

ANNUAL FINANCIAL REPORT

OF

CAMP COUNTY, TEXAS

FOR

THE YEAR ENDED

DECEMBER 31, 2020



**CAMP COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Judge and Commissioners
Camp County, Texas
126 E Church Street
Pittsburg, Texas 75686

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Camp County, Texas ("County") as of and for the year ended December 31, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 an 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, I express no such opinion. An audit also includes assessing 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinions

In my 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 Camp County, Texas as of December 31, 2020, and the respective changes in financial position, where applicable, and cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability, Schedule of Contributions and Schedule of Changes in Net Pension Liability 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Camp County, Texas' basic financial statements. The combining individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Respectfully Submitted,



Mike Ward Accounting & Financial Consulting, PLLC

Point, Texas
October 18, 2021

CAMP COUNTY, TEXAS

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

As management of Camp County, Texas ("County"), we offer the readers of Camp County, Texas' financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2020. We encourage readers to read the information presented here in conjunction with additional information that has been furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$7,799,476 (net position). Of this amount, \$4,122,622, or 53%, is net investment in capital assets. Net position restricted for specific purposes is \$752,872, or 10%. The remaining unrestricted position of \$2,923,982, or 37% may be used to meet the County's ongoing obligations to its citizens and creditors in accordance with the County's fiscal policies.
- The County's total net position increased by \$1,520,349, or 24%, due to an increase in governmental activities net position.
- As of the close of the current year, the County's governmental funds reported combined ending fund balances of \$3,779,975, an increase of \$477,607, or 14%, in comparison with the prior year. Approximately 62% of this total amount, or \$2,349,930, is available for spending at the County's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General fund of \$2,349,930 was 52% of total general fund expenditures for the fiscal year.
- The County's total long-term obligations decreased by (\$1,029,991), or (62%), during the current year, considering changes in compensated absences and net pension liability.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Camp County, Texas' basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the County through the use of government-wide financial statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Camp County, Texas.

CAMP COUNTY, TEXAS
MANAGEMENT DISCUSSION AND ANALYSIS (continued)
DECEMBER 31, 2020

Changes in Net Position

| | Governmental Activities | | Totals | |
|-------------------------------------|--------------------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 |
| Revenues: | | | | |
| Program Revenues: | | | | |
| Charges for services | \$ 1,122,106 | \$ 1,182,482 | \$ 1,122,106 | \$ 1,182,482 |
| Operating grants and contributions | 137,528 | 52,254 | 137,528 | 52,254 |
| Capital grants and contributions | 936,527 | 255,472 | 936,527 | 255,472 |
| General Revenues: | | | | |
| Property taxes | 4,366,322 | 3,855,225 | 4,366,322 | 3,855,225 |
| Sales tax | 637,381 | 550,312 | 637,381 | 550,312 |
| Other taxes | 3,342 | 4,510 | 3,342 | 4,510 |
| Investment income | 44,920 | 132,248 | 44,920 | 132,248 |
| Miscellaneous | 119,289 | 134,897 | 119,289 | 134,897 |
| Total Revenues | <u>7,367,415</u> | <u>6,167,400</u> | <u>7,367,415</u> | <u>6,167,400</u> |
| Expenses: | | | | |
| Program Expenses | | | | |
| General government | 2,025,112 | 2,244,239 | 2,025,112 | 2,244,239 |
| Public safety | 1,355,966 | 1,429,987 | 1,355,966 | 1,429,987 |
| Public works | 1,574,869 | 1,532,345 | 1,574,869 | 1,532,345 |
| Judicial | 602,019 | 625,204 | 602,019 | 625,204 |
| Parks and recreational | 92,474 | 90,751 | 92,474 | 90,751 |
| Health and public welfare | 105,126 | 107,329 | 105,126 | 107,329 |
| Library | 91,500 | 96,779 | 91,500 | 96,779 |
| Total Expenses | <u>5,847,066</u> | <u>6,126,634</u> | <u>5,847,066</u> | <u>6,126,634</u> |
| Increase (decrease) in net position | 1,520,349 | 40,766 | 1,520,349 | 40,766 |
| Increase (decrease) in net position | 1,520,349 | 40,766 | 1,520,349 | 40,766 |
| Net position - January 1 | 6,279,127 | 6,238,361 | 6,279,127 | 6,238,361 |
| Net position - December 31 | <u>\$ 7,799,476</u> | <u>\$ 6,279,127</u> | <u>\$ 7,799,476</u> | <u>\$ 6,279,127</u> |

Governmental Activities have increased the net position in the current audited fiscal period by \$1,520,349, 24% increase over the prior year.

**CAMP COUNTY, TEXAS
MANAGEMENT DISCUSSION AND ANALYSIS (continued)
DECEMBER 31, 2020**

Net Position

| | Governmental Activities | | Total Primary Government | |
|--------------------------------------|------------------------------------|--------------|-------------------------------------|--------------|
| | 2020 | 2019 | 2020 | 2019 |
| Current and other assets | \$ 9,018,708 | \$ 8,086,482 | \$ 9,018,708 | \$ 8,086,482 |
| Capital assets | 4,122,622 | 3,448,452 | 4,122,622 | 3,448,452 |
| Total assets | 13,141,330 | 11,534,934 | 13,141,330 | 11,534,934 |
| Total deferred outflows of resources | 836,664 | 1,083,202 | 836,664 | 1,083,202 |
| Current liabilities | 375,585 | 251,628 | 375,585 | 251,628 |
| Noncurrent liabilities | 636,743 | 1,666,734 | 636,743 | 1,666,734 |
| Total liabilities | 1,012,328 | 1,918,362 | 1,012,328 | 1,918,362 |
| Total deferred inflows of resources | 5,166,190 | 4,420,647 | 5,166,190 | 4,420,647 |
| Net position: | | | | |
| Net investment in capital assets | 4,122,622 | 3,061,474 | 4,122,622 | 3,061,474 |
| Restricted | 752,872 | 854,548 | 752,872 | 854,548 |
| Unrestricted | 2,923,982 | 2,363,105 | 2,923,982 | 2,363,105 |
| Total net position | \$ 7,799,476 | \$ 6,279,127 | \$ 7,799,476 | \$ 6,279,127 |

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The net position of the County exceeded liabilities by \$7,799,476, as of December 31, 2020. The County's net position increased by \$1,520,349, for the year ended December 31, 2020.

Net investment in capital assets:

The largest portion of the County's net position, \$4,122,622, or 53%, reflects the County's investment in capital assets (e.g. buildings, machinery and equipment) less any debt still outstanding that was issued to acquire those items. The County uses these capital assets to provide services to citizens, consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

Restricted net position:

The restricted portion of the County's net position, \$752,872, or 10%, reflects the portion of net assets that contains external constraints placed on the use of resources, or imposed by enabling legislation.

Unrestricted net position:

Unrestricted net position in the amount of \$2,923,982, or 37%, was available to fund the County's programs to citizens and obligations to creditors.

**CAMP COUNTY, TEXAS
MANAGEMENT DISCUSSION AND ANALYSIS (continued)
DECEMBER 31, 2020**

Financial Analysis of the County's Funds

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

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 financing requirements. Specifically, the unassigned fund balance may serve as a measure of net resources available for spending at year end.

As of the close of the current fiscal year, the governmental funds reported combined ending fund balances of \$3,779,975, an increase of \$477,607, or 14%, in comparison with the prior year. Of this amount, \$2,349,930, or 62%, constitutes unassigned fund balance, which is available for spending at the County's discretion. The County has assigned fund balances of \$657,173, or 17% and a total restricted fund balance of \$752,872, or 20%. The County also has \$20,000 of nonexpendable fund balance.

The general fund is the chief operating fund of Camp County, Texas. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,349,930. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total expenditures. Unassigned fund represents 52% of total general fund expenditures.

