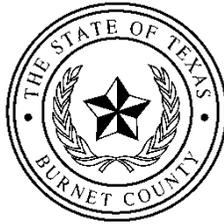


BURNET COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019



Prepared by:
County Auditor's Office
Karin Smith
County Auditor

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BURNET COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

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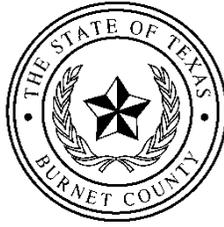
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INTRODUCTORY SECTION

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THE COUNTY OF BURNET
BURNET, TEXAS 78611

March 27, 2020

To the Honorable District Judges, County Judge, County Commissioners and the Citizens of the County of Burnet:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the County of Burnet for the year ended September 30, 2019. This report is prepared by the County Auditor's office, which is responsible for both the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the County.

This report has been prepared in accordance with generally accepted accounting principles (GAAP) for governments as promulgated by the Government Accounting Standards Board (GASB). To demonstrate further public accountability, the independent accounting firm of Pattillo, Brown & Hill, LLP, Independent Certified Public Accountants, whose report is included herein, has audited the County's financial statements. The independent auditors' report is presented as the first component of the financial section of this report.

The County is not required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance ([2 CFR § 200](#)).

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the auditor's report.

PROFILE OF BURNET COUNTY

The financial statements present information on the financial position and operations of County government as a single comprehensive reporting entity. The various agencies, departments, boards, commissions and accounts of the County that constitute the County reporting entity are included in this report in accordance with criteria established by the GASB. The reporting entity consists of all the funds of the primary government (Burnet County).

The County provides a full range of services authorized by statute. Such services include general governmental functions such as recording and licensing, maintaining the County and District Court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation and maintaining County roads and bridges. The costs associated with these services are presented within the financial statements in detail and summary form.

The County receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the County is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Government Accounting and Financial Reporting Standards, since County Commissioners and the County Judge are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

The Burnet County Government is administered under a Commissioners' Court system. The five-member Court is comprised of the County Judge and four Commissioners. The Commissioners are elected by precinct and the County Judge is elected at large. The County Judge is the presiding officer of the County Commissioners' Court. The Court is responsible for setting the County's annual tax rate, approving the tax roll and supervising all expenditures of County money. The Court is also responsible for issuing bonds to finance capital improvements. The County Judge is elected to a four-year term. Commissioners are elected to four-year staggered terms with two Commissioners elected every two years.

Internal Controls

The County's internal accounting controls provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposal and the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that evaluation of costs and benefits requires estimates and judgments by management. A fulltime staff internal auditor has been assigned to perform these internal reviews, greatly enhancing the internal control process.

Budgetary Controls

The annual budget serves as the foundation for the County's planning and control. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Commissioners' Court. Activities of the General Fund, certain special revenue funds and the debt service fund are included in the annual appropriated budget. Project length financial plans are adopted for the capital project fund. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the departmental level within each fund. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

ECONOMIC CONDITION AND OUTLOOK

Community Profile

Burnet County, located in the Texas Hill Country, is 55 miles west of Austin and 100 miles north of San Antonio. The County covers 996 square miles with the Colorado River serving as the western boundary. The Llano River merges with the Colorado River in the southern portion of the County. A network of flood control dams has been built along this watershed creating a chain of five lakes in the county. The lakes coupled along with the excellent whitetail deer hunting and beautiful landscape make Burnet County one of the "hot spots" for tourism in the State of Texas.

The County, traversed by U.S. Highways 29, 71, 183 and 281, has a limited economy based on stone processing, tourism and agriculture. Activities that attract tourists to Burnet include hunting, fishing, water sports, Longhorn Caverns and Inks Lake State Park.

The duties and specific responsibilities of county government are unlike those of other entities, be they school, or special districts, however the differentiations are complimentary and not conflicting nor repetitive. Therefore, the role of the County and how its public servants are bringing those services to the citizens is our focus.

The primary components of the County's services are public administration, criminal justice, facilities and infrastructure and public health and safety. Intertwined and commingled among these are the same guiding criteria as stated in our Mission Statement, as given below that apply to all of our service endeavors.

Mission Statement

The mission of Burnet County is to maintain overall efficient and financial management of county resources and provide services desired by the people of Burnet County and mandated by state and federal law. We are here to serve.

The County's budget has maintained consistent service levels with a steady tax rate.

The criminal justice requirements for County government account for almost one-half of all expenditures, excluding debt service. Included in this category are law enforcement, jail, prosecution and judiciary. Numerous policies, procedures and projects, implemented and planned, will hopefully hold the expenditures relatively constant or possibly reduce the costs for these services with increased efficiencies.

The value of the public's tangible assets, excluding cash, such as land, buildings, equipment and vehicles exceeds \$51 million. The County continues to upgrade and maintain all these assets, with additional capital improvements to County facilities including the County jail, facility and equipment upgrades in the Road and Bridge and County radio communications towers and systems.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

The economy in the County remained strong in 2019. The medical industry and the construction industry continue to provide many jobs in the Central Texas area. Burnet has estimated its population to be 48,950 at September 2019. This represents a 15% increase in population since the 2010 census. The growth can be attributed to factors such as a large influx of retirement age citizens and the County's close proximity to the City of Austin. Numerous small businesses and some nationally recognized chains have opened in direct response to the growth of the county.

The cities of Burnet and Marble Falls continue to make aggressive efforts to attract job-producing industries into the County.

Increasing growth creates challenges such as demand for increased services. Property values for FY 2018-2019 reflected an increase. The certified tax roll shows an increase of \$582,451,568 in value over the 2017-2018 roll. The County relies heavily on ad valorem taxes for its operating resources. Tax revenues generated from new construction were increased over the last year.

There are two pressing issues that will have a financial impact on the County and its citizens:

- 1) Legislative activities to cap or restrict Ad Valorem taxes and appraisals.
- 2) Program, facility and infrastructure expansions to keep up with growth and demand on services.

The last three sessions of the Texas Legislature have been primarily focused on legislation that would limit local governments' ability to increase its Ad Valorem taxes as well as limiting the appraisal values on homesteads. Texas Counties rely primarily on Ad Valorem taxes as its major funding source for operational expenses. Local governments have been successful so far in battling the potential budget buster bills from passing; however, this next session promises to have a more united front and may get the necessary support to enact such legislation. If this type of legislation was to pass, counties across the state will be forced to reduce, if not eliminate, programs that are non-mandated (i.e. libraries, fire departments, EMS) in order to balance the budget.

Long-Term Financial Planning

The County has previously authorized the issuance of Certificate of Obligations in June of 2015. The proceeds of that issuance were used to purchase the jail building from the Burnet County Public Facilities Corporation. The County also issued Tax Notes for County Road Infrastructure and Various Improvements in 2016, 2018 and 2019.

The County also works with its financial advisor to monitor the conditions of the tax-exempt credit market and issue refunding debt to defease outstanding obligations, when it can lower its cost of money.

At September 30, 2019, Burnet County had four (4) debt issues outstanding. The outstanding principal balance of the certificates of obligation and tax notes at year end totaled \$26,880,000. According to the Constitution of the State of Texas, Burnet County's outstanding bonded debt is limited to an amount not exceeding 25% of the assessed taxable value of real property in the County.

The County has issued debt obligations, and in the process submitted financial information to various rating agencies. Based on the submission of that information, the Burnet County Commissioners' Court has determined that the County maintain adequate reserves for operating expenditures in the amount of not less than 25 percent of the operating expenditures in the General Fund including assigned and committed funds in the Restricted Fund.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a "Certificate of Achievement for Excellence in Financial Reporting" to Burnet County for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018. This was the twenty-third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of the CAFR on a timely basis could not have been accomplished without the efficient and dedicated services of the staff of the County Auditor's office and the competent services of the independent auditors. We also thank the members of the Commissioners' Court and their staff and all other County officials and employees who have given their support in planning and conducting the financial operations of the County in a responsible manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kari Smith". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

Burnet County Auditor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Burnet County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

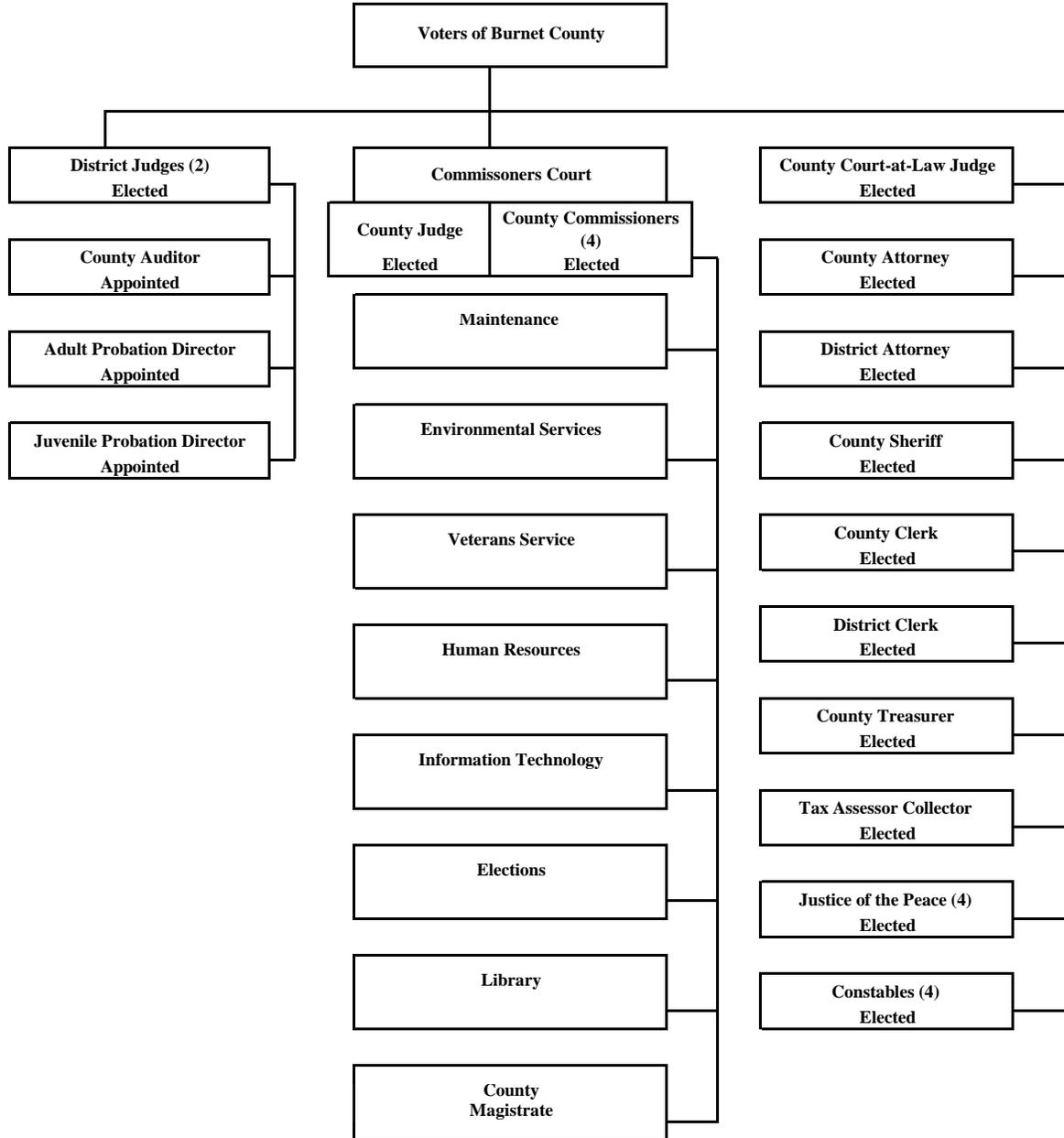
Christopher P. Morrell

Executive Director/CEO

BURNET COUNTY, TEXAS

ORGANIZATIONAL CHART

SEPTEMBER 30, 2019



BURNET COUNTY, TEXAS

PRINCIPAL OFFICIALS

September 30, 2019

COMMISSIONERS

Jim Luther, Jr
Damon Beierle
Billy Wall
Joe Don Dockery

COUNTY JUDGE

James Oakley

OTHER OFFICIALS

Linda Bayless
Eduardo Arredondo
Janet Parker
Casie Walker
Karin Smith
Karrie Crownover
Sheri Frazier
Calvin Boyd
Roxanne Nelson
Lisa Whitehead
Jane Marie Hurst
Debbie Bindseil
Leslie Ray
Garry Adams
Chip Leake
Missy Bindseil

