financial Administration	12,123
Public Facilities	158,480
Public Safety	235,983
Public Transportation	386,191
Culture and Recreation	28,620
Health and Welfare	82,724
Total Depreciation Expense – Governmental Activities	<u>\$965,424</u>
Business-Type Activities	
Culture and Recreation	<u>\$69,497</u>
Total Depreciation Expense – Business-Type Activities	<u>\$69,497</u>

D. Interfund Receivables, Payables, and Transfers Due

to/from other funds:

There were no interfund balances as of September 30, 2020.

There were no advances at September 30, 2020.

The following are transfers for the year ended September 30, 2020.

TRANSFER OUT	TRANSFER IN NON-MAJOR				TOTAL
	GENERAL FUNDS	ROAD AND BRIDGE FUNDS	GOVERN- MENTAL FUNDS	AIRPORT FUND	
GENERAL FUNDS	\$199,080	\$1,979,580	\$1,090	\$135,134	\$2,314,884
ROAD AND BRIDGE FUNDS		450,619			450,619
TOTALS	<u>\$199,080</u>	<u>\$2,430,199</u>	<u>\$1,090</u>	<u>\$135,134</u>	<u>\$2,765,503</u>

The transfer from the general to the road and bridge fund is for road and bridge operations. The transfer from the general fund (permanent improvement) to the general fund is for general fund operations. The transfer from the road and bridge funds (general road and bridge) to the road and bridge funds is for road and bridge operations.

The transfers to and from the road and bridge fund are recurring transfers.

The remaining transfers are non-recurring transfers.

E. Leases Operating Leases:

The government leases equipment under non-cancelable operating leases. Total costs for such leases were \$24,460 for the year ended September 30, 2020. The future minimum lease payments for these leases are as follows:

Year Ending Sept. 30,	<u>Amount</u>
2021	\$24,848
2022	24,848
2023	11,037
2024	3,908
2025	<u>1,412</u>
Total	\$66,053

Rent expenditures were \$8,664 for the year ended September 30, 2020. Sublease rental income was \$0 for the year ended September 30, 2020. Rental income was \$11,827 for the year ended September 30, 2020.

F. Long-Term Debt

Capital Leases: The government has entered one capital lease agreement as lessee for financing the acquisition of machinery and equipment; as set forth below. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The security pledged for the capital lease is the equipment financed.

Assets acquired through capital leases are as follows:

ASSET	Governmental Activities	
	VOTING EQUIPMENT	TOTAL
COST	\$137,673	\$137,673
ACCUMULATED DEPRECIATION	82,604	82,604
NET ASSET	<u>\$220,277</u>	<u>\$220,277</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020, were as follows:

YEAR	Governmental Activities	
	VOTING EQUIPMENT	Total
2021	\$35,964	\$35,964
TOTAL MINIMUM LEASE PAYMENTS	<u>35,964</u>	<u>35,964</u>
LESS: AMOUNT REPRESENTING INTEREST	1,054	1,054
PRESENT VALUE OF NET MINIMUM LEASE PAYMENTS	<u>\$34,910</u>	<u>\$34,910</u>

The above debt is to be serviced by the General Fund.

The activity for the year ended September 30, 2020, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
<u>Governmental Activities:</u>						
Capital Lease Payable	\$68,806		\$33,896	\$34,910	\$34,910	\$0
GASB 68 Pension Payable	2,513,930		1,969,001	544,929		544,929
GASB 75 Payable	2,185,992		41,020	2,144,972		2,144,972
Compensated Absences	159,680	156,948	159,680	156,948	156,948	0
	<u>\$4,928,408</u>	<u>\$156,948</u>	<u>\$2,203,597</u>	<u>\$2,881,759</u>	<u>\$191,858</u>	<u>\$2,689,901</u>
Grand Total	<u>\$4,928,408</u>	<u>\$156,948</u>	<u>\$2,203,597</u>	<u>\$2,881,759</u>	<u>\$191,858</u>	<u>\$2,689,901</u>

The general fund and the road and bridge fund are used to service the compensated absences. The estimated amount due in the 2020-21 year is \$156,948.

The government-wide statement of activities includes \$191,858 as "noncurrent liabilities, due within one year".

The total amount of interest expensed in 209-2020 is \$2,058.

The debt included GASB 68 and GASB 75 debt which are both discussed below.

V. Other Information

A. Risk management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claim liabilities are estimated considering the effects of inflation, recent claim settlement trends (including frequency and amounts of payouts) and other economic and social factors (including the effects of specific, incremental claim adjustment expense, salvage and subrogation).

On Monday, May 28, 2019, Jackson County, Texas was the victim of a Ransomware Attack. The perpetrators entered through a workstation, most likely embedded in an email. From the workstation the Jackson County SO Server was infected which also hosts the County Judge, District Attorney and District Clerk's Office and other files. The hackers did send a ransom demand in bitcom which was in excess of \$300,000. The County decided that it would not be paid. The County has since recovered from this attack and has implemented new procedures, including a firewall. The County contracted with Tyler to host both the County Clerks Record software and the Auditor/Treasurer's financial software beginning October 1, 2019. The financial software, Incode, was not transitioned from disaster hosting to 'regular' hosting until 2020.

Changes in accrued liabilities for these claims follow:

	Year ended <u>09/30/20</u>	Year ended <u>09/30/19</u>
Unpaid claims, beginning of fiscal year	\$ -0-	\$ -0-
Incurred claims (including IBNRs)		
Claim payments	<u>-0-</u>	<u>-0-</u>
Unpaid claims, end of fiscal year	<u>\$ -0-</u>	<u>\$ -0-</u>

1. General Liability Insurance

The County is insured for general, police officers and automobile liability. The County has joined with other governments in the Texas Association of Counties Risk Management Pool.

The County pays an annual premium to Risk Management for auto vehicle insurance coverage. The agreement with Risk Management provides that Risk Management will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$100,000 to \$300,000 for each insurance event. The County anticipates no contingent losses. Texas Association of Counties Risk Management Pool has published its own financial report that can be obtained from the Texas Association of Counties Risk Management Pool. The County continues to carry commercial fidelity bonds for elected officials and for management.

2. Property and Casualty Insurance

Property, casualty, mobile equipment insurance is provided by Texas Association of Counties Risk Management Pool.

3. Workers' Compensation Insurance

The County insures against workers' compensation claims through Texas Association of Counties Risk Management Pool.

4. Group Health and Life Insurance

The County maintains a group health insurance plan for active employees and their eligible dependents. Costs are recorded in the fund from which the employees' compensation is paid.

5. Unemployment Compensation Insurance

The County insures for unemployment compensation claims through an agreement with the Texas Workforce Commission (TWC).

B. Related Party Transaction

Jennifer Cranek – Library Clerk – does contract work for County. Expenditures for the year 2020 were \$600.00. No amounts were owed to either party as of September 30, 2020.

C. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The County was not a defendant in any lawsuit at September 30, 2020.

D. Subsequent Events

On November 10, 2020, the County approved the contract with Southern Software, Inc. for the purchase and installation of Mobile Data Information System software and hardware in the amount of \$24,205.00 with a 50% down payment upon signing.

On December 8, 2020, the County approved to terminate the Interlocal Agreement with Edna Independent School District for the School Resource Officer in exchange for \$25,000.00, the contract will be terminated as of December 31, 2020.

On January 26, 2021, the County approved the Master Services Agreement with Freese and Nichols, Inc. to provide design, bid and construction phase services for the Carancuhua Bay Boat Ramp Facility in the amount of \$145,986.

On February 9, 2021, the County authorized Scheibe Consulting, LLC to begin Phase 1 of the Jackson County Coastal Resiliency & Drainage Master Plan, not to exceed \$33,995, to be funded by the Gulf of Mexico Energy Security Act (GOMESA).

On February 23, 2021, the County approved the purchase of New Flash Technologies 3 LED system and the removal of the old system/installation, in the total amount of \$26,595.

On March 9, 2021, the County approved and accepted the Department of Homeland Security, Federal Emergency Management Agency's (FEMA), Operation Stonegarden Grant Program (OPSG) funding for border security support expenditures reimbursable up to \$141,574.

On May 25, 2021, the County accepted the bid of \$26,900 from BLS for concrete overhang repair.

E. Prior Period Adjustments

The County has determined that certain transactions were recorded incorrectly in a prior year. The County had a prior period adjustment whereby Business-type Activities' Net Assets was restated upward by \$11,655 due to the omission of beginning work on an airport project.

These restatements had the corresponding effect on the beginning net assets, as follows:

	Net Position, as Previously Reported	Construction In Progress Restatement	Net Position As Restated
Business-type Activities:			
Net Position	\$792,568	\$11,655	\$804,223
Total Business-type Activities	<u>\$792,568</u>	<u>\$11,655</u>	<u>\$804,223</u>

F. Tax Abatements

State law allows governments to enter into agreements for tax abatements which is anticipated to result in industry expansions and future revenues for the District. Under these agreements a company is exempt from paying a portion if not all property taxes to the District for a certain period. In return the company agrees to construct or expand new industry in the District and employ a certain number of workers.

On November 18, 2015, the County entered into an agreement pursuant to Chapter 312, Texas Tax Code, also known as the Property Redevelopment and Tax Abatement Act, with Formosa Plastics Corporation, Texas for the construction and operation of a project facility located in the Reinvestment Zone. Each agreement provides for the recapturing of property tax revenue lost as a result of the agreement if the owner defaults.

The gross value abated during the 2020 year amounted to \$313,139,400.

The terms of the agreement are as follows:

1. The Abatement shall extend for a period of seven (7) tax years beginning on the Abatement Start Date (the "Abatement Period") and shall apply to all Eligible Property Value for each tax year in the Abatement Period. The original abatement period was amended to add an additional year of abatement through December 31, 2022 due to permitting delays.
2. The abatement shall be 100%.
3. In consideration for the Abatement, Owner agrees to create at least 140 employment positions relating to the project, by the Completion Date, and to maintain no fewer than sixty (60) permanent employment positions throughout the remainder of the Abatement Period.
4. Owner agrees to make a capital investment of at least \$100 million.

On July 6, 2011, the County entered into an agreement pursuant to Chapter 312, Texas Tax Code, also known as the Property Redevelopment and Tax Abatement Act, with DCP Midstream, LP for the construction and operation of a project facility located in the Reinvestment Zone. Each agreement provides for the recapturing of property tax revenue lost as a result of the agreement if the owner defaults.

The gross value abated during the 2020 year amounted to \$59,993,400.

The terms of the agreement are as follows:

1. The Abatement shall extend for a period of ten (10) tax years beginning on the Abatement Start Date (the "Abatement Period") and shall apply to all Eligible Property Value for each tax year in the Abatement Period.
2. The abatement shall be 70%.
3. In consideration for the Abatement, Owner agrees to create at least 10 employment positions relating to the project, by the Completion Date, and to maintain no fewer than ten (10) permanent employment positions throughout the remainder of the Abatement Period.
4. Owner agrees to make a capital investment of at least \$100 million.

G. Reinvestment Zones

State law allows governments to enter into agreements for tax abatements which is anticipated to result in industry expansions and future revenues for the District. Under these agreements a company is exempt from paying a portion if not all property taxes to the District for a certain period. In return the company agrees to construct or expand new industry in the District and employ a certain number of workers.

On September 25, 2018, the County entered into an agreement pursuant to the Texas Tax Code, authorizing Jackson County, Texas to designate Reinvestment Zones in areas of the County that do not include areas in the taxing jurisdiction of a municipality, to enter into tax abatement agreements with regard to properties located in Reinvestment Zones, and to enter into tax abatement agreements with regard to properties for which a municipality has given tax abatement incentives by agreement.

The terms of the agreement are as follows:

1. The Abatement must be authorized by the Commissioners Court.
2. The abatement must be authorized for properties located within a municipal Reinvestment Zone when the municipality has entered into a tax abatement agreement. Such an agreement must be in compliance with all applicable requirements set forth in the Code.
3. Authorized Facilities: Tax abatement may be granted for New Facilities or for the Expansion or Modernization of existing Facilities. The economic life of a Facility or improvements thereto must exceed the life of the tax abatement agreement.
4. Eligible Property: Tax abatement may be granted for improvements to owned real property or real property subject to a Lease and for Personal Property located on such real property to the extent allowed by state law.

Authorized Facilities may be granted abatement on all or a portion of the increased taxable value of eligible property over the base year value for a period not to exceed ten (10) years.

H. Summary of TCDRS Funding Policy

Net Pension Liability / (Asset)	Net Pension Liability / (Asset)	
	December 31, 2018	December 31, 2019
Total pension liability	\$25,645,721	\$26,849,220
Fiduciary net position	23,131,791	26,304,291
Net pension liability/(asset)	2,513,930	544,929
Fiduciary net position as a % of total pension liability	90.20%	97.97%
Pensionable covered payroll	\$4,856,160	\$5,082,399
Net Pension liability as a % of covered payroll	51.77%	10.72%

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Discount Rate

Discount rate	8.10%	8.10%
Long-term expected rate of return, net of investment expense	8.10%	8.10%
Municipal bond rate	Does not apply	Does not apply

Other Key Actuarial Assumptions

All actuarial assumptions that determined the total pension 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 68.