General Fund Budgetary Highlights: During the fiscal year, the County made no adjustments to the budget. Generally budget amendments fall into one of three categories: (1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; (2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and (3) increases in appropriations that become necessary to maintain services.

CAMP COUNTY, TEXAS
MANAGEMENT DISCUSSION AND ANALYSIS (continued)
DECEMBER 31, 2020

Capital Asset and Debt Administration

Capital Assets - Camp County, Texas' investment in capital assets for its governmental funds, as of December 31, 2020, totals \$4,122,622 (net of accumulated depreciation). These assets include land, buildings, improvements, infrastructure, machinery and equipment, and construction in progress. This amount represents a net of \$674,170, or (20%), (net of accumulated depreciation) over the prior year.

Capital Assets
December 31, 2020
(net of depreciation)

| | Governmental | | Total | |
|--------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 |
| Land | \$ 729,844 | \$ 729,844 | \$ 729,844 | \$ 729,844 |
| Infrastructure | 566,240 | 582,720 | 566,240 | 582,720 |
| Buildings & Improvements | 1,525,547 | 1,573,200 | 1,525,547 | 1,573,200 |
| Machinery & Equipment | 726,432 | 562,688 | 726,432 | 562,688 |
| Construction in Progress | 574,559 | - | 574,559 | - |
| Total | \$ 4,122,622 | \$ 3,448,452 | \$ 4,122,622 | \$ 3,448,452 |

More detailed information about the County's capital assets is presented in Note F to the financial statements.

Long-term Obligations - As of December 31, 2020, the County had total long-term debt outstanding of \$636,743 which is an increase of (\$1,029,991), or -62%, from the previous year.

Outstanding Debt
As of December 31, 2020

| | Governmental | | Total | |
|-----------------------|---------------------|---------------------|-------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 |
| Notes Payable | \$ - | \$ 386,978 | \$ - | \$ 386,978 |
| Compensated Absences | 51,159 | 48,966 | 51,159 | 48,966 |
| Net Pension Liability | 585,584 | 1,230,790 | 585,584 | 1,230,790 |
| Total | \$ 636,743 | \$ 1,666,734 | \$ 636,743 | \$ 1,666,734 |

More detailed information about the County's long-term obligations is presented in Note I to these financial statements.

**CAMP COUNTY, TEXAS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2020**

Requests for Information

This financial report is designed to provide an overview of the County's finances for those with an interest in the County's finances. If you have any questions about this report, or need additional information, contact Camp County, 126 E Church St., Pittsburg, Texas 75686.



BASIC FINANCIAL STATEMENTS

**CAMP COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

| | Primary Government | |
|---|------------------------------------|---------------------|
| | Governmental Activities | Total |
| ASSETS | | |
| Cash and cash equivalents | \$ 4,172,528 | \$ 4,172,528 |
| Receivables (net of allowance for uncollectibles) | 3,906,233 | 3,906,233 |
| Prepaid expenses | 101,979 | 101,979 |
| Restricted assets: | | |
| Cash and cash equivalents | 837,968 | 837,968 |
| Capital assets not depreciated: | | |
| Land | 729,844 | 729,844 |
| Construction in progress | 574,559 | 574,559 |
| Capital assets net of accumulated depreciation: | | |
| Infrastructure | 566,240 | 566,240 |
| Buildings | 1,525,547 | 1,525,547 |
| Machinery and equipment | 726,432 | 726,432 |
| Total Assets | 13,141,330 | 13,141,330 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred outflows from pensions | 836,664 | 836,664 |
| Total Deferred Outflows of Resources | 836,664 | 836,664 |
| LIABILITIES | | |
| Accounts payable | 320,044 | 320,044 |
| Other liabilities | 55,541 | 55,541 |
| Noncurrent Liabilities: | | |
| Due within one year: | | |
| Compensated absences | 51,159 | 51,159 |
| Due in more than one year: | | |
| Compensated absences | - | - |
| Net pension liability | 585,584 | 585,584 |
| Total Liabilities | 1,012,328 | 1,012,328 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred inflows from pensions | 744,203 | 744,203 |
| Advance property tax levy | 4,421,987 | 4,421,987 |
| Total Deferred Inflows of Resources | 5,166,190 | 5,166,190 |
| NET POSITION | | |
| Net investment in capital assets | 4,122,622 | 4,122,622 |
| Restricted for: | | |
| Revolving loan program | 387,578 | 387,578 |
| Courts | 260,073 | 260,073 |
| Grants | 105,221 | 105,221 |
| Unrestricted | 2,923,982 | 2,923,982 |
| Total Net Position | \$ 7,799,476 | \$ 7,799,476 |

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



**CAMP COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

| Function/Program Activities | Expenses | Program Revenues | | |
|--------------------------------------|------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government | | | | |
| Governmental Activities: | | | | |
| General Government | \$ 2,025,112 | \$ 338,360 | \$ 136,849 | \$ 706,997 |
| Public Safety | 1,355,966 | 173,565 | - | - |
| Public Works | 1,574,869 | 474,109 | - | 79,530 |
| Judicial | 602,019 | 78,580 | - | - |
| Parks and Recreation | 92,474 | 57,492 | - | 150,000 |
| Health and Public Welfare | 105,126 | - | 679 | - |
| Library | 91,500 | - | - | - |
| Total Governmental Activities | <u>5,847,066</u> | <u>1,122,106</u> | <u>137,528</u> | <u>936,527</u> |
| Total Primary Government | <u>5,847,066</u> | <u>1,122,106</u> | <u>137,528</u> | <u>936,527</u> |

General Revenues:

Property taxes
Sales taxes
Other
Investment income
Miscellaneous
Transfers
Total general revenues
 Change in net position
Net position - beginning
Prior Period Adjustment
Net position - ending

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

**Net (Expense) Revenue
and Changes in Net Position**

Primary Government

| Governmental | | |
|---------------------|-----------|--------------------|
| Activities | | Total |
| \$ (842,906) | \$ | (842,906) |
| (1,182,401) | | (1,182,401) |
| (1,021,230) | | (1,021,230) |
| (523,439) | | (523,439) |
| 115,018 | | 115,018 |
| (104,447) | | (104,447) |
| (91,500) | | (91,500) |
| <u>(3,650,905)</u> | | <u>(3,650,905)</u> |
| <u>(3,650,905)</u> | | <u>(3,650,905)</u> |
| | | |
| \$ 4,366,322 | \$ | 4,366,322 |
| 637,381 | | 637,381 |
| 3,342 | | 3,342 |
| 44,920 | | 44,920 |
| 119,289 | | 119,289 |
| - | | - |
| <u>5,171,254</u> | | <u>5,171,254</u> |
| 1,520,349 | | 1,520,349 |
| 6,279,127 | | 6,279,127 |
| - | | - |
| <u>\$ 7,799,476</u> | <u>\$</u> | <u>7,799,476</u> |