County Court at Law Judge
County Attorney
County Clerk
District Clerk
County Auditor
County Treasurer
Tax Assessor-Collector
County Sheriff
Justice of Peace, Precinct 1
Justice of Peace, Precinct 2
Justice of Peace, Precinct 3
Justice of Peace, Precinct 4
Constable, Precinct 1
Constable, Precinct 2
Constable, Precinct 3
Constable, Precinct 4

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge
and Members of the Commissioners Court
Burnet County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund financial of Burnet County, Texas (County) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, 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 operations, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for purposes of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 27, 2020

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of Burnet County, Texas (the County), we offer readers of the County’s financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page i of this report.

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 most recent fiscal year by \$19.4 million which represents total net position.
- As of the close of the current fiscal year, the County’s governmental funds reported a combined fund balances of \$12.2 million, an increase of approximately \$785,000 from the prior year. About 19% of this amount (\$2.3 million) is available for spending at the County’s discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was approximately \$3.3 million, or approximately 27% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County’s basic financial statements. The County’s basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. As noted above this narrative includes approximate values and percentages in the wording to summarize the schedules and financials in this report which include exact values. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

The chart below summarizes the major features of the County’s financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of the overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

MAJOR FEATURES OF THE COUNTY’S GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Type of Statement	Government-Wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Agency’s government (except fiduciary funds)	The activities of the County that are not proprietary or fiduciary	Activities the County operates similar to private businesses: self-insurance	Instances in which the County is the trustee or agent for someone else’s resources
Required financial statements	Statement of net positions Statement of activities	Balance Sheet Statement of revenues, expenditures and changes in fund balances	Statement of net positions Statement of revenues, expenses and changes in net positions Statement of cash flows	Statement of fiduciary net positions Statement of Changes in fiduciary net positions
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and longterm	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both shortterm and long term; the Agency’s funds donot currently containcapital assets, although they can
Type of flow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, using accounting methods similar to those used by private-sector business.

The *statement of net position* (page 11) presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating when examined in conjunction with non-financial factors.

The *statement of activities* (page 12) presents information showing how the County's net position changed during the most recent fiscal year. All changes in net positions are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, public transportation, health and welfare, culture and recreation, conservation, and debt interest. The County does not currently have any business-type activities.

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains 21 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Road and Bridge Fund, County Jail Fund, Restricted Fund, Debt Service Fund and Capital Projects Fund, which are considered to be major funds. Data from the other 15 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements (Other Governmental Funds) in the combining and individual fund statements and schedules section of this report.

The County adopts an annual appropriated budget for its General Fund, Road and Bridge Fund, County Jail Fund, Restricted Fund and certain nonmajor special revenue funds. Budgetary comparison schedules have been provided on pages 48-53 and pages 68-76 to demonstrate compliance with these budgets.

Proprietary Funds. There are two types of proprietary funds, *enterprise* and *internal service* funds. At this time, the County only maintains one *internal service fund*. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its Healthcare Reimbursement Accounts. As these services only benefit governmental activities, they have been included within *governmental activities* in the government-wide financial statements.

The internal service fund is presented in the proprietary fund financial statements on pages 19-21 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The County maintains one type of fiduciary fund. *Agency funds* report resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The fiduciary fund financial statement can be found on page 22 of the report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-47 of this report.

Other Information. In addition to the basic financial statements, this report also presents *required supplementary information* concerning the County's budgetary comparison information for the General Fund and major special revenue funds and progress in funding its obligations to provide pension and OPEB benefits its employees. Required supplementary information can be found on pages 48-59 of the report.

The combining statements referred to earlier in connection with nonmajor governmental funds and agency funds are presented immediately following the required supplementary information along with budgetary schedules for nonmajor special revenue funds and the debt service fund. Combining and individual fund statements and schedules can be found on pages 60-81 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities by \$19.4 million at the close of the most recent fiscal year.

The following table provides a summary of the County's net position at September 30, 2019 and 2018:

	Governmental Activities	
	2019	2018
Current and other assets	\$ 19,534,876	\$ 13,418,958
Capital assets	<u>36,341,198</u>	<u>29,938,008</u>
Total assets	<u>55,876,074</u>	<u>43,356,966</u>
Deferred outflows of resources	<u>4,788,200</u>	<u>1,993,646</u>
Current liabilities	3,179,137	1,001,882
Long-term liabilities	<u>35,123,527</u>	<u>24,879,664</u>
Total liabilities	<u>38,302,664</u>	<u>25,881,546</u>
Deferred inflows of resources	<u>115,134</u>	<u>812,221</u>
Net position:		
Net investment in capital assets	14,627,420	13,283,083
Restricted	5,454,615	3,356,838
Unrestricted	(639,544)	2,016,924
Total net position	<u>\$ 19,442,491</u>	<u>\$ 18,656,845</u>

By far, the largest portion of the County's net position (75%) reflects its investment in capital assets (e.g., land, buildings, vehicles, machinery and equipment, office furniture and equipment, infrastructure, and construction in progress), less any related outstanding debt that was used to acquire those assets. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (28%) represents resources that are subject to external restrictions on how they may be used. The deficit balance for unrestricted net position of roughly \$640,000 was largely due to growing OPEB and net pension liabilities. At the end of the current fiscal year, the County is able to report a positive balance for the County as a whole.

The County's overall net position increased approximately \$785,000 from the prior fiscal year for an ending balance of \$19 million. The reasons for this overall increase are discussed in the following sections.

The following table provides a summary of the County's operations for the years ended September 30, 2019 and 2018:

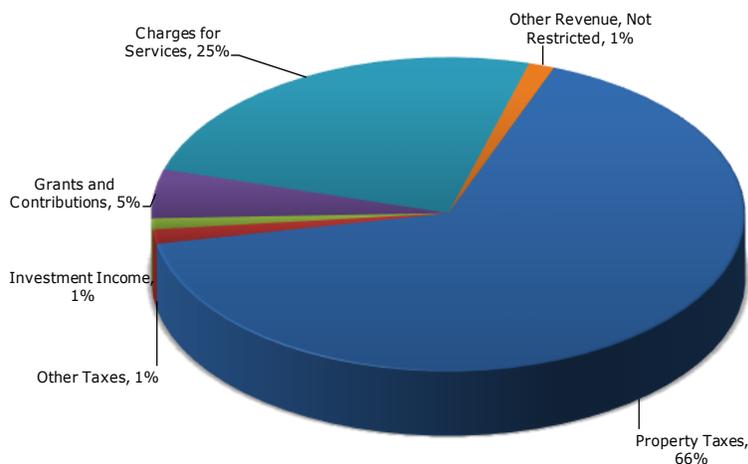
	Governmental Activities	
	2019	2018
Revenues:		
Program revenues:		
Charges for services	\$ 9,100,775	\$ 9,514,736
Operating grants and contributions	1,838,075	1,387,821
Capital grants and contributions	-	2,050,598
General revenues:		
Property taxes	24,121,921	21,837,294
Other taxes	538,393	578,334
Investment earnings	411,082	228,669
Miscellaneous revenue	516,173	454,325
Total revenues	<u>36,526,419</u>	<u>36,051,777</u>
Expenses:		
General government	11,729,343	12,667,853
Public safety	17,889,676	16,099,155
Public transportation	3,015,832	3,218,518
Health and welfare	456,627	411,338
Culture and recreation	1,433,593	890,872
Conservation	339,013	324,936
Debt interest	876,689	642,497
Total expenses	<u>35,740,773</u>	<u>34,255,169</u>
Change in net position	785,646	1,796,608
Net position, beginning	18,656,845	17,536,195
Prior period adjustment	-	(675,958)
Net position, ending	<u>\$ 19,442,491</u>	<u>\$ 18,656,845</u>

At the end of the current fiscal year, the County reported an increase in net position for the County as a whole. Key elements of this change in net position are as follows:

- Property taxes increased by \$2.3 million even with a decrease in the tax rate due to an increase in taxable assessed value.
- Capital grants and contributions decreased due to a \$1.8 million contribution for radio tower upgrades in the prior year.
- Public safety expenses increased by \$1.8 million due to a variety of factors such as an increase in pension and depreciation expense from the previous year.

Total revenues for the fiscal year ended September 30, 2019 were \$36.5 million. Approximately 68% of the County's revenue comes from taxes, with 66% from property taxes alone. Property tax revenue increased 9.5% due to an increase in property tax values, even though the tax rate decreased.

The graph below shows the sources of revenues for fiscal year 2019.



Financial Analysis of Governmental Funds

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

Governmental Funds. The focus of the County's *governmental funds* is to provide information of near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County's Commissioners Court.

At the end of the fiscal year, the County's governmental funds reported a combined fund balance of \$12.2 million, an increase of about \$809,000. Approximately 19% of this total amount (\$2.3 million) is *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is divided among *committed* fund balance of \$1 million, *restricted* fund balance of \$8.9 million, and *nonspendable* fund balance of \$28,000. The County's ability to spend each of these types of fund balance is more limited than with the unassigned fund balance, and the limitations on spending are discussed more fully in the notes to the financial statements.

General Fund. The General Fund is the chief operating fund of the County. At the end of the fiscal year, \$2.3 million of the total fund balance is unassigned. As a measure of the fund's liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures. Unassigned fund balance represents approximately 13% of total general fund expenditures.

The County's general fund fund balance increased slightly by \$227 thousand during the current fiscal year.

