

BOSQUE COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2020

**BOSQUE COUNTY, TEXAS
TABLE OF CONTENTS
DECEMBER 31, 2020**

<u>Introductory Section</u>	
Principal County Officials.....	4
<u>Financial Section</u>	
Independent Auditors' Report	6
Management's Discussion and Analysis	9
<u>Basic Financial Statements</u>	
Government -Wide Statements:	
Statement of Net Position	14
Statement of Activities	15
Governmental Fund Financial Statements:	
Balance Sheet	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	22
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	23
Notes to Financial Statements	25
<u>Required Supplementary Information</u>	
Budgetary Comparison Schedule – General Fund	49
Budgetary Comparison Schedule – Road and Bridge.....	50
Schedule of Changes in Net Pension Liability and Related Ratios	51
Schedule of Employer Contributions	52
Notes to the Required Supplementary Information.....	53
<u>Other Supplementary Information</u>	
Nonmajor Governmental Funds:	
Combining Balance Sheet	57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	61
Road and Bridge Funds:	
Combining Balance Sheet.....	66
Combining Statements of Revenues, Expenditures and Changes in Fund Balances	67
Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual.....	68
Capital Project Funds	
Budgetary Comparison Schedule – Capital Projects	74
Combining Balance Sheet.....	75
Combining Statements of Revenues, Expenditures and Changes in Fund Balances.....	76
Combining Statement of Assets and Liabilities – All Agency Funds.....	78

INTRODUCTORY SECTION

**BOSQUE COUNTY, TEXAS
PRINCIPAL COUNTY OFFICIALS
SEPTEMBER 30, 2020**

COMMISSIONERS COURT

COUNTY JUDGE
COUNTY COMMISSIONERS
PRECINCT 1
PRECINCT 2
PRECINCT 3
PRECINCT 4

DON POOL

MARVIN WICKMAN
TERRY TOWNLEY
LARRY PHILIPP
RONNY LIARDON

JUDICIAL

220TH DISTRICT JUDGE
COUNTY COURT AT LAW
JUSTICE OF THE PEACE
PRECINCT 1
PRECINCT 2

SHAUN CARPENTER
LUKE GIESECKE

JEFF HIGHTOWER
JAMIE ZANDER

LAW ENFORCEMENT AND LEGAL

220TH DISTRICT ATTORNEY
COUNTY ATTORNEY
SHERIFF
CONSTABLES
PRECINCT 1
PRECINCT 2

ADAM SIBLEY
NATALIE KOEHLER
ANTHONY MALOTT

SCOTT FERGUSON
BRYAN PRESCHER

FINANCIAL ADMINISTRATION

COUNTY AUDITOR *
COUNTY TREASURER
TAX ASSESSOR – COLLECTOR

KENT REEVES
CARLA SIGLER
ARLENE SWINEY

COURT CLERKS

COUNTY CLERK
DISTRICT CLERK

TABATHA FERGUSON
JUANITA MILLER

*Denotes appointed official. All others are elected officials.

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

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

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bosque County, Texas, as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension funding progress information on pages 9 through 12 and 49 through 52 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 regarding 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 Bosque County's financial statements. The introductory section and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is 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 by us 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Boucher, Morgan & Young

Stephenville, Texas
June 10, 2022

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

**BOSQUE COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2020**

The management of Bosque County presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2020.

FINANCIAL HIGHLIGHTS

- The assets of Bosque County exceed its liabilities at the close of the most recent fiscal year by \$17.2 million. Of this amount, \$7 million in unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the County's fiscal policies.
- The County's total net position increased by \$1 million.
- As of the close of the current fiscal year, the Bosque County's governmental funds reported an ending fund balance of \$9.2 million of which \$3.3 million is restricted for special purposes.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements 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 the County's finances, in a manner similar to a private-sector business. This includes the Statement of Net Position and the Statement of Activities.

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

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs (accrual basis), 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 such as uncollected taxes and earned but unused compensated absences.

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 for objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be categorized as governmental funds. The focus of the fund financial statements is on major funds that meet minimum criteria (a percentage of assets, liabilities, revenue or expenditures of fund category and of the governmental funds combined), or those that the County wishes to report as major.

Nonmajor funds are aggregated and shown in a single column. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds — Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses 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 funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains various 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, Road and Bridge, Debt Service and Capital Projects, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages 17-22 of this report.

Fiduciary Funds — Fiduciary funds are used to account for resources held for the benefit of parties outside the government.

The Fiduciary fund financial statement can be found on page 23 of this report.

Notes to 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 25-47.

Required Supplementary Information Other than MD&A — Accounting standards generally accepted in the United States of America require, in addition to the basic financial statements and accompanying notes, the report present certain required supplementary information. Retirement plan funding progress is included in this section along with schedules of actual and budgetary comparisons of the County's General Fund and major Special Revenue Funds.

Combining Statements and Schedules — The combining statements in connection with nonmajor governmental funds are presented immediately following required supplementary information in the County's financials.

GOVERNMENT -WIDE FINANCIAL ANALYSIS:

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$17.2 million as of September 30, 2020.

The largest portion of the County's net position reflected its investments in capital assets (e.g., land, building, and equipment), less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, the assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

BOSQUE COUNTY'S NET POSITION

	2020	2019
Current and other assets	\$ 13,428,360	\$ 8,880,952
Capital assets	16,121,837	16,304,712
Total Assets	<u>29,550,197</u>	<u>25,185,664</u>
Deferred outflows	<u>191,634</u>	<u>841,276</u>
Total assets and deferred outflows	<u>29,741,831</u>	<u>26,026,940</u>
Current liabilities	3,030,840	880,353
Noncurrent liabilities	9,185,253	8,858,259
Total Liabilities	<u>12,216,093</u>	<u>9,738,612</u>
Deferred inflows	<u>315,831</u>	<u>39,716</u>
Net Position:		
Net investment in capital assets	6,891,723	7,446,453
Restricted	3,337,575	2,798,915
Unrestricted	6,980,609	6,003,244
Total Net Position	<u>\$ 17,209,907</u>	<u>\$ 16,248,612</u>

BOSQUE COUNTY'S STATEMENT OF ACTIVITIES

During the current fiscal year, the County's net position increased by \$961 thousand.

	2020	2019
Revenues:		
Program Revenues		
Charges for Services	\$ 2,180,482	\$ 2,301,076
Operating Grants & Contributions	573,150	283,180
General Revenues		
Property Taxes	8,722,853	8,121,339
Other Taxes	766,098	639,116
Investment Earnings	105,773	238,846
Miscellaneous	116,408	166,774
Total Revenues	12,464,764	11,750,331
Expenses:		
Governmental activities	11,503,469	10,731,586
Change in net position	961,295	1,018,745
Net position-beginning	16,248,612	15,229,867
Net position-ending	\$ 17,209,907	\$ 16,248,612

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS:

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

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, fund balance of the General Fund was \$5.7 million, while total fund balance for all governmental funds was \$9.2 million.

During the current fiscal year, the fund balance of the County's General Fund increased by \$832 thousand.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, and creditors with a general overview of the County's finances. If you have any questions about this report or need any additional information, contact the County Auditor, 104 W Morgan, Meridian, Texas 76665, or call (254) 435-2611.

BASIC FINANCIAL STATEMENTS

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

	<u>Primary Government</u>
	<u>Governmental</u>
	<u>Activities</u>
ASSETS	
Cash and cash equivalents	\$ 2,775,207
Investments-current	9,117,610
Taxes receivable (net of allowances for uncollectible)	441,852
Fines receivable	43,996
Intergovernmental receivables	37,928
Prepaid items	83,476
Net pension asset	928,291
Capital assets (net of accumulated depreciation):	
Land	160,264
Infrastructure	3,844
Buildings, net	14,003,734
Furniture and equipment, net	1,909,134
Construction in process	44,861
Total Assets	<u>29,550,197</u>
DEFERRED OUTFLOWS	
Deferred retirement contributions	179,818
Deferred assumption/input changes	11,816
Total Deferred Outflows	<u>191,634</u>
LIABILITIES	
Checks in excess of bank balance	2,024,678
Accounts payable	677,351
Accrued liabilities	328,134
Due to other governments	677
Noncurrent liabilities:	
Long-term debt due within one year	439,279
Long-term debt due in more than one year	8,745,974
Total Liabilities	<u>12,216,093</u>
DEFERRED INFLOWS	
Deferred investment experience	298,569
Deferred actual vs. assumption	17,262
Total Deferred Inflows	<u>315,831</u>
NET POSITION:	
Net investment in capital assets	6,891,723
Restricted for:	
Restricted by legislation	3,085,204
Restricted for debt service	252,371
Unrestricted net position	6,980,609
Total Net Position	<u>\$ 17,209,907</u>