See Appendix B of this report (Actuarial Methods and Assumptions Used for GASB Calculations) for a listing of key assumptions used in the calculation of the total pension liability and other GASS 68 metrics.

See Appendix C (Actuarial Methods and Assumptions Used for Funding Valuation) of this report for a full description of the actuarial assumptions used in the funding valuation.

	Beginning Date	Ending Date
Valuation date	December 31, 2018	December 31, 2019
Measurement date	December 31, 2018	December 31, 2019
Employer's fiscal year	October 1, 2019	September 30, 2020

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on April 2020 information for a 10-year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 - December 31, 2016 for more details.

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return
U.S. Equities	Dow Jones U.S. Total Stock Market Index	14.50%	5.20%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	20.00%	8.20%
Global Equities	MSCI World (net) Index	2.50%	5.50%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	7.00%	5.20%
Int'l Equities - Emerging Markets	MSCI Emerging Markets (net) Index	7.00%	5.70%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.20%
Strategic Credit	FTSE High-yield Cash-Pay Capped Index	12.00%	3.14%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.00%	7.16%
Distressed Debt	Cambridge Associates Distressed Securities Index	4.00%	6.90%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	3.00%	4.50%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	8.40%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.00%	5.50%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	8.00%	2.30%

Depletion of Plan Assets / GASB Discount Rate

The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternative methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. Our alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

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

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes.

Therefore, we have used a discount rate of 8.10%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

As additional documentation for auditing purposes, we have shown the projection of the Fiduciary Net Position in the following exhibit ("Projection of Fiduciary Net Position").

Projection of Fiduciary Net Position

Calendar Year Ending	Projected Beginning Fiduciary Net Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (a)+(b)-(c)-(d)+(e)
2020	\$26,304,291	\$852,407	\$1,726,957	\$26,304	\$2,094,873	\$27,498,310
2021	27,498,310	806,024	1,717,891	27,498	2,190,060	28,749,005
2022	28,749,005	767,728	1,874,874	28,749	2,283,561	29,896,671
2023	29,896,671	741,375	1,976,963	29,897	2,371,376	31,002,562
2024	31,002,562	712,724	2,079,559	31,003	2,455,697	32,060,421
2025	32,060,421	685,535	2,206,014	32,060	2,535,240	33,043,122
2026	33,043,122	669,756	2,301,372	33,043	2,610,387	33,988,850
2027	33,988,850	656,924	2,386,186	33,989	2,683,075	34,908,674
2028	34,908,674	644,779	2,459,748	34,909	2,754,141	35,812,937
2029	35,812,937	628,963	2,537,376	35,813	2,823,640	36,692,351
2030	36,692,351	401,257	2,605,830	36,692	2,883,076	37,334,162
2031	37,334,162	404,556	2,701,382	37,334	2,931,374	37,931,376
2032	37,931,376	365,604	2,761,919	37,931	2,975,774	38,472,904
2033	38,472,904	282,108	2,848,274	38,473	3,012,871	38,881,136
2034	38,881,136	269,082	2,983,179	38,881	3,040,047	39,168,205
2035	39,168,205	256,937	3,014,544	39,168	3,061,560	39,432,990
2036	39,432,990	243,357	3,047,481	39,433	3,081,150	39,670,583
2037	39,670,583	228,341	3,103,151	39,671	3,097,579	39,853,681
2038	39,853,681	213,036	3,135,932	39,854	3,110,493	40,001,424
2039	40,001,424	198,695	3,161,505	40,001	3,120,869	40,119,482
2040	40,119,482	185,233	3,186,268	40,119	3,128,909	40,207,237
2041	40,207,237	171,486	3,198,919	40,207	3,134,966	40,274,563
2042	40,274,563	158,201	3,211,432	40,275	3,139,392	40,320,449
2043	40,320,449	145,597	3,291,485	40,320	3,139,427	40,273,668
2044	40,273,668	132,722	3,300,709	40,274	3,134,763	40,200,170
2045	40,200,170	119,943	3,293,608	40,200	3,128,587	40,114,892
2046	40,114,892	107,605	3,290,238	40,115	3,121,326	40,013,470
2047	40,013,470	96,195	3,322,755	40,013	3,111,371	39,858,268
2048	39,858,268	85,680	3,318,243	39,858	3,098,567	39,684,414
2049	39,684,414	74,892	3,316,704	39,684	3,084,125	39,487,043
2050	39,487,043	65,632	3,307,300	39,487	3,068,151	39,274,039
2051	39,274,039	57,581	3,276,665	39,274	3,051,803	39,067,484
2052	39,067,484	50,306	3,226,043	39,067	3,036,802	38,889,482
2053	38,889,482	43,292	3,173,440	38,889	3,024,201	38,744,646
2054	38,744,646	36,620	3,145,544	38,745	3,013,318	38,610,295
2055	38,610,295	31,040	3,099,639	38,610	3,004,042	38,507,128
2056	38,507,128	26,144	3,047,040	38,507	2,997,584	38,445,309
2057	38,445,309	21,762	2,970,441	38,445	2,995,447	38,453,632
2058	38,453,632	17,899	2,905,086	38,454	2,998,562	38,526,553

2059	38,526,553	14,864	2,819,510	38,527	3,007,744	38,691,124
2060	38,691,124	12,213	2,737,207	38,691	3,024,231	38,951,670
2061	38,951,670	9,730	2,649,271	38,952	3,048,718	39,321,895
2062	39,321,895	7,087	2,568,450	39,322	3,081,796	39,803,006
2063	39,803,006	5,554	2,472,255	39,803	3,124,506	40,421,008
2064	40,421,008	4,350	2,374,079	40,421	3,178,391	41,189,249
2065	41,189,249	3,034	2,278,398	41,189	3,244,335	42,117,031
2066	42,117,031	2,287	2,177,287	42,117	3,323,435	43,223,349
2067	43,223,349	1,845	2,073,259	43,223	3,417,116	44,525,828
2068	44,525,828	1,491	1,969,533	44,526	3,526,670	46,039,930
2069	46,039,930	1,072	1,869,034	46,040	3,653,226	47,779,154
2070	47,779,154	645	1,770,930	47,779	3,797,913	49,759,003
2071	49,759,003	315	1,672,368	49,759	3,962,104	51,999,295
2072	51,999,295	253	1,570,270	51,999	4,147,530	54,524,809
2073	54,524,809	85	1,471,766	54,525	4,355,902	57,354,505
2074	57,354,505	68	1,372,070	57,355	4,588,953	60,514,101
2075	60,514,101	0	1,275,570	60,514	4,848,584	64,026,601
2076	64,026,601	0	1,179,646	64,027	5,136,767	67,919,695
2077	67,919,695	0	1,086,135	67,920	5,455,666	72,221,306
2078	72,221,306	0	995,063	72,221	5,807,542	76,961,564
2079	76,961,564	0	906,860	76,962	6,194,818	82,172,560
2080	82,172,560	0	821,763	82,173	6,620,081	87,888,705
2081	87,888,705	0	740,113	87,889	7,086,104	94,146,807
2082	94,146,807	0	662,252	94,147	7,595,854	100,986,262
2083	100,986,262	0	588,425	100,986	8,152,510	108,449,361
2084	108,449,361	0	518,875	108,449	8,759,486	116,581,523
2085	116,581,523	0	453,793	116,582	9,420,453	125,431,601
2086	125,431,601	0	393,372	125,432	10,139,357	135,052,154
2087	135,052,154	0	337,813	135,052	10,920,446	145,499,735
2088	145,499,735	0	287,265	145,500	11,768,293	156,835,263
2089	156,835,263	0	241,791	156,835	12,687,826	169,124,463
2090	169,124,463	0	201,410	169,124	13,684,367	182,438,296
2091	182,438,296	0	165,987	182,438	14,763,666	196,853,537
2092	196,853,537	0	135,235	196,854	15,931,949	212,453,397
2093	212,453,397	0	108,842	212,453	17,195,966	229,328,068
2094	229,328,068	0	86,479	229,328	18,563,032	247,575,293
2095	247,575,293	0	67,797	247,575	20,041,075	267,300,996
2096	267,300,996	0	52,381	267,301	21,638,686	288,620,000
2097	288,620,000	0	39,823	288,620	23,365,177	311,656,734
2098	311,656,734	0	29,753	311,657	25,230,637	336,545,961
2099	336,545,961	0	21,823	336,546	27,245,991	363,433,583

Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)	
	Balances as of December 31, 2018	\$25,645,721	\$23,131,791	\$2,513,930
	Changes of the year:			
Service cost	554,526		554,526	
Interest on total pension liability	2,065,670		2,065,670	
Effect of plan changes	0		0	
Effect of economic/demographic gains or losses	7,317		7,317	
Effect of assumptions changes or inputs	0		0	
Refund of contributions	(79,587)	(79,587)	0	
Benefit payments	(1,344,428)	(1,344,428)	0	
Administrative expenses		(20,045)	20,045	
Member contributions		356,564	(356,564)	
Net investment income		3,799,301	(3,799,301)	
Employer contributions		477,238	(477,238)	
Other	0	(16,543)	16,543	
Balances as of December 31, 2019	\$26,849,220	\$26,304,291	\$544,929	

Sensitive Analysis

The following presents the net pension liability of the employer, calculated using the discount rate of 8.10%, as well as what the Jackson County net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	\$29,939,058	\$26,849,220	\$24,214,096
Fiduciary net position	26,304,291	26,304,291	26,304,291
Net pension liability/(asset)	\$3,634,767	\$544,929	(\$2,090,195)

Pension Expense / (Income)

Pension Expense / (Income)

**January 1, 2019 to
December 31, 2019**

Service cost	\$554,526
Interest on total pension liability	2,065,670
Effect of plan changes	0
Administrative expenses	20,045
Member contributions	(356,564)
Expected investment return net of investment expenses	(1,848,784)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	28,415
Recognition of assumption changes or inputs	34,402
Recognition of investment gains or losses	126,418
Other	16,543
Pension expense	<u>\$640,671</u>

As of December 31, 2019, the deferred inflows and outflows of resources are as follows:

Deferred Inflows/Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$41,803	\$36,488
Changes of assumptions	0	34,403
Net difference between projected and actual earnings	664,388	0
Contributions made subsequent to measurement date	N/A	Employer determined

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ending December 31:

2020	(\$122,601)
2021	(214,409)
2022	91,815
2023	(390,105)
2024	0
Thereafter	0

Schedule of Deferred Inflows and Outflows of Resources

Expense / (Income) Calculation				Balances of Deferred Inflows and Outflows as of 12/31/2018	
Original Amount (a)	Date Established (b)	Original Recognition Period (c)	Amount Recognized for 2018 (a) / (c)	Inflows	Outflows
Investment (gains) or losses					
(\$1,950,517)	12/31/2019	5.0	(\$390,103)	\$1,560,414	\$0
2,400,432	12/31/2018	5.0	480,086	0	1,440,260
(1,426,587)	12/31/2017	5.0	(285,317)	570,636	0
132,014	12/31/2016	5.0	26,403	0	26,402
1,476,742	12/31/2015	5.0	295,348	0	0
Economic/demographic (gains) or losses					
7,317	12/31/2019	4.0	1,829	0	5,488
(83,605)	12/31/2018	4.0	(20,901)	41,803	0
124,003	12/31/2017	4.0	31,001	0	31,000
65,947	12/31/2016	4.0	16,486	0	0
(3,334)	12/31/2015	4.0	0	0	0
Assumption changes or inputs					
0	12/31/2019	4.0	0	0	0
0	12/31/2018	4.0	0	0	0
137,609	12/31/2017	4.0	34,402	0	34,403
0	12/31/2016	4.0	0	0	0
244,526	12/31/2015	4.0	0	0	0

Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31						
	2019	2018	2017	2016	2015	2014	2013 - 2009
Total Pension Liability							
Service cost	\$554,526	\$552,733	\$528,956	\$544,447	\$497,657	\$498,637	N/A
Interest on total pension liability	2,065,670	1,984,125	1,879,839	1,767,233	1,674,524	1,613,900	N/A
Effect of plan changes	0	0	0	0	(65,301)	0	N/A
Effect of assumption changes or inputs	0	0	137,609	0	244,526	0	N/A
Effect of economic/demographic (gains) or losses	7,317	(83,605)	124,003	65,947	(3,334)	(429,134)	N/A
Benefit payments/refunds of contributions	<u>(1,424,015)</u>	<u>(1,471,688)</u>	<u>(1,344,204)</u>	<u>(1,158,335)</u>	<u>(1,119,594)</u>	<u>(928,820)</u>	<u>N/A</u>
Net change in total pension liability	1,203,499	981,566	1,326,204	1,219,292	1,228,477	754,583	<u>N/A</u>
Total pension liability, beginning	<u>25,645,721</u>	<u>24,664,155</u>	<u>23,337,951</u>	<u>22,118,660</u>	<u>20,890,183</u>	<u>20,135,600</u>	<u>N/A</u>
Total pension liability, ending (a)	<u>\$266,849,220</u>	<u>\$25,645,721</u>	<u>\$24,664,155</u>	<u>\$23,337,951</u>	<u>\$22,118,660</u>	<u>\$20,890,183</u>	<u>N/A</u>
Fiduciary Net Position							
Employer contributions	\$477,238	\$459,392	\$439,556	\$454,474	\$428,369	\$418,687	N/A
Member contributions	356,564	339,931	330,139	320,056	301,975	291,045	N/A
Investment income net of investment expenses	3,799,301	(460,224)	3,163,407	1,518,446	196,576	1,408,935	N/A
Benefit payments/refunds of contributions	(1,424,015)	(1,471,688)	(1,344,204)	(1,158,335)	(1,119,594)	(928,820)	N/A
Administrative expenses	(20,045)	(18,580)	(16,161)	(16,477)	(14,775)	(15,556)	N/A
Other	<u>(16,543)</u>	<u>(17,591)</u>	<u>(7,852)</u>	<u>88,704</u>	<u>122,276</u>	<u>(380,061)</u>	<u>N/A</u>
Net change in fiduciary net position	3,172,500	(1,168,759)	2,564,887	1,206,867	(85,174)	794,230	N/A
Fiduciary net position, beginning	<u>23,131,791</u>	<u>24,300,550</u>	<u>21,735,663</u>	<u>20,528,796</u>	<u>20,613,970</u>	<u>19,819,740</u>	<u>N/A</u>
Fiduciary net position, ending (b)	<u>\$26,304,291</u>	<u>\$23,131,791</u>	<u>\$24,300,550</u>	<u>\$21,735,663</u>	<u>\$20,528,796</u>	<u>\$20,613,970</u>	<u>N/A</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$544,929</u>	<u>\$2,513,930</u>	<u>\$363,605</u>	<u>\$1,602,288</u>	<u>\$1,589,864</u>	<u>\$276,212</u>	<u>N/A</u>
Fiduciary net position as a % of total pension liability	97.97%	90.20%	98.53%	93.13%	92.81%	98.68%	N/A
Pensionable covered payroll	\$5,082,399	\$4,856,160	\$4,716,270	\$4,572,224	\$4,313,925	\$4,157,786	N/A
Net pension liability/(asset) as % of covered payroll	10.72%	51.77%	7.71%	35.04%	36.85%	6.64%	N/A

Schedule of Employer Contributions

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2010	\$331,062	\$331,062	\$0	\$3,719,799	8.9%
2011	312,071	312,071	0	3,641,428	8.6%
2012	351,529	351,529	0	3,743,664	9.4%
2013	389,073	389,073	0	3,982,357	9.8%
2014	418,687	418,687	0	4,157,786	10.1%
2015	428,369	428,369	0	4,313,925	9.9%
2016	454,474	454,474	0	4,572,224	9.9%
2017	439,556	439,556	0	4,716,270	9.3%
2018	459,392	459,392	0	4,856,160	9.5%
2019	477,238	477,238	0	5,082,399	9.4%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which 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	10.7 years (based on contribution rate calculated in 12/31/2019 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule 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.

Appendix A— GASB 68 Plan Description for Jackson County

A description of the pension plan pursuant to Paragraph 40 of GASB Statement No. 68 is as follows:

- a. Jackson County participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.
- b. A brief description of benefit terms:
 - 1) All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
 - 2) The plan provides retirement, disability and survivor benefits.
 - 3) TCERS is a savings-based plan. For the county's plan, 7% of each employee's pay is deposited into his or her TCERS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 150%) and is then converted to an annuity.
 - 4) There are no automatic COLAs. Each year, the county may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation.
 - 5) Benefit terms are established under the TCERS Act. They may be amended as of Jan. 1 each year, but must remain in conformity with the Act.
- c. Membership information is shown in the chart below.
- d. The county's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Jackson County contribution rate is based on the TCERS funding policy adopted by the TCERS Board of Trustees and must conform with the TCERS Act. The employee contribution rates are set by the county and are currently 7%. Contributions to the pension plan from the county for 2018 are shown in the Schedule of Employer Contributions.
- e. The most recent comprehensive annual financial report for TCERS can be found at the following link, www.tcdrs.org.

Membership Information

Members	Dec. 31, 2018	Dec. 31, 2019
Number of inactive employees entitled to but not yet receiving benefits:	80	83
Number of active employees:	117	120
Average monthly salary:	\$3,359	\$3,505
Average age:	49.26	49.84
Average length of service in years:	12.41	12.60
<hr/>		
Inactive Employees (or their Beneficiaries) Receiving Benefits		
Number of benefit recipients:	97	99
Average monthly benefit:	\$1,163	\$1,148

Appendix B—Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial methods and assumptions used for this GASB analysis were the same as those used in the December 31, 2019 funding valuation (see Appendix C, following, for details), except as noted below and throughout this report. Please see the Jackson County December 31, 2019 Summary Valuation Report for further details.

The following are the key assumptions and methods used in this GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	5 years
Smoothing period	Non-asymptotic
Recognition	None
method Corridor	Same as funding valuation: See Appendix C
Inflation	Same as funding valuation: See Appendix C
Salary Increases	8.10% (Gross of administrative expenses)
Investment Rate of Return	
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Jackson County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Same as funding valuation: See Appendix C
Turnover	Same as funding valuation: See Appendix C
Mortality	Same as funding valuation: See Appendix C

Appendix C—Actuarial Methods and Assumptions Used for Funding Valuation

Except where indicated in the section of this GASB 68 report entitled "Actuarial Methods and Assumptions Used for GASB Calculations", the assumptions used in this analysis for the December 31, 2019 financial reporting metrics are the same as those used in the December 31, 2019 actuarial valuation analysis for Jackson County.

The following is a description of the assumptions used in the December 31, 2019 actuarial valuation analysis for Jackson County. This information may also be found in the Jackson County December 31, 2019 Summary Valuation Report.

Economic Assumptions

TCDRS system-wide economic assumptions:

Real rate of return	5.25%
Inflation	2.75%
Long-term investment return	8.00%

The assumed long-term investment return of 8% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 8% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.25% (made up of 2.75% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee. (See Table 1 for Merit Salary Increases.)

Employer-specific economic assumptions:

Growth in membership	0.00%
Payroll growth for funding calculations	2.75%

The payroll growth assumption is for the aggregate covered payroll of an employer.

Table 1
Merit Salary Increase

Years of Service	Entry Age			
	Before 30	Ages 30-39	Ages 40-49	50 and later
0	5.00%	4.50%	4.00%	3.50%
1	4.25	3.75	3.25	2.75
2	3.85	3.35	2.85	2.35
3	3.50	3.00	2.50	2.00
4	3.15	2.65	2.25	1.85
5	2.90	2.55	2.15	1.70
6	2.65	2.30	1.95	1.55
7	2.45	2.10	1.75	1.40
8	2.30	1.95	1.60	1.25
9	2.15	1.80	1.45	1.10
10	2.00	1.70	1.40	1.05
11	1.90	1.50	1.25	1.00
12	1.80	1.50	1.15	0.95
13	1.70	1.40	1.05	0.90
14	1.60	1.30	0.95	0.85
15	1.50	1.23	0.90	0.80
16	1.40	1.15	0.85	0.75
17	1.30	1.05	0.80	0.70
18	1.23	0.97	0.75	0.65
19	1.15	0.90	0.70	0.60
20	1.10	0.85	0.65	0.55
21	1.05	0.80	0.60	0.50
22	1.00	0.75	0.55	0.50
23	0.95	0.70	0.50	0.50
24	0.90	0.65	0.50	0.50
25	0.85	0.60	0.50	0.50
26	0.80	0.60	0.50	0.50
27	0.75	0.60	0.50	0.50
28	0.70	0.60	0.50	0.50
29	0.65	0.60	0.50	0.50
30 & up	0.60	0.60	0.50	0.50

Demographic Assumptions

TCDRS system-wide demographic assumptions:

Replacement of Terminated Members — New employees are assumed to replace any terminated members and have similar entry ages.

Disability — The rates of disability used in this valuation are illustrated in Table 2. Members who become disabled are eligible to commence benefit payments regardless of age. Rates of disability are in a custom table based on TCDRS experience.

Table 2
Annual Rates of Disability

Age	Work Related Male and Female	All Other Causes Male and Female	Age	Work Related Male and Female	All Other Causes Male and Female
less than			43	0.004%	0.058%
25	0.000%	0.000%	44	0.004	0.063
25	0.000	0.000	45	0.004	0.069
26	0.000	0.000	46	0.005	0.076
27	0.000	0.000	47	0.006	0.084
28	0.000	0.008	48	0.007	0.095
29	0.000	0.008	49	0.009	0.109
30	0.000	0.009	50	0.010	0.125
31	0.000	0.010	51	0.012	0.142
32	0.000	0.010	52	0.013	0.162
33	0.000	0.011	53	0.015	0.183
34	0.000	0.014	54	0.018	0.203
35	0.001	0.018	55	0.018	0.222
36	0.001	0.022	56	0.018	0.238
37	0.002	0.028	57	0.018	0.250
38	0.002	0.033	58	0.018	0.259
39	0.002	0.038	59	0.018	0.270
40	0.002	0.042	60 & Above	0.018	0.000
41	0.003	0.047			
42	0.003	0.053			

Mortality

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

Family Composition — For current retirees, beneficiary information is supplied by TCDRS. For purposes of calculating the Survivor Benefit for current depositing and non-depositing members, male members are assumed to have a female beneficiary who is three years younger. Female members are assumed to have a male beneficiary who is three years older.

Service Retirement — Members eligible for service retirement are assumed to retire at the rates shown in Table 3.

Table 3
Annual Rates of Service Retirement

Age	Male	Female	Age	Male	Female
40-44	4.5%	4.5%	62	20.0%	20.0%
45-49	9.0	9.0	63	15.0	15.0
50	10.0	10.0	64	15.0	15.0
51	9.0	9.0	65	25.0	25.0
52	9.0	9.0	66	25.0	25.0
53	9.0	9.0	67	22.0	22.0
54	10.0	10.0	68	20.0	20.0
55	10.0	10.0	69	20.0	20.0
56	10.0	10.0	70	22.0	22.0
57	10.0	10.0	71	22.0	22.0
58	12.0	12.0	72	22.0	22.0
59	12.0	12.0	73	22.0	22.0
60	12.0	12.0	74	22.0	22.0
61	12.0	12.0			

Employer-specific demographic assumptions:

Other Terminations of Employment — The rate of assumed future termination from active participation in the plan for reasons other than death, disability or retirement are illustrated in Table 4. The rates vary by length of service, entry-age group (age at hire) and gender. No termination after eligibility for retirement is assumed.

Table 4
Annual Rates of Termination

Years of Service	Entry Age 20		Entry Age 30		Entry Age 40		Entry Age 50	
	Male	Female	Male	Female	Male	Female	Male	Female
0	30.1%	32.6%	25.0%	27.2%	21.3%	23.0%	20.1%	21.7%
1	20.5	22.3	17.3	18.7	14.7	15.9	13.9	14.9
2	15.3	16.6	13.0	14.0	11.0	12.0	10.4	11.3
3	12.2	13.1	10.4	11.3	8.8	9.5	8.3	9.0
4	10.0	10.9	8.6	9.4	7.4	7.9	6.9	7.5
5	8.9	9.7	7.7	8.5	6.6	7.2	6.2	6.8
6	7.9	8.6	6.9	7.5	5.9	6.4	5.5	6.0
7	7.0	7.7	6.2	6.8	5.3	5.8	5.0	5.4
8	5.9	6.3	5.2	5.6	4.4	4.8	4.1	4.5
9	5.6	6.0	5.0	5.4	4.2	4.6	4.1	4.3
10	5.0	5.3	4.5	4.9	3.8	4.1	3.6	3.9
11	4.3	4.7	4.0	4.3	3.4	3.7	3.2	3.4
12	4.0	4.2	3.6	4.0	3.1	3.3	2.9	3.2
13	3.5	3.8	3.2	3.6	2.8	3.1	2.6	2.9
14	3.2	3.3	3.0	3.2	2.5	2.7	2.3	2.5
15	2.7	3.0	2.6	2.8	2.2	2.4	2.1	2.3
16	2.3	2.5	2.3	2.4	1.9	2.1	1.8	2.0
17	2.1	2.3	2.0	2.2	1.7	1.8	1.6	1.7
18	1.8	1.9	1.7	1.9	1.4	1.6	1.4	1.5
19	1.5	1.7	1.5	1.7	1.4	1.4	1.3	1.4
20	1.4	1.6	1.4	1.6	1.2	1.3	1.2	1.3
21	1.3	1.5	1.3	1.5	1.1	1.2	1.1	1.2
22	1.2	1.4	1.2	1.4	1.0	1.1	1.0	1.1
23	1.1	1.3	1.1	1.3	0.9	1.0	0.9	1.0
24	1.1	1.2	1.1	1.2	0.9	1.0	0.9	0.9
25	1.0	1.1	1.0	1.1	0.8	0.9	0.8	0.9
26	1.0	1.0	1.0	1.0	0.8	0.9	0.8	0.8
27	0.9	0.9	0.9	0.9	0.7	0.8	0.7	0.7
28	0.9	0.8	0.9	0.8	0.7	0.8	0.7	0.7
29	0.8	0.7	0.8	0.7	0.6	0.7	0.6	0.6
30 & Later	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Withdrawals — Members who terminate may either elect to leave their account with TCDRS or withdraw their funds. The probability that a member elects a withdrawal varies by length of service and vesting schedule. Rates applied to your plan are shown in Table 5. For non-depositing members who are not vested, 100% are assumed to elect a withdrawal.