General Fund Budgetary Highlights

Original budget compared to final budget. Over the course of the year, the County recommended, and the Commissioners approved several revisions to budgeted revenue and original budgeted appropriations. Differences between the original budget and the final amended budget was a slight increase in estimated revenues of \$15 thousand which was for intergovernmental revenue. Amendments to appropriations were a slight decrease of \$145 thousand and were primarily for the following:

- To reflect department year-end projections and re-appropriate funds within or between departments,
- To re-appropriate funds from other governmental units received during the year (grants),
- To re-appropriate funds to pay for commitments in the form of encumbrances established prior to the end of the year; however not paid by that date.

Final budget compared to actual results. During the year, revenues were slightly less than budgetary estimates and expenditures were significantly less than budgetary estimates. Major variances include:

- Property tax collections were lower by \$422 thousand, which is 2% than budgeted due to a miscalculation in the budgeted amount.
- Charges for services exceeded budget by \$110 thousand primarily due to increases in fees collected in County Sheriff, County Clerk, District Clerk, Constable Fees and Bond Forfeitures.
- Investment earnings increased due to an increase in interest rates and conservative budgeting.
- General government savings of \$713 thousand due to conservative spending in all departments. There was less spending in other areas as well resulting in an overall variance of \$1.3 million, which is 7% under budget.
- Planned transfers out were decreased to utilize Unclaimed Capital Credits to help support the libraries.

Capital Assets and Debt Administration

Capital Assets. As of September 30, 2019, the County had invested \$36.3 million (net of accumulated depreciation) in a broad range of capital assets, including land, buildings, roads, bridges and equipment. This amount represents a net increase (i9 additions, retirements and adjustments) of \$6.4 million or 18% more than last year as you can see in the table below.

	Governmental Activities	
	2019	2018
Land	\$ 1,357,612	\$ 1,286,412
Construction in progress	4,644,567	2,118,132
Infrastructure	6,508,609	2,447,588
Buildings & other improvements	18,473,828	19,531,966
Office and miscellaneous equipment	1,299,386	1,841,442
Road equipment	<u>4,057,196</u>	<u>2,712,468</u>
Total capital assets	<u>\$ 36,341,198</u>	<u>\$ 29,938,008</u>

Major capital asset events during the current fiscal year included:

- Construction in progress increased by \$2.5 million as Road & Bridge precincts are improving roads in the County utilizing tax notes issued in 2018 and expects to be completed by 2020.
- Road equipment increased by \$1.3 million due to the purchase of 9 law enforcement vehicles along with road & bridge dump trucks, vehicles and an excavator.
- Infrastructure increased by \$4 million due to the completion of various road construction projects as well as road rehab, replacing low water crossings with bridges, and paving various roads.

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

Long-term liabilities. At the end of the current fiscal year, the County had total long-term liabilities outstanding of \$35 million. Of this amount, \$13.1 million is general obligation bonds and \$11 million is tax notes issued. The remainder of the County's long-term obligations consist of capital leases, compensated absences and pension and OPEB-related liabilities.

	Governmental Activities	
	2019	2018
General obligation bonds	\$ 13,095,000	\$ 13,620,000
Tax notes	10,985,000	4,370,000
Premiums on bonds	525,860	471,910
Capital leases	995,091	1,205,503
Compensated absences	605,787	579,883
Total OPEB liability	717,185	763,505
Net pension liability	<u>8,199,604</u>	<u>3,868,863</u>
	<u>\$ 35,123,527</u>	<u>\$ 24,879,664</u>

During the year, the County's long-term liabilities increased by \$10.2 million, primarily from the issuance of new debt and the increase in the net pension liability of \$4.3 million.

Standard & Poor's rating service has assigned its 'AA' rating to the County taxable series 2015 combination tax and limited pledge revenue certificates of obligation.

State statutes limit the amount of general obligation debt that a County can issue to 25% of its total assessed valuation. The current debt limitation for the County is over \$1.0 billion, which is significantly higher than the County's outstanding general obligation debt.

More detailed information about the County's long-term obligations can be found in Note IX of the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The following economic factors and others were taken into consideration when preparing the County's budget for the 2020 fiscal year.

- The County continues to enjoy growth in various demographic areas as the economy improves.
- Increases in the taxable assessed value as a percentage of estimated actual value and resulting increases in property assessments will continue to affect the County's real property tax base. The taxable value used for the next year's budget preparation is estimated to be up \$665 million or 10.3% from FY2019.
- The County's unemployment rate is currently 2.5%, which is a decrease from a rate of 2.6% one year ago. The County's rate is favorable to the state's average unemployment rate of 3.4% and is expected to remain favorable with continued growth in the County.
- The population of the County is estimated at 46,804 in 2019, which is an increase of 9.5% since the Census of 2010 estimated at 42,755.
- The average household income for 2019 is \$54,259 and is expected to continue to rise as average wages continue to increase.
- On the expenditure side, increases are expected in health insurance premiums as they continue to rise every year.
- The County will continue with renovations and improvements among various buildings.
- The Commissioners Court approved a \$37 million budget for the 2020 fiscal year. This is less than a 1% increase over the adopted 2019 fiscal year budget. The increase in the budget is primarily due to adding new public safety positions.
- The overall tax rate established for the FY2020 budget is \$0.3999 per \$100 of assessed valuation, which is higher than the rate for the previous year of \$0.3900 and just under the rollback tax rate of \$0.4004 and slightly higher than the effective rate of \$0.3753 per \$100 of assessed valuation. The change in tax rate is due to the legislature reducing the rollback rate to 3.5% beginning in the 2020 fiscal year.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Burnet County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Office of Burnet County Auditor, 220 South Pierce, Burnet, TX 78611.

**BASIC
FINANCIAL STATEMENTS**

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BURNET COUNTY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 12,990,412
Investments	3,220,878
Receivables (net of allowance for uncollectibles)	1,513,552
Due from other governments	1,691,358
Due from others	90,374
Inventory	161
Prepaid expenses	28,141
Capital assets not being depreciated	6,002,179
Capital assets, net of accumulated depreciation	<u>30,339,019</u>
Total assets	<u>55,876,074</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	41,066
Deferred outflows related to pension	<u>4,747,134</u>
Total deferred outflows of resources	<u>4,788,200</u>
LIABILITIES	
Accounts payable	2,854,677
Accrued interest payable	67,077
Due to others	257,383
Claims payable	3,985
Tax anticipation notes payable	2,800,000
Noncurrent liabilities:	
Due within one year:	
Long-term debt	2,802,037
Total OPEB liability	17,183
Due in more than one year:	
Long-term debt	23,404,701
Net pension liability	8,199,604
Total OPEB liability	<u>700,002</u>
Total liabilities	<u>41,106,649</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	69,050
Deferred inflows related to pensions	<u>46,084</u>
Total deferred inflows of resources	<u>115,134</u>
NET POSITION	
Net investment in capital assets	14,627,420
Restricted for:	
Debt service	1,323,632
Road and bridge	846,273
Other	3,284,710
Unrestricted	<u>(639,544)</u>
Total net position	<u>\$ 19,442,491</u>

BURNET COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
				Governmental Activities
Governmental activities:				
General government	\$ 11,729,343	\$ 2,018,298	\$ 449,358	\$(9,261,687)
Public safety	17,889,676	5,392,552	1,049,099	(11,448,025)
Public transportation	3,015,832	1,655,221	337,518	(1,023,093)
Health and welfare	456,627	7,489	-	(449,138)
Culture and recreation	1,433,593	27,215	2,100	(1,404,278)
Conservation	339,013	-	-	(339,013)
Interest	876,689	-	-	(876,689)
Total governmental activities	<u>\$ 35,740,773</u>	<u>\$ 9,100,775</u>	<u>\$ 1,838,075</u>	(24,801,923)

General revenues:

Taxes:	
Property, levied for general purposes	21,276,628
Property, levied for debt service	2,845,293
Other	538,393
Miscellaneous	516,173
Unrestricted investment earnings	411,082
Total general revenues	<u>25,587,569</u>
Change in net position	785,646
Net position - beginning	<u>18,656,845</u>
Net position - ending	<u>\$ 19,442,491</u>

BURNET COUNTY, TEXASBALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	<u>General</u>	<u>Road and Bridge</u>	<u>County Jail</u>
ASSETS			
Cash and cash equivalents	\$ 4,961,374	\$ 829,910	\$ -
Investments	496,000	16,537	-
Taxes receivable (net)	573,168	68,013	-
Fines, fees, and court costs receivable (net)	383,700	-	-
Other receivables (net)	117,814	72,835	36,980
Due from other governments	282,103	-	822,191
Due from other funds	830,246	-	-
Due from others	90,374	-	-
Inventories	161	-	-
Prepaid items	7,368	-	-
Total assets	<u>7,742,308</u>	<u>987,295</u>	<u>859,171</u>
LIABILITIES			
Accounts payable and other accrued liabilities	1,487,037	141,022	140,978
Tax anticipation notes payable	2,800,000	-	-
Due to other funds	-	-	718,193
Due to others	190,920	-	-
Total liabilities	<u>4,477,957</u>	<u>141,022</u>	<u>859,171</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - fines, fees, and court costs	358,350	-	-
Unavailable revenue - property taxes	573,168	68,013	-
Unavailable revenue - grants	-	-	-
Total deferred inflows of resources	<u>931,518</u>	<u>68,013</u>	<u>-</u>
Fund balances:			
Nonspendable	7,529	-	-
Restricted	-	778,260	-
Committed	-	-	-
Unassigned	2,325,304	-	-
Total fund balances	<u>2,332,833</u>	<u>778,260</u>	<u>-</u>
Total liabilities, fund balances, and deferred inflows of resources	<u>\$ 7,742,308</u>	<u>\$ 987,295</u>	<u>\$ 859,171</u>

<u>Restricted</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
\$ 1,877,561	\$ 1,237,143	\$ 2,281,900	\$ 1,798,539	\$ 12,986,427
-	787	2,586,033	121,521	3,220,878
-	74,488	-	-	715,669
-	-	-	-	383,700
-	11,214	-	175,340	414,183
-	-	-	587,064	1,691,358
-	-	-	-	830,246
-	-	-	-	90,374
-	-	-	-	161
-	-	-	20,773	28,141
<u>1,877,561</u>	<u>1,323,632</u>	<u>4,867,933</u>	<u>2,703,237</u>	<u>20,361,137</u>
11,749	-	980,760	93,131	2,854,677
-	-	-	-	2,800,000
-	-	-	112,053	830,246
-	-	-	66,463	257,383
<u>11,749</u>	<u>-</u>	<u>980,760</u>	<u>271,647</u>	<u>6,742,306</u>
-	-	-	-	358,350
-	74,488	-	-	715,669
-	-	-	313,843	313,843
<u>-</u>	<u>74,488</u>	<u>-</u>	<u>313,843</u>	<u>1,387,862</u>
-	-	-	20,773	28,302
1,865,812	1,249,144	3,887,173	1,084,282	8,864,671
-	-	-	1,012,692	1,012,692
-	-	-	-	2,325,304
<u>1,865,812</u>	<u>1,249,144</u>	<u>3,887,173</u>	<u>2,117,747</u>	<u>12,230,969</u>
<u>\$ 1,877,561</u>	<u>\$ 1,323,632</u>	<u>\$ 4,867,933</u>	<u>\$ 2,703,237</u>	<u>\$ 20,361,137</u>