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

**BOSQUE COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions
PRIMARY GOVERNMENT:			
Governmental Activities:			
Public finance	\$ 821,683	\$ 91,169	\$ 450
General administration	2,344,066	77,908	-
Judicial	2,056,807	1,016,812	-
Public safety and law enforcement	3,357,155	263,346	119,126
Roads	2,550,069	731,247	296,168
Health and welfare	-	-	157,406
Other - debt interest and fees	373,689	-	-
Total Governmental Activities	<u>\$ 11,503,469</u>	<u>\$ 2,180,482</u>	<u>\$ 573,150</u>

General Revenues:

Property Taxes, levied for general purposes
Sales and other taxes
Miscellaneous revenue
Investment earnings
Total General Revenues
Change in Net Position

Net Position - Beginning

Net Position - Ending

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

		<u>Net (Expense) Revenue and Changes in Net Position</u>	
<u>Capital Grants and Contributions</u>		<u>Primary Governmental Activities</u>	
\$	-	\$	(730,064)
	-		(2,266,158)
	-		(1,039,995)
	-		(2,974,683)
	-		(1,522,654)
	-		157,406
	-		(373,689)
<u>\$</u>	<u>-</u>		<u>(8,749,837)</u>

8,722,853
766,098
116,408
105,773
<u>9,711,132</u>
961,295
<u>16,248,612</u>
<u>\$ 17,209,907</u>

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

BOSQUE COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	General Fund	Road and Bridge	Capital Projects
ASSETS			
Cash and cash equivalents	\$ -	\$ 973,683	\$ 151,288
Investments-current	8,083,572	1,034,038	-
Taxes receivable, net of allowance	376,056	38,486	1,290
Intergovernmental receivables	-	35,988	-
Due from other fund	116,437	-	-
Prepaid items	60,580	17,944	1,000
Total Assets and Other Debits	<u>\$ 8,636,645</u>	<u>\$ 2,100,139</u>	<u>\$ 153,578</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
Liabilities:			
Checks in excess of bank balance	\$ 2,024,678	\$ -	\$ -
Accounts payable	480,587	161,294	-
Due to other funds	-	-	-
Wages and salaries payable	158,587	31,742	-
Due to other governments	677	-	-
Total Liabilities	<u>2,664,529</u>	<u>193,036</u>	<u>-</u>
Deferred Inflows:			
Deferred revenues	<u>262,672</u>	<u>38,488</u>	<u>1,290</u>
Fund Balances:			
Nonspendable	60,580	17,944	1,000
Restricted by legislation	-	1,850,671	-
Assigned	-	-	151,288
Unassigned	5,648,864	-	-
Total Fund Balances	<u>5,709,444</u>	<u>1,868,615</u>	<u>152,288</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 8,636,645</u>	<u>\$ 2,100,139</u>	<u>\$ 153,578</u>

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

Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 252,371	1,397,865	\$ 2,775,207
-	-	9,117,610
25,439	581	441,852
-	1,940	37,928
-	-	116,437
-	3,952	83,476
<u>\$ 277,810</u>	<u>\$ 1,404,338</u>	<u>\$ 12,572,510</u>
\$ -	\$ -	\$ 2,024,678
-	35,470	677,351
-	116,437	116,437
-	17,514	207,843
-	-	677
-	169,421	3,026,986
<u>25,439</u>	<u>384</u>	<u>328,273</u>
-	-	79,524
252,371	1,234,533	3,337,575
-	-	151,288
-	-	5,648,864
<u>252,371</u>	<u>1,234,533</u>	<u>9,217,251</u>
<u>\$ 277,810</u>	<u>\$ 1,404,338</u>	<u>\$ 12,572,510</u>

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

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

Total Fund Balances - Governmental Funds \$ 9,217,251

7,067,245

Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$26,644,630 and the accumulated depreciation was \$10,339,920. In addition, long-term liabilities of \$9,237,467 are not due and payable in the current period, and therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.

Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets with reductions in long-term debt in the Statement of Net Position. Debt proceeds are reported as other financing sources in the fund financial statements but are increases in long-term debt in the government wide financial statements. The net effect of including the 2020 capital outlays and debt principal is to increase net position. 575,984

Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue and recognizing receivables only recorded in the government-wide financial statements. The net effect of these reclassifications and recognitions is to increase net position. 372,269

The 2020 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position. (826,936)

The statement of net position includes the County's proportionate share of the TCDRS net pension liability (asset) as well as certain pension related transactions accounted for as Deferred Inflows and Outflows of resources. The net effect of including the beginning balances for the County's proportionate share of the TCDRS net pension liability (asset) as well as current year adjustments are as follows.

Net pension asset (liability)	928,291	
Deferred retirement contributions	179,818	
Deferred actual vs. assumption	(17,262)	
Deferred investment experience	(298,569)	
Deferred assumption/input changes	11,816	804,094

Net Position of Governmental Activities \$ 17,209,907

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

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

	General Fund	Road and Bridge	Capital Projects
REVENUE			
Taxes:			
Property taxes	\$ 6,843,221	\$ 1,093,435	\$ 36,656
General sales and use taxes	765,995	-	-
Auto registrations	-	234,684	-
Intergovernmental revenue and grants	415,672	29,824	-
Fines and fees	309,211	737,007	-
Forfeitures	3,000	-	-
Investment earnings	83,982	-	-
Other revenue	75,697	-	-
Total Revenues	<u>8,496,778</u>	<u>2,094,950</u>	<u>36,656</u>
EXPENDITURES			
Current:			
General Government:			
Public finance	814,008	-	-
General administration	1,971,709	-	-
Judicial and legal	1,486,763	-	-
Law enforcement	2,896,490	-	-
Roads	-	1,999,542	-
Debt Service:			
Debt principal	-	43,456	-
Debt interest and fees	-	1,743	-
Capital Outlay:			
Capital Outlay	93,699	492,055	377,362
Total Expenditures	<u>7,262,669</u>	<u>2,536,796</u>	<u>377,362</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	<u>1,234,109</u>	<u>(441,846)</u>	<u>(340,706)</u>
OTHER FINANCING SOURCES (USES):			
Proceeds from debt	-	390,159	-
Other revenue (expense)	-	65,118	-
Proceeds from sale of capital assets	-	-	-
Transfers in	326,034	-	175,000
Transfers out	(727,800)	-	-
Total Other Financing Sources (Uses)	<u>(401,766)</u>	<u>455,277</u>	<u>175,000</u>
Net Change in Fund Balances	832,343	13,431	(165,706)
Fund Balances - Beginning	4,877,101	1,855,184	317,994
Fund Balances - Ending	<u>\$ 5,709,444</u>	<u>\$ 1,868,615</u>	<u>\$ 152,288</u>

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

Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 722,789	\$ 11,116	\$ 8,707,217
-	-	765,995
-	-	234,684
-	822,511	1,268,007
-	144,435	1,190,653
-	35,779	38,779
2,340	173	86,495
-	17,836	93,533
<u>725,129</u>	<u>1,031,850</u>	<u>12,385,363</u>
-	6,182	820,190
-	202,668	2,174,377
-	567,494	2,054,257
-	1,785	2,898,275
-	-	1,999,542
379,708	-	423,164
256,862	-	258,605
-	40,892	1,004,008
<u>636,570</u>	<u>819,021</u>	<u>11,632,418</u>
<u>88,559</u>	<u>212,829</u>	<u>752,945</u>
-	-	390,159.00
(425)	-	64,693
-	-	-
-	226,766	727,800
-	-	(727,800)
<u>(425)</u>	<u>226,766</u>	<u>454,852</u>
88,134	439,595	1,207,797
164,237	794,938	8,009,454
<u>\$ 252,371</u>	<u>\$ 1,234,533</u>	<u>\$ 9,217,251</u>

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

**BOSQUE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Total Net Change in Fund Balances-Governmental Funds	\$ 1,207,797
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. Proceeds from long-term debt are shown as financial resources in fund financial statements but are increases in long-term debt in the government-wide financial statements. The net effect of removing the 2020 capital outlays and changes in accrued compensation and long-term debt principal is to increase net position.	340,428
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation of \$826,936 and adjustment to accumulation depreciation for disposals of (\$235,555), is to decrease net position.	(591,381)
Net pension assets as well as the related deferred inflows and outflows of resources generated from those assets are not payable from current resources and therefore, are not reported in the governmental funds. These balances increased (decreased) by this amount.	(12,580)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, net of uncollectible taxes, eliminating interfund transactions, and recognizing the liabilities associated with long-term debt interest. The net effect of these reclassifications and recognitions is to increase net position.	17,031
Change in Net Position of Governmental Activities	<u><u>\$ 961,295</u></u>

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

BOSQUE COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020

	Agency Funds
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 726,084
Total Assets	<u>\$ 726,084</u>
LIABILITIES	
Due to others	\$ 726,084
Total Liabilities	<u>\$ 726,084</u>

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

NOTES TO FINANCIAL STATEMENTS

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bosque County was created in 1854 by the Texas Legislature under the provisions of Article 9, Section 1, of the Texas Constitution. The County operates under a commission form of government in which the Commissioners' Court composed of four County Commissioners, presided over by the County Judge, is the governing body. The Commissioners' Court is a court of limited jurisdiction empowered to do only those things which are specifically authorized by the State Constitution or by statute.