Table 5
Probability of Withdrawal

Years of Service	Probability	Years of Service	Probability
0	100%	15	40
1	100	16	38
2	100	17	36
3	100	18	33
4	100	19	30
5	100	20	28
6	100	21	26
7	100	22	24
8	47	23	22
9	46	24	20
10	45	25	18
11	44	26	16
12	43	27	14
13	42	28	12
14	41	29	10

I. Summary of GASB 75 Group Insurance Policy

The adoption date for the new GASB75 OPEB Accounting Standard was for the Fiscal Year beginning October 1, 2019. The following shows the development of the Net OPEB Liability (NOL), the Total OPEB Expense, the Schedule of Deferred Outflows/(Inflows) and the Trend and Discount Rate Sensitivity Analysis.

Net OPEB Liability (NOL)

The Standard sets the method for determining the County’s total OPEB Liability and Net OPEB Liability. The Net OPEB Liability is the difference between the Total OPEB liability and the Plan Fiduciary Net Position. The Plan Fiduciary Net Position is zero for plans with no dedicated plan assets. To be included as assets of the plan the assets must be held in an irrevocable trust for the exclusive purpose of providing post-retirement benefits. Changes in benefit terms are recognized immediately. Changes in assumptions and experience gains/losses are amortized over the average remaining service of active employees and inactive participants. Investment gains/losses are amortized over five (5) years.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Total OPEB Liability October 1, 2019	2,185,992	0	2,185,992
Service Cost	119,299	0	119,299
Interest Cost	91,855	0	91,855
Changes of Benefit Terms	0	0	0
Differences between expected and actual experience	0	0	0
Changes in assumptions	0	0	0
Other changes	0	0	0
Contributions - employer	0	0	0
Net investment income	0	0	0
Benefit payments	(85,705)	0	(85,705)
Administrative Expense	0	0	0
Net change in total OPEB liability	(41,020)	0	(41,020)
Total OPEB Liability September 30, 2020	2,144,972	0	2,144,972

Total OPEB Expense

Part of the disclosure is the Total OPEB Expense included in the financial statements each year. This expense includes the service cost, interest cost and the amortized amount of each base required by GASB 75.

Total OPEB Expense	FY 2020
Service Cost as of October 1, 2019	119,299
Interest Cost	91,855
Changes of benefit terms	0
Current Recognized Deferred Outflows/(Inflows)	
Difference between expected and actual experience	(25,599)
Changes in assumptions or other inputs	5,735
(Other changes, if significant)	0
Difference of Projected Investment Earnings	0
Total OPEB Expense as of September 30, 2020	191,290

Schedule of Deferred Inflows/Outflows

GASB 75 requires disclosure of the deferred inflows/ outflows resulting from the changes in the Total OPEB Liability each year. Included will be a schedule showing the original amortization amount, the years to be amortized, and the remaining balance.

Schedule of Deferred Inflows/Outflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	0	(187,639)
Changes of Assumptions/inputs	42,034	0
Net differences between projected and actual investments	0	0
Total	42,034	(187,639)

Projection of Net Inflows (Outflows)

Fiscal Year	Net Inflows (Outflows)
2021	(19,864)
2022	(19,864)
2023	(19,864)
2024	(19,864)
2025	(19,864)
2026+	(46,285)

Sensitivity Analysis of the Trend and Discount Rate

GASB75 requires a sensitivity analysis of the trend and discount rates used in the valuation. The sensitivity is plus or minus 1% from the base rates used in the valuation. The values shown are as of September 30, 2020.

Trend	Total OPEB Liability	% Difference
1% Decrease (3.50%)	1,901,396	-11.4%
Current Trend 4.50%	2,144,972	
1% Increase (5.50%)	2,435,606	13.5%

Discount Rate	Total OPEB Liability	% Difference
1% Increase (3.25%)	1,953,416	-8.9%
Current Discount Rate 2.25%	2,144,972	
1% Decrease (1.25%)	2,360,127	10.0%

DEMOGRAPHIC INFORMATION

The following tables summarized active and retiree demographic information for the medical plan. The reflects the benefits as of September 30, 2020 based on data provided by the client.

Status	Employee Only	Employee & Family
Active (=104)	56	48
Retired (=5)	5	0
Total = 109	61	48

Adjusted for terminations and new hires during the fiscal year ending September 30, 2020.

SUMMARY OF PRINCIPAL PLAN PROVISIONS

Plan Provisions

Medical Benefits

Eligibility

The earlier of a) age 60 with 8 years of service, b) 30 years of service without regard to age, and c) the sum of age plus service equals 75.

Postretirement contributions

Retirees contribute part of the medical insurance premium for individual coverage if the years of service are less than 31 at the date of retirement. With service of at least 31 years there is no retiree contribution for individual coverage. Retirees pay the full contribution for any dependent coverage elected.

Medical Plan Benefit

Benefits are provided through the Texas Association of Counties Health and Employee Benefits Pool.

Coverage is provided to the age of Medicare eligibility.

Other Benefits

Dental and life insurance benefits are provided to eligible retirees. The retiree pays a portion of the cost of individual dental coverage depending on years of service at retirement with no contribution for individual coverage if at least 31 years of service at retirement. A \$10,000 term life insurance benefit is fully paid by the County.

Change in Plan Provisions

None

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31						2013 - 2009
	2019	2018	2017	2016	2015	2014	
Total Pension Liability							
Service cost	\$554,526	\$552,733	\$528,956	\$544,447	\$497,657	\$498,637	N/A
Interest on total pension liability	2,065,670	1,984,125	1,879,839	1,767,233	1,674,524	1,613,900	N/A
Effect of plan changes	0	0	0	0	(65,301)	0	N/A
Effect of assumption changes or inputs	0	0	137,609	0	244,526	0	N/A
Effect of economic/demographic (gains) or losses	7,317	(83,605)	124,003	65,947	(3,334)	(429,134)	N/A
Benefit payments/refunds of contributions	<u>(1,424,015)</u>	<u>(1,471,688)</u>	<u>(1,344,204)</u>	<u>(1,158,335)</u>	<u>(1,119,594)</u>	<u>(928,820)</u>	<u>N/A</u>
Net change in total pension liability	1,203,499	981,566	1,326,204	1,219,292	1,228,477	754,583	<u>N/A</u>
Total pension liability, beginning	<u>25,645,721</u>	<u>24,664,155</u>	<u>23,337,951</u>	<u>22,118,660</u>	<u>20,890,183</u>	<u>20,135,600</u>	<u>N/A</u>
Total pension liability, ending (a)	<u>\$266,849,220</u>	<u>\$25,645,721</u>	<u>\$24,664,155</u>	<u>\$23,337,951</u>	<u>\$22,118,660</u>	<u>\$20,890,183</u>	<u>N/A</u>
Fiduciary Net Position							
Employer contributions	\$477,238	\$459,392	\$439,556	\$454,474	\$428,369	\$418,687	N/A
Member contributions	356,564	339,931	330,139	320,056	301,975	291,045	N/A
Investment income net of investment expenses	3,799,301	(460,224)	3,163,407	1,518,446	196,576	1,408,935	N/A
Benefit payments/refunds of contributions	(1,424,015)	(1,471,688)	(1,344,204)	(1,158,335)	(1,119,594)	(928,820)	N/A
Administrative expenses	(20,045)	(18,580)	(16,161)	(16,477)	(14,775)	(15,556)	N/A
Other	<u>(16,543)</u>	<u>(17,591)</u>	<u>(7,852)</u>	<u>88,704</u>	<u>122,276</u>	<u>(380,061)</u>	<u>N/A</u>
Net change in fiduciary net position	3,172,500	(1,168,759)	2,564,887	1,206,867	(85,174)	794,230	N/A
Fiduciary net position, beginning	<u>23,131,791</u>	<u>24,300,550</u>	<u>21,735,663</u>	<u>20,528,796</u>	<u>20,613,970</u>	<u>19,819,740</u>	<u>N/A</u>
Fiduciary net position, ending (b)	<u>\$26,304,291</u>	<u>\$23,131,791</u>	<u>\$24,300,550</u>	<u>\$21,735,663</u>	<u>\$20,528,796</u>	<u>\$20,613,970</u>	<u>N/A</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$544,929</u>	<u>\$2,513,930</u>	<u>\$363,605</u>	<u>\$1,602,288</u>	<u>\$1,589,864</u>	<u>\$276,212</u>	<u>N/A</u>
Fiduciary net position as a % of total pension liability	97.97%	90.20%	98.53%	93.13%	92.81%	98.68%	N/A
Pensionable covered payroll	\$5,082,399	\$4,856,160	\$4,716,270	\$4,572,224	\$4,313,925	\$4,157,786	N/A
Net pension liability/(asset) as % of covered payroll	10.72%	51.77%	7.71%	35.04%	36.85%	6.64%	N/A

Schedule of Employer Contributions

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2010	\$331,062	\$331,062	\$0	\$3,719,799	8.9%
2011	312,071	312,071	0	3,641,428	8.6%
2012	351,529	351,529	0	3,743,664	9.4%
2013	389,073	389,073	0	3,982,357	9.8%
2014	418,687	418,687	0	4,157,786	10.1%
2015	428,369	428,369	0	4,313,925	9.9%
2016	454,474	454,474	0	4,572,224	9.9%
2017	439,556	439,556	0	4,716,270	9.3%
2018	459,392	459,392	0	4,856,160	9.5%
2019	477,238	477,238	0	5,082,399	9.4%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which 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	10.7 years (based on contribution rate calculated in 12/31/2019 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule 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.

Appendix B—Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial methods and assumptions used for this GASB analysis were the same as those used in the December 31, 2019 funding valuation (see Appendix C, following, for details), except as noted below and throughout this report. Please see the Jackson County December 31, 2019 Summary Valuation Report for further details.

The following are the key assumptions and methods used in this GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported,
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	5 years
Smoothing period	Non-asymptotic
Recognition	None
method Corridor	Same as funding valuation: See Appendix C
Inflation	Same as funding valuation: See Appendix C
Salary Increases	8.10% (Gross of administrative expenses)
Investment Rate of Return	
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Jackson County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Same as funding valuation: See Appendix C
Turnover	Same as funding valuation: See Appendix C
Mortality	Same as funding valuation: See Appendix C

Required Supplementary Information

Schedule of Changes in Net OPEB Liability and Related Ratios

Fiscal Year	2020	2019	2018
Service Cost	119,299	119,299	114,644
Interest	91,855	84,932	90,215
Plan Amendments	0	0	0
Experience (Gain)/Loss	(214,238)	0	0
Assumption Changes	47,769	0	0
Benefit Payments	(85,705)	(220,330)	(220,330)
TOL@BOY	2,185,992	2,202,091	2,217,562
TOL@EOY (a)	2,144,972	2,185,992	2,202,091
FNP@BOY	0	0	0
FNP@BOY (b)	0	0	0
NOL (a) – (b)	2,144,972	2,185,992	2,202,091
FNP as Percentage of NOL	0.00%	0.00%	0.00%
Covered Payroll	4,830,933	4,510,172	4,510,172
NOL as Percentage of Payroll	44.40%	48.47%	48.82%