BURNET COUNTY, TEXAS

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

SEPTEMBER 30, 2019

Total fund balances - governmental funds balance sheet	\$	12,230,969
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. The net effect is to increase net position.		36,341,198
Certain assets, such as property taxes receivable and imposed fines receivable, are not available to pay for current-period expenditures and, therefore, are deferred inflows in the governmental funds. Unavailable revenue recognized in the government-wide financial statements results in a net increase to net position.		1,387,862
Long-term liabilities, including bonds payable, compensated absences and other postemployment benefits, are not due and payable in the current period and, therefore, are not reported in the governmental funds. The net effect is a decrease in net position.	(	26,206,738)
Payables for bond interest which are not due in the current period are not reported in the funds.	(	67,077)
Included in the items related to debt is the recognition of the County's total OPEB liability in the amount of \$717,185 and a deferred outflow of resources of \$41,066 and deferred inflow of resources of \$69,050. The net effect is a decrease to net position.	(	745,169)
Included in the items related to debt is the recognition of the County's net pension liability in the amount of \$8,199,604, deferred outflows of \$4,747,134 and a deferred inflows of resources of \$46,084. The net effect is a decrease to net position.	(<u>3,498,554</u>)
Net position of governmental activities	\$	<u>19,442,491</u>

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BURNET COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>General</u>	<u>Road and Bridge</u>	<u>County Jail</u>
REVENUES			
Taxes:			
Property	\$ 18,505,984	\$ 2,456,227	\$ -
Other	98,228	-	-
Penalty and interest	195,107	23,846	-
Licenses and permits	751,640	882,312	-
Intergovernmental	232,784	86,851	-
Charges for services	1,086,133	-	5,236,973
Fines and forfeitures	446,496	-	-
Investment earnings	178,416	20,624	-
Rents and royalties	60,466	-	-
Miscellaneous	51,477	288	1,360
Total revenues	<u>21,606,731</u>	<u>3,470,148</u>	<u>5,238,333</u>
EXPENDITURES			
Current:			
General government	9,844,230	-	-
Public safety	6,778,350	-	7,851,539
Public transportation	-	2,956,057	-
Health and welfare	401,224	-	-
Culture and recreation	225	-	-
Conservation	323,010	-	-
Debt service:			
Principal	263,909	229,227	-
Interest	22,975	14,027	-
Fiscal agent's fees	-	-	-
Capital outlay	164,463	677,916	-
Total expenditures	<u>17,798,386</u>	<u>3,877,227</u>	<u>7,851,539</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,808,345</u>	<u>(407,079)</u>	<u>(2,613,206)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	7,922	37,245	4,668
Insurance recoveries	82,697	11,150	-
Capital lease	-	300,677	-
Tax notes issued	-	-	-
Premium on debt issuance	-	-	-
Transfers in	96,309	147,948	2,608,538
Transfers out	<u>(3,767,910)</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>(3,580,982)</u>	<u>497,020</u>	<u>2,613,206</u>
NET CHANGE IN FUND BALANCE	227,363	89,941	-
FUND BALANCE, BEGINNING	<u>2,105,470</u>	<u>688,319</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u>2,332,833</u>	\$ <u>778,260</u>	\$ <u>-</u>

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

<u>Restricted</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 2,790,840	\$ -	\$ -	\$ 23,753,051
-	-	-	440,165	538,393
-	26,063	-	-	245,016
-	-	-	-	1,633,952
385	1,198	-	1,182,436	1,503,654
248,264	-	-	454,093	7,025,463
-	-	-	8,354	454,850
1,055	21,552	172,466	16,969	411,082
-	-	-	-	60,466
403,193	-	-	102,839	559,157
<u>652,897</u>	<u>2,839,653</u>	<u>172,466</u>	<u>2,204,856</u>	<u>36,185,084</u>
420,212	-	-	658,357	10,922,799
53,519	-	-	1,181,997	15,865,405
-	-	-	244,462	3,200,519
51,163	-	-	-	452,387
8,656	-	-	1,378,832	1,387,713
-	-	-	-	323,010
17,953	1,890,000	-	-	2,401,089
4,060	787,823	-	-	828,885
-	300	70,930	-	71,230
158,786	-	7,300,380	138,894	8,440,439
<u>714,349</u>	<u>2,678,123</u>	<u>7,371,310</u>	<u>3,602,542</u>	<u>43,893,476</u>
(61,452)	161,530	(7,198,844)	(1,397,686)	(7,708,392)
-	-	-	-	49,835
-	-	-	-	93,847
-	-	-	-	300,677
-	-	7,980,000	-	7,980,000
-	-	93,529	-	93,529
-	-	-	2,315,602	5,168,397
(1,361,661)	-	-	(38,826)	(5,168,397)
<u>(1,361,661)</u>	<u>-</u>	<u>8,073,529</u>	<u>2,276,776</u>	<u>8,517,888</u>
(1,423,113)	161,530	874,685	879,090	809,496
<u>3,288,925</u>	<u>1,087,614</u>	<u>3,012,488</u>	<u>1,238,657</u>	<u>11,421,473</u>
\$ <u>1,865,812</u>	\$ <u>1,249,144</u>	\$ <u>3,887,173</u>	\$ <u>2,117,747</u>	\$ <u>12,230,969</u>

BURNET 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 SEPTEMBER 30, 2019

Net change in fund balances - total governmental funds	\$	809,496
Amounts reported for governmental activities in the Statement of Activities are different because:		
Current year capital outlays of \$9,314,109 are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of including capital outlays subject to capitalization is to increase net position.		9,290,505
Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of recording current year depreciation expense is to decrease net position.	(	2,672,957)
In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	(	214,358)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		341,335
Long-term debt principal payments are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements. This results in an increase in net position.		2,401,089
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds but has no effect on net position.	(	8,280,677)
Some expenses reported in the statement of activities (e.g. accrued compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(	25,904)
Bond premiums are recorded as expenditures when paid in the fund financial statements but are capitalized and amortized in the government-wide financial statements. This is the current year issuance and amortization.	(	53,950)
Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expense is reported when due. This is a net decrease in net position.	(	16,153)
Included in the statement of net position is the recognition of the County's total OPEB liability in the amount of \$717,185 and a deferred outflow of resources of \$41,066 and a deferred inflow of \$69,050. The net effect is a decrease to net position.	(	26,471)
Included in the statement of net position is the recognition of the County's net position liability in the amount of \$8,199,604 and a deferred outflow of resources of \$4,747,134 and a deferred inflow of \$46,084. The net effect is a decrease to net position.	(<u>766,309</u>)
Change in net position of governmental activities	\$	<u>785,646</u>

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BURNET COUNTY, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUND

SEPTEMBER 30, 2019

	<u>Governmental Activities</u>
	<u>Internal Service</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ <u>3,985</u>
Total assets	<u>3,985</u>
LIABILITIES	
Current liabilities:	
Claims payable from restricted assets	<u>3,985</u>
Total liabilities	<u>3,985</u>
NET POSITION	
Restricted for insurance claims	<u>-</u>
Total net position	<u>\$ -</u>

BURNET COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Governmental Activities</u>
	<u>Internal Service</u>
OPERATING REVENUES	
Charges for services	\$ <u>34,742</u>
Total operating revenues	<u>34,742</u>
OPERATING EXPENSES	
Claims	<u>34,742</u>
Total operating expenses	<u>34,742</u>
OPERATING INCOME (LOSS)	-
TOTAL NET POSITION, BEGINNING	<u>-</u>
TOTAL NET POSITION, ENDING	\$ <u><u>-</u></u>

BURNET COUNTY, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Governmental Activities</u>
	<u>Internal Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from interfund charges for risk management services	\$ 34,742
Payments for claims	(30,988)
Net cash provided by operating activities	<u>3,754</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,754
CASH AND CASH EQUIVALENTS, BEGINNING	<u>231</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 3,985</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Assets and liabilities:	
Increase (decrease) in accounts payable	<u>3,754</u>
Net cash provided by operating activities	<u>\$ 3,754</u>

BURNET COUNTY, TEXAS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

SEPTEMBER 30, 2019

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>4,116,838</u>
Total assets	\$ <u>4,116,838</u>
LIABILITIES	
Due to others	\$ <u>4,116,838</u>
Total liabilities	\$ <u>4,116,838</u>

BURNET COUNTY, TEXAS

Notes to Financial Statements

September 30, 2019

I. **Summary of Significant Accounting Policies**

The financial statements of Burnet County, Texas (the County) included in the accompanying basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's basic financial statements.

A. **Reporting Entity**

The County is a public corporation and political subdivision of the State of Texas. The Commissioners' Court, which is made up of four commissioners and the County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general administration, tax and recording (e.g. tax collection), judicial (courts, juries, etc.), legal (district attorney, county attorney, etc.) public safety (sheriff, jail, etc.), transportation, facilities, and public service (e.g. rural fire protection and emergency management).

The County's basic financial statements include the accounts of all its operations. The County evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the County's reporting entity include whether:

1. the organization is legally separate (can sue and be sued in its name)
2. the County holds the corporate powers of the organization
3. the County appoints a voting majority of the organization's board
4. the County is able to impose its will on the organization
5. the organization has the potential to impose a financial benefit/burden on the County
6. there is fiscal dependency by the organization on the County
7. the exclusion of the organization would result in misleading or incomplete financial statements.

The County also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the County to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. Generally accepted accounting principles require inclusion of such an organization as a component unit when 1) the economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the County, its component units or its constituents; 2) the County 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 organization; and 3) such economic resources are significant to the County.

The County is not a component unit of any other reporting entity as defined by generally accepted accounting principles.

B. Government-wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information of all of the County's nonfiduciary activities with most of the interfund activities removed. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses in the Statement of Activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The fund financial statements provide information about the County's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

Proprietary funds operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

C. Governmental Fund Types

The County reports the following major governmental funds:

General Fund - This is the County's primary operating fund. It accounts for all financial resources of the County except those accounted for in another fund.

Road & Bridge Fund - This fund is a special revenue fund that accounts for and reports the financial resources received from a designated part of the annual property tax levy and auto registration fees and traffic fines, which are used for operating and maintaining County owned roads and bridges.

County Jail Fund - This fund is used to account for the financial resources used to operate the County jail.

Restricted Fund - This fund is used to account for financial resources held under certain legal restrictions.

Debt Service Fund - This fund is used to account for the accumulation of resources that are legally restricted, committed or assigned to expenditures for the specified purpose of the retirement of long-term debt, including debt principal, interest and related costs.

Capital Projects Fund - This fund accounts for financial resources that are restricted, committed or assigned to be used for the acquisition or construction of major capital facilities.

In addition, the County reports the following nonmajor fund types:

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects.

D. Proprietary Fund Types

Internal Service Funds: These funds are used to account for revenues and expenses related to services provided to parties inside the County. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. The internal service fund is used to account for the provision of health insurance to employees of the County. The general fund is contingently liable for liabilities of this fund. Because the principal users of the internal services are the County's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements. The County uses this fund to account for and report the County's reimbursement to employees the cost of their health care insurance deductible up to \$500 per year. The County elected a new health care plan beginning October 1, 2009 and increased the deductible from \$250 to \$750 per year in order to reduce the County's premium. The funds are paid from the General Fund per the budget.