The financial statements of Bosque County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for established governmental accounting and financial reporting principles. The more significant of these accounting policies are described below.

A. REPORTING ENTITY

The County is an independent political subdivision of the State of Texas governed by an elected four-member Commissioners' Court and County Judge and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the County's financial reporting entity. Based on these considerations, no other entities have been included in the County's reporting entity. Additionally, as the County is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Consideration regarding the potential for inclusion of other entities, organizations, or functions in the County's financial reporting entity is based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the County is a part of any other government or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the County's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is financially independent of other state and local governments. Additional prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

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

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

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The County reports the following major governmental funds:

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

The *Road and Bridge Fund* is used to account for the operation, repair and maintenance of roads and bridges.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of general capital assets.

The *Debt Service Fund* is used to account for property taxes assessed for the sole purpose of servicing debt obligations.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenue. Likewise, general revenue includes all taxes.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS, DEFERRED OUTFLOWS AND NET POSITION OR EQUITY

Cash 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. Investments for the government are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 noncurrent portion of interfund loans).

All trade and property tax receivables are shown net of an allowance for uncollectibles. As of September 30, 2020 the following allowances for property tax receivables were estimated by management, General fund \$122,485, Capital Improvement fund \$660, Jury fund \$197 and the Road and Bridge fund \$19,692. The County's property taxes are levied annually in October on the basis of the Appraisal District's assessed values as of January 1 of that calendar year. Appraisal values are established by the Appraisal District at market value and assessed at 100% of appraised value less exemptions. The County's property taxes are billed and collected by the Tax Assessor/Collector. Such taxes are applicable to the fiscal year in which they are levied and become delinquent with an enforceable lien on property on February 1 of the subsequent calendar year. For the current year, the County levied property taxes of \$0.5182 per \$100 of assessed valuation of which \$.475 was prorated between General, Road and Bridge, Capital Projects and Jury Funds and \$.0432 was allocated to Debt Service. The resulting adjusted tax levies were based on a total adjusted taxable valuation of approximately \$1,737,605,289 for the 2020 tax year.

Prepaid Expenditures

When payment is made to a supplier of goods or services prior to the receipt of the goods or realization of the service, then the amount expended in excess of value received is recorded as a prepaid item.

Capital Assets

Capital assets, which include land, buildings, furniture and equipment, construction in progress, and infrastructure (e.g. roads, bridges, sidewalks and similar items) are reported in the governmental activities for the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

**BOSQUE COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Assets	Years
Buildings	40
Furniture and Equipment	5-15
Infrastructure	20

Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to move unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Compensated Absences

County employees are not paid for unused vacation time, but they are paid for unused compensatory time. Compensatory time accrues at 5 days a year up to a maximum paid benefit for entitlement of 10 days. At September 30, 2020, the County's liability for unused compensatory time was \$14,001.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, would be deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable would be reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, and expense bond issuance costs during the current periods in which they occur. 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.

Net position and Fund Balance

In government-wide financial statements net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt. Net investment in capital assets does not include the unspent proceeds of capital debt.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is considered unrestricted.

When both restricted and unrestricted sources are available for use, it is the County's policy to use restricted first, then unrestricted resources as they are needed. The government-wide statement of net position reports \$3,337,575 of restricted assets, primarily restricted for specified purposes as designated by grantors, contributors, by vote of citizens, or governmental entities over state or local program grants.

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

Nonspendable - Resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted – Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – Resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned - Resources neither restricted nor committed for which a government has a stated intended use as established by those charged with governance or an official to which those charged with governance has delegated the authority to assign amounts for specific purposes.

Unassigned – Resources which cannot be properly classified in one of the other four categories. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one sources: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Pensions

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

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The *Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position* provides a summary of differences in accounting for funds and the total government net position. The primary elements reported differently are capital assets which are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities are not due and payable in the current period and are not reported as liabilities in the funds. Following are details of the summarized reconciliation amounts:

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(Continued)

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

Fixed assets	\$ 26,644,632
Accumulated depreciation	(10,339,920)
Long-term Debt	(9,218,259)
Accumulated compensated absences	(19,208)
Total capital asset debt adjustment beginning of year	<u>\$ 7,067,245</u>
Current year capital outlay and debt service:	
Capital outlay	\$ 646,384
Fixed asset disposals net of accum depreciation	(2,323)
Change in compensated absences	14,001
(Increase) decrease in long-term debt	33,006
Accrued interest expense	(115,084)
Total capital asset debt adjustment current year	<u>\$ 575,984</u>
Other reclassification reconciliation items:	
Record fines receivable	\$ 43,996
Eliminate deferred revenue on taxes	328,273
Total other summarized adjustments	<u>\$ 372,269</u>

The *Reconciliation of the Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balances to the Statement of Activities* provides summarized reconciliation amounts indicating differences in accounting methods between the net changes in fund balance as shown on the governmental fund statement and the changes in net position of governmental activities as reported on the government-wide statement of activities. The differences are again primarily related to current year capital outlays and debt principal payments presented as expenditures in the fund financial statements, but shown as increases in capital assets and decreases in long-term debt in the government-wide statements. Details of the various summarized amounts from the reconciliation are as follows:

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(Continued)**

Current year capital outlay and debt service:	
Capital outlay	\$ 646,384
Cost of current year disposals	(237,878)
Debt principal payments	423,164
Proceeds from issuance of debt	(390,159)
Change in accrued compensation	14,001
Increase in accrued interest	(115,084)
Total capital asset debt adjustment current year	<u>\$ 340,428</u>
Various other reclassifications current year changes:	
Change in deferred revenue	\$ 15,636
Change in fines receivable	1,395
Total other reclassifications	<u>\$ 17,031</u>

3.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET DATA

The budget amounts presented in the required supplementary information include the original and final authorized amounts as amended during the year. In accordance with state statutes, an annual budget is adopted for certain governmental funds of the County in accordance with generally accepted accounting principles. The procedures followed by Bosque County in establishing the budgetary data reflected in the financial statements are presented below.

Budget Preparation

The County Judge, as the responsible budget officer, causes budget guidelines to be issued. Upon receiving operating requests from County officials, the County Judge submits a proposed operating budget covering the General, Road and Bridge, Special Revenue, and Debt Service Funds to the Commissioners' Court. The budget includes the proposed expenditures and the means of financing them.

Public Hearings

After proper publication of notices in compliance with various state statutes, a budget hearing for the purpose of obtaining public and taxpayer comments is conducted by the Commissioners' Court. Related public hearings are held regarding the proposed tax rates required to finance the proposed budget.

Budget Adoption

Following the public hearings, the Commissioners' Court makes such changes as may be warranted in the budget and adopts the budget through the passage of an order at one of its regularly scheduled meetings.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

3. **STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

Budget Amendments

The Commissioners' Court, at its discretion, can transfer expenditures from one appropriation to another. The total expenditures may not be increased without additional public hearings.

4. **DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

A. DEPOSITS AND INVESTMENTS

Legal and Contractual Provisions Governing Deposits and Investments

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

At September 30, 2020, the County's cash deposits were entirely covered by FDIC insurance or by pledged collateral held by the County's bank in the County's name.

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

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

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

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Cash and Investments held by the County as of September 30, 2020 consisted of the following:

	<u>Governmental Activities</u>
Money Market	\$ 6,553,969
Investments - TexPool	114
Investments - Multi-Bank Securities	1,243,000
Investments - Certificates of Deposit	1,034,038
Investments - Logic	<u>286,489</u>
Total Investments	\$ <u>9,117,610</u>

Policies Governing Deposits and Investments

The County is a voluntary participant in the TexPool and LOGIC external investment pool.

The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool Shares. TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office.

Local Government Investment Cooperative (LOGIC) (the "Pool") was organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, and operates as a public funds investment pool under the Public Funds Investment Act. LOGIC is organized and existing as a business trust under the laws of the State of Texas with all Participant funds and all investment assets held and managed in trust by a Board of Trustees for the benefit of the Participants. The Board of Trustees is LOGIC's governing body and is comprised of employees, officers or elected officials of Participant Government Entities or individuals who do not have a business relationship with the Pool and are qualified to advise it. A maximum of two advisory board members represent the Co-Administrators of the Pool.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The minimum rating required by (where applicable) the

Public Funds Investment Act, the County's investment policy, or debt agreements, is AAA. The actual ratings for TexPool and Logic are AAAM.

Custodial Credit Risk

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

The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less then FDIC insurance at all times.

At September 30, 2020, the bank balance for the County's cash and deposits was \$1,138,585. \$250,000 of the bank balance at two different financial institutions was covered by depository insurance under the FDIC, with the remaining balance secured with securities held by pledging financial institutions.

Concentration of Credit Risk

Concentration of Credit Risk: There is a risk that an issuer or other counterparty to an investment will not fulfill its obligations.

To minimize credit risk, TexPool's investment policy allows the portfolio's investment manager to only invest in obligations of the U.S. Government, its agencies; repurchase agreements; and no-load AAAM money market mutual funds registered with the SEC.