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

JACKSON COUNTY, TEXAS
 COMBINING BALANCE SHEET - GENERAL FUND
 SEPTEMBER 30, 2020

	General Fund	Permanent Improvement Funds	Total General Funds
<i>ASSETS</i>			
Cash and Cash Equivalents	\$5,362,260	\$1,095,627	\$6,457,887
Receivables (net of allowance for uncollectibles)	665,614		665,614
Prepaid Items	71,989		71,989
Due from Others	472		472
Total Assets	<u>\$6,100,335</u>	<u>\$1,095,627</u>	<u>\$7,195,962</u>
LIABILITIES AND FUND BALANCES:			
Accounts Payable	\$88,519		\$88,519
Accrued Wages Payable	140,243		140,243
Deferred Revenues	360		360
Total Liabilities	<u>229,122</u>	<u>0</u>	<u>229,122</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	<u>524,154</u>		<u>524,154</u>
Fund Balances:			
Non-Spendable			
Prepaid Items	71,989		71,989
Restricted			
Permanent Improvement		1,095,627	1,095,627
Committed			
Construction			0
Unassigned	<u>5,275,070</u>		<u>5,275,070</u>
Total Fund Balance	<u>5,347,059</u>	<u>1,095,627</u>	<u>6,442,686</u>
Total Liabilities and Fund Balances	<u>\$6,100,335</u>	<u>\$1,095,627</u>	<u>\$7,195,962</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - GENERAL FUND
 YEAR ENDED SEPTEMBER 30, 2020

	General Fund	Permanent Improvement Funds	Total General Funds
<i>REVENUES</i>			
Taxes			
Property	\$8,633,623		\$8,633,623
Sales	1,293,667		1,293,667
Other	40,757		40,757
Intergovernmental	365,037		365,037
Charges for Services	662,557		662,557
Fines and Forfeitures	441,973		441,973
Interest	76,178	12,805	88,983
Miscellaneous	126,136		126,136
Total Revenues	11,639,928	12,805	11,652,733
<i>EXPENDITURES</i>			
Current:			
General Administration			
Commissioner's Court	376,033		376,033
County Clerk	465,026		465,026
County Judge	202,750		202,750
Election			0
Non-Departmental	473,490		473,490
Judicial			
Court Expense	193,440		193,440
Criminal District Attorney	458,993		458,993
District Clerk	290,201		290,201
District Court	74,816		74,816
Jury	18,045		18,045
Justice of the Peace No. 1	197,049		197,049
Justice of the Peace No. 2	185,681		185,681
Financial Administration			
County Auditor	321,506		321,506
County Treasurer	175,033		175,033
Tax Assessor-Collector	444,181		444,181
Public Facilities			
County Services Building		17,350	17,350
Public Facilities	399,993		399,993
Public Safety			
Adult Probation	3,133		3,133
Ambulance			0
Emergency Management	47,559		47,559
Constable No. 1	116,325		116,325
Constable No. 2	119,703		119,703
Corrections	1,437,550		1,437,550

(continued)

(continued)

Disaster	74		74
D.P.S./License and Weight	1,014		1,014
D.P.S./Troopers	804		804
EMS/Jaws of Life			0
Fire	10,500		10,500
Permitting and Inspections	57,522		57,522
Law Enforcement Agreement	243,392		243,392
Sheriff	1,685,211		1,685,211
T.J.P.C.	44,100		44,100
Enviromental Protection			
Sanitation	389,156		389,156
Culture and Recreation			
County Library	195,393		195,393
Fairgrounds			0
Parks	5,535		5,535
Health and Welfare			
Gulf Bend Mental Health	52,241		52,241
Senior Citizens Center	25,000		25,000
Conservation - Agriculture			
Agriculture Extension Service	89,438		89,438
U.S. Soil Conservation	2,500		2,500
Debt Service			
Principal Retirement	0		0
Interest and Fiscal Charges	0		0
Total Expenditures	<u>8,802,387</u>	<u>17,350</u>	<u>8,819,737</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	<u>2,837,541</u>	<u>(4,545)</u>	<u>2,832,996</u>
OTHER FINANCING SOURCES (USES):			
Operating Transfers In		199,080	199,080
Operating Transfers Out	<u>(2,314,884)</u>		<u>(2,314,884)</u>
Total Other Financing Sources (Uses)	<u>(2,314,884)</u>	<u>199,080</u>	<u>(2,115,804)</u>
Net Changes in Fund Balances	522,657	194,535	717,192
Fund Balances - Beginning	4,824,402	901,092	5,725,494
Fund Balances - Ending	<u>\$5,347,059</u>	<u>\$1,095,627</u>	<u>\$6,442,686</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, TEXAS
 COMBINING BALANCE SHEET - ROAD AND BRIDGE FUND
 SEPTEMBER 30, 2020

	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4	Bridge Replacement Fund
<i>ASSETS</i>					
Cash and Cash Equivalents	\$69,536	\$175,726	\$32,685	\$133,877	\$189,460
Receivables (net of allowance for uncollectibles)					
Prepaid Insurance	7,389	3,777	4,040	5,027	
Total Assets	<u>\$76,925</u>	<u>\$179,503</u>	<u>\$36,725</u>	<u>\$138,904</u>	<u>\$189,460</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$506	\$1,969	\$1,591	\$1,296	
Accrued Wages Payable	7,599	7,430	5,779	8,858	
Total Liabilities	<u>8,105</u>	<u>9,399</u>	<u>7,370</u>	<u>10,154</u>	<u>0</u>
Fund Balances:					
Non-Spendable					
Prepaid Items	7,389	3,777	4,040	5,027	
Restricted					
Public Transportation	61,431	166,327	25,315	123,723	189,460
Total Fund Balance	<u>68,820</u>	<u>170,104</u>	<u>29,355</u>	<u>128,750</u>	<u>189,460</u>
Total Liabilities and Fund Balances	<u>\$76,925</u>	<u>\$179,503</u>	<u>\$36,725</u>	<u>\$138,904</u>	<u>\$189,460</u>

The accompanying notes are an integral part of this statement.

Highway Fund	Lateral Road No. 1	Equipment Replacement No. 1	Equipment Replacement No. 2	Equipment Replacement No. 3	Equipment Replacement No. 4	Total Road and Bridge
\$19,254	\$5,220	\$12,180	\$2,230	\$6,587	\$98,738	\$745,493
						\$0
38,685						38,685
17,226						37,459
<u>\$75,165</u>	<u>\$5,220</u>	<u>\$12,180</u>	<u>\$2,230</u>	<u>\$6,587</u>	<u>\$98,738</u>	<u>\$821,637</u>
\$49,268						\$54,630
						29,666
<u>49,268</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>84,296</u>
						20,233
25,897	5,220	12,180	2,230	6,587	98,738	717,108
<u>25,897</u>	<u>5,220</u>	<u>12,180</u>	<u>2,230</u>	<u>6,587</u>	<u>98,738</u>	<u>737,341</u>
<u>\$75,165</u>	<u>\$5,220</u>	<u>\$12,180</u>	<u>\$2,230</u>	<u>\$6,587</u>	<u>\$98,738</u>	<u>\$821,637</u>

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - ROAD AND BRIDGE FUNDS
 YEAR ENDED SEPTEMBER 30, 2020

	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4	Bridge Replacement Fund
<i>REVENUES</i>					
Intergovernmental	\$2,445				
Licenses and Permits					
Interest	4,467	5,485	3,267	5,433	2,193
Miscellaneous	13,831	45,843	6,751	17,513	
Total Revenues	20,743	51,328	10,018	22,946	2,193
<i>EXPENDITURES</i>					
Current:					
Public Transportation					
Road and Bridge	550,745	539,196	456,231	640,017	
Debt Service					
Principal Retirement					
Interest and Fiscal Charges					
Total Expenditures	550,745	539,196	456,231	640,017	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(530,002)	(487,868)	(446,213)	(617,071)	2,193
<i>OTHER FINANCING SOURCES (USES):</i>					
Operating Transfers In	531,017	572,485	449,205	747,492	50,000
Operating Transfers Out					
Total Other Financing Sources (Uses)	531,017	572,485	449,205	747,492	50,000
Net Changes in Fund Balances	1,015	84,617	2,992	130,421	52,193
Fund Balances - Beginning	67,805	85,487	26,363	(1,671)	137,267
Fund Balances - Ending	\$68,820	\$170,104	\$29,355	\$128,750	\$189,460

Highway Fund	Lateral Road No. 1	Equipment Replacement No. 1	Equipment Replacement No. 2	Equipment Replacement No. 3	Equipment Replacement No. 4	Total Road and Bridge
	\$20,881					\$23,326
621,815						621,815
		212	127	105	1,189	22,478
144,563						228,501
766,378	20,881	212	127	105	1,189	896,120
315,752	15,661	9,499	20,706		4,858	2,552,665
				16,686		16,686
						0
315,752	15,661	9,499	20,706	16,686	4,858	2,569,351
450,626	5,220	(9,287)	(20,579)	(16,581)	(3,669)	(1,673,231)
		20,000	20,000	20,000	20,000	2,430,199
(450,619)						(450,619)
(450,619)	0	20,000	20,000	20,000	20,000	1,979,580
7	5,220	10,713	(579)	3,419	16,331	306,349
25,890	0	1,467	2,809	3,168	82,407	430,992
\$25,897	\$5,220	\$12,180	\$2,230	\$6,587	\$98,738	\$737,341

JACKSON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2020

SPECIAL REVENUE

	Abandoned Motor Vehicles	Child Abuse Prevention	Child Welfare	Commissary Telephone	Construction Grants	County Clerk Records Management
ASSETS						
Cash and Cash Equivalents	\$13,305	\$379	\$8,270	\$18,558	(\$2,600)	\$138,170
Receivables (net of allowance for uncollectibles)				8,965		
Prepaid Insurance						
TOTAL ASSETS	\$13,305	\$379	\$8,270	\$27,523	-\$2,600	\$138,170
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable	\$77				\$5,037	
Accrued Wages Payable						
Due to Other Funds	5				13	
Total Liabilities	82	0	0	0	5,050	0
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Taxes						
Fund Balances						
Non-Spendable						
Prepaid Insurance						
Restricted						
General Administration						138,170
Judicial						
Legal						
Public Safety	13,223	379				
Committed						
Culture and Recreation						
Health and Welfare			8,270			
Public Safety				27,523		
Unassigned					(7,650)	
Total Fund Balances	13,223	379	8,270	27,523	(7,650)	138,170
TOTAL LIABILITIES AND FUND BALANCES	\$13,305	\$379	\$8,270	\$27,523	(\$2,600)	\$138,170

(continued)

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

SPECIAL REVENUE

County Records Management	County Specialty Court	Courthouse Security	Courthouse Security JP's	District Attorney Forfeiture	District Attorney Hot Check	District Clerk Records Management	District Clerk Reserve	
\$2,777	\$1,114	\$12,473	\$833	\$294,381	\$7,758	\$11,312	\$52,848	
49								
\$2,777	\$1,114	\$12,473	\$833	\$294,430	\$7,758	\$11,312	\$52,848	
		\$25			50 240			
					3,908	52,848		
0	0	25	0	290	3,908	0	52,848	
49								
2,777	1,114			294,091			11,312	
		12,448	833			3,850		
2,777	1,114	12,448	833	294,140	3,850	11,312	0	
\$2,777	\$1,114	\$12,473	\$833	\$294,430	\$7,758	\$11,312	\$52,848	

JACKSON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2020
 (continued)

	SPECIAL REVENUE					
	Elections Administration	Federal & State Relief	Flood Control	Historical Commission	Justice Court Tech	Juvenile Probation Discretion
ASSETS						
Cash and Cash Equivalents	\$108,429	\$55,273		\$33,982	\$3,421	\$3,999
Receivables (net of allowance for uncollectibles)		264	98,161			
Prepaid Insurance				843		
TOTAL ASSETS	\$108,429	\$55,537	\$98,161	\$34,825	\$3,421	\$3,999
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable	\$35	\$78	\$1,363			
Accrued Wages Payable						
Due to Other Funds	679	39				
Total Liabilities	714	117	1,363	0	0	0
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Taxes			96,798			
Fund Balances						
Non-Spendable						
Prepaid Insurance		0	0	843		
Restricted						
General Administration	107,715					
Judicial				3,421		
Legal						
Public Safety		55,420				3,999
Committed						
Culture and Recreation				33,982		
Health and Welfare						
Public Safety						
Unassigned						
Total Fund Balances	107,715	55,420	0	34,825	3,421	3,999
TOTAL LIABILITIES AND FUND BALANCES	\$108,429	\$55,537	\$98,161	\$34,825	\$3,421	\$3,999

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

SPECIAL REVENUE

Juvenile Probation Grant	Law Enforcement Officers	Law Library	Mediation Fund	Memorial Library	Sheriff Forfeiture	Truancy Prev & Diversion	Non-Major Governmental Funds
\$5,084	\$4,175	\$11,962	\$1,450	\$7,771	\$55,695	\$3,415	\$854,234
10,347							117,737 892
<u>\$15,431</u>	<u>\$4,175</u>	<u>\$11,962</u>	<u>\$1,450</u>	<u>\$7,771</u>	<u>\$55,695</u>	<u>\$3,415</u>	<u>\$972,863</u>
\$7,580		\$533		\$34			\$14,812
1,507							1,747
<u>9,087</u>	<u>0</u>	<u>533</u>	<u>0</u>	<u>34</u>	<u>0</u>	<u>0</u>	<u>57,492</u> <u>74,051</u>
							<u>96,798</u>
0							892
			1,450				250,112
							309,938
							3,850
6,344	4,175				55,695	3,415	155,931
		11,429		7,737			53,148
							8,270
							27,523
							(7,650)
<u>6,344</u>	<u>4,175</u>	<u>11,429</u>	<u>1,450</u>	<u>7,737</u>	<u>55,695</u>	<u>3,415</u>	<u>802,014</u>
<u>\$15,431</u>	<u>\$4,175</u>	<u>\$11,962</u>	<u>\$1,450</u>	<u>\$7,771</u>	<u>\$55,695</u>	<u>\$3,415</u>	<u>\$972,863</u>