E. Fiduciary Fund Types

Agency Funds: These funds are used to report funds of the County's fee offices and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Fees are generated and retained by the fee offices until notification is received to disburse funds to the proper individual or entity. Fees generated include fines, restitution, bail bond deposits, and inmate trust funds.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support County programs, these funds are not included in the government-wide statements.

F. Measurement Focus and Basis of Accounting

Government-wide and Proprietary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenue and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the County incurs an expenditure or expenses for which both restricted and unrestricted resources may be used, it is the County's policy to use restricted resources first, then unrestricted resources.

G. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

H. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available 1) when they become due or past due and receivable within the current period and 2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

Allowances for uncollectible tax receivables within the General Fund and Debt Service Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The County uses the consumption method to record its prepaid items which requires reporting these items as assets and deferring the recognition of expenditures until the period in which prepaid items are used or consumed. In the fund financial statements, they are offset by a designation of nonspendable fund balance which indicates they do not represent "available spendable resources".

J. Inventories

Inventory is valued at cost using the first in/first out (FIFO) method. Inventory in the governmental funds consists of expendable supplies held for consumption and the cost is recorded as expenditures when consumed rather than when purchased. Reported inventories are offset by nonspendable fund balance, which indicates that they do not constitute "available spendable resources".

K. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Major outlays for capital assets and improvements are capitalized as projects are constructed. In the case of the initial capitalization of general infrastructure assets (i.e., streets and bridges), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the County constructs or acquires additional capital assets each year, including infrastructure assets, they are capitalized and reported at historical cost.

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

<u>Assets</u>	<u>Years</u>
Infrastructure	20
Buildings and improvements	22
Other improvements	20
Office and miscellaneous equipment	3-15
Road equipment	5-10

L. Receivables and Payable Balances

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 revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned 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 unearned revenue.

M. Compensated Absences

A liability for unused vacation for all full-time employees is calculated and reported in the government-wide statements. For financial reporting, the following criteria must be met to be considered as compensated absences:

1. Leave or compensation is attributable to services already rendered
2. Leave or compensation is not contingent on specific event (such as illness).

Liabilities for compensated absences are recognized in the governmental fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued as long-term debt in the government-wide statements.

Upon termination from County employment, an employee shall be entitled to payment for total accrued but unused days of vacation and comp time. Comp time earned, but not taken, is paid at the end of each fiscal year. Vacation time cannot accumulate beyond 80 hours during the first nine years of employment and beyond 120 hours for the 10th year and beyond of employment per eligible employee. Sick leave accrues at 6.67 hours per month with a maximum of 90 days (720 hours), but compensation is paid only for an illness-related absence. All unpaid employee leave is due to active employees. Any unpaid leave due to an employee who is terminated is paid immediately upon the termination. Unused sick leave is non-vesting and will not be paid on termination, thus vacation and comp times are the only accrued compensation liabilities recorded.

N. Interfund Activity

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between functions that, if eliminated, would distort the direct costs and program revenues reported for the various functions concerned.

O. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates. Actual results could differ from those estimates.

P. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. On new bond issues, bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

Q. Deferred Inflows/Outflows of Resources

The County reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in current period. Deferred inflows of resources also arise when resources are received by the County before it has legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the deferred inflows of resources is removed from the balance sheet and revenue is recognized.

In addition to assets, the Statement of Net Position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has deferred outflows of resources for the difference between projected and actual earnings for its pension and OPEB plans and contributions made to the pension plan after the measurement date but before the end of the fiscal year.

In addition to liabilities, the Statement of Net Position will 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 deferred inflows of resources for the differences between expected and actual experience related to its pension plan. Additionally, the County has deferred inflows of resources for uncollected property taxes as well as grants, fines, fees and court costs. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

R. Legally Adopted Budgets

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Road and Bridge Fund, County Jail Fund, Restricted Fund, Economic Development Fund, Law Library Fund, Western County Tower System Fund, Special Operations Unit Fund, Library System Fund, Grants Fund, Courthouse Security Fund, Jail Commissary Fund, and Debt Service Fund. The Capital Projects Fund is appropriated on a project-length basis. Other special revenue funds do not have appropriated budgets since other means control the use of these resources and sometimes span a period of more than one fiscal year.

S. Pensions

The fiduciary net position of the Texas County & District Retirement System (TCDRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCDRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Texas County & District Retirement System Group Term Life Program (GTLP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities and additions to/deductions from GTLP's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

II. Fair Value Measurements

Generally accepted accounting principles define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into three-level fair value hierarchy as follows:

Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.

Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 inputs are observable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.

Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).

Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

III. Deposits and Investments

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

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

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

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

As of September 30, 2019, the County held the following fair value measurements:

	9/30/2019	Fair Value Measurement Using		
		(Level 1)	(Level 2)	(Level 3)
Cash and cash equivalents				
Cash deposits - County	\$ 12,990,412	\$ -	\$ -	\$ -
Cash deposits - Agency	<u>4,116,838</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>17,107,250</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments measured at net asset value per share				
Investment pools:				
TexPool	\$ 63,557	\$ -	\$ -	\$ -
Logic	2,651,740	-	-	-
Texas Class	8,524	-	-	-
Investments by fair value level:				
Debt securities:				
Affinity Fed Cred Union	248,665	-	248,665	-
Morgan Stanley Bank	<u>248,392</u>	<u>-</u>	<u>248,392</u>	<u>-</u>
Total Investments	<u>3,220,878</u>	<u>-</u>	<u>497,057</u>	<u>-</u>
Total cash and investments	\$ 20,328,128	\$ -	\$ 497,057	\$ -

The County has the following recurring fair value measurements as of September 30, 2019:

Affinity Fed Cred Union of \$248,665 are valued using a present value of expected future cash flow model (Level 2 inputs).

Morgan Stanley Bank of \$248,392 are valued using a present value of expected future cash flow model (Level 2 inputs).

Various certificates of deposit were purchased under the Certificate of Deposit Account Registry Service through a commercial banking institution. All certificates of deposit purchased under this program were entirely covered by FDIC insurance. The County has investments with the following public funds investment pools, which are reported at amortized cost, as of September 30, 2019:

Texas Local Government Investment Pool (TexPool & TexPool Prime) - Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State

Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. The reported value of the pool is the same as the fair value of the pool shares. TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. Audited financial statements of TexPool are available at First Public, 12008 Research Blvd., Austin, Texas 78759. In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office.

Local Government Investment Cooperative (LOGIC) is a local government investment pool organized under the authority of the Interlocal Cooperation Act, chapter 791, of the Texas Government Code, and the Public Funds Investment Act, chapter 2256, of the Texas Government Code. J.P. Morgan Investment Management Inc. serves as investment advisor and co-administrator with First Southwest Asset Management, Inc. LOGIC invests in treasury and agency securities and repurchase agreements as well as prime commercial paper. The pool maintains a weighted average maturity of 60 days or less. The pool seeks to maintain a constant dollar objective.

Texas CLASS was created as an investment pool for its participants pursuant to Section 2256 of the Public Funds Investment Act, Texas Government Code. The fund is administered by MBIA Municipal Investors Service Corporation and Wells Fargo Bank Texas, NA is the Custodian

A. Analysis of Specific Deposit and Investment Risks

Generally accepted accounting principles require a determination as to whether the County was exposed to the following specific investment risks at year end.

B. Interest Rate Risk

In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to less than 365 days. The maximum allowable stated maturity of any individual investment owned by the County shall not exceed three years.

C. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. County policy limits investments in public funds investment pools to those rated no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. At year end, the County was not significantly exposed to credit risk.

D. Concentration of Credit Risk

The County's investment policy does not limit investments in any one issuer except that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer.

E. Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

F. Public Funds Investment Pools

Public funds investment pools in Texas (the pool) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (Act), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires pools to have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, to maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service and to maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The County's investments in pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule of 195 2a7 of the Investment Company Act of 1940. There are no limitations or restrictions on participant withdrawals from these investment pools.

IV. **Receivables**

Receivables at year-end, net of the applicable allowances for uncollectible accounts, are as follows:

	General	Road and Bridge	County Jail Fund	Debt Service Fund	Nonmajor Funds	Total
Receivables:						
Property taxes	\$ 818,812	\$ 95,246	\$ -	\$ 101,104	\$ -	\$ 1,015,162
Accounts receivable	399,917	72,836	36,980	11,214	175,340	696,287
Adjudicated fines	2,315,030	-	-	-	-	2,315,030
Intergovernmental	-	-	822,191	-	587,064	1,409,255
Due from others	90,374	-	-	-	-	90,374
Gross receivable	3,624,133	168,082	859,171	112,318	762,404	5,526,108
Less: allowance for uncollectibles	(2,176,974)	(27,234)	-	(26,616)	-	(2,230,824)
Total	\$ <u>1,447,159</u>	\$ <u>140,848</u>	\$ <u>859,171</u>	\$ <u>85,702</u>	\$ <u>762,404</u>	\$ <u>3,295,284</u>

V. **Commitments Under Leases**

A. Capital Leases

During September 2016, the County entered into a lease with Branch Banking & Trust Leasing Corporation for various vehicles. This lease agreement meets the criteria of a capital lease. An additional \$292,023 was recorded to the government-wide Statement of Net Position to record the capital assets acquired. The lease commitment total is \$292,023. The capital lease agreement required quarterly payments of \$24,873, including interest at 1.35% through September 2019.

During September 2017, the County entered into a lease with NHB Bank for various vehicles and equipment. This lease agreement meets the criteria of a capital lease. An additional \$379,422 was recorded to the government-wide Statement of Net Position to record the capital assets acquired. The lease commitment total is \$379,422. The capital lease agreement requires monthly payments of \$10,921, including interest at 2.32% through September 2020.

During February 2018, the County entered into a lease with Enterprise for various vehicles. This lease agreement meets the criteria of a capital lease. An additional \$110,905 was recorded to the government-wide Statement of Net Position to record the capital assets acquired. The lease commitment total is \$110,905. The capital lease agreement requires monthly payments of \$1,834. The agreement does not state a specific interest rate; however, there is an additional service fee charged monthly on each vehicle.

During September 2018, the County entered into a lease with Branch Banking & Trust Leasing Corporation for various vehicles and equipment. This lease agreement meets the criteria of a capital lease. An additional \$749,168 was recorded to the government-wide Statement of Net Position to record the capital assets acquired. The lease commitment total is \$749,168. The capital lease agreement requires quarterly payments of \$65,464, including interest at 2.95% through September 2021.

During January 2019, the County entered into a lease with Enterprise for a vehicle. An additional \$34,261 was recorded to the government-wide Statement of Net Position to record the capital asset acquired.

During September 2019, the County entered into a lease with BancorpSouth Bank for two dump trucks. An additional \$266,416 was recorded to the government-wide Statement of Net Position to record the capital asset acquired.