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

**CAMP COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

| | General Fund | Road and Bridge Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|-------------------------|-------------------------------------|--|---|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,654,873 | \$ 1,188,640 | \$ 296,472 | \$ 3,139,985 |
| Investments | 1,587,869 | - | 282,643 | 1,870,512 |
| Receivables (net of allowances for uncollectible) | 2,528,831 | 1,080,291 | 297,112 | 3,906,234 |
| Prepaid expenses | 97,907 | 4,072 | - | 101,979 |
| Total Assets | 5,869,480 | 2,273,003 | 876,227 | 9,018,710 |
| LIABILITIES | | | | |
| Accounts payable | 125,173 | 91,542 | 103,328 | 320,043 |
| Other liabilities | 52,761 | 10,731 | 27 | 63,519 |
| Total Liabilities | 177,934 | 102,273 | 103,355 | 383,562 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | 3,341,616 | 1,513,557 | - | 4,855,173 |
| Total Deferred Inflows of Resources | 3,341,616 | 1,513,557 | - | 4,855,173 |
| Fund Balances | | | | |
| Nonspendable: | | | | |
| Inventory | - | - | - | - |
| Endowment | - | - | 20,000 | 20,000 |
| Notes Receivable | - | - | - | - |
| Restricted for: | | | | |
| Library | - | - | - | - |
| Hotel | - | - | - | - |
| Court | - | - | 260,073 | 260,073 |
| Debt Service | - | - | - | - |
| Attorney | - | - | - | - |
| Revolving loan program | - | - | 387,578 | 387,578 |
| Grants | - | - | 105,221 | 105,221 |
| Commissary | - | - | - | - |
| Assigned for: | | | | |
| Road & bridge | - | 657,173 | - | 657,173 |
| Unassigned | 2,349,930 | - | - | 2,349,930 |
| Total Fund Balances | 2,349,930 | 657,173 | 772,872 | 3,779,975 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 5,869,480 | \$ 2,273,003 | \$ 876,227 | \$ 9,018,710 |

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

**CAMP COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020**

| | |
|---|----------------------------|
| Total fund balances - governmental funds balance sheet | \$ 3,779,975 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheet. | 4,959,285 |
| Some expenses, including compensated absences, reported in the statement of activities do not require the use of current financial resources; therefore, they are not reported as expenditures in the governmental funds balance sheet. | (43,181) |
| Long-term liabilities, including bonds payable, notes payable, capital leases payable, and net pension liability (net of deferred outflows/inflows) are not due and payable in the current period, therefore, they are not reported in the in the governmental funds balance sheet. | (1,329,787) |
| Some of the County's revenues, including fines and property taxes, will be collected after year-end, but are not available soon enough to pay current year's expenditures; therefore, they are deferred in the governmental funds balance sheet. | 433,184 |
| Net position of governmental activities - statement of net position | <u>\$ 7,799,476</u> |

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

CAMP COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

| | General Fund | Road and Bridge Fund | Nonmajor Governmental Funds | Total |
|--|---------------------|----------------------------|-----------------------------------|---------------------|
| REVENUES | | | | |
| Property taxes | \$ 2,991,271 | \$ 1,375,051 | \$ - | \$ 4,366,322 |
| Sales tax collected | 637,381 | - | - | 637,381 |
| Beverage | 3,342 | - | - | 3,342 |
| Charge for services | 346,128 | 468,109 | 54,991 | 869,228 |
| Licenses and permits | 62,714 | - | - | 62,714 |
| Intergovernmental - state & local | 190,844 | - | 706,997 | 897,841 |
| Grant revenue | 155,000 | - | 211,379 | 366,379 |
| Investment income | 25,352 | 8,448 | 11,120 | 44,920 |
| Miscellaneous | 116,433 | - | 2,856 | 119,289 |
| Total Revenues | <u>4,528,465</u> | <u>1,851,608</u> | <u>987,343</u> | <u>7,367,416</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 2,262,325 | - | 79,646 | 2,341,971 |
| Health and public welfare | 105,126 | - | - | 105,126 |
| Public safety | 1,273,310 | - | - | 1,273,310 |
| Judicial | 587,927 | - | 14,091 | 602,018 |
| Parks and recreation | 51,959 | - | - | 51,959 |
| Road and bridge | 625 | 1,517,740 | 40,515 | 1,558,880 |
| Library | 91,500 | - | - | 91,500 |
| Capital Outlays: | | | | |
| General government | 48,341 | - | 574,559 | 622,900 |
| Health and public welfare | 35,340 | - | - | 35,340 |
| Judicial | - | - | - | - |
| Library | - | - | - | - |
| Road and bridge | - | 125,850 | - | 125,850 |
| Public safety | 40,440 | - | - | 40,440 |
| Parks and recreation | 40,515 | - | - | 40,515 |
| Total Expenditures | <u>4,537,408</u> | <u>1,643,590</u> | <u>708,811</u> | <u>6,889,809</u> |
| Excess (deficiency) of revenues over (under) expenditures | (8,943) | 208,018 | 278,532 | 477,607 |
| Other Revenues and Financing Sources (uses) | | | | |
| Transfers | 392,208 | (12,000) | (380,208) | - |
| Total Other Financing Sources (uses) | <u>392,208</u> | <u>(12,000)</u> | <u>(380,208)</u> | <u>-</u> |
| Net Change in Fund Balance | 383,265 | 196,018 | (101,676) | 477,607 |
| Fund Balances, January 1 | 1,966,665 | 461,155 | 874,548 | 3,302,368 |
| Fund Balances, December 31 | <u>\$ 2,349,930</u> | <u>\$ 657,173</u> | <u>\$ 772,872</u> | <u>\$ 3,779,975</u> |

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

**CAMP COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

| | |
|--|---------------------|
| Net change in fund balances - statement of revenues, expenditures and changes in fund balances - governmental funds | \$ 477,607 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense in the current period exceed capital outlays. | 865,045 |
| The issuance of long-term debt, including bonds payable, notes payable, capital leases payable, provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This amount reflects the amount by which principal payments were made through governmental funds during the year. | 386,978 |
| Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The effect of recording the current year's depreciation is to decrease net position. | (190,875) |
| Governmental funds report all payments to pension benefits as expenditures. However, in the government-wide statement of activities, the pension expense is actuarially determined. This amount is the total of the net change in pension liability during the year. | (18,406) |
| Change in net position - statement of activities | <u>\$ 1,520,349</u> |

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

CAMP COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgeted Amounts | | Actual | Variance with |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | Final Budget - Positive (Negative) |
| REVENUE | | | | |
| Property taxes | \$ 2,759,083 | \$ 2,759,083 | \$ 2,991,271 | \$ 232,188 |
| Sales tax | 549,000 | 549,000 | 637,381 | 88,381 |
| Beverage | 3,000 | 3,000 | 3,342 | 342 |
| Charge for services | 378,485 | 378,485 | 346,128 | (32,357) |
| Licenses and permits | 71,500 | 71,500 | 62,714 | (8,786) |
| Intergovernmental - state & local | 182,892 | 182,892 | 190,844 | 7,952 |
| Investment income | 62,000 | 62,000 | 25,352 | (36,648) |
| Miscellaneous | 15,000 | 15,000 | 116,433 | 101,433 |
| Total Revenues | <u>4,020,960</u> | <u>4,020,960</u> | <u>4,528,465</u> | <u>507,505</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 1,860,584 | 1,860,584 | 2,310,666 | (450,082) |
| Health and public welfare | 105,343 | 105,343 | 140,466 | (35,123) |
| Public safety | 1,362,233 | 1,362,233 | 1,313,750 | 48,483 |
| Judicial | 594,007 | 594,007 | 587,927 | 6,080 |
| Parks and recreation | 52,500 | 52,500 | 92,474 | (39,974) |
| Public works | 900 | 900 | 625 | 275 |
| Library | 91,500 | 91,500 | 91,500 | - |
| Total Expenditures | <u>4,067,067</u> | <u>4,067,067</u> | <u>4,537,408</u> | <u>(470,341)</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(46,107)</u> | <u>(46,107)</u> | <u>(8,943)</u> | <u>37,164</u> |
| Other Revenues and Financing Sources (uses) | | | | |
| Transfers | 20,000 | 20,000 | 392,208 | 372,208 |
| Total Other Financing Sources (uses) | <u>20,000</u> | <u>20,000</u> | <u>392,208</u> | <u>372,208</u> |
| Net change in Fund Balances | (26,107) | (26,107) | 383,265 | |
| Fund Balances/Equity, beginning of year | 1,966,665 | 1,966,665 | 1,966,665 | |
| Fund Balances/Equity, end of year | <u>\$ 1,940,558</u> | <u>\$ 1,940,558</u> | <u>\$ 2,349,930</u> | |

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

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Camp County, Texas ("County") reports in accordance with accounting principles generally accepted in the United States of America ("GAAP") as established by the Governmental Accounting Standards Board ("GASB") and the Financial Accounting Standards Board ("FASB"), when applicable. The accounting and reporting framework and significant accounting principles and practices are discussed in subsequent sections of these notes. The remainder of the notes are organized to provide concise explanations, including required disclosures of budgetary matters, assets, liabilities, fund equity, revenues, expenditures/expenses, and other information considered important to gaining a clear picture of the County's financial activities for the year ended December 31, 2020.