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	SPECIAL REVENUE					
	Abandoned Motor Vehicles	Child Abuse Prevention	Child Welfare	Commissary Telephone	Construction Grants	County Clerk Records Management
<i>REVENUES</i>						
Property Taxes						
Intergovernmental					312,814	
Charges for Services	2,230	1,076		67,050		76,582
Interest			99			1,554
Miscellaneous	10,755					
Total Revenues	12,985	1,076	99	67,050	312,814	78,136
<i>EXPENDITURES</i>						
Current:						
General Administration						
Records Management						66,590
Judicial						
Judicial						
Legal						
Law Library						
Public Facilities						
Public Facilities					315,286	
Public Safety						
Courthouse Security						
Juvenile Probation						
Sheriff	4,551	1,000		66,626		
Environmental Protection						
Culture and Recreation						
Historical Commission						
Library						
Health and Welfare						
Child Welfare						
Total Expenditures	4,551	1,000	0	66,626	315,286	66,590
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,434	76	99	424	(2,472)	11,546
<i>OTHER FINANCING SOURCES (USES):</i>						
Operating Transfers In						
Total Other Financing Sources (Uses)				0	0	0
Net Changes in Fund Balances	8,434	76	99	424	(2,472)	11,546
Fund Balances - Beginning	4,789	303	8,171	27,099	(5,178)	126,624
Fund Balances - Ending	\$13,223	\$379	\$8,270	\$27,523	(\$7,650)	\$138,170

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

SPECIAL REVENUE

County Records Management	County Specialty Court	Courthouse Security	Courthouse Security JP's	District Attorney Forfeiture	District Attorney Hot Check	District Clerk Records Management	District Clerk Records Management
4,988	1,114	14,388				69	6,496
26				3,564			
5,014	1,114	14,388	833	16,654	69	6,496	0
7,717						7,360	
				21,889			
		4,829					
7,717	0	4,829	0	21,889	0	7,360	0
(2,703)	1,114	9,559	833	(1,671)	69	(864)	0
0	0	0	0	0	0	0	0
(2,703)	1,114	9,559	833	(1,671)	69	(864)	0
5,480	0	2,889	0	295,811	3,781	12,176	0
\$2,777	\$1,114	\$12,448	\$833	\$294,140	\$3,850	\$11,312	\$0

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020
 (continued)

	SPECIAL REVENUE					
	Elections Administration	Federal & State Relief	Flood Control	Historical Commission	Justice Court Tech	Juvenile Probation Discretion
<i>REVENUES</i>						
Property Taxes			\$1,266,372			
Intergovernmental		69,861				
Charges for Services	134,320				9,041	1,100
Interest	42	77		428		
Miscellaneous				150		
Total Revenues	134,362	69,938	1,266,372	578	9,041	1,100
<i>EXPENDITURES</i>						
Current:						
General Administration						
Records Management	30,702					
Judicial						
Judicial					8,939	
Legal						
Law Library						
Public Facilities						
Public Facilities						
Public Safety						
Courthouse Security						
Juvenile Probation						
Sheriff		14,518				
Environmental Protection			1,266,372			
Culture and Recreation						
Historical Commission				1,067		
Library						
Health and Welfare						
Child Welfare						
Total Expenditures	30,702	14,518	1,266,372	1,067	8,939	0
Excess (Deficiency) of Revenues Over (Under)						
Expenditures	103,660	55,420	0	(489)	102	1,100
<i>OTHER FINANCING SOURCES (USES):</i>						
Operating Transfers In				1,090		
Total Other Financing Sources (Uses)	0	0	0	1,090	0	0
Net Changes in Fund Balances	103,660	55,420	0	601	102	1,100
Fund Balances - Beginning	4,055	0	0	34,224	3,319	2,899
Fund Balances - Ending	\$107,715	\$55,420	\$0	\$34,825	\$3,421	\$3,999

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

SPECIAL REVENUE

Juvenile Probation Grant	Law Enforcement Officers	Law Library	Mediation Fund	Memorial Library	Sheriff Forfeiture	Truancy Prev & Diversion	Non-Major Governmental Funds
							\$1,266,372
181,519							564,194
	3,946	9,765				3,415	335,580
434				697	695		7,616
				4,740	16,442		49,574
181,953	3,946	9,765	0	5,437	17,137	3,415	2,223,336
							112,369
							30,828
		6,655					6,655
							315,286
							4,829
181,968							181,968
	2,847				14,419		103,961
							1,266,372
							1,067
				6,222			6,222
							0
181,968	2,847	6,655	0	6,222	14,419	0	2,029,557
(15)	1,099	3,110	0	(785)	2,718	3,415	193,779
							1,090
0	0	0	0	0	0	0	1,090
(15)	1,099	3,110	0	(785)	2,718	3,415	194,869
6,359	3,076	8,319	1,450	8,522	52,977	0	607,145
\$6,344	\$4,175	\$11,429	\$1,450	\$7,737	\$55,695	\$3,415	\$802,014

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF NET POSITION
 NON-MAJOR PROPRIETARY FUNDS
 SEPTEMBER 30, 2020

	JAIL COMMISSARY CURRENT YEAR	JAIL COMMISSARY PRIOR YEAR	TOTALS NON-MAJOR PROPRIETARY CURRENT YEAR	TOTALS NON-MAJOR PROPRIETARY PRIOR YEAR
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$8,229	\$4,167	\$8,229	\$4,167
Receivables (net of allowance for uncollectibles)	189	1,152	189	1,152
Total Current Assets	<u>8,418</u>	<u>5,319</u>	<u>8,418</u>	<u>5,319</u>
TOTAL ASSETS	<u>\$8,418</u>	<u>\$5,319</u>	<u>\$8,418</u>	<u>\$5,319</u>
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities				
Current Liabilities(Payable from Current Assets)				
Accounts Payable		530	0	530
Accrued Wages Payable			0	0
Total Current Liabilities	<u>0</u>	<u>530</u>	<u>0</u>	<u>530</u>
TOTAL LIABILITIES	<u>0</u>	<u>530</u>	<u>0</u>	<u>530</u>
Invested in Capital Assets, Net of Related debt				
Unrestricted	8,418	4,789	8,418	4,789
TOTAL NET POSITION	<u>\$8,418</u>	<u>\$4,789</u>	<u>\$8,418</u>	<u>\$4,789</u>

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

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 NON-MAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	JAIL COMMISSARY CURRENT YEAR	JAIL COMMISSARY PRIOR YEAR	TOTALS NON-MAJOR PROPRIETARY CURRENT YEAR	TOTALS NON-MAJOR PROPRIETARY PRIOR YEAR
OPERATING REVENUES:				
Charges for Services	\$10,838	\$10,350	\$10,838	\$10,350
TOTAL OPERATING REVENUES	10,838	10,350	10,838	10,350
OPERATING EXPENSES				
Personal Services			0	0
Supplies	7,282	5,635	7,282	5,635
Other Services and Charges			0	0
Depreciation			0	0
TOTAL OPERATING EXPENSES	7,282	5,635	7,282	5,635
OPERATING INCOME (LOSS)	3,556	4,715	3,556	4,715
NON-OPERATING REVENUES (EXPENSES):				
Interest Income	73	82	73	82
TOTAL NON-OPERATING REVENUES (EXPENSES)	73	82	73	82
Income Before Transfers	3,629	4,797	3,629	4,797
Transfers In			0	0
Change in Net Position	3,629	4,797	3,629	4,797
Total Net Position - Beginning	4,789	(8)	4,789	(8)
Total Net Position - Ending	\$8,418	\$4,789	\$8,418	\$4,789

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

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 NON-MAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	JAIL COMMISSARY CURRENT YEAR	JAIL COMMISSARY PRIOR YEAR	TOTALS NON-MAJOR PROPRIETARY CURRENT YEAR	TOTALS NON-MAJOR PROPRIETARY PRIOR YEAR
Cash flows from Operating Activities				
Receipts from Customers and Users	\$11,801	\$9,198	\$11,801	\$9,198
Payments to Suppliers	(7,812)	(6,311)	(7,812)	(6,311)
Payments to Employees	0	0	0	0
Net Cash Provided(Used) By Operating Activities:	3,989	2,887	3,989	2,887
Cash Flows from Non-Capital and Related Financing Activities				
Transfers In			0	0
Net Cash Provided(Used) By Non-Capital and Related Financing Activities	0	0	0	0
Cash Flows from Investing Activities				
Interest Received	73	82	73	82
Net Cash Provided(Used) By Investing Activities	73	82	73	82
Net Increase (Decrease) in Cash Equivalents	4,062	2,969	4,062	2,969
Cash and Cash Equivalents at Beginning of Year	4,167	1,198	4,167	1,198
Cash and Cash Equivalents at End of Year (continued)	\$8,229	\$4,167	\$8,229	\$4,167

(continued)

Reconciliation of Operating Income to Net Cash
Provided(Used) By Operating Activities

Operating Income (Loss)	\$3,556	\$4,715	\$3,556	\$4,715
Adjustments to Reconcile to Net Cash Flow				
Non-Cash Items Included in Net Income				
Depreciation			0	0
Changes in Current Items				
Decrease(Increase) in Accounts Receivable	963	(1,152)	963	(1,152)
Increase(Decrease) in Accounts Payable	(530)	(676)	(530)	(676)
Increase(Decrease) in Accrued Wages Payable	0	0	0	0
Net Cash Provided(Used) by Operating Activities	<u>\$3,989</u>	<u>\$2,887</u>	<u>\$3,989</u>	<u>\$2,887</u>
Noncash Investing, Capital and Financing Activities:				
Borrowing from Capital Debt	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Note: The above funds are all Enterprise Funds

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

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Agency Funds			Total
	Trust Investment	State Fees	County Officer Accounts	
ASSETS				
Cash and Cash Equivalents	\$243,498	\$76,642	\$710,572	\$1,030,712
Receivables (net of allowance for uncollectibles)	0	0	0	0
Total Assets	\$243,498	\$76,642	\$710,572	\$1,030,712
LIABILITIES				
Accounts Payable				\$0
Due to Others	243,498	76,642	710,572	1,030,712
Total Liabilities	\$243,498	\$76,642	\$710,572	\$1,030,712

JACKSON COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>TRUST INVESTMENT</u>			
	BALANCE 10/1/2019	ADDITIONS	DEDUCTIONS	BALANCE 9/30/2020
ASSETS				
Cash and Cash Equivalents	\$48,961	\$194,537		\$243,498
Receivables (net of allowance for uncollectibles)				0
Total Assets	\$48,961	\$194,537	\$0	\$243,498

LIABILITIES:				
Accounts Payable				
Due to Others	\$48,961	\$194,537	\$0	\$243,498
Total Liabilities	\$48,961	\$194,537	\$0	\$243,498

	<u>STATE FEES</u>			
	BALANCE 10/1/2019	ADDITIONS	DEDUCTIONS	BALANCE 9/30/2020
ASSETS				
Cash and Cash Equivalents	\$98,606		\$21,964	\$76,642
Receivables (net of allowance for uncollectibles)				0
Total Assets	\$98,606	\$0	\$21,964	\$76,642

LIABILITIES:				
Accounts Payable				
Due to Others	\$98,606	\$0	\$21,964	\$76,642
Total Liabilities	\$98,606	\$0	\$21,964	\$76,642

	<u>COUNTY OFFICER ACCOUNTS</u>			
	BALANCE 10/1/2019	ADDITIONS	DEDUCTIONS	BALANCE 9/30/2020
ASSETS				
Cash and Cash Equivalents	\$485,515	\$225,057		\$710,572
Receivables (net of allowance for uncollectibles)				0
Total Assets	\$485,515	\$225,057	\$0	\$710,572

LIABILITIES:				
Accounts Payable				
Due to Others	\$485,515	\$225,057	\$0	\$710,572
Total Liabilities	\$485,515	\$225,057	\$0	\$710,572

	<u>TOTAL</u>	BALANCE 10/1/2019	ADDITIONS	DEDUCTIONS	BALANCE 9/30/2020
ASSETS					
Cash and Cash Equivalents		\$633,082	\$419,594	\$21,964	\$1,030,712
Receivables (net of allowance for uncollectibles)		0	0	0	0
Total Assets		<u>\$633,082</u>	<u>\$419,594</u>	<u>\$21,964</u>	<u>\$1,030,712</u>
LIABILITIES:					
Accounts Payable		\$0	\$0	\$0	\$0
Due to Others		633,082	419,594	21,964	1,030,712
Total Liabilities		<u>\$633,082</u>	<u>\$419,594</u>	<u>\$21,964</u>	<u>\$1,030,712</u>