To minimize credit risk Logics' investment policy allows The Portfolio may engage in portfolio trading in an attempt to maximize the total return on assets. The Portfolio will not invest in the aggregate more than 20% of its monthly average balance in SEC registered money market funds or invest its funds in any one SEC registered money market fund in an amount that exceeds 5% of its total assets.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

As of September 30, 2020, TexPool and LOGIC's investment credit quality rating was AAAM (Standard & Poor's). The certificates of deposit are not rated.

Interest Rate Risk

In accordance with its investment policy, the County manages its exposure to declines in fair value by structuring maturities to meet obligations of the County first and then achieve the highest rate of return of interest. When the County has funds not required to meet current obligations, maturity restraints will be imposed upon the investment strategy for each group of funds. The maximum allowable stated maturity of any individual investment owned by the County shall not exceed eighteen months from the time of purchase. As of September 30, 2020, the County had investments in TexPool totaling \$114 which had a weighted average maturity of 49 days; They also had investments in Logic totaling \$286,489 which had a weighted average maturity of 31 days. As of September 30, 2020, the County was not invested in any securities which are highly sensitive to interest rate fluctuation.

B. INTERFUND RECEIVABLES AND PAYABLES

There were no interfund receivables and payables at September 30, 2020 except for agency funds of the County to the respective fund. The interfund receivables have not been eliminated from the statement of net position because agency funds assets and liabilities are not reported as assets owned by the government.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

C. CAPITAL ASSET ACTIVITY

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

	September 30, 2019	Increase	Decrease	September 30, 2020
Government activities capital assets:				
Non-depreciable assets:				
Land	\$ 160,264	\$ -	\$ -	\$ 160,264
Construction in process	-	44,861	-	44,861
Total non-depreciable assets	<u>160,264</u>	<u>44,861</u>	<u>-</u>	<u>205,125</u>
Depreciable assets:				
Buildings	18,667,055	-	-	18,667,055
Furniture and equipment	7,497,393	601,523	237,878	7,861,038
Infrastructure	319,920	-	-	319,920
Total depreciable assets	<u>26,484,368</u>	<u>601,523</u>	<u>237,878</u>	<u>26,848,013</u>
Totals at historic cost	<u>26,644,632</u>	<u>646,384</u>	<u>237,878</u>	<u>27,053,138</u>
Less accumulated depreciation:				
Buildings	4,242,682	420,639	-	4,663,321
Furniture and equipment	5,786,950	400,509	235,555	5,951,904
Infrastructure	310,288	5,788	-	316,076
Total accumulated depreciation	<u>10,339,920</u>	<u>826,936</u>	<u>235,555</u>	<u>10,931,301</u>
Total capital assets, being depreciated, net	<u>16,144,448</u>	<u>(225,413)</u>	<u>2,323</u>	<u>15,916,712</u>
Governmental capital assets, net	<u>\$16,304,712</u>	<u>\$ (180,552)</u>	<u>\$ 2,323</u>	<u>\$ 16,121,837</u>

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

General administration	\$ 168,069
Law enforcement	467,873
Road and bridge	190,994
Total Depreciation Expense	<u>\$ 826,936</u>

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. LONG-TERM DEBT

At September 30, 2020, the County's bonds and notes payable consisted of the following:

	Governmental Activities
2017 General Obligation Refunding Bonds, dated March 1, 2017, due in annual installments through March 1, 2037 bearing interest rate ranging from 2% to 4%.	8,838,551
Note payable to a financial institution in monthly installments of \$1,354.46 through December 16, 2022 including an interest rate of 4.70%, secured by property financed.	34,641
Note payable to financial institution in annual installments of \$30,887.08 through 2023 including interest at a rate of 3.442%, secured by property financed	116,437
	\$ 8,989,629

The following is a summary of all long-term debt transactions of the County for the year ended September 30, 2020:

Description	Beginning Balance 9/30/2019	Increases	Decreases	Ending Balance 9/30/2020	Due within one year
Governmental activities:					
General obligation bonds	\$ 8,875,000	\$ -	\$ (360,000)	\$ 8,515,000	\$ 375,000
Premium on bond	343,259	-	(19,708)	323,551	-
Capital lease		224,500	(28,876)	195,624	21,429
Notes payable	-	165,658	(14,580)	151,078	42,850
Governmental activities long-term liabilities	\$ 9,218,259	\$ 390,158	\$ (423,164)	\$ 9,185,253	\$ 439,279

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. **DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

D. LONG-TERM DEBT (Continued)

The annual requirements to amortize all bonds and notes payable outstanding as of September 30, 2020 are as follows:

General Obligation Bonds	Governmental Activities		Total
<u>Due Fiscal Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Requirements</u>
2021	375,000	263,670	638,670
2022	390,000	248,370	638,370
2023	405,000	232,470	637,470
2024	420,000	215,970	635,970
2025	440,000	198,770	638,770
2026-2030	2,435,000	751,615	3,186,615
2031-2035	2,810,000	374,920	3,184,920
2036-2037	1,240,000	35,000	1,275,000
Total	<u>\$ 8,515,000</u>	<u>\$ 2,320,785</u>	<u>\$ 10,835,785</u>
Notes Payable - Equipment	Governmental Activities		Total
<u>Due Fiscal Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Requirements</u>
2021	42,850	2,389	45,239
2022	43,567	3,573	47,140
2023	32,899	2,053	34,952
2024	31,762	1,028	32,790
Total	<u>\$ 151,078</u>	<u>\$ 9,043</u>	<u>\$ 160,121</u>

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. LONG-TERM DEBT (Continued)

The County has entered into a capital lease agreement. The leased property under capital lease is classified as equipment with total capitalized cost \$224,500 and amortized value of approximately \$215,769 at September 30, 2020. Amortization expense has been included in depreciation expense for the year ended September 30, 2020.

The following is a schedule of future minimum payments under the capital leases together with the present value of the minimum lease payments as of September 30, 2020:

<u>Year Ending September 30</u>	
2021	28,876
2022	28,876
2023	28,876
2024	28,876
2025	28,876
Thereafter	<u>86,628</u>
Total Payments	231,008
Less amount representing interest	<u>35,384</u>
Present value of net minimum lease payments	<u><u>\$ 195,624</u></u>

E. RISK MANAGRISK MANAGEMENT

Health Insurance

During the year ended September 30, 2020 employees of Bosque County were covered by a health insurance plan (the Plan). The County paid annual health insurance premiums of \$914,304. Employees, at their option, authorized payroll deductions to pay any additional cost for dependent coverage. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. **DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

E. RISK MANAGRISK MANAGEMENT (Continued)

Contingencies

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

Litigation

The County's Attorney has indicated that there are no claims or lawsuits filed or pending against the County.

F. RETIREMENT PLAN

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for administration of the statewide agent multiple-employer public employee retirement system consisting of 735 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

Benefits Provided

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can expect to be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. There are no

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

automatic post-employment benefit changes, including automatic COLAs.

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees of beneficiaries currently receiving benefits	76
Inactive employees entitled to but not yet receiving benefits	129
Active employees	<u>120</u>
	<u><u>325</u></u>

Contributions

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

The employer contributed using the actuarially determined rate of 4.45% for the calendar year ending in 2019. The deposit rate payable by the employee members for calendar year 2019 is the rate of 5% as adopted by the governing body of the employer. The employee and employer deposit rates may be changed by the governing body of the employer within the options available in the TCDRS Act.

Net Pension Asset

The employer's Net Pension Asset NPA for the year ended September 30, 2020, was measured as of December 31, 2019, and the Total Pension Asset TPA used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

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

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

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

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

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 January 2019 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. Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.80%, per Cliffwater's 2020 capital market assumptions. Target asset allocation adopted at the April 2020 TCDRS Board meeting can be seen below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	14.5%	5.20%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	20.0%	8.20%
Global Equities	MSCI World (net) Index	2.5%	5.50%
Int'l Equities - Developed Markets	MSCI World Ex USA (net)	7.0%	5.20%
Int'l Equities - Emerging Markets	MSCI EM Standard (net) Index	7.0%	5.70%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.0%	-0.20%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.0%	3.14%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.0%	7.16%
Distressed Debt	Cambridge Associates Distressed Securities Index	4.0%	6.90%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	3.0%	4.50%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.0%	8.40%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.0%	5.50%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	8.0%	2.30%
Total		100%	

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Discount Rate:

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

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

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at 12/31/2018	\$ 10,462,274	\$ 10,477,388	\$ (15,114)
Changes for the year:			
Service cost	366,706	-	366,706
Interest on total pension liability	852,882	-	852,882
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	3,892	-	3,892
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(76,209)	(76,209)	-
Benefit payments	(534,839)	(534,839)	-
Administrative expenses	-	(9,147)	9,147
Member contributions	-	214,782	(214,782)
Net investment income	-	1,720,780	(1,720,780)
Employer contributions	-	214,782	(214,782)
Other	-	(4,541)	4,541
Net changes	\$ 612,432	\$ 1,525,609	\$ (913,177)
Balance at 12/31/2019	\$ 11,074,706	\$ 12,002,997	\$ (928,291)

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

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

The following presents the net pension liability (asset) of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (7.1%) or 1-percentage point higher (9.1%) than the current rate:

	1% Decrease in Discount Rate (7.1%)	Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
Total pension liability	\$ 12,434,336	\$ 11,074,706	\$ 9,931,065
Fiduciary net position	12,002,997	12,002,997	12,002,997
Net pension liability (asset)	\$ 431,339	\$ (928,291)	\$ (2,071,932)

Pension Plan Fiduciary Net Position:

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

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

For the year ended September 30, 2020, the County recognized pension expense of \$245,158.