Reporting Entity

The County is a public corporation and a political subdivision of the State of Texas. A Commissioners Court, composed of four (4) elected County Commissioners and one (1) elected County Judge, governs the County. The County provides a vast number of services, including, public safety, administration of justice, health and human services, culture and recreation, public improvements, and general administration.

Under GASB Statement No. 14, component units are organizations for which the County is financially accountable and all other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability exists if the County appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County. The County may be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the County. The financial statements of component units may be discretely presented in a separate column from the primary government, or blended with the financial statements of the primary government. GASB Statement No. 39 added clarification to GASB 34 by including entities which meet all three of the following requirements:

1. The economic resources received or held by the separate organization are entirely for the direct benefit of the primary government, its component units, or its constituents;
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the separate organization;
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to other access, are significant to the primary government.

In addition, GASB Statement No. 61 considers an organization that does not meet the financial accountability criteria may be included as a component unit if management's professional judgement determines it to be necessary and misleading if omitted. This evaluation includes consideration of whether a financial benefit or burden exists in the relationship between the entities. Management has not identified any additional organizations that fit this criteria.

There were no component units of the County as of December 31, 2020.

Basis of Presentation, Basis of Accounting

The basic financial statements are prepared in conformity with GASB Statement No. 34 which requires that the government-wide financial statements to be prepared using the accrual basis of accounting, and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the County's governmental activities and business-type activities on the Statement of Net Position and Statement of Activities. Significantly, the County's Statement of Net Position includes both noncurrent assets and noncurrent liabilities. In addition, the government-wide Statement of Activities reflects depreciation expense on the County's capital assets, including infrastructure.

In addition to the government-wide financial statements, the County has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned, and when expenses are recorded at the time liabilities are incurred.

Management's Discussion and Analysis includes an analytical overview of the County's financial activities. In addition, a comparison schedule is presented that compares the original adopted and final amended General Fund budget with actual results.

The basic financial statements include both government-wide, (based on the County as a whole), 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 activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (General Government, Public Works, etc.) or programs are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include: a) charges to customers or applicants who

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, b) grants and contributions that are restricted to meeting the operational requirements of a particular function or program, or c) grants and contributions that are restricted to meeting the capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are also reported as general revenues rather than as program services.

The net cost (by function) is normally covered by general revenue (property and sales taxes and interest income).

Separate fund financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns within the funds financial statements. The major governmental funds are the General Fund and the Road and Bridge Funds (1-4). GASB Statement No. 34 sets forth the minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses or either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A combining statement is presented after the notes with detailed information for each fund.

The government-wide focus is more on the sustainability of the County as an entity, and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on major individual funds of the governmental and proprietary categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts, and reported within the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position, and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter, to pay liabilities of the current period. For this purpose, the County considers revenues to be available when they are collected within 60 days of the end of 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 the obligation has matured and is due.

Ad valorem, sales tax revenues, and other taxes recorded in the General Fund and Road and Bridge Funds are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, contributions, and miscellaneous revenues are recorded as revenues when received in cash, as the resulting receivable is not measurable. Investment earnings are recorded as earned since they are measurable and available. Intergovernmental grant revenues are recognized when all eligibility requirements have been met.

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

Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources, and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is a description of the County's major governmental funds:

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The **General Fund** is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund. All general tax revenues, and other receipts that are not restricted by law or contractual agreement to some other fund, are accounted for in this fund. General operating expenditures, fixed charges, and capital improvements costs, that are not paid through other funds, are paid from this fund.

The **Road & Bridge Funds** are used to account for the revenues restricted for the funding of road repairs and improvements and all expenditures related to the County's roads. These Bridge Funds 1-4 account for the individual road and bridge accounts of each commissioner.

Additionally, the County reports the following fund type:

The **Fiduciary Fund** financial statements include fiduciary funds, which are classified as agency funds used to account for assets held by an agent for individuals, other governments, and other funds. Agency funds do not involve a formal trust agreement. Agency Funds (assets equal liabilities) do not involve measurement of results of operations.

Financial Statement Amounts

Cash, Cash Equivalents, and Investments

Cash of several funds are pooled into a common interest-bearing bank account in order to maximize investment opportunities. Each fund with money deposited in the pooled cash has equity therein, and interest on these funds are allocated based upon relative equity at month-end.

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

In accordance with GASB Statement No. 72, Fair Value Measurement and Application, investments are recorded at fair value. In accordance with GASB No. 72, the County categorizes its fair value measurements within the fair value hierarchy. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. A detail of the fair value hierarchy of investments held by the County are disclosed in Note C of the financial statements.

Receivable and Payables

Property taxes are levied prior to September 30th based on taxable values as of January 1st and become due October 1st and past due after January 31st. Accordingly, receivables and revenues for property taxes are reflected in the government-wide financial statements based on the full accrual method of accounting. Property tax receivables for the current year's levy are shown net of an allowance for uncollectable accounts.

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

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

Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund financial statements.

Lending or borrowing between funds is reflected as a "due to" or "due from". Interfund activity reflected in "due to" or "due from" is eliminated on the government-wide financial statements.

**CAMP COUNTY, TEXAS
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 30, 2020**

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfer" line on the government-wide Statement of Activities.

Inventories and Prepaid Items

Inventory is valued at the lower of cost or market price. Reported inventories are offset by a restriction of fund balance, which indicates that they do not constitute "available resources" even though they are a component of current fund balance.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature of normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law, through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources, as they are needed.

Capital Assets

Capital assets, which includes land, buildings, equipment, and improvements, purchased or acquired, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund 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 historical cost is not available. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements, and other capital outlays, that significantly extend the useful life of an asset, are capitalized. Other costs incurred for repairs and maintenance are expensed.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no capitalized interest for this fiscal year.

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

| <u>Asset Class</u> | <u>Years</u> |
|----------------------------|--------------|
| Buildings and improvements | 5-50 years |
| Machinery & equipment | 5-10 years |
| Infrastructure | 40-50 years |

Deferred outflows/inflows of resources

In addition to assets, the Statement of Financial Position reports a separate section for deferred outflows of resources. The 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 (expenses/expenditures) until then. The County has one type of deferred outflow, *deferred outflows related to pensions*, which arise only under the accrual basis of accounting. It is reported only in the government-wide Statement of Net Position. This amount is deferred and amortized over the actuarial determined recognition period.

In addition to liabilities, the Statement of Financial 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 County has three types of deferred inflows. Unavailable revenue, which only arises on a modified accrual basis of accounting, is comprised of property taxes and revenue from fines and is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Advance property tax levy, in the government-wide Statement of Net Position and the governmental funds balance sheet, represents property taxes levied before the period for which they are available for spending. Advances from grants represents funds on hand in which the eligibility requirements have been met; however, the funds have not yet been expended. Finally, deferred inflows related to pensions, which arise only under the accrual basis of accounting. It is reported only in the government-wide Statement of Net Position. This amount is deferred and amortized over the actuarial determined recognition period.

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term Obligations

In the government-wide financial statements, and proprietary fund types within the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities' Statement of Net Position. The long-term debts consists of notes payable, pension liability, and compensated absences.