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

JACKSON COUNTY, TEXAS
 ABANDONED MOTOR VEHICLES
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$600	\$600	\$2,230	\$1,630
Miscellaneous			10,755	10,755
Total Revenues	<u>600</u>	<u>600</u>	<u>12,985</u>	<u>12,385</u>
EXPENDITURES				
Current				
Public Safety	5,100	5,100	4,751	349
Total Expenditures	<u>5,100</u>	<u>5,100</u>	<u>4,751</u>	<u>349</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,500)</u>	<u>(4,500)</u>	<u>8,234</u>	<u>12,734</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$4,500)</u>	<u>(\$4,500)</u>	<u>8,234</u>	<u>\$12,734</u>
Reconciliation from cash basis to modified accrual:				
Changes in Accounts Payable			<u>200</u>	
Net Changes in Fund Balances-Modified Accrual Basis			<u>8,434</u>	
Fund Balances - Beginning			<u>4,789</u>	
Fund Balances - Ending			<u>\$13,223</u>	

JACKSON COUNTY, TEXAS
 CHILD ABUSE PREVENTION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$875	\$875	\$1,076	\$201
Total Revenues	875	875	1,076	201
EXPENDITURES				
Current				
Public Safety	1,000	1,000	1,000	0
Total Expenditures	1,000	1,000	1,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125)	(125)	76	201
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	(125)	(125)	76	201
Fund Balances - Beginning	303	303	303	
Fund Balances - Ending	\$178	\$178	\$379	\$201

JACKSON COUNTY, TEXAS
CHILD WELFARE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$125	\$125	\$99	(\$26)
Miscellaneous				0
Total Revenues	125	125	99	(26)
EXPENDITURES				
Current				
Health and Welfare	2,500	2,500		2,500
Total Expenditures	2,500	2,500	0	2,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,375)	(2,375)	99	2,474
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	(2,375)	(2,375)	99	2,474
Fund Balances - Beginning	8,171	8,171	8,171	
Fund Balances - Ending	\$5,796	\$5,796	\$8,270	\$2,474

JACKSON COUNTY, TEXAS
 COMMISSARY TELEPHONE
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$45,000	\$45,000	\$52,675	\$7,675
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>52,675</u>	<u>7,675</u>
EXPENDITURES				
Current				
Public Safety	64,294	64,294	54,377	9,917
Total Expenditures	<u>64,294</u>	<u>64,294</u>	<u>54,377</u>	<u>9,917</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,294)</u>	<u>(19,294)</u>	<u>(1,702)</u>	<u>17,592</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$19,294)</u>	<u>(\$19,294)</u>	<u>(1,702)</u>	<u>\$17,592</u>
Reconciliation from cash basis to modified accrual:				
Changes in Officers Fees and Sales Tax Receivable			2,126	
Changes in Accounts Payable				
Net Changes in Fund Balances - Modified Accrual Basis			<u>424</u>	
Fund Balances - Beginning			<u>27,099</u>	
Fund Balances - Ending			<u>\$27,523</u>	

JACKSON COUNTY, TEXAS
 CONSTRUCTION GRANTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental		\$312,456	\$312,814	\$358
Interest				0
Total Revenues	0	312,456	312,814	358
EXPENDITURES				
Current				
General Administration		312,456	315,068	(2,612)
Total Expenditures	0	312,456	315,068	(2,612)
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(2,254)	(2,254)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances - Cash Basis	0	0	(2,254)	(2,254)
Reconciliation from cash basis to modified accrual:				
Changes in Officers Fees and Sales Tax Receivable				
Changes in Accounts Payable			(218)	
Net Changes in Fund Balances - Modified Accrual Basis			(2,472)	
Fund Balances - Beginning			(5,178)	
Fund Balances - Ending			(\$7,650)	

JACKSON COUNTY, TEXAS
COUNTY CLERK RECORDS MANAGEMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$66,900	\$66,900	\$76,582	\$9,682
Interest	800	800	1,554	754
Total Revenues	<u>67,700</u>	<u>67,700</u>	<u>78,136</u>	<u>10,436</u>
EXPENDITURES				
Current				
General Administration	89,355	89,355	66,590	22,765
Total Expenditures	<u>89,355</u>	<u>89,355</u>	<u>66,590</u>	<u>22,765</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(21,655)</u>	<u>(21,655)</u>	<u>11,546</u>	<u>33,201</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	(21,655)	(21,655)	11,546	33,201
Fund Balances - Beginning	126,624	126,624	126,624	
Fund Balances - Ending	<u>\$104,969</u>	<u>\$104,969</u>	<u>\$138,170</u>	<u>\$33,201</u>

JACKSON COUNTY, TEXAS
COUNTY RECORDS MANAGEMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$6,800	\$6,800	\$4,988	(\$1,812)
Interest			26	26
Total Revenues	6,800	6,800	5,014	(1,786)
EXPENDITURES				
Current				
General Administration	12,127	12,127	7,717	4,410
Total Expenditures	12,127	12,127	7,717	4,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,327)	(5,327)	(2,703)	2,624
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				0
Operating Transfers Out				0
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	(5,327)	(5,327)	(2,703)	2,624
Fund Balances - Beginning	5,480	5,480	5,480	
Fund Balances - Ending	\$153	\$153	\$2,777	\$2,624

JACKSON COUNTY, TEXAS
 COURTHOUSE SECURITY
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				\$0
Charges for Services	13,550	13,550	14,388	838
Total Revenues	<u>13,550</u>	<u>13,550</u>	<u>14,388</u>	<u>838</u>
EXPENDITURES				
Current				
Public Safety	13,372	13,372	4,871	8,501
Total Expenditures	<u>13,372</u>	<u>13,372</u>	<u>4,871</u>	<u>8,501</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>178</u>	<u>178</u>	<u>9,517</u>	<u>9,339</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				0
Operating Transfers Out				<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	<u>\$178</u>	<u>\$178</u>	<u>9,517</u>	<u>\$9,339</u>
Reconciliation from cash basis to modified accrual:				
Changes in Officers Fees and Sales Tax Receivable				
Changes in Accounts Payable			<u>42</u>	
Net Changes in Fund Balances - Modified Accrual Basis			<u>9,559</u>	
Fund Balances - Beginning			<u>2,889</u>	
Fund Balances - Ending			<u>\$12,448</u>	

JACKSON COUNTY, TEXAS
DISTRICT ATTORNEY FORFEITURE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$4,500	\$4,500	\$3,564	(\$936)
Miscellaneous	2,500	2,500	16,654	14,154
Total Revenues	<u>7,000</u>	<u>7,000</u>	<u>20,218</u>	<u>13,218</u>
EXPENDITURES				
Current				
Judicial	30,433	30,433	21,835	8,598
Total Expenditures	<u>30,433</u>	<u>30,433</u>	<u>21,835</u>	<u>8,598</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(23,433)</u>	<u>(23,433)</u>	<u>(1,617)</u>	<u>21,816</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$23,433)</u>	<u>(\$23,433)</u>	<u>(1,617)</u>	<u>\$21,816</u>
Reconciliation from cash basis to modified accrual:				
Changes in Prepaid Insurance			(3)	
Changes in Accounts Payable			1	
Changes in Accrued Wages Payable			<u>(52)</u>	
Net Changes in Fund Balances - Modified Accrual Basis			<u>(1,671)</u>	
Fund Balances - Beginning			<u>295,811</u>	
Fund Balances - Ending			<u>\$294,140</u>	

JACKSON COUNTY, TEXAS
DISTRICT ATTORNEY HOT CHECK
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$400	\$400	\$126	(\$274)
Total Revenues	400	400	126	(274)
EXPENDITURES				
Current				
Judicial	3,531	3,531		3,531
Total Expenditures	3,531	3,531	0	3,531
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,131)	(3,131)	126	3,257
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances - Cash Basis	(\$3,131)	(\$3,131)	126	\$3,257
Reconciliation from cash basis to modified accrual basis:				
Changes in Officers Fees and Sales Tax Receivable			(57)	
Net Changes in Fund Balances - Modified Accrual Basis			69	
Fund Balances - Beginning			3,781	
Fund Balances - Ending			\$3,850	

JACKSON COUNTY, TEXAS
DISTRICT CLERK RECORDS MANAGEMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$5,800	\$5,800	\$6,496	\$696
Total Revenues	<u>5,800</u>	<u>5,800</u>	<u>6,496</u>	<u>696</u>
EXPENDITURES				
Current				
General Administration	8,008	8,008	7,360	648
Total Expenditures	<u>8,008</u>	<u>8,008</u>	<u>7,360</u>	<u>648</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,208)</u>	<u>(2,208)</u>	<u>(864)</u>	<u>1,344</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$2,208)</u>	<u>(\$2,208)</u>	<u>(864)</u>	<u>\$1,344</u>
Reconciliation from cash basis to modified accrual:				
Changes in Accounts Payable				
Net Changes in Fund Balances - Modified Accrual Basis			<u>(864)</u>	
Fund Balances - Beginning			<u>12,176</u>	
Fund Balances - Ending			<u>\$11,312</u>	

JACKSON COUNTY, TEXAS
 ELECTIONS ADMINISTRATION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$1,500	\$135,820	\$134,320	(\$1,500)
Interest			42	42
Total Revenues	<u>1,500</u>	<u>135,820</u>	<u>134,362</u>	<u>(1,458)</u>
EXPENDITURES				
Current				
General Administration	5,555	139,875	30,667	109,208
Total Expenditures	<u>5,555</u>	<u>139,875</u>	<u>30,667</u>	<u>109,208</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,055)</u>	<u>(4,055)</u>	103,695	107,750
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$4,055)</u>	<u>(\$4,055)</u>	103,695	<u>\$107,750</u>
Reconciliation from cash basis to modified accrual:				
Changes in Accounts Payable			<u>(35)</u>	
Net Changes in Fund Balances - Modified Accrual Basis			103,660	
Fund Balances - Beginning			<u>4,055</u>	
Fund Balances - Ending			<u>\$107,715</u>	

JACKSON COUNTY, TEXAS
 FEDERAL & STATE RELIEF
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental		\$69,861	\$69,861	\$0
Interest			77	77
Total Revenues	0	69,861	69,938	77
EXPENDITURES				
Current				
Public Safety		69,861	14,440	55,421
Total Expenditures	0	69,861	14,440	55,421
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	0	0	55,498	55,498
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				0
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances - Cash Basis	\$0	\$0	55,498	\$55,498
Reconciliation from cash basis to modified accrual:				
Changes in Accounts Payable			(78)	
Net Changes in Fund Balances - Modified Accrual Basis			55,420	
Fund Balances - Beginning			0	
Fund Balances - Ending			\$55,420	

JACKSON COUNTY, TEXAS
 FLOOD CONTROL
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Property	\$1,281,179	\$1,281,179	\$1,266,587	(\$14,592)
Total Revenues	<u>1,281,179</u>	<u>1,281,179</u>	<u>1,266,587</u>	<u>(14,592)</u>
EXPENDITURES				
Current				
Environmental Protection	1,281,179	1,281,179	1,266,587	14,592
Total Expenditures	<u>1,281,179</u>	<u>1,281,179</u>	<u>1,266,587</u>	<u>14,592</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				0
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>\$0</u>	<u>\$0</u>	<u>0</u>	<u>\$0</u>
Reconciliation from cash basis to modified accrual:				
Changes in Officers Fees and Sales Tax Receivable			(6,444)	
Changes in Accounts Payable			<u>6,444</u>	
Net Changes in Fund Balances - Modified Accrual Basis			<u>0</u>	
Fund Balances - Beginning			<u>0</u>	
Fund Balances - Ending			<u>\$0</u>	

JACKSON COUNTY, TEXAS
HISTORICAL COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$700	\$700	\$428	(\$272)
Miscellaneous			150	150
Total Revenues	<u>700</u>	<u>700</u>	<u>578</u>	<u>(122)</u>
EXPENDITURES				
Current				
Culture and Recreation	35,090	35,090	1,124	33,966
Total Expenditures	<u>35,090</u>	<u>35,090</u>	<u>1,124</u>	<u>33,966</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(34,390)</u>	<u>(34,390)</u>	<u>(546)</u>	<u>33,844</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	1,090	1,090	1,090	0
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>1,090</u>	<u>1,090</u>	<u>1,090</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$33,300)</u>	<u>(\$33,300)</u>	<u>544</u>	<u>\$33,844</u>
Reconciliation from cash basis to modified accrual:				
Changes in Prepaid Insurance			<u>57</u>	
Net Changes in Fund Balances - Modified Accrual Basis			601	
Fund Balances - Beginning			<u>34,224</u>	
Fund Balances - Ending			<u>\$34,825</u>	