As of September 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 17,262	\$ -
Changes of assumptions	-	11,816
Net difference between projected and actual earnings	298,569	-
Contributions subsequent to the measurement date	-	179,818
Total	\$ 315,831	\$ 191,634

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020.

**BOSQUE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

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:

Valuation year ended December 31:	
2020	\$ (80,952)
2021	(85,602)
2022	38,513
2023	(175,974)
2024	-
Thereafter	-

5. TAX ABATMENTS

As of September 30, 2020, Bosque County provides tax abatements through the Texas Property Redevelopment and Tax Abatement Act, V.A.T.S Tax Code Chapter 312:

The Texas Property Redevelopment and Tax Abatement Act Chapter 312 of the Tax Code authorizes local taxing units, other than school districts, at their discretion to offer temporary property tax exemptions for improvements to existing property. For Texas Counties, property may be exempted for up to 10 years with property tax exemptions at an amount up to 100%. Texas Law - Article VIII, Section 1-g (a) The Legislature by general law may authorize cities, towns, and other taxing units to grant exemptions or other relief from ad valorem taxes on property located in a reinvestment zone for the purpose of encouraging development or redevelopment and improvement of the property. Bosque County has four abatements as of September 30, 2019 as noted by Bosque County Central Appraisal District Adjusted Totals and the value of the Abatements equaled to \$12,615,533.

<u>Owner DBA</u>	<u>2019 Abatement Value</u>
Walnut Springs Solar LLC	4,065,270.00
Yellow Jacket Solar LLC	2,340,496.00
Ranglers	2,497,384.00

6. COVID-19

County officials are currently evaluating the COVID-19 virus and its impact on the County and has concluded that while it is reasonably possible that the virus has had a negative effect on the County and results of operations, the specific impact is not readily determinable as of the date of these financial statements. The County is currently working with multiple federal, state and local entities on the COVID-19 virus impact. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

REQUIRED SUPPLEMENTARY INFORMATION

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

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 6,740,743	\$ 6,740,743	\$ 6,843,221	\$ 102,478
General sales and use taxes	485,200	485,200	765,995	280,795
Intergovernmental revenue and grants	320,883	320,883	415,672	94,789
Fines and fees	293,300	293,300	309,211	15,911
Forfeitures	-	-	3,000	3,000
Investment earnings	222,000	222,000	83,982	(138,018)
Other revenue	37,000	37,000	75,697	38,697
Total Revenues	8,099,126	8,099,126	8,496,778	397,652
EXPENDITURES:				
Current:				
General Government:				
Public finance	880,660	876,600	814,008	62,592
General administration	2,445,590	2,354,937	1,971,709	383,228
Judicial	1,598,323	1,597,873	1,486,763	111,110
Law enforcement	3,272,086	3,273,109	2,896,490	376,619
Capital Outlay:				
Capital outlay	103,340	107,200	93,699	13,501
Total Expenditures	8,299,999	8,209,719	7,262,669	947,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	(200,873)	(110,593)	1,234,109	1,344,702
OTHER FINANCING SOURCES (USES):				
Transfers in	337,330	337,330	326,034	(11,296)
Transfers out	(727,800)	(727,800)	(727,800)	-
Total Other Financing Sources (Uses)	(390,470)	(390,470)	(401,766)	(11,296)
Change in Fund Balance	(591,343)	(501,063)	832,343	1,333,406
Fund Balance-Beginning	4,877,101	4,877,101	4,877,101	-
Fund Balance-Ending	\$ 4,285,758	\$ 4,376,038	\$ 5,709,444	\$ 1,333,406

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

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget
			(See Note)	Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 1,074,161	\$ 1,074,161	\$ 1,093,435	\$ 19,274
Auto registrations	400,000	400,000	234,684	(165,316)
Intergovernmental revenue and grants	30,000	30,000	29,824	(176)
Fines and fees	505,000	505,000	737,007	232,007
Investment earnings	24,000	24,000	-	(24,000)
Total Revenues	<u>2,033,161</u>	<u>2,033,161</u>	<u>2,094,950</u>	<u>61,789</u>
EXPENDITURES:				
Current:				
Roads	2,629,987	2,613,089	1,999,542	613,547
Debt Service:				
Debt principal-capital leases	-	-	43,456.00	(43,456)
Debt interest-capital leases	-	-	1,743.00	(1,743.00)
Capital Outlay:				
Capital outlay	<u>351,050</u>	<u>339,850</u>	<u>492,055</u>	<u>(152,205)</u>
Total Expenditures	<u>2,981,037</u>	<u>2,952,939</u>	<u>2,536,796</u>	<u>416,143</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(947,876)</u>	<u>(919,778)</u>	<u>(441,846)</u>	<u>477,932</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	264,850	264,850	65,118	(199,732)
Sale of surplus property	24,000.00	24,000.00	-	(24,000)
Proceeds from debt			<u>390,159</u>	
Total Other Financing Sources (Use)	<u>288,850</u>	<u>288,850</u>	<u>455,277</u>	<u>(223,732)</u>
Change in Fund Balance	(659,026)	(630,928)	13,431	254,200
Fund Balance-Beginning	<u>1,855,184</u>	<u>1,855,184</u>	<u>1,855,184</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 1,196,158</u>	<u>\$ 1,224,256</u>	<u>\$ 1,868,615</u>	<u>\$ 254,200</u>

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

Total Pension Liability	2019	2018	2017	2016	2015	2014
Service cost	\$ 366,706	\$ 364,930	\$ 391,143	\$ 390,835	\$ 353,975	\$ 318,363
Interest on total pension liability	852,882	802,324	761,277	707,468	677,368	638,921
Effect of plan changes	-	-	-	-	(59,580)	-
Effect of assumption changes or inputs	-	-	47,267	-	87,134	-
Effect of economic/demographic (gains) or losses	3,892	28,435	(117,347)	(118,022)	(240,907)	(105,477)
Benefit payments/refunds of contributions	(611,048)	(536,975)	(561,313)	(471,450)	(431,217)	(385,900)
Net Change in Total Pension Liability	612,432	658,714	521,027	508,831	386,773	465,907
Total Pension Liability, beginning	10,462,274	9,803,560	9,282,533	8,773,072	8,386,929	7,921,023
Total Pension Liability, ending (a)	\$ 11,074,706	\$ 10,462,274	\$ 9,803,560	\$ 9,282,533	\$ 8,773,702	\$ 8,386,930
Fiduciary Net Position						
Employer contributions	\$ 214,782	\$ 200,015	\$ 181,923	\$ 181,349	\$ 188,913	\$ 175,546
Member contributions	214,782	227,798	208,148	200,164	200,972	182,862
Investment income net of investment expenses	1,720,780	(202,413)	1,396,195	664,253	(714)	595,482
Benefit payments/refunds of contributions	(611,048)	(536,975)	(561,313)	(471,450)	(431,217)	(385,900)
Administrative expenses	(9,147)	(8,415)	(7,182)	(7,278)	(6,535)	(6,824)
Other	(4,541)	(2,167)	(2,363)	(28,857)	(16,090)	(47,154)
Net Change in Fiduciary Net Position	1,525,608	(322,157)	1,215,408	538,181	(64,671)	514,012
Fiduciary Net Position, beginning	10,477,389	10,799,546	9,584,138	9,045,957	9,110,628	8,596,618
Fiduciary Net Position, ending (b)	12,002,997	\$ 10,477,389	\$ 10,799,546	\$ 9,584,138	\$ 9,045,957	\$ 9,110,630
Net Pension Liability (Asset), ending = (a) - (b)	\$ (928,291)	\$ (15,115)	\$ (995,986)	\$ (301,605)	\$ (272,255)	\$ (723,700)
Fiduciary net position as a % of total pension liability	108.38%	100.14%	110.16%	103.25%	103.10%	108.63%
Pensionable covered payroll	\$ 4,295,647	\$ 4,555,950	\$ 4,162,961	\$ 4,003,284	\$ 4,019,432	\$ 3,629,498
Net pension liability/(asset) as a % of covered payroll	-21.61%	-0.33%	-23.92%	-7.53%	-6.77%	-19.94%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

BOSQUE COUNTY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last 10 Years

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2010	74,638	252,401	(177,762)	3,605,722	7.0%
2011	68,340	88,067	(19,727)	3,522,655	2.5%
2012	70,841	85,146	(14,305)	3,405,794	2.5%
2013	113,043	146,796	(33,753)	3,364,368	4.4%
2014	174,216	175,546	(1,330)	3,629,498	4.8%
2015	188,913	188,913	-	4,019,432	4.7%
2016	181,349	181,349	-	4,003,284	4.5%
2017	181,923	181,923	-	4,162,961	4.4%
2018	200,015	200,015	-	4,555,950	4.4%
2019	173,544	214,782	(41,238)	4,295,647	5.0%

**BOSQUE COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2019**

GENERAL BUDGET POLICIES

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

- The County Judge, as budget officer, with the assistance of the County Auditor, prepares a budget to cover all proposed expenditures and the means for financing them for the fiscal year beginning October 1, and submits the proposed budget to the Commissioners' Court. The budget is prepared on the modified accrual basis, which is consistent with the fund financial statements.
- The Commissioners' Court holds budget hearings for the public to make comments.
- The Commissioners' Court, prior to October 1, formally adopts the budget in an open court meeting.
- The adopted budget becomes the authorization for all legal expenditures for the County for the fiscal year. Appropriations lapse at the end of the fiscal year.