Long-term debt for governmental funds is not reported as a liability in the financial statements until due. The debt proceeds are reported as other financing sources, net of applicable premiums or discounts, and payments of principal and interest are reported as expenditures. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds.

Compensated absences

A liability for unused paid time off accruals and compensatory time for full-time employees is calculated and reported in the government-wide financial statements. For financial reporting, the following criteria must be met to be considered as compensated absences; a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness). These accrued liabilities are typically paid by the General Fund for the governmental fund-type.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of net capital assets reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

Fund Balance

In the fund financial statements, governmental funds report reservations of fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable fund balance** - includes the portion of net resources that cannot be spent because of its form (i.e., inventory, long-term loans, or prepaids), or because they must remain intact.
- **Restricted fund balance** - includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers, or as allowed by law through constitutional provisions or enabling legislation.
- **Committed fund balance** - represents amounts that can only be used for specific purposes imposed by an order, which is the formal action of the County's highest level of decision making authority, the Commissioners' Court. Committed resources cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by the same type of action previously used to commit the amounts.
- **Assigned fund balance** - represents amounts the County intends to use for specific purposes but not meeting the criteria to be reported as committed or restricted. The governing body or the County Auditor has the authority to assign fund balance.
- **Unassigned fund balance** - represents the residual classification of fund balance and includes all spendable amounts not contained within the other classifications.

The purpose of the County's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unprecedented one-time expenditures.

It is the long-term goal of the County to maintain a minimum fund balance in the General Fund (total of committed, assigned and unassigned fund balance) equal to three months of the annual operating expenditures. The County is currently in compliance with this policy.

Federal and State Grants

Grants and shared revenues are generally accounted for within the fund financed.

**CAMP COUNTY, TEXAS
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 30, 2020**

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the County. Assessed value represents the appraised value less applicable exemptions authorized by the Commissioners' Court. The Appraisal Board of Review establishes appraised values at 100% for estimated market value. A tax lien attaches to the property on February 1 each year, to secure the payment of all taxes, penalties, and interest ultimately imposed for the year on the property, whether or not the taxes are imposed in the year the lien attached.

Taxes are due October 1st, immediately following the levy date, and are delinquent after the following January 31st. Delinquent property taxes estimated to be collectable within 60 days following the close of the fiscal year have been recognized as revenue at the fund level.

The County's property tax rate is \$0.4689.

Use of Estimates

Preparing the County's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncement

In June 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which improves financial reporting of postemployment benefits other than pensions. The requirements of this statement were effective for financial statements for periods beginning after June 15, 2017. During 2020, the County was not required to implement this pronouncement.

B. COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The County prepares its appropriated budget on a basis consistent with generally accepted accounting principles using the organization perspective, that is, the budget follows the formal, usually statutory, patterns of authority and responsibility granted to actually carry out the functions of the government. For example, the County Judge's office has a separate budget from the County Sheriff's office, although various offices may be subsidized from revenues generated by maintenance and operation ad valorem taxes.

The County Auditor and the County Judge prepare an estimated budget based on recommendations and requests submitted by each department head. This estimated budget is presented to the Commissioners, who then begin the process of reallocating specific items that, in their opinion, need to be modified. The proposed budget is filed for public inspection with the County Clerk. Public hearings are then held, if required, and the budget is adjusted, if necessary, and approved in final form by the Commissioners' Court. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Revisions to the budget are made throughout the year.

Deficit Fund Balance or Fund Net Position

There were no funds in a deficit fund balance position on December 31, 2020.

C. DEPOSITS AND INVESTMENTS

Cash and investments, as of December 31, 2020, consist of and are classified in the accompanying financial statements as follows:

| | |
|----------------------------------|---------------------|
| Cash and equivalents | \$ 4,172,528 |
| Restricted cash and equivalents: | |
| Special revenue purposes | 837,968 |
| Total cash and equivalents | <u>\$ 5,010,496</u> |

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the County will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require that deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have fair value of not less than the principal amount of deposits. As of December 31, 2020, the County's deposits were covered by Federal Depository Insurance or by collateral held by a third party custodian.

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

C. DEPOSITS AND INVESTMENTS (Continued)

In the case of investments, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investments consist of a certificate of deposit which was covered by Federal Depository Insurance and collateral held by a third party custodian as of December 31, 2020.

Concentration Risk

Concentration risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. It is the County's policy to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investments.

Interest-Rate Risk

Interest rate risk is the risk that exchange rates will adversely affect the fair value of an investment or a deposit. The County is not exposed to foreign currency risk.

Investments

Under provisions of state and local statutes and provisions of the County's depository contracts with an area financial institution, the County is authorized to place available deposits and investments in the following:

1. Obligations of the U.S., its agencies and instrumentalities;
2. Direct obligations of the State of Texas; its agencies and instrumentalities rated not less than A or its equivalent;
3. Depository banks and credit unions in Texas which are insured by FDIC or NCUA;
4. Local Government Investment Pools authorized under Section 2256.016 of the Texas Government code which invest in instruments and follow practices allowed by current law. A pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.
5. Certificates of Deposit and Share Certificates authorized under Section 2256.010 of the Texas Government Code; and
6. SEC registered no-load money market mutual funds

D. RECEIVABLES

Receivables, as of year end, for the County's individual major funds and non-major funds, including the applicable allowances for uncollectible accounts, are as follows:

| | General | Road & Bridge Funds | Non-major Governmental Funds | Total |
|--------------------------------------|---------------------|------------------------|------------------------------------|---------------------|
| Receivables: | | | | |
| Taxes | \$ 2,406,454 | \$ 1,080,291 | \$ - | \$ 3,486,745 |
| Fees and Charges | 122,377 | - | 297,112 | 419,489 |
| Gross Receivables | 2,528,831 | 1,080,291 | 297,112 | 3,906,234 |
| Less: Allowance for Uncollectible | - | - | - | - |
| Net Total Receivables | <u>\$ 2,528,831</u> | <u>\$ 1,080,291</u> | <u>\$ 297,112</u> | <u>\$ 3,906,234</u> |

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

E. NOTES RECEIVABLE

As of December 31, 2020, five notes receivable were outstanding under the U.S. Department of HUD revolving loan fund program:

| | Interest Rate | Original Issue | Beginning Balance | Increase | Decrease | Ending Balance |
|---|------------------|-------------------|----------------------|----------|-------------|-------------------|
| Loan A | 4% | \$ 50,500 | \$ 43,583 | \$ - | \$ (2,083) | \$ 41,500 |
| Loan B | 4% | 131,250 | 51,507 | - | (7,672) | 43,835 |
| Loan C | 4% | 87,000 | 64,568 | - | (5,190) | 59,378 |
| | | 268,750 | 159,658 | - | (14,945) | 144,713 |
| Allowance for Uncollectable Accounts Notes Receivable, Net | | | - | - | - | - |
| | | | \$ 159,658 | \$ - | \$ (14,945) | \$ 144,713 |

F. CAPITAL ASSETS

Capital asset activity for the period ended December 31, 2020 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|-------------------|-------------|---------------------|
| Governmental Activities | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 729,844 | \$ - | \$ - | \$ 729,844 |
| Construction in Progress | - | 574,559 | - | 574,559 |
| Total capital assets, not being depreciated | 729,844 | 574,559 | - | 1,304,403 |
| Capital assets, being depreciated: | | | | |
| Buildings & Improvements | 5,555,752 | - | - | 5,555,752 |
| Machinery & Equipment | 2,426,837 | 290,486 | - | 2,717,323 |
| Infrastructure | 5,243,600 | - | - | 5,243,600 |
| Total capital assets being depreciated | 13,226,189 | 290,486 | - | 13,516,675 |
| Less accumulated depreciation for: | | | | |
| Buildings & Improvements | (3,982,552) | (47,653) | - | (4,030,205) |
| Machinery & Equipment | (1,864,149) | (126,742) | - | (1,990,891) |
| Infrastructure | (4,660,880) | (16,480) | - | (4,677,360) |
| Total accumulated depreciation | (10,507,581) | (190,875) | - | (10,698,456) |
| Governmental Activities Capital Assets, Net | \$ 3,448,452 | \$ 674,170 | \$ - | \$ 4,122,622 |