Equipment under capital lease at September 30, 2019 consists of:

Road equipment	\$ 1,848,682
Less: accumulated depreciation	(326,013)
Total	<u>\$ 1,522,669</u>

Annual debt service requirements to maturity for capital lease obligations are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 405,590	\$ 30,457
2021	550,041	21,889
2022	26,529	6,133
2023	<u>12,931</u>	<u>3,225</u>
Total	<u>\$ 995,091</u>	<u>\$ 61,704</u>

B. Operating Leases

Commitments under operating (non-capitalized) lease agreements for equipment provide for minimum future rental payments as of September 30, 2019 as follows:

<u>Year Ending September 30,</u>	
2020	\$ 40,713
2021	26,942
2022	5,548
2023	<u>309</u>
Total minimum rentals	<u>\$ 73,512</u>
Rental expenditures in 2019	<u>\$ 71,819</u>

VI. Capital Assets

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

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,286,412	\$ 71,200	\$ -	\$ 1,357,612
Construction in progress	<u>2,118,132</u>	<u>6,302,661</u>	<u>(3,776,226)</u>	<u>4,644,567</u>
Total assets not being depreciated	<u>3,404,544</u>	<u>6,373,861</u>	<u>(3,776,226)</u>	<u>6,002,179</u>
Capital assets, being depreciated:				
Infrastructure	7,932,866	4,360,970	-	12,293,836
Buildings and improvements	29,815,804	41,235	-	29,857,039
Other improvements	2,539,869	169,044	-	2,708,913
Office and miscellaneous equipment	6,632,675	119,446	(208,307)	6,543,814
Road equipment	<u>8,315,090</u>	<u>2,002,175</u>	<u>(133,234)</u>	<u>10,184,031</u>
Total capital assets being depreciated	<u>55,236,304</u>	<u>6,692,870</u>	<u>(341,541)</u>	<u>61,587,633</u>
Less accumulated depreciation:				
Infrastructure	(5,485,278)	(299,949)	-	(5,785,227)
Buildings and improvements	(12,349,580)	(1,239,315)	-	(13,588,895)
Other improvements	(474,127)	(29,102)	-	(503,229)
Office and miscellaneous equipment	(4,791,233)	(475,409)	22,214	(5,244,428)
Road equipment	<u>(5,602,622)</u>	<u>(629,182)</u>	<u>104,969</u>	<u>(6,126,835)</u>
Total accumulated depreciation	<u>(28,702,840)</u>	<u>(2,672,957)</u>	<u>127,183</u>	<u>(31,248,614)</u>
Total capital assets being depreciated, net	<u>26,533,464</u>	<u>4,019,913</u>	<u>(214,358)</u>	<u>30,339,019</u>
Governmental activities capital assets, net	<u>\$ 29,938,008</u>	<u>\$ 10,393,774</u>	<u>\$ (3,990,584)</u>	<u>\$ 36,341,198</u>

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 500,061
Public safety	1,543,383
Culture and recreation	13,056
Conservation	7,741
Public transportation	<u>608,716</u>
Total depreciation expense - governmental activities	<u>\$ 2,672,957</u>

VII. Interfund Balances and Activity

A. Due to and from Other Funds

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. Balances due to and due from other funds at September 30, 2019, consisted of the following:

Due from Fund	Due to Fund	Amount	Purpose
General Fund	County Jail Fund	\$ 718,193	Short-term loans
General Fund	Nonmajor funds	<u>112,053</u>	Short-term loans
Total		<u>\$ 830,246</u>	

B. Transfers to and from Other Funds

Transfers to and from other funds at September 30, 2019, consisted of the following:

Transfers Out	Transfers In				Total
	General Fund	Road and Bridge Fund	County Jail Fund	Nonmajor Funds	
General Fund	\$ -	\$ -	\$ 2,605,138	\$ 1,162,772	\$ 3,767,910
Restricted Fund	60,883	147,948	-	1,152,830	1,361,661
Nonmajor funds	35,426	-	3,400	-	38,826
Total	\$ 96,309	\$ 147,948	\$ 2,608,538	\$ 2,315,602	\$ 5,168,397

Transfers from the General Fund to the County Jail Fund (\$2,605,138) were to cover costs of housing county inmates. This year there were transfers from the Restricted Fund to the General Fund (\$60,883), Road & Bridge Fund (\$147,948) and Nonmajor Funds (\$1,152,830) to follow the Texas Local Government Code. Additional transfers from the General Fund to nonmajor funds (\$1,162,772) were to cover appropriations for the funds budgeted in the General Fund. \$3,400 was SCAAP proceeds transferred from the Grant Fund to the County Jail Fund to offset expenditures.

VIII. Risk Management

The County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, errors and omissions and personnel risks which relate to workers compensation. The County carries commercial insurance in order to manage the above listed risks. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

IX. Debt

The County has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the County.

A. Bonds and Certificates of Obligation

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

On June 25, 2015, the County issued \$14,845,000 in Certificates of Obligation, Taxable Series 2015, with interest rates ranging from 3.75% to 5.00%, maturing in 2036. The proceeds from the sale of the Certificates were used for the purchase of the jail from the Burnet County Public Facilities Company.

On August 23, 2016, the County issued \$5,780,000 in Tax Notes, Series 2016, with interest rate of 1.38%, maturing in 2023. The proceeds from the sale of the Tax Notes were used for infrastructure improvements.

During the 2019 fiscal year the County issued \$5,450,000 and \$2,530,000 in Tax Notes, Series 2018 and 2019. The notes will mature in 2025 and 2026. In addition to the tax notes, the County issued \$2,800,000 in Tax and Revenue Anticipation Notes 2019. The tax and revenue anticipation note will mature in 2020.

The following are general obligation bond issues outstanding at September 30, 2019:

	Interest Rates	Date of issue	Date of Maturity	Bonds Outstanding
Certificate of obligation, Series 2015	3.75 - 5.00%	2015	2036	\$ 13,095,000
Tax notes, Series 2016 - Private Placement	1.38%	2016	2023	3,495,000
Tax notes, Series 2018 - Private Placement	3.00%	2018	2025	4,960,000
Tax notes, Series 2019 - Private Placement	2.48%	2019	2026	2,530,000
Tax and Revenue Anticipation Notes 2019 - Private Placement	1.60%	2019	2020	<u>2,800,000</u>
Total				<u>\$ 26,880,000</u>

Debt service is primarily paid from ad valorem taxes and is recorded in the debt service fund.

Annual debt service requirements are as follows:

Year Ending September 30,	General Obligation Bonds		Total Requirements
	Governmental Activities		
	Principal	Interest	
2020	\$ 545,000	\$ 543,470	\$ 1,088,470
2021	565,000	518,445	1,083,445
2022	590,000	489,570	1,079,570
2023	625,000	459,195	1,084,195
2024	650,000	427,320	1,077,320
2025-2029	3,660,000	1,702,800	5,362,800
2030-2034	4,420,000	903,165	5,323,165
2035-2036	<u>2,040,000</u>	<u>87,763</u>	<u>2,127,763</u>
Total	<u>\$ 13,095,000</u>	<u>\$ 5,131,728</u>	<u>\$ 18,226,728</u>

Year Ending September 30,	Tax Notes - Private Placement		Total Requirements
	Governmental Activities		
	Principal	Interest	
2020	\$ 1,700,000	\$ 242,426	\$ 1,942,426
2021	1,745,000	206,671	1,951,671
2022	1,770,000	169,632	1,939,632
2023	1,810,000	131,844	1,941,844
2024	1,770,000	87,128	1,857,128
2025-2026	<u>2,190,000</u>	<u>40,827</u>	<u>2,230,827</u>
Total	<u>\$ 10,985,000</u>	<u>\$ 878,528</u>	<u>\$ 11,863,528</u>

Year Ending September 30,	Short-term Tax and Revenue Anticipation Notes - Private Placement		Total Requirements
	Governmental Activities		
	Principal	Interest	
2020	\$ 2,800,000	\$ 21,031	\$ 2,821,031
Total	<u>\$ 2,800,000</u>	<u>\$ 21,031</u>	<u>\$ 2,821,031</u>

If the County defaults in the payment of principal, interest, or redemption price on the general obligation bond when due, the registered owners may seek a writ of mandamus to compel County officials to carry out their legal imposed duties with respect to the certificates.

B. Compensated Absences

The cost of the County's liability for compensated absences is calculated at the end of the fiscal year based on the employee's pay rate and the accumulated vacation hours earned but not taken. The liability has typically been liquidated primarily by the General Fund and Road and Bridge Fund.

C. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the period ended September 30, 2019, are as follows:

Description	Balance 09/30/18	Additions	Retirements	Balance 09/30/19	Due within One year
Governmental activities:					
General obligation bonds	\$ 13,620,000	\$ -	\$(525,000)	\$ 13,095,000	\$ 545,000
Tax notes	4,370,000	7,980,000	(1,365,000)	10,985,000	1,700,000
Unamortized bond premium	471,910	93,529	(39,579)	525,860	-
Capital leases	1,205,503	300,677	(511,089)	995,091	405,590
Compensated absences	<u>579,883</u>	<u>769,269</u>	<u>(743,365)</u>	<u>605,787</u>	<u>151,447</u>
Governmental activities long-term liabilities	<u>\$ 20,247,296</u>	<u>\$ 9,143,475</u>	<u>\$(3,184,033)</u>	<u>\$ 26,206,738</u>	<u>\$ 2,802,037</u>

During the year, OPEB and pension liability was funded from the general, economic development, restricted, grants, library and road and bridge funds.

D. Short-Term Obligation Activity

Description	Balance 09/30/18	Additions	Retirements	Balance 09/30/19	Due within One year
Governmental activities:					
Tax and Revenue					
Anticipation Notes 2019	\$ -	\$ 2,800,000	\$ -	\$ 2,800,000	\$ 2,800,000

X. Health Insurance and Workers' Compensation

A. Health Care Reimbursement (HRA)

The County has elected to create a Health Care Reimbursement Account to reimburse employees the cost of their health care insurance deductible up to \$500 per year. The County elected a new health care plan beginning October 1, 2009 and increased the deductible from \$250 to \$750 per year, per employee, so as to reduce the County's premium. The funds are paid from the general fund per the budget. For the year ended September 30, 2019, a total of \$34,742 was paid in health care insurance deductible claims.

B. Health Insurance

During the year ended September 30, 2019 employees of the County were covered by a health, dental, and life insurance plan (the Plan). The County paid premiums of \$897 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code, and was documented by contractual agreement.

C. Workers' Compensation

The County is a member of the Texas Association of Counties Workers' Compensation Self-Insurance Fund. The Fund is sponsored by the Texas Association of Counties and was originally established on March 28, 1974 by the entry into interlocal participation agreements by member political subdivisions of the State of Texas. The Fund was created to provide workers' compensation benefits for its members pursuant to the provisions of Chapter 504, V.T.C.A., Labor Code, Art. 715(c), Rev. Civ. Stat. Ann., and Chapter 791, V.T.C.A., Government Code. The contribution amount for the Fund Member is based upon gross payroll, classification rates for types of positions, and experience modifier. During the year ended September 30, 2019 the County contributed a total of \$228,930 to the Fund.