The formally adopted budget may be legally amended by commissioners in accordance with Article 689A-11 or 689A-20 of Vernon's Annotated Civil Statutes.

The County maintains its legal level of budgetary control at the department level. Amendments to the 2020 budget were approved by the Commissioners' Court as provided by law throughout the year. All departmental expenditures remained within the appropriations budgets for the year.

ENCUMBRANCES

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at September 30, and encumbrances outstanding at the time are to be either canceled or appropriately provided for in the subsequent year's budget. There were no end-of year outstanding encumbrances that were provided for in the subsequent year's budget.

RETIREMENT SCHEDULES

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.

**BOSQUE COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2019**

RETIREMENT SCHEDULES (Continued)

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	0.0 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.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenue that is legally restricted to expenditures for particular purposes.

BOSQUE COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2020

	Record Preservation	Jury	Law Library	County Attorney's Hot Check
ASSETS				
Cash and cash equivalents	\$ 346,755	\$ 58,024	\$ 93,943	\$ 16,465
Taxes receivable, net of allowance	-	581	-	-
Intergovernmental receivables	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 346,755	\$ 58,605	\$ 93,943	\$ 16,465
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 10	\$ 106	\$ -
Due to other funds	-	-	-	-
Wages and salaries payable	-	-	-	-
Total Liabilities	-	10	106	-
Deferred Inflows:				
Deferred revenue	-	384	-	-
Fund Balances:				
Restricted	346,755	58,211	93,837	16,465
Unassigned	-	-	-	-
Total Fund Balances	346,755	58,211	93,837	16,465
Total Liabilities, Deferred Inflows and Fund Balances	\$ 346,755	\$ 58,605	\$ 93,943	\$ 16,465

District Attorney	Districts Attorney's Hot Check	D.A. Drug Forfeiture	Court Reporter	Security	Grant
\$ 106,424	\$ 3,377	\$ 34,040	\$ 10,500	\$ 33,863	\$ 397,726
-	-	-	-	-	-
1,816	-	-	-	-	-
206	-	3,746	-	-	-
<u>\$ 108,446</u>	<u>\$ 3,377</u>	<u>\$ 37,786</u>	<u>\$ 10,500</u>	<u>\$ 33,863</u>	<u>\$ 397,726</u>
\$ 4,653	\$ 94	\$ -	\$ -	\$ 351	\$ -
-	-	-	-	-	116,437
13,678	-	-	-	1,815	-
<u>18,331</u>	<u>94</u>	<u>-</u>	<u>-</u>	<u>2,166</u>	<u>116,437</u>
-	-	-	-	-	-
90,115	3,283	37,786	10,500	31,697	281,289
-	-	-	-	-	-
<u>90,115</u>	<u>3,283</u>	<u>37,786</u>	<u>10,500</u>	<u>31,697</u>	<u>281,289</u>
<u>\$ 108,446</u>	<u>\$ 3,377</u>	<u>\$ 37,786</u>	<u>\$ 10,500</u>	<u>\$ 33,863</u>	<u>\$ 397,726</u>

BOSQUE COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2020

	Special Forfeiture	Constable 1 Education	Constable 2 Education	Law Enforcement Education
ASSETS				
Cash and cash equivalents	\$ 5,185	\$ 6,307	\$ 4,691	\$ 1,228
Taxes receivable, net of allowance	-	-	-	-
Intergovernmental receivables	-	124	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 5,185	\$ 6,431	\$ 4,691	\$ 1,228
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Wages and salaries payable	-	-	-	-
Total Liabilities	1	-	-	-
Deferred Inflows:				
Deferred revenue	-	-	-	-
Fund Balances:				
Restricted	5,184	6,431	4,691	1,228
Unassigned	-	-	-	-
Total Fund Balances	5,184	6,431	4,691	1,228
Total Liabilities, Deferred Inflows and Fund Balances	\$ 5,185	\$ 6,431	\$ 4,691	\$ 1,228

Constable 1 Special Forfeiture	D.A. Art 18 Special Forfeiture	JP 1 & 2 & District Clerk Tech Fees	Pre-Trial Fees	Voting Machine	Sherriff's Office Drug Forfeiture	Total Nonmajor Governmental Funds
\$ 9,814	40,152	\$ 63,040	\$ 30,929	\$ 119,763	\$ 15,639	1,397,865
-	-	-	-	-	-	581
-	-	-	-	-	-	1,940
-	-	-	-	-	-	3,952
<u>\$ 9,814</u>	<u>\$ 40,152</u>	<u>\$ 63,040</u>	<u>\$ 30,929</u>	<u>\$ 119,763</u>	<u>\$ 15,639</u>	<u>\$ 1,404,338</u>
\$ -	\$ -	\$ -	\$ -	\$ 30,255	\$ -	\$ 35,470
-	-	-	-	-	-	116,437
-	-	-	-	2,021	-	17,514
-	-	-	-	32,276	-	169,421
-	-	-	-	-	-	384
9,814	40,152	63,040	30,929	87,487	15,639	1,234,533
-	-	-	-	-	-	-
<u>9,814</u>	<u>40,152</u>	<u>63,040</u>	<u>30,929</u>	<u>87,487</u>	<u>15,639</u>	<u>1,234,533</u>
<u>\$ 9,814</u>	<u>\$ 40,152</u>	<u>\$ 63,040</u>	<u>\$ 30,929</u>	<u>\$ 119,763</u>	<u>\$ 15,639</u>	<u>\$ 1,404,338</u>

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

	Record Preservation	Jury	Law Library	County Attorney's Hot Check
REVENUES:				
Taxes:				
Property taxes	\$ -	\$ 11,116	\$ -	\$ -
Intergovernmental revenue and grants	-	-	-	-
Fines and fees	98,130	2,236	9,405	1,105
Forfeitures	-	-	-	-
Investment earnings	-	-	-	28
Other revenue	-	-	-	-
Total Revenues	<u>98,130</u>	<u>13,352</u>	<u>9,405</u>	<u>1,133</u>
EXPENDITURES:				
Current:				
General Government:				
Public finance	-	-	-	-
General administration	12,727	-	-	-
Judicial	-	3,326	3,398	470
Public safety	-	-	-	-
Capital Outlay:				
Capital outlay	-	-	-	-
Total Expenditures	<u>12,727</u>	<u>3,326</u>	<u>3,398</u>	<u>470</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>85,403</u>	<u>10,026</u>	<u>6,007</u>	<u>663</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	85,403	10,026	6,007	663
Fund Balance-Beginning	<u>261,352</u>	<u>48,185</u>	<u>87,830</u>	<u>15,802</u>
Fund Balance-Ending	<u>\$ 346,755</u>	<u>\$ 58,211</u>	<u>\$ 93,837</u>	<u>\$ 16,465</u>

District Attorney	Districts Attorney's Hot Check	D.A. Drug Forfeiture	Court Reporter	Security	Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
566,523	-	-	-	-	255,988
-	-	-	2,804	9,784	-
-	-	31,897	-	-	-
-	6	18	-	-	-
-	-	-	-	-	1,070
<u>566,523</u>	<u>6</u>	<u>31,915</u>	<u>2,804</u>	<u>9,784</u>	<u>257,058</u>
-	-	-	-	-	-
-	-	-	-	55,341	1,134
537,881	-	2,178	15,596	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>537,881</u>	<u>-</u>	<u>2,178</u>	<u>15,596</u>	<u>55,341</u>	<u>1,134</u>
<u>28,642</u>	<u>6</u>	<u>29,737</u>	<u>(12,792)</u>	<u>(45,557)</u>	<u>255,924</u>
-	-	-	-	-	-
-	-	-	-	55,800	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,800</u>	<u>-</u>
28,642	6	29,737	(12,792)	10,243	255,924
61,473	3,277	8,049	23,292	21,454	25,365
<u>\$ 90,115</u>	<u>\$ 3,283</u>	<u>\$ 37,786</u>	<u>\$ 10,500</u>	<u>\$ 31,697</u>	<u>\$ 281,289</u>