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

F. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions of the County as follows:

| | |
|--|-------------------|
| Governmental activities: | |
| General government | \$ 51,715 |
| Public safety | 82,656 |
| Public works | 56,504 |
| Total depreciation expense - governmental activities | <u>\$ 190,875</u> |

G. LONG-TERM DEBT

A summary of long-term debt transactions, including the current portion, for the year ended December 31, 2019, is as follows:

| | Beginning Balance | Additions | Retirements | Ending Balance | Due Within One Year |
|--------------------------------|----------------------|------------------|-----------------------|-------------------|------------------------|
| Governmental Activities | | | | | |
| Notes Payable | \$ 386,978 | \$ - | \$ (386,978) | \$ - | \$ - |
| Compensated absences | 48,966 | 35,811 | (33,618) | 51,159 | - |
| Net pension liability | 1,230,790 | - | (645,206) | 585,584 | - |
| Total governmental activities | <u>\$ 1,666,734</u> | <u>\$ 35,811</u> | <u>\$ (1,065,802)</u> | <u>\$ 636,743</u> | <u>\$ -</u> |

Notes Payable

During the year, the County issued a note payable to provide for facility energy efficiency improvements. The note was issued through Pilgrim Bank on July 31, 2018 in the amount of \$402,088. The purpose of the note is to fund an executed contract with McKinstry Essention, LLC. The interest rate is 4.15%. This note was paid in full during the 2020 fiscal year.

H. PENSION PLAN

The County provides retirement, disability, and survivor benefits for all its regular full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer retirement system. TCDRS issues a comprehensive annual financial report ("CAFR") on a calendar year basis. The CAFR is available on their website at www.TCDRS.org.

Each employer has a defined benefit plan that functions similarly to a cash balance plan. The assets of the plan are pooled for investment purposes but each employer's plan assets may be used only for the payment of benefits to the members of that employer's plan. In accordance with Texas law, it is intended that the plan be constructed and administered in a manner that the retirement system will be considered qualified under Section 401(a) of the Internal Revenue Code. All full-time and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

TCDRS does not receive funding from the State of Texas. Each plan is funded by employers, members, and investment earnings. TCDRS is administered by a nine-person board of trustees appointed by the governor and confirmed by the Texas Senate. The board appoints a director, who is responsible for the day-to-day operations, and a chief investment officer, who oversees investment operations.

Benefits Provided

TCDRS provides retirement, disability, and survivor benefits. Benefit provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS.

At retirement, retirees elect to receive their monthly lifetime benefit by choosing from one of the seven payment options. Employers may allow partial lump-sum payments. This allows for the retiring member to receive an immediate lump-sum payment not to exceed their account balance, and choose a reduced lifetime benefit from the payment options.

**CAMP COUNTY, TEXAS
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 30, 2020**

H. PENSION PLAN (Continued)

Plan provisions for the County were as follows:

| | Plan Year 2020 |
|---|-------------------|
| Employee deposit rate | 7% |
| Employer contribution rate | 12% |
| Years required for vesting | 8 years |
| Rule of age for retirement | 61 years |
| Service years for retirement of any age | 30 years |
| Partial lump-sum payment option | No |

Plan Membership

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

| | |
|--|------------|
| Inactive employees or beneficiaries currently receiving benefits | 48 |
| Inactive employees entitled to but not yet receiving benefits | 26 |
| Active employees | 60 |
| Total | 134 |

Contributions

The contribution rates for employees in TCDRS is 4%, 5%, 6%, or 7% of employee's gross earnings, and the County is required by law, to contribute at actuarially determined rates that are determined annually. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees of the County were required to contribute 7% of their annual earnings during the fiscal year. The contribution rate for the County was 12% for the calendar years 2018 and 2017. The County's contribution to TCDRS for the current fiscal year was \$255,894.

Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2019, and the total pension liability (TPL) used to calculate the NPL 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:

| | |
|---|-------|
| TCDRS system-wide economic assumptions: | |
| Real rate of return | 5.25% |
| Inflation | 2.75% |
| Long-term investment return | 8.00% |
| Employer-specific economic assumptions: | |
| Growth in membership | 0.0% |
| Payroll growth for funding calculations | 2.25% |

The County has no automatic cost of living adjustment ("COLA") and one is not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculation or in the following valuation.

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

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

H. PENSION PLAN (Continued)

Mortality rates for active members, retirees, and beneficiaries were based on the following:

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

The actuarial cost method was Entry Age Normal, as required by GASB 68. The amortization method was a level percentage of payroll, closed.

The actuarial assumptions that determined the Total Pension Liability as of December 31, 2019, were based on the results of an actuarial experience study for the period January 1, 2013 - December 31, 2016, except where required to be different by GASB 68. Updated mortality assumptions were adopted in 2017.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation of 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 2018 information for a 10 year time horizon.

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. The following target asset allocation was adopted by the TCDRS board in April 2018. The geometric real rate of return is net of inflation, assumed at 1.95%, per Cliffwater LLC's 2018 capital market assumptions.

| Asset Class | Target Allocation | Geometric Real Rate of Return (Expected Minus Inflation) |
|----------------------------------|-------------------|---|
| US Equities | 14.50% | 5.20% |
| Private Equity | 20.00% | 8.20% |
| Global Equities | 2.50% | 5.50% |
| International Equities-Developed | 7.00% | 5.20% |
| International Equities-Emerging | 7.00% | 5.70% |
| Investment-Grade Bonds | 3.00% | -0.20% |
| Strategic Credit | 12.00% | 3.14% |
| Direct Lending | 11.00% | 7.16% |
| Distressed Debt | 4.00% | 6.90% |
| REIT Equities | 3.00% | 4.50% |
| Master Limited Partnerships | 2.00% | 8.40% |
| Private Real Estate Partnerships | 6.00% | 5.50% |
| Hedge Funds | 8.00% | 2.30% |
| Total | 100.00% | |

Discount Rate

The discount rate used to measure the Total Pension Liability was 8.10%. This rate reflected the long-term rate of return funding valuation assumption of 8.00% plus 0.10% adjustment to be gross of administrative expense as required by GASB 68.

The plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, and the municipal bond rate does not apply.

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

H. PENSION PLAN (Continued)

Sensitivity Analysis

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

| | 1% Decrease in Discount Rate 7.10% | Discount Rate 8.10% | 1% Increase in Discount Rate 9.10% |
|-------------------------------|--|------------------------|--|
| Total pension liability | \$ 10,786,167 | \$ 9,790,656 | \$ 8,927,178 |
| Fiduciary net position | 9,205,073 | 9,205,072 | 9,205,073 |
| Net pension liability/(asset) | <u>\$ 1,581,094</u> | <u>\$ 585,584</u> | <u>\$ (277,895)</u> |

Change in Net Pension Liability

| | Increase (Decrease) | | |
|--|-----------------------------------|--|---------------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balance at 12/31/18 | \$ 9,239,806 | \$ 8,009,015 | \$ 1,230,791 |
| Changes for the year: | | | |
| Service cost | 245,064 | - | 245,064 |
| Interest on Total Pension Liability | 747,896 | - | 747,896 |
| Effect of plan changes | - | - | - |
| Effect of economic/demographic gains or losses | 71,045 | - | 71,045 |
| Effect of assumptions changes or inputs | - | - | - |
| Refund of contributions | (34,535) | (34,535) | - |
| Benefit payments | (478,620) | (478,620) | - |
| Administrative expenses | - | (7,015) | 7,015 |
| Member contributions | - | 148,059 | (148,059) |
| Net investment income | - | 1,315,351 | (1,315,351) |
| Employer contributions | - | 255,294 | (255,294) |
| Other | - | (2,477) | 2,477 |
| Net Changes | 550,850 | 1,196,057 | (645,207) |
| Balance at 12/31/19 | <u>\$ 9,790,656</u> | <u>\$ 9,205,072</u> | <u>\$ 585,584</u> |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TCDRS financial report. This report may be obtained on the TCDRS website at www.TCDRS.org.