JACKSON COUNTY, TEXAS
 JUSTICE COURT TECHNOLOGY
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$8,950	\$8,950	\$9,041	\$91
Total Revenues	8,950	8,950	9,041	91
EXPENDITURES				
Current				
Judicial	11,047	11,047	8,939	2,108
Total Expenditures	11,047	11,047	8,939	2,108
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,097)	(2,097)	102	2,199
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	(2,097)	(2,097)	102	2,199
Fund Balances - Beginning	3,319	3,319	3,319	
Fund Balances - Ending	\$1,222	\$1,222	\$3,421	\$2,199

JACKSON COUNTY, TEXAS
 JUVENILE PROBATION DISCRETION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$1,500	\$1,500	1,100	(\$400)
Total Revenues	1,500	1,500	1,100	(400)
EXPENDITURES				
Current				
Public Safety	2,500	2,500		2,500
Total Expenditures	2,500	2,500	0	2,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,000)	(1,000)	1,100	2,100
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	(1,000)	(1,000)	1,100	2,100
Fund Balances - Beginning	2,899	2,899	2,899	
Fund Balances - Ending	\$1,899	\$1,899	\$3,999	\$2,100

JACKSON COUNTY, TEXAS
 JUVENILE PROBATION GRANT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$179,159	\$209,044	\$180,093	(\$28,951)
Interest	100	100	434	334
Total Revenues	<u>179,259</u>	<u>209,144</u>	<u>180,527</u>	<u>(28,617)</u>
EXPENDITURES				
Current				
Public Safety	180,359	210,245	179,762	30,483
Total Expenditures	<u>180,359</u>	<u>210,245</u>	<u>179,762</u>	<u>30,483</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,100)</u>	<u>(1,101)</u>	<u>765</u>	<u>1,866</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$1,100)</u>	<u>(\$1,101)</u>	<u>765</u>	<u>\$1,866</u>
Reconciliation from cash basis to modified accrual:				
Changes in Officers Fees and Sales Tax Receivable			1,426	
Changes in Prepaid Insurance			(55)	
Changes in Accounts Payable			(251)	
Changes in Accrued Wages Payable			(400)	
Changes in Accounts Receivable			<u>(1,500)</u>	
Net Changes in Fund Balances - Modified Accrual Basis			(15)	
Fund Balances - Beginning			<u>6,359</u>	
Fund Balances - Ending			<u>\$6,344</u>	

JACKSON COUNTY, TEXAS
LAW ENFORCEMENT OFFICERS EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$3,931	\$3,945	\$3,945	\$0
Total Revenues	3,931	3,945	3,945	0
EXPENDITURES				
Current				
Public Safety	7,105	7,120	2,846	4,274
Total Expenditures	7,105	7,120	2,846	4,274
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,174)	(3,175)	1,099	4,274
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	(3,174)	(3,175)	1,099	4,274
Fund Balances - Beginning	3,076	3,076	3,076	
Fund Balances - Ending	(\$98)	(\$99)	\$4,175	\$4,274

JACKSON COUNTY, TEXAS

LAW LIBRARY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$9,000	\$9,000	\$9,765	\$765
Total Revenues	9,000	9,000	9,765	765
EXPENDITURES				
Current				
Legal	8,030	8,030	6,995	1,035
Total Expenditures	8,030	8,030	6,995	1,035
Excess (Deficiency) of Revenues Over (Under) Expenditures	970	970	2,770	1,800
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				0
Operating Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances - Cash Basis	\$970	\$970	2,770	\$1,800
Reconciliation from cash basis to modified accrual:				
Changes in Accounts Payable			340	
Net Changes in Fund Balances - Modified Accrual Basis			3,110	
Fund Balances - Beginning			8,319	
Fund Balances - Ending			\$11,429	

JACKSON COUNTY, TEXAS
 MEMORIAL LIBRARY FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$1,100	\$1,100	\$697	(\$403)
Miscellaneous	5,150	5,150	4,774	(376)
Total Revenues	<u>6,250</u>	<u>6,250</u>	<u>5,471</u>	<u>(779)</u>
EXPENDITURES				
Current				
Culture and Recreation	8,600	8,600	6,222	2,378
Total Expenditures	<u>8,600</u>	<u>8,600</u>	<u>6,222</u>	<u>2,378</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,350)</u>	<u>(2,350)</u>	<u>(751)</u>	<u>1,599</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$2,350)</u>	<u>(\$2,350)</u>	<u>(751)</u>	<u>\$1,599</u>
Reconciliation from cash basis to modified accrual:				
Changes in Accounts Payable			<u>(34)</u>	
Net Changes in Fund Balances - Modified Accrual Basis			<u>(785)</u>	
Fund Balances - Beginning			<u>8,522</u>	
Fund Balances - Ending			<u>\$7,737</u>	

JACKSON COUNTY, TEXAS
 SHERIFF FORFEITURE
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - (CASH BASIS) - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$800	\$800	\$695	(\$105)
Miscellaneous			11,897	11,897
Total Revenues	<u>800</u>	<u>800</u>	<u>12,592</u>	<u>11,792</u>
EXPENDITURES				
Current				
Public Safety	6,664	5,490	10,374	(4,884)
Total Expenditures	<u>6,664</u>	<u>5,490</u>	<u>10,374</u>	<u>(4,884)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,864)</u>	<u>(4,690)</u>	<u>2,218</u>	<u>6,908</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
Operating Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances - Cash Basis	<u>(\$5,864)</u>	<u>(\$4,690)</u>	<u>2,218</u>	<u>\$6,908</u>
Reconciliation from cash basis to modified accrual:				
Changes in Accounts Payable			<u>500</u>	
Net Changes in Fund Balances - Modified Accrual Basis			<u>2,718</u>	
Fund Balances - Beginning			<u>52,977</u>	
Fund Balances - Ending			<u>\$55,695</u>	

SINGLE AUDIT SECTION

JACKSON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

SOURCE AND TITLE OF GRANT	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PASS-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDI- TURES
FEDERAL ASSISTANCE				
U.S. Department of Housing and Urban Development				
Passed Through				
Texas Department of Agriculture (TDA)				
Community Development Block Grants/ States Program	14.228	7218530	NONE	\$241,110
Passed Through				
The Texas General Land Office				
Community Development Block Grants/ States Program	14.228	20-065-096-C267	NONE	48,976
				<u>290,086</u>
Total U.S. Department of Housing and Urban Development				<u>290,086</u>
U.S. Department of Justice				
Direct				
State Criminal Alien Assistance Program				
FY 2018	16.606	2019-H0147-TX-AP		0
FY 2019		2019-H1438-TX-AP	NONE	16,740
				<u>16,740</u>
Direct				
Bulletproof Vest Program	16.607		NONE	1,309
Passed Through				
Justice Programs Team - Office of the Texas Governor				
Coronavirus Emergency Supplemental Funding Program	16.034	4133701	NONE	1,608
Total U.S. Department of Justice				<u>19,657</u>
U.S. Department of the Treasury				
Passed Through				
Texas Division of Emergency Management (TDEM)				
Coronavirus Relief Fund				
Jackson County	21.019		NONE	349,305
City of Edna, Texas				324,940
				<u>674,245</u>
Total U.S. Department of the Treasury (TREAS)				
Election Assistance Commission				
Passed Through				
SOS				
2018 HAVA Election Security Grants				
HAVA CARES	90.404		NONE	10,661
Election Security			NONE	20,006
				<u>30,667</u>
Total Election Assistance Commission				<u>30,667</u>

U.S. Department of Homeland Security

Direct				
Homeland Security Grant Program	97.067			
OPSG - FY 2018			NONE	98,838
OPSG - FY 2019			NONE	<u>0</u>
				<u>98,838</u>
Passed Through				
Texas Division of Emergency Management (TDEM)	97.036			
FY 2018		DR-4332-TX	NONE	0
FY 2019		DAC	NONE	<u>0</u>
				<u>0</u>
Passed Through				
Texas Division of Emergency Management (TDEM)				
Community Disaster Loans	97.030	DR-4485 COVID	NONE	12,794
Total U.S. Department of Homeland Security				<u>111,632</u>
National Endowment for the Humanities (NEH)				
Passed Through				
Texas State Library & Archives through TSLAC				
Grants to States	45.310	901,561	NONE	625
Total National Endowment for the Humanities (NEH)				<u>625</u>
U.S. Department of Transportation (DOT)				
Passed Through				
Texas Department of Transportation				
Airport Improvement Program	20.106	M1183EDDN	NONE	567
Total U.S. Department of Transportation (DOT)				<u>567</u>
General Services Administration				
Passed Through				
Texas Facility Commission				
Donation of Federal Surplus Personal Property	39.003	Vendor #190 & #2877	NONE	14,499
Total General Services Administration				<u>14,499</u>
U.S. Department of Health and Human Services				
Passed Through				
Office of the Attorney General				
Child Support Enforcement-Title IV-D	93.563			
Fiscal Year 2017		None	NONE	<u>4,782</u>
Total U.S. Department of Health and Human Services				<u>4,782</u>
TOTAL				<u><u>1,146,760</u></u>

See Accompanying Notes to Schedule of Federal Financial Assistance

JACKSON COUNTY, TEXAS
 BUDGET COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Agriculture
 CFDA Number: 14.228
 Project Number: 7218530
 Contract Period: 2/11/2019 to 2/9/2021

	BUDGET	FEDERAL		LOCAL MATCH		VARIANCE
		PRIOR YEAR	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	
REVENUE						
Federal	\$275,000	\$33,890	\$241,110			\$0
Local	26,375				26,733	(358)
TOTAL REVENUE:	301,375	33,890	241,110	0	26,733	(358)
EXPENSES						
Federal						
Construction	212,650		212,650			0
Engineering	36,225	18,215	2,335			15,675
General Administration	26,125	15,675	26,125			(15,675)
Local						
Match	26,375				26,733	(358)
TOTAL EXPENSES	301,375	33,890	241,110	0	26,733	(358)
Excess Revenue over Expenditures	\$0	\$0	\$0	\$0	\$0	\$0

JACKSON COUNTY, TEXAS
 BUDGET COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Agriculture
 CFDA Number: 14.228
 Project Number: 20-065-096-C267
 Contract Period: 2/11/2019 to 2/9/2021

	BUDGET	FEDERAL		VARIANCE
		PRIOR YEAR	CURRENT YEAR	
REVENUE				
Federal	\$840,270		\$48,976	\$791,294
TOTAL REVENUE:	840,270	0	48,976	791,294
EXPENSES				
Federal				
Flood and Drainage (UN)	231,900		8,635	223,265
Flood and Drainage (LMI)	541,150		22,425	518,725
Flood and Drainage (UN) (PD)	20,164		3,858	16,306
Flood and Drainage (LMI) (PD)	47,056		14,058	32,998
TOTAL EXPENSES	840,270	0	48,976	791,294
Excess Revenue over Expenditures	\$0	\$0	\$0	\$0

BEYER & Co.
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Judge and Commissioner's Court
Jackson, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jackson County, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Jackson County, Texas's basic financial statements, and have issued our report thereon dated July 26, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jackson County, Texas's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jackson County, Texas's internal control. Accordingly, we do not express an opinion on the effectiveness of Jackson County, Texas's internal control.

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

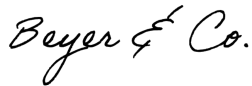
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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



BEYER & COMPANY
Certified Public Accountants
July 26, 2021

BEYER & Co.
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the County Judge and Commissioner's Court
Jackson County, Texas

Report on Compliance for Each Major Federal Program

We have audited Jackson County, Texas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Jackson County, Texas' major federal programs for the year ended September 30, 2020. Jackson County, Texas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Jackson County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items.


Report on Internal Control over Compliance

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

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

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

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



BEYER & COMPANY
Certified Public Accountants
July 26, 2021

JACKSON COUNTY, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

NOTE A-BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Jackson County, Texas under programs of the federal government for the year ended September 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Jackson County, Texas, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Jackson County, Texas.

NOTE B-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C-INDIRECT COST RATE

Jackson County, Texas has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

JACKSON COUNTY, TEXAS
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

No prior findings.

JACKSON COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Section I Summary of Auditors Results

Financial Statements Section

1. The auditor's report expresses an unmodified opinion on the financial statements of the Jackson County, Texas.
2. There were no significant deficiencies disclosed during the audit. There were no material weaknesses disclosed during the audit.

Federal Awards Section

3. There were no instances of noncompliance material to the financial statements of Jackson County, Texas, which would be required to be reported in accordance with Government Auditing Standards.
4. There was no significant deficiencies over major Federal award programs disclosed during the audit. There was no material weaknesses over major Federal award programs disclosed during the audit.
5. The auditor's report on compliance for the major Federal award programs for Jackson County, Texas expresses an unmodified opinion on all major Federal programs.
6. There were no audit findings that are required to be reported in accordance with the Uniform Guidance.
7. The programs tested as major programs: Coronavirus Relief Fund – CFDA 21.019.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Jackson County did not qualify as a low-risk auditee.