XI. Defined Benefit Pension Plan

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the state-wide agent multiple-employer public employee retirement system consisting of 760 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 or at <https://www.tcdrs.org>.

Benefits Provided

The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 20 years of service regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump-sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer’s commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee’s accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. There are no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs, can be granted by the County’s Board within certain guidelines.

Employees covered by benefit terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	210
Inactive employees entitled to but not yet receiving benefits	253
Active employees	<u>365</u>
	<u>828</u>

Contributions

The County has elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The employee contribution rate and the employer contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

	Contribution Rates	
	2018	2019
Member	7.00%	7.00%
Employers	11.21%	11.04%
Employer contributions	\$ 1,955,187	\$ 2,005,257
Member contributions	1,220,904	1,266,199

Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

Inflation	2.75% per year
Overall payroll growth	3.25% per year
Investment rate of return	8.00%, net of investment expenses, including inflation

The County has no automatic cost-of-living adjustments ("COLA") and one is not considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the actuarial valuation. Each year, the County may elect an ad-hoc COLA for its retirees.

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

Updated mortality assumptions were adopted in the actuarial valuation of December 31, 2018. All other actuarial assumptions that determined the total pension liability as of December 31, 2018, were based on the results of an actuarial experience study for the period January 1, 2013, through December 31, 2016.

The long-term expected rate of return on pension plan investments is 8.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2019 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 target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	10.50%	5.40%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	18.00%	8.40%
Global Equities	MSCI World (net) Index	2.50%	5.70%
International Equities - Developed	MSCI World Ex USA (net)	10.00%	5.40%
International Equities - Emerging	MSCI EM Standard (net)	7.00%	5.90%
Investment-Grade Bonds	Bloomberg Barclays Capital Aggregate Bond Index	3.00%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.00%	4.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.00%	7.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽⁴⁾	2.00%	7.20%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	6.30%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	13.00%	3.90%

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

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

⁽³⁾ Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

⁽⁴⁾ Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

⁽⁵⁾ Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the Total Pension Liability was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2017	\$ 52,029,214	\$ 48,160,351	\$ 3,868,863
Changes for the year:			
Service cost	2,331,677	-	2,331,677
Interest on total pension liability ⁽¹⁾	4,290,762	-	4,290,762
Effect of economic/demographic gains or losses	(32,123)	-	(32,123)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(370,728)	(370,728)	-
Benefit payments	(2,461,447)	(2,461,447)	-
Administrative expenses	-	(38,223)	38,223
Member contributions	-	1,220,904	(1,220,904)
Net investment income	-	(893,377)	893,377
Employer contributions	-	1,955,187	(1,955,187)
Other ⁽²⁾	-	15,084	(15,084)
Balance at 12/31/2018	<u>\$ 55,787,355</u>	<u>\$ 47,587,751</u>	<u>\$ 8,199,604</u>

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

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

Sensitivity Analysis

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

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$ 62,717,168	\$ 55,787,356	\$ 49,932,913
Fiduciary net position	<u>47,587,752</u>	<u>47,587,752</u>	<u>47,587,752</u>
Net pension liability/(asset)	<u>\$ 15,129,416</u>	<u>\$ 8,199,604</u>	<u>\$ 2,345,161</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. The report may be obtained on the Internet at www.tcdrs.org.

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

For the year ended September 30, 2019, the County recognized pension expense of \$2,771,566. At year-end, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 108,636	\$ 46,084
Changes in actuarial assumptions	171,285	-
Difference between projected and actual investment earnings	3,007,945	-
Contributions subsequent to the measurement date	<u>1,459,268</u>	<u>-</u>
Total	<u>\$ 4,747,134</u>	<u>\$ 46,084</u>

\$1,459,268 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

	<u>For The Year Ended September 30</u>	
2020	\$ 1,251,652	
2021	612,638	
2022	416,071	
2023	961,421	

XII. Other Post-Employment Benefits

A. Plan Description

The County participates in the retiree Group Term Life (GTL) program for the Texas County & District Retirement System (TCDRS), which is a statewide, multiple-employer, public employee retirement system. The fund for this benefit is a separate trust administered by the board of TCERS. The fund receives monthly participating employers' premiums and pays benefits when due. The obligations of the program are payable only from this fund, and are not an obligation of, or a claim against, the TCERS Pension Trust Fund. The fund's assets are pooled with those of the Pension Trust Fund under provisions of the TCERS Act and annually receive an allocation of income based on the fund value. This optional program provides group term life insurance coverage to currently employed members, and if elected by employers, to retirees.

B. Benefits Provided

Current employees of participating employers are insured for an amount equivalent to the employee's current annual compensation. Employers may also choose to cover retirees. Retirees are insured for \$5,000. Life insurance proceeds are payable as a lump sum. The coverage provided to retirees is a postemployment benefit other than pension benefits.

C. Membership

County membership in the GTL plan at December 31, 2018 consisted of the following:

Inactive employees currently receiving benefits	178
Inactive employees entitled to but not yet receiving benefits	63
Active members	<u>365</u>
Total	<u>606</u>

D. Contributions

The County contributes to the GTL program at a contractually required rate. An annual actuarial valuation is performed, and the contractual rate is equal to the cost of providing one-year term life insurance. The premium rate is expressed as a percentage of the covered payroll of members employed by the participating employer. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect.

The GTL program is voluntary, and employers can cease participation at any time. Therefore, the funding policy of the program is to ensure that adequate resources are available to meet all insurance benefit payments for the upcoming year. It is not the intent of the funding policy to pre-fund retiree term life insurance during employees' entire careers. The County's contribution, which equaled the required contribution, were as follows for the year ended September 30:

	<u>2019</u>
Employer rate	0.31%
Employer contributions	\$ 56,562

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

Valuation date	December 31, 2018
Actuarial cost method	Entry age normal
Amortization method	Straight-line
Remaining amortization period	Expected working life
Asset valuation method	Does not apply
Discount rate*	4.10%
Long-term expected investment rate of return*	4.10%
Salary increases*	Does not apply
Payroll growth rate	Does not apply

**20 Year Bond GO Index published by bondbuyer.com as of December 27, 2018*

The plan does not have an automatic cost-of-living adjustment. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculation or in the funding valuation. Each year, the plan may elect an ad hoc COLA for its retirees.

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

The actuarial assumptions and methods that determined the total OPEB liability as of December 31, 2018 were based on the results of an actuarial experience study for the period January 1, 2013 - December 31, 2016.

There were no changes in actuarial assumptions and methods reflected in the December 31, 2018 actuarial valuation.

E. Discount Rate

The GTL program is treated as an unfunded OPEB plan because the GTL trust covers both actives and retirees and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 4.10% based on the 20 Year Bond GO Index published by bondbuyer.com is used as of the measurement date of December 31, 2018.

F. OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2019, the County reported a total OPEB liability of \$717,185 measured at December 31, 2018. For the year ended September 30, 2019, the County recognized OPEB expense of \$49,631.

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

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

Changes in the total OPEB liability for the measurement year ended December 31, 2018 are as follows:

	<u>Total OPEB Liability</u>
Balance at 12/31/2017	\$ 763,505
Changes for the year:	
Service cost	33,851
Interest on the total liability	27,072
Difference between expected and actual experience	(4,709)
Changes in assumptions and other inputs	(81,604)
Benefit payments	<u>(20,930)</u>
Net changes	<u>(46,320)</u>
Balance at 12/31/2018	<u>\$ 717,185</u>

G. Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the County, calculated using the discount rate of 4.10%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current rate.

	<u>1% Decrease in Discount Rate (3.10%)</u>	<u>Discount Rate (4.10%)</u>	<u>1% Increase in Discount Rate (5.10%)</u>
County's total OPEB liability	\$ 846,340	\$ 717,185	\$ 615,694

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 1,172	\$ 3,767
Changes in actuarial assumptions	22,711	65,283
Contributions subsequent to the measurement date	17,183	-
	<u>\$ 41,066</u>	<u>\$ 69,050</u>

\$17,183 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ended September 30, 2020. The other net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

For the Year
Ended September 30

2020	\$(	11,292)
2021	(	11,292)
2022	(	11,292)
2023	(	11,291)

XIII. Contingencies

The County has contingent liabilities with respect to pending claims and litigation that, in the opinion of the County, are not material and the possibility of an unfavorable outcome is remote. The ultimate effect, if any, that such litigation may have on the future financial position of the County, is not presently determinable.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grant. A contingent liability was not established because potential reimbursements are considered immaterial.

XIV. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The program is administered by Nationwide Retirement Solutions, Inc. The National Association of Counties (NACO) Deferred Compensation Program, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County has established a custodial legal trust arrangement with the investment company that administers the program. Under these trust arrangements, all amounts of compensation deferred under the program, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the employees. Accordingly, the amounts invested with this investment company are not included in the County's basic financial statements.

XV. Fund Balance

Generally accepted accounting principles require fund balance amounts to be reported within one of the categories listed below:

1. Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned).
2. Restricted fund balance category includes amounts that can be spent for only the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action, such as a resolution, of the Commissioners' Court (the County's highest level of decision-making authority).
4. Assigned fund balance classification includes amounts intended to be used by the County for specific purposes but does not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications. The County's general fund is the only fund that reports a positive unassigned fund balance amount. In other

governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

As of September 30, 2019, governmental fund balance is composed of the following:

Fund Balances	General Fund	Road and Bridge Fund	County Jail Fund	Restricted Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Funds
Nonspendable							
Inventories	\$ 161	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid items	<u>7,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,773</u>
Total non-spendable	<u>7,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,773</u>
Restricted for:							
Records management	-	-	-	980,948	-	-	-
Court programs	-	-	-	417,460	-	-	759,269
Technology programs	-	-	-	135,981	-	-	105,567
Property purchasing & improvements	-	-	-	331,423	-	-	-
Road & bridge maintenance & construction	-	778,260	-	-	-	-	-
Federal and state grants	-	-	-	-	-	-	219,446
Retirement of long term debt	-	-	-	-	1,249,144	-	-
Capital asset acquisition	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,887,173</u>	<u>-</u>
Total restricted	<u>-</u>	<u>778,260</u>	<u>-</u>	<u>1,865,812</u>	<u>1,249,144</u>	<u>3,887,173</u>	<u>1,084,282</u>
Committed to:							
Property purchasing & improvements	-	-	-	-	-	-	-
Court programs	-	-	-	-	-	-	-
Western county tower system maintenance	-	-	-	-	-	-	240,916
Economic development	-	-	-	-	-	-	660,490
Special operations unit	-	-	-	-	-	-	51,189
Library system	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,097</u>
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,012,692</u>
Unassigned	<u>2,325,304</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 2,332,833</u>	<u>\$ 778,260</u>	<u>\$ -</u>	<u>\$ 1,865,812</u>	<u>\$ 1,249,144</u>	<u>\$ 3,887,173</u>	<u>\$ 2,117,747</u>

A. **Order of Fund Balance Spending Policy**

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: 1) Restricted; 2) Committed; 3) Assigned; and 4) Unassigned.