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

For the year ended December 31, 2020, the County recognized pension expense of \$280,477.

At December 31, 2020, the County reported deferred outflows and inflows related to pensions from the following sources:

| | Deferred Outflow of Resources | Deferred Inflow of Resources |
|---|-------------------------------------|------------------------------------|
| Differences between expected and actual economic experience | \$ - | \$ 16,038 |
| Changes in actuarial assumptions | 53,284 | - |
| Differences between projected and actual investment earnings | - | 225,262 |
| Contributions subsequent to the measurement date of December 31, 2019 | 280,477 | - |
| Total | <u>\$ 333,761</u> | <u>\$ 241,300</u> |

**CAMP COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 30, 2020**

H. PENSION PLAN (Continued)

County contributions subsequent to the measurement date of \$280,477 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflow of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31: | |
|-------------------------|-----------|
| 2020 | (54,553) |
| 2021 | (47,365) |
| 2022 | 48,173 |
| 2023 | (134,271) |
| 2024 | |
| Thereafter | - |

I. HEALTH CARE COVERAGE

During the year ended December 31, 2020, employees of the County were covered by a health plan with Blue Cross Blue Shield. The County pays all of the employees' insurance premium which is \$672 per month per employee. Employees, at their option, authorize payroll withholding to pay contributions for dependents. The plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

J. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County had general liability coverage at a cost that is considered to be economically justifiable. There were no significant reductions in commercial insurance coverage in the past year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

K. LITIGATION

The County is a party to various legal proceedings arising in the ordinary course of its operations. Management believes that the County has adequate legal defenses and/or insurance coverage respecting each of these actions.

L. SUBSEQUENT EVENTS

The County has evaluated all events and transactions that occurred after December 31, 2020 up through October 18, 2021 the date the financial statements were available to be issued. During this time, management is aware of the following subsequent events:



REQUIRED SUPPLEMENTARY INFORMATION

**CAMP COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

**SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS (UNAUDITED)**

| | 12/31/2019 | 12/31/2018 | 12/31/2017 | 12/31/2016 | 12/31/2015 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Actuarially determined contribution | \$ 255,294 | \$ 233,288 | \$ 228,265 | \$ 224,887 | \$ 220,764 |
| Contributions in relation to the actuarially determined contribution | \$ 255,294 | \$ 233,288 | \$ 228,265 | \$ 224,887 | \$ 220,764 |
| Contributions deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered employee payroll | \$ 2,115,125 | \$ 1,990,512 | \$ 1,951,000 | \$ 1,897,789 | \$ 1,832,069 |
| Contributions as a percentage of covered-employee payroll | 12.07% | 11.72% | 11.70% | 11.85% | 12.05% |
| | 12/31/2014 | 12/31/2013 | 12/31/2012 | 12/31/2011 | 12/31/2010 |
| Actuarially determined contribution | \$ 227,763 | \$ 210,033 | \$ 202,777 | \$ 186,389 | \$ 198,651 |
| Contributions in relation to the actuarially determined contribution | \$ 227,763 | \$ 210,033 | \$ 202,777 | \$ 195,265 | \$ 198,651 |
| Contributions deficiency (excess) | \$ - | \$ - | \$ - | \$ (8,876) | \$ - |
| Covered employee payroll | \$ 1,829,419 | \$ 1,813,756 | \$ 1,797,667 | \$ 1,775,136 | \$ 1,768,935 |
| Contributions as a percentage of covered-employee payroll | 12.45% | 11.58% | 11.28% | 11.00% | 11.23% |

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:

Notes

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

Methods and Assumptions Used to Determine Contribution Rates:

| | |
|---|--|
| Actuarial Cost Method | Entry Age |
| Amortization Method | Level Percentage of Payroll, Closed |
| Remaining Amortization Period | 10.7 years (based on contribution rate calculated in 12/31/2019 valuation) |
| Asset Valuation Method | 5-year smoothed market |
| Inflation | 2.75% |
| Salary Increases | Varies by age and service, 4.9% average over career, including inflation. |
| Investment Rate of Return | 8.00%, net of administrative and investment expenses, including inflation |
| Retirement Age | Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61. |
| Mortality | 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014. |
| Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions* | 2015: New inflation mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. |
| Changes in Plan Provisions Reflected in the Schedule of Employer Contributions* | 2015: No changes in plan provisions were reflected in this 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. |

* Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.

**CAMP COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS-TCDRS**

| | 12/31/2019 | 12/31/2018 | 12/31/2017 |
|--|---------------------|---------------------|---------------------|
| Total Pension Liability | | | |
| Service cost | \$ 245,064 | \$ 260,713 | \$ 263,415 |
| Interest (on the Total Pension Liability) ⁽¹⁾ | 747,896 | 715,207 | 671,420 |
| Effect of plan changes ⁽²⁾ | - | - | - |
| Effect of economic/demographic gains and losses | 71,045 | (48,114) | (25,314) |
| Effect of assumptions changes or inputs | - | - | 105,653 |
| Benefit payments, including refunds of employee contributions | (513,155) | (504,192) | (440,812) |
| Net Change in Total Pension Liability | 550,850 | 423,614 | 574,362 |
| Total Pension Liability - Beginning | 9,239,806 | 8,816,192 | 8,241,830 |
| Total Pension Liability - Ending | <u>\$ 9,790,656</u> | <u>\$ 9,239,806</u> | <u>\$ 8,816,192</u> |
| Plan Fiduciary Net Position | | | |
| Contribution - employer | \$ 255,294 | \$ 233,288 | \$ 228,265 |
| Contribution - employee | 148,059 | 139,336 | 136,570 |
| Net investment income | 1,315,351 | (156,215) | 1,067,452 |
| Benefit payments, including refunds of employee contributions | (513,155) | (504,192) | (440,812) |
| Administrative expense | (7,015) | (6,433) | (5,524) |
| Other ⁽³⁾ | (2,477) | (3,085) | (1,070) |
| Net Change in Plan Fiduciary Net Position | 1,196,057 | (297,301) | 984,881 |
| Plan Fiduciary Net Position - Beginning | 8,009,015 | 8,306,317 | 7,321,436 |
| Plan Fiduciary Net Position - Ending | <u>\$ 9,205,072</u> | <u>\$ 8,009,016</u> | <u>\$ 8,306,317</u> |
| Net Pension Liability - Ending | \$ 585,584 | \$ 1,230,790 | \$ 509,875 |
| Plan Fiduciary Net Position as a percentage of Total Pension Liability | 94.02% | 86.68% | 94.22% |
| Covered employee payroll | \$ 2,115,125 | \$ 1,990,512 | \$ 1,951,000 |
| Net Pension Liability as a percentage of covered employee payroll | 27.69% | 61.83% | 26.13% |

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

(2) No plan changes valued.