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

	Special Forfeiture	Constable 1 Education	Constable 2 Education	Law Enforcement Education
REVENUES:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue and grants	-	-	-	-
Fines and fees	1	760	685	-
Forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	<u>1</u>	<u>760</u>	<u>685</u>	<u>-</u>
EXPENDITURES:				
Current:				
General Government:				
Public finance	-	-	-	-
General administration	-	-	15	-
Judicial	-	2	-	-
Public safety	-	-	-	1,785
Capital Outlay:				
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>2</u>	<u>15</u>	<u>1,785</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1</u>	<u>758</u>	<u>670</u>	<u>(1,785)</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1	758	670	(1,785)
Fund Balance-Beginning	<u>5,183</u>	<u>5,673</u>	<u>4,021</u>	<u>3,013</u>
Fund Balance-Ending	<u>\$ 5,184</u>	<u>\$ 6,431</u>	<u>\$ 4,691</u>	<u>\$ 1,228</u>

Constable 1 Special Forfeiture	D.A. Art 18 Special Forfeiture	JP 1 & 2 & District Clerk Tech Fees	Pre-Trial Fees	Voting Machine Fees	Sheriff's Office Drug Forfeiture	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,116
-	-	-	-	-	-	822,511
-	-	7,105	12,420	-	-	144,435
-	-	-	-	-	3,882	35,779
18	-	-	103	-	-	173
-	-	-	-	16,766	-	17,836
<u>18</u>	<u>-</u>	<u>7,105</u>	<u>12,523</u>	<u>16,766</u>	<u>3,882</u>	<u>1,031,850</u>
-	6,182	-	-	-	-	6,182
-	-	-	-	133,451	-	202,668
3,394	-	-	1,249	-	-	567,494
-	-	-	-	-	-	1,785
-	-	6,640	-	34,252	-	40,892
<u>3,394</u>	<u>6,182</u>	<u>6,640</u>	<u>1,249</u>	<u>167,703</u>	<u>-</u>	<u>819,021</u>
<u>(3,376)</u>	<u>(6,182)</u>	<u>465</u>	<u>11,274</u>	<u>(150,937)</u>	<u>3,882</u>	<u>212,829</u>
-	-	-	-	-	-	-
-	-	(1,034)	2,000.00	170,000	-	226,766
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(1,034)</u>	<u>2,000</u>	<u>170,000</u>	<u>-</u>	<u>226,766</u>
(3,376)	(6,182)	(569)	13,274	19,063	3,882	439,595
13,190	46,334	63,609	17,655	68,424	11,757	794,938
<u>\$ 9,814</u>	<u>\$ 40,152</u>	<u>\$ 63,040</u>	<u>\$ 30,929</u>	<u>\$ 87,487</u>	<u>\$ 15,639</u>	<u>\$ 1,234,533</u>

ROAD AND BRIDGE FUND

BOSQUE COUNTY, TEXAS
 COMBINING BALANCE SHEET
 ROAD AND BRIDGE FUNDS
 SEPTEMBER 30, 2020

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Road and Bridge Maintenance	Total Road and Bridge Funds
ASSETS						
Cash and cash equivalents	\$ 171,033	\$ 170,358	\$ 107,380	\$ 351,001	\$ 173,911	\$ 973,683
Investments-current	-	-	-	-	1,034,038	1,034,038
Taxes receivable, net of allowance	9,553	9,553	9,553	9,553	274	38,486
Intergovernmental receivables	-	-	-	-	35,988	35,988
Prepaid items	4,290	4,648	4,461	4,545	-	17,944
Total Assets	\$ 184,876	\$ 184,559	\$ 121,394	\$ 365,099	\$ 1,244,211	\$ 2,100,139
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 84,737	\$ 21,160	\$ 22,663	\$ 32,293	\$ 441	\$ 161,294
Wages and salaries payable	8,596	7,230	8,788	7,128	-	31,742
Total Liabilities	93,333	28,390	31,451	39,421	441	193,036
Deferred inflows:						
Deferred revenue	9,554	9,553	9,553	9,554	274	38,488
Fund Balances:						
Nonspendable	4,290	4,648	4,461	4,545	-	17,944
Restricted	77,699	141,968	75,929	311,579	1,243,496	1,850,671
Total Fund Balances	81,989	146,616	80,390	316,124	1,243,496	1,868,615
Total Liabilities, Deferred Inflows and Fund Balances	\$ 184,876	\$ 184,559	\$ 121,394	\$ 365,099	\$ 1,244,211	\$ 2,100,139

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

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Road and Bridge Maintenance	Total Road and Bridge Funds
REVENUES:						
Taxes:						
Property taxes	\$271,409	\$271,409	\$271,409	\$271,409	\$ 7,799	\$1,093,435
Auto registrations	58,671	58,671	58,671	58,671	-	234,684
Intergovernmental revenue and grants	7,456	7,456	7,456	7,456	-	29,824
Fines and fees	97,069	97,069	97,069	97,069	348,731	737,007
Total Revenues	434,605	434,605	434,605	434,605	356,530	2,094,950
EXPENDITURES:						
Current:						
Roads	457,917	376,178	373,926	372,076	419,445	1,999,542
Debt Service:						
Debt principal - capital leases	14,580	-	28,876	-	-	43,456
Debt interest - capital leases	435	-	1,308	-	-	1,743
Capital Outlay:						
Capital outlay	75,421	253,376	152,438	10,820	-	492,055
Total Expenditures	548,353	629,554	556,548	382,896	419,445	2,536,796
Excess (Deficiency) of Revenues Over (Under) Expenditures	(113,748)	(194,949)	(121,943)	51,709	(62,915)	(441,846)
OTHER FINANCING SOURCES (USES):						
Investment income- interest						
Other revenue	18,078	-	14,422	3,500	29,118	65,118
Sale of Surplus Property					-	-
Proceeds from debt	49,221	224,500	116,438	-	-	390,159
Total Other Financing Sources (Uses)	67,299	224,500	130,860	3,500	29,118	455,277
Net Change in Fund Balance	(46,449)	29,551	8,917	55,209	(33,797)	13,431
Fund Balance-Beginning	128,438	117,065	71,473	260,915	1,277,293	1,855,184
Fund Balance-Ending	\$ 81,989	\$ 146,616	\$ 80,390	\$ 316,124	\$ 1,243,496	\$ 1,868,615

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 1
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 266,625	\$ 266,625	\$ 271,409	\$ 4,784
Auto registrations	100,000	100,000	58,671	(41,329)
Intergovernmental revenue and grants	7,500	7,500	7,456	(44)
Fines and fees	40,000	40,000	97,069	57,069
Total Revenues	<u>414,125</u>	<u>414,125</u>	<u>434,605</u>	<u>20,480</u>
EXPENDITURES:				
Current:				
Roads	504,085	507,735	457,917	49,818
Debt Service:				
Debt principal-capital leases	-	-	14,580	(14,580)
Debt interest-capital leases	-	-	435	(435)
Capital Outlay:				
Capital outlay	26,200	15,000	75,421	(60,421)
Total Expenditures	<u>530,285</u>	<u>522,735</u>	<u>548,353</u>	<u>(25,618)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(116,160)</u>	<u>(108,610)</u>	<u>(113,748)</u>	<u>(5,138)</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	-	-	18,078	18,078
Proceeds from debt	-	-	49,221	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>67,299</u>	<u>18,078</u>
Change in Fund Balance	(116,160)	(108,610)	(46,449)	12,940
Fund Balance-Beginning	<u>128,438</u>	<u>128,438</u>	<u>128,438</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 12,278</u>	<u>\$ 19,828</u>	<u>\$ 81,989</u>	<u>\$ 12,940</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 2
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 266,625	\$ 266,625	\$ 271,409	\$ 4,784
Auto registrations	100,000	100,000	58,671	(41,329)
Intergovernmental revenue and grants	7,500	7,500	7,456	(44)
Fines and fees	40,000	40,000	97,069	57,069
Total Revenues	<u>414,125</u>	<u>414,125</u>	<u>434,605</u>	<u>20,480</u>
EXPENDITURES:				
Current:				
Roads	565,919	565,721	376,178	189,543
Capital Outlay:				
Capital outlay	<u>264,850</u>	<u>264,850</u>	<u>253,376</u>	<u>11,474</u>
Total Expenditures	<u>830,769</u>	<u>830,571</u>	<u>629,554</u>	<u>201,017</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(416,644)</u>	<u>(416,446)</u>	<u>(194,949)</u>	<u>221,497</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	254,850	254,850	-	(254,850)
Proceeds from debt	<u>-</u>	<u>-</u>	<u>224,500</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>254,850</u>	<u>254,850</u>	<u>224,500</u>	<u>(254,850)</u>
Change in Fund Balance	(161,794)	(161,596)	29,551	(33,353)
Fund Balance-Beginning	<u>117,065</u>	<u>117,065</u>	<u>117,065</u>	<u>-</u>
Fund Balance-Ending	<u>\$ (44,729)</u>	<u>\$ (44,531)</u>	<u>\$ 146,616</u>	<u>\$ (33,353)</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 3
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 266,625	\$ 266,625	\$ 271,409	\$ 4,784
Auto registrations	100,000	100,000	58,671	(41,329)
Intergovernmental revenue and grants	7,500	7,500	7,456	(44)
Fines and fees	40,000	40,000	97,069	57,069
Total Revenues	<u>414,125</u>	<u>414,125</u>	<u>434,605</u>	<u>20,480</u>
EXPENDITURES:				
Current:				
Roads	494,555	494,425	373,926	120,499
Capital Outlay:				
Capital outlay	40,000	40,000	152,438	(112,438)
Total Expenditures	<u>534,555</u>	<u>534,425</u>	<u>556,548</u>	<u>(22,123)</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(120,430)</u>	<u>(120,300)</u>	<u>(121,943)</u>	<u>(1,643)</u>
OTHER FINANCING SOURCES (USES):				
Other revenue	10,000	10,000	14,422	(4,422)
Sale of real and personal property	-	-	-	-
Proceeds from debt	-	-	116,438	-
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>10,000</u>	<u>130,860</u>	<u>(4,422)</u>
Change in Fund Balance	(110,430)	(110,300)	8,917	(6,065)
Fund Balance-Beginning	<u>71,473</u>	<u>71,473</u>	<u>71,473</u>	<u>-</u>
Fund Balance-Ending	<u>\$ (38,957)</u>	<u>\$ (38,827)</u>	<u>\$ 80,390</u>	<u>\$ (6,065)</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 4
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 266,625	\$ 266,625	\$ 271,409	\$ 4,784
Auto registrations	100,000	100,000	58,671	(41,329)
Intergovernmental revenue and grants	7,500	7,500	7,456	(44)
Fines and fees	40,000	40,000	97,069	57,069
Total Revenues	<u>414,125</u>	<u>414,125</u>	<u>434,605</u>	<u>20,480</u>
EXPENDITURES:				
Current:				
Roads	625,428	625,208	372,076	253,132
Capital Outlay:				
Capital outlay	20,000	20,000	10,820	9,180
Total Expenditures	<u>645,428</u>	<u>645,208</u>	<u>382,896</u>	<u>262,312</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(231,303)</u>	<u>(231,083)</u>	<u>51,709</u>	<u>282,792</u>
OTHER FINANCING SOURCES (USES):				
Other revenues	-	-	3,500	3,500
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,500</u>	<u>3,500</u>
Change in Fund Balance	(231,303)	(231,083)	55,209	286,292
Fund Balance-Beginning	<u>260,915</u>	<u>260,915</u>	<u>260,915</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 29,612</u>	<u>\$ 29,832</u>	<u>\$ 316,124</u>	<u>\$ 286,292</u>