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

Note: Years will be added until there are 10 years of comparison



SUPPLEMENTARY INFORMATION

**CAMP COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

| | County Law Library | Grant | Technology Fund | Pretrial Fund |
|---|-----------------------------------|-------------------|----------------------------|--------------------------|
| ASSETS | | | | |
| Cash and Investments: | | | | |
| Unrestricted | \$ - | \$ 3,491 | \$ - | \$ - |
| Restricted | 90 | 57,038 | 17,921 | 7,042 |
| Investments | - | - | - | - |
| Receivables (net of allowances for uncollectible) | 532 | 147,661 | 147 | 332 |
| Prepaid expenses | - | - | - | - |
| Inventory | - | - | - | - |
| Total Assets | 622 | 208,190 | 18,068 | 7,374 |
| LIABILITIES | | | | |
| Accounts payable | 308 | 102,968 | - | - |
| Other liabilities | - | - | - | - |
| Total Liabilities | 308 | 102,968 | - | - |
| FUND BALANCES | | | | |
| Nonexpendable: | | | | |
| Endowment | - | - | - | - |
| Restricted for: | | | | |
| Court | 314 | - | 18,068 | 7,374 |
| Grants | - | 105,221 | - | - |
| Revolving loan | - | - | - | - |
| Total Fund Balances | 314 | 105,221 | 18,068 | 7,374 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 622 | \$ 208,189 | \$ 18,068 | \$ 7,374 |

| Courthouse Security | Court Records | Revolving Loan | County Preservation and Disaster | Total | Permanent Fund | Total Nonmajor Governmental Funds |
|---------------------|----------------|----------------|----------------------------------|----------------|----------------|-----------------------------------|
| | | | | | School Fund | |
| \$ - | \$ - | \$ - | \$ - | \$ 3,491 | \$ - | \$ 3,491 |
| 1,849 | 187,028 | 242,865 | 41,791 | 555,624 | 20,000 | 575,624 |
| - | - | - | - | - | - | - |
| 516 | 2,967 | 144,713 | 243 | 297,111 | - | 297,111 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>2,365</u> | <u>189,995</u> | <u>387,578</u> | <u>42,034</u> | <u>856,226</u> | <u>20,000</u> | <u>876,226</u> |
| 50 | - | - | - | 103,326 | - | 103,326 |
| 27 | - | - | - | 27 | - | 27 |
| <u>77</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>103,353</u> | <u>-</u> | <u>103,353</u> |
| - | - | - | - | - | 20,000 | 20,000 |
| 2,288 | 189,995 | - | 42,034 | 260,073 | - | 260,073 |
| - | - | - | - | 105,221 | - | 105,221 |
| - | - | 387,578 | - | 387,578 | - | 387,578 |
| <u>2,288</u> | <u>189,995</u> | <u>387,578</u> | <u>42,034</u> | <u>752,872</u> | <u>20,000</u> | <u>772,872</u> |
| \$ 2,365 | \$ 189,995 | \$ 387,578 | \$ 42,034 | \$ 856,225 | \$ 20,000 | \$ 876,225 |

**CAMP COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

| | County Law Library | Grant | Technology Fund | Pretrial Fund |
|--|-----------------------------------|-------------------|----------------------------|--------------------------|
| REVENUES | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - |
| Sales tax collected | - | - | - | - |
| Hotel | - | - | - | - |
| Charge for services | 11,055 | - | 2,014 | 1,538 |
| Fines and forfeitures | - | - | - | - |
| Licenses and permits | - | - | - | - |
| Investment income | 11 | 1,242 | 100 | 37 |
| Intergovernmental | - | 706,997 | - | - |
| Grant proceeds | - | 211,379 | - | - |
| Miscellaneous | - | 2,856 | - | - |
| Total Revenues | <u>11,066</u> | <u>922,474</u> | <u>2,114</u> | <u>1,575</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | 633,354 | 810 | - |
| Judicial | 10,864 | - | - | - |
| Total Expenditures | <u>10,864</u> | <u>673,869</u> | <u>810</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>202</u> | <u>248,605</u> | <u>1,304</u> | <u>1,575</u> |
| Other Revenues and Financing Sources (uses) | | | | |
| Transfers | - | (350,208) | - | - |
| Total Other Financing Sources (uses) | <u>-</u> | <u>(350,208)</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balance | 202 | (101,603) | 1,304 | 1,575 |
| Fund Balances, January 1 | <u>112</u> | <u>206,824</u> | <u>16,764</u> | <u>5,799</u> |
| Prior Period Adjustments | | | | |
| Fund Balances, December 31 | <u>\$ 314</u> | <u>\$ 105,221</u> | <u>\$ 18,068</u> | <u>\$ 7,374</u> |

| Courthouse Security | Court Records | Revolving Loan | County Preservation and Disaster | Total | Permanent Fund | Total Non-major Governmental Funds |
|---------------------|-------------------|-------------------|----------------------------------|-------------------|------------------|------------------------------------|
| | | | | | School Fund | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 5,708 | 31,024 | - | 3,652 | 54,991 | - | 54,991 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 21 | 2,454 | 7,029 | 227 | 11,121 | - | 11,121 |
| - | - | - | - | 706,997 | - | 706,997 |
| - | - | - | - | 211,379 | - | 211,379 |
| - | - | - | - | 2,856 | - | 2,856 |
| <u>5,729</u> | <u>33,478</u> | <u>7,029</u> | <u>3,879</u> | <u>987,344</u> | - | <u>987,344</u> |
| - | 17,041 | 3,000 | - | 654,205 | - | 654,205 |
| 3,227 | - | - | - | 14,091 | - | 14,091 |
| <u>3,227</u> | <u>17,041</u> | <u>3,000</u> | <u>-</u> | <u>708,811</u> | - | <u>708,811</u> |
| 2,502 | 16,437 | 4,029 | 3,879 | 278,533 | - | 278,533 |
| - | (30,000) | - | - | (380,208) | - | (380,208) |
| - | (30,000) | - | - | (380,208) | - | (380,208) |
| 2,502 | (13,563) | 4,029 | 3,879 | (101,675) | - | (101,675) |
| (214) | 203,558 | 383,549 | 38,155 | 854,547 | 20,000 | 874,547 |
| <u>\$ 2,288</u> | <u>\$ 189,995</u> | <u>\$ 387,578</u> | <u>\$ 42,034</u> | <u>\$ 752,872</u> | <u>\$ 20,000</u> | <u>\$ 772,872</u> |

**CAMP COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020**

| | Agency | | | | | | | | | |
|---------------------------|-------------------------|----------------------------|---------------------------|------------------|--|-------------------------------------|----------------------------------|------------------------|------------------|-----------------------------------|
| | County Clerk | County Attorney | District Clerk | Sheriff | Child Protective Services | Justice of the Peace | Probation Restitution | Trust Funds | Constable | Total Agency Funds |
| ASSETS | | | | | | | | | | |
| Cash and cash equivalents | \$ 50,560 | \$ 12,898 | \$100,973 | \$ 23,576 | \$ 62,916 | \$ 10,478 | \$ 6,489 | \$ 88,110 | \$ 9,452 | \$ 365,452 |
| Total Assets | <u>\$ 50,560</u> | <u>\$ 12,898</u> | <u>\$100,973</u> | <u>\$ 23,576</u> | <u>\$ 62,916</u> | <u>\$ 10,478</u> | <u>\$ 6,489</u> | <u>\$ 88,110</u> | <u>\$ 9,452</u> | <u>\$ 365,452</u> |
| LIABILITIES | | | | | | | | | | |
| Intergovernmental payable | \$ 50,560 | \$ 12,898 | \$100,973 | \$ 23,576 | \$ 62,916 | \$ 10,478 | \$ 6,489 | \$ 88,110 | \$ 9,452 | \$ 365,452 |
| Total Liabilities | <u>\$ 50,560</u> | <u>\$ 12,898</u> | <u>\$100,973</u> | <u>\$ 23,576</u> | <u>\$ 62,916</u> | <u>\$ 10,478</u> | <u>\$ 6,489</u> | <u>\$ 88,110</u> | <u>\$ 9,452</u> | <u>\$ 365,452</u> |

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