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE MAINTENANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 7,661	\$ 7,661	\$ 7,799	\$ 138
Fines and fees	345,000	345,000	348,731	3,731
Total Revenues	<u>376,661</u>	<u>376,661</u>	<u>356,530</u>	<u>(20,131)</u>
EXPENDITURES:				
Current:				
Roads	440,000	420,000	419,445	555
Total Expenditures	<u>440,000</u>	<u>420,000</u>	<u>419,445</u>	<u>555</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(63,339)</u>	<u>(43,339)</u>	<u>(62,915)</u>	<u>(19,576)</u>
OTHER FINANCING SOURCES (USES):				
Investment Earnings	<u>24,000</u>	<u>24,000</u>	<u>29,118</u>	<u>5,118</u>
Total Other Financing Sources (Uses)	<u>24,000</u>	<u>24,000</u>	<u>29,118</u>	<u>5,118</u>
Change in Fund Balance	(39,339)	(19,339)	(33,797)	(14,458)
Fund Balance-Beginning	<u>1,277,293</u>	<u>1,277,293</u>	<u>1,277,293</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 1,237,954</u>	<u>\$ 1,257,954</u>	<u>\$ 1,243,496</u>	<u>\$ (14,458)</u>

CAPITAL PROJECT FUNDS

BOSQUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property taxes	\$ 36,009	\$ 36,009	\$ 36,656	\$ 647
Investment earnings	-	-	-	-
Total Revenues	<u>36,009</u>	<u>36,009</u>	<u>36,656</u>	<u>647</u>
EXPENDITURES:				
Current:				
Capital Outlay:				
Capital outlay	490,000	490,000	377,362	112,638
Total Expenditures	<u>490,000</u>	<u>490,000</u>	<u>377,362</u>	<u>112,638</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	175,000	175,000
Transfers out (use)	(300,000)	(200,000)	-	200,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>175,000</u>	<u>375,000</u>
Change in Fund Balance	(453,991)	(453,991)	(165,706)	488,285
Fund Balance-Beginning	317,994	317,994	317,994	-
Fund Balance-Ending	<u>\$ (135,997)</u>	<u>\$ (135,997)</u>	<u>\$ 152,288</u>	<u>\$ 488,285</u>

BOSQUE COUNTY, TEXAS
 COMBINING BALANCE SHEET
 CAPITAL PROJECT FUNDS
 SEPTEMBER 30, 2020

	Jail Fund	Permanent Improvement Fund	Total Capital Project Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 151,288	\$ 151,288
Taxes receivable	-	1,290	1,290
Other assets	1,000	-	1,000
Total Assets	<u>\$ 1,000</u>	<u>\$ 152,578</u>	<u>\$ 153,578</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows:			
Deferred revenue	<u>-</u>	<u>1,290</u>	<u>1,290</u>
Fund Balances:			
Nonspendable	1,000	-	1,000
Assigned	-	151,288	151,288
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>1,000</u>	<u>151,288</u>	<u>152,288</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 1,000</u>	<u>\$ 152,578</u>	<u>\$ 153,578</u>

BOSQUE COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Jail Fund	Permanent Improvement Fund	Total Capital Project Funds
REVENUES:			
Taxes:			
Property taxes	\$ -	\$ 36,656	\$ 36,656
Total Revenues	<u>-</u>	<u>36,656</u>	<u>36,656</u>
EXPENDITURES:			
Capital Outlay:			
Capital outlay	-	377,362	377,362
Total Expenditures	<u>-</u>	<u>377,362</u>	<u>377,362</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	<u>-</u>	<u>(340,706)</u>	<u>(340,706)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	175,000	175,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>175,000</u>	<u>175,000</u>
Net Change in Fund Balance	-	(165,706)	(165,706)
Fund Balance-Beginning	<u>1,000</u>	<u>316,994</u>	<u>317,994</u>
Fund Balance-Ending	<u>\$ 1,000</u>	<u>\$ 151,288</u>	<u>\$ 152,288</u>

FIDUCIARY FUNDS

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

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

	BALANCE OCTOBER 1 2019	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2020
SHERIFF'S DEPARTMENT				
Assets:				
Cash and cash equivalents	\$ 15,735	\$ 12,362	\$ -	\$ 28,097
Liabilities:				
Due to others	\$ 15,735	\$ 12,362	\$ -	\$ 28,097
DISTRICT CLERK				
Assets:				
Cash and cash equivalents	\$ 142,466	\$ 26,772	\$ 10,816	\$ 158,422
Liabilities:				
Due to others	\$ 142,466	\$ 26,772	\$ 10,816	\$ 158,422
COUNTY CLERK				
Assets:				
Cash and cash equivalents	\$ 198,927	\$ 138	\$ 176,173	\$ 22,892
Liabilities:				
Due to others	\$ 198,927	\$ 138	\$ 176,173	\$ 22,892
TAX ASSESSOR/COLLECTOR				
Assets:				
Cash and cash equivalents	\$ 503,778	\$ 32,556,919	\$ 32,672,738	\$ 387,959
Liabilities:				
Due to others	\$ 503,778	\$ 32,556,919	\$ 32,672,738	\$ 387,959
JUVENILE PROBATION				
Assets:				
Cash and cash equivalents	\$ -	\$ 71,099	\$ -	\$ 71,099
Liabilities:				
Due to others	\$ -	\$ 71,099	\$ -	\$ 71,099
CHILD WELFARE				
Assets:				
Cash and cash equivalents	\$ -	\$ 37,186	\$ -	\$ 37,186
Liabilities:				
Due to others	\$ -	\$ 37,186	\$ -	\$ 37,186
COUNTY ATTORNEY ESCROW				
Assets:				
Cash and cash equivalents	\$ -	\$ 20,429	\$ -	\$ 20,429
Liabilities:				
Due to others	\$ -	\$ 20,429	\$ -	\$ 20,429
TOTAL AGENCY FUNDS				
Assets:				
Cash and cash equivalents	\$ 860,906	\$ 32,724,905	\$ 32,859,727	\$ 726,084
Total Assets	\$ 860,906	\$ 32,724,905	\$ 32,859,727	\$ 726,084
Liabilities:				
Due to others	\$ 860,906	\$ 32,724,905	\$ 32,859,727	\$ 726,084
Total Liabilities	\$ 860,906	\$ 32,724,905	\$ 32,859,727	\$ 726,084