B. **Minimum Fund Balance Policy**

The County's financial goal is to have a sufficient balance in the operating fund with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The County shall strive to maintain a yearly fund balance in the general operating fund in which the total unassigned fund balance is not less than 25% of the total operating expenditures.

XVI. New Accounting Principles

Significant new accounting standards not yet implemented by the County include the following:

Statement No. 84 ("GASB 84"), *Fiduciary Activities* is effective for reporting periods beginning after December 15, 2018. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

Statement No. 87 ("GASB 87"), *Leases* is effective for reporting periods beginning after December 15, 2019. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments.

Statement No. 89 ("GASB 89"), *Accounting for Interest Cost Incurred before the End of a Construction Period* is effective for reporting periods beginning after December 15, 2019. The objectives of this statement are to (1) enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

Statement No. 90 ("GASB 90"), *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61* is effective for reporting periods beginning after December 15, 2018. The objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

Statement No. 91 ("GASB 91"), *Conduit Debt Obligations* is effective for reporting periods beginning after December 15, 2020. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

Statement No. 92 ("GASB 92"), *Omnibus 2020* is generally effective for reporting periods beginning after June 15, 2020. The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The County has not yet determined the impact of implementation of the new standards.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

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BURNET COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Property	\$ 18,927,729	\$ 18,927,729	\$ 18,505,984	\$(421,745)
Other	47,500	47,500	98,228	50,728
Penalty and interest	160,000	160,000	195,107	35,107
Licenses and permits	681,500	681,500	751,640	70,140
Intergovernmental	218,093	233,320	232,784	(536)
Charges for services	975,152	975,793	1,086,133	110,340
Fines and forfeitures	415,000	415,000	446,496	31,496
Investment earnings	40,000	40,000	178,416	138,416
Rents and royalties	58,000	58,000	60,466	2,466
Miscellaneous	<u>83,500</u>	<u>83,500</u>	<u>51,477</u>	<u>(32,023)</u>
Total revenues	<u>21,606,474</u>	<u>21,622,342</u>	<u>21,606,731</u>	<u>(15,611)</u>
EXPENDITURES				
Current:				
General government:				
General:				
County Judge	251,839	251,839	215,064	36,775
Commissioners	378,504	378,504	376,262	2,242
County Clerk	501,051	503,061	492,671	10,390
Non-departmental	<u>1,188,625</u>	<u>1,027,572</u>	<u>897,360</u>	<u>130,212</u>
Total general	<u>2,320,019</u>	<u>2,160,976</u>	<u>1,981,357</u>	<u>179,619</u>
Judicial:				
County court at law	352,945	349,917	326,465	23,452
County court	27,000	27,000	16,942	10,058
District court	224,368	227,613	226,976	637
Judicial services	364,500	430,605	424,702	5,903
District Clerk records management	482,583	482,583	471,475	11,108
District Clerk	506,542	511,202	457,649	53,553
Justice of the Peace	753,889	746,834	718,467	28,367
3rd administrative judicial district	2,873	2,873	2,713	160
Magistrates/indigent defense	<u>138,201</u>	<u>138,429</u>	<u>138,250</u>	<u>179</u>
Total judicial	<u>2,852,901</u>	<u>2,917,056</u>	<u>2,783,639</u>	<u>133,417</u>

The accompanying notes are an integral part of this schedule.

BURNET COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Legal:				
Public defender office	522,400	525,100	499,046	26,054
County Attorney	734,715	733,270	660,716	72,554
District Attorney	885,049	882,990	808,170	74,820
Total legal	<u>2,142,164</u>	<u>2,141,360</u>	<u>1,967,932</u>	<u>173,428</u>
Elections:				
Elections	306,989	300,725	254,505	46,220
Total elections	<u>306,989</u>	<u>300,725</u>	<u>254,505</u>	<u>46,220</u>
Financial administration:				
County Auditor	559,073	558,969	524,825	34,144
Purchasing	66,650	66,754	50,554	16,200
County Treasurer	218,959	230,803	230,084	719
Collections department	67,868	87,018	86,487	531
Tax appraisal district	391,454	477,454	477,386	68
Human resources	135,277	143,732	133,356	10,376
Information technology	766,184	687,016	656,454	30,562
Total financial administration	<u>2,205,465</u>	<u>2,251,746</u>	<u>2,159,146</u>	<u>92,600</u>
Maintenance department	761,663	785,732	697,651	88,081
Total general government	<u>10,589,201</u>	<u>10,557,595</u>	<u>9,844,230</u>	<u>713,365</u>
Health and welfare:				
Veterans Service Officer	21,150	24,586	22,882	1,704
Indigent health care	644,346	640,910	378,342	262,568
Total health and welfare	<u>665,496</u>	<u>665,496</u>	<u>401,224</u>	<u>264,272</u>
Public safety:				
Emergency management	96,037	96,037	75,687	20,350
Emergency medical service	781,578	781,648	781,648	-
Area fire departments	280,044	279,974	266,431	13,543
Constables	356,976	359,339	341,027	18,312
Animal control	127,697	127,997	127,997	-
County Sheriff	5,014,631	4,909,981	4,810,683	99,298
Sex offender registry	19,258	-	-	-
Juvenile probation	218,168	218,168	218,168	-
Adult probation	67,020	67,020	55,186	11,834
Bluebonnet Trails Community	15,000	16,300	16,300	-
Department of Public Safety	85,156	85,336	85,223	113
Total public safety	<u>7,061,565</u>	<u>6,941,800</u>	<u>6,778,350</u>	<u>163,450</u>

The accompanying notes are an integral part of this schedule.

BURNET COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with <u>Final Budget</u>
Culture and recreation:				
County historical commission	600	600	225	375
County parks	<u>4,624</u>	<u>4,624</u>	<u>-</u>	<u>4,624</u>
Total culture and recreation	<u>5,224</u>	<u>5,224</u>	<u>225</u>	<u>4,999</u>
Conservation:				
Agricultural extension service	126,666	126,966	97,259	29,707
Environmental services	186,418	186,418	181,966	4,452
Nuisance control	-	5,636	5,385	251
Government trappers	<u>37,500</u>	<u>38,400</u>	<u>38,400</u>	<u>-</u>
Total conservation	<u>350,584</u>	<u>357,420</u>	<u>323,010</u>	<u>34,410</u>
Debt service:				
Principal	213,298	274,350	263,909	10,441
Interest	<u>9,790</u>	<u>13,436</u>	<u>22,975</u>	<u>(9,539)</u>
Total debt service	<u>223,088</u>	<u>287,786</u>	<u>286,884</u>	<u>902</u>
Capital outlay	<u>336,341</u>	<u>271,125</u>	<u>164,463</u>	<u>106,662</u>
Total expenditures	<u>19,231,499</u>	<u>19,086,446</u>	<u>17,798,386</u>	<u>1,288,060</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>2,374,975</u>	<u>2,535,896</u>	<u>3,808,345</u>	<u>1,272,449</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	20,000	27,462	7,922	(19,540)
Insurance recoveries	40,000	40,000	82,697	42,697
Transfers in	-	-	96,309	96,309
Transfers out	<u>(4,048,261)</u>	<u>(4,193,261)</u>	<u>(3,767,910)</u>	<u>425,351</u>
Total other financing sources (uses)	<u>(3,988,261)</u>	<u>(4,125,799)</u>	<u>(3,580,982)</u>	<u>544,817</u>
NET CHANGE IN FUND BALANCE	(1,613,286)	(1,589,903)	227,363	1,817,266
FUND BALANCE, BEGINNING	<u>2,105,470</u>	<u>2,105,470</u>	<u>2,105,470</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 492,184</u>	<u>\$ 515,567</u>	<u>\$ 2,332,833</u>	<u>\$ 1,817,266</u>

The accompanying notes are an integral part of this schedule.

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with <u>Final Budget</u>
REVENUES				
Taxes:				
Property	\$ 2,485,558	\$ 2,485,558	\$ 2,456,227	\$(29,331)
Penalty and interest	18,000	18,000	23,846	5,846
Licenses and permits	860,000	860,000	882,312	22,312
Intergovernmental	50,000	50,000	86,851	36,851
Investment earnings	6,000	6,000	20,624	14,624
Miscellaneous	-	-	288	288
Total revenues	<u>3,419,558</u>	<u>3,419,558</u>	<u>3,470,148</u>	<u>50,590</u>
EXPENDITURES				
Current:				
Public transportation	3,199,457	3,090,169	2,956,057	134,112
Debt service:				
Principal	227,306	288,059	229,227	58,832
Interest	17,014	22,457	14,027	8,430
Capital outlay	<u>55,000</u>	<u>333,641</u>	<u>677,916</u>	<u>(344,275)</u>
Total expenditures	<u>3,498,777</u>	<u>3,734,326</u>	<u>3,877,227</u>	<u>(142,901)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(79,219)</u>	<u>(314,768)</u>	<u>(407,079)</u>	<u>(92,311)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	37,245	37,245
Capital lease	-	-	300,677	300,677
Transfers in	-	59,298	147,948	88,650
Transfers out	<u>(75,000)</u>	<u>(66,000)</u>	<u>-</u>	<u>66,000</u>
Total other financing sources (uses)	<u>(75,000)</u>	<u>(6,702)</u>	<u>485,870</u>	<u>492,572</u>
NET CHANGE IN FUND BALANCE	<u>(154,219)</u>	<u>(321,470)</u>	<u>78,791</u>	<u>400,261</u>
FUND BALANCE, BEGINNING	<u>688,319</u>	<u>688,319</u>	<u>688,319</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 534,100</u>	<u>\$ 366,849</u>	<u>\$ 767,110</u>	<u>\$ 400,261</u>

The accompanying notes are an integral part of this schedule.

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY JAIL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for services	\$ 6,019,526	\$ 5,874,526	\$ 5,236,973	\$(637,553)
Miscellaneous	-	1,340	1,360	20
Total revenues	<u>6,019,526</u>	<u>5,875,866</u>	<u>5,238,333</u>	<u>(637,533)</u>
EXPENDITURES				
Current:				
Public safety	8,343,686	8,346,101	7,851,539	494,562
Debt service:				
Principal	45,485	45,485	-	45,485
Interest	7,026	7,026	-	7,026
Capital outlay	<u>88,040</u>	<u>88,040</u>	<u>-</u>	<u>88,040</u>
Total expenditures	<u>8,484,237</u>	<u>8,486,652</u>	<u>7,851,539</u>	<u>635,113</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(2,464,711)	(2,610,786)	(2,613,206)	(2,420)
OTHER FINANCING SOURCES				
Sale of capital assets	-	-	4,668	4,668
Transfers in	<u>2,464,711</u>	<u>2,609,711</u>	<u>2,608,538</u>	<u>(1,173)</u>
Total other financing sources	<u>2,464,711</u>	<u>2,609,711</u>	<u>2,613,206</u>	<u>3,495</u>
NET CHANGE IN FUND BALANCES	-	(1,075)	-	1,075
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$(1,075)</u>	<u>\$ -</u>	<u>\$ 1,075</u>

The accompanying notes are an integral part of this schedule.

BURNET COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental	\$ -	\$ 385	\$ 385	\$ -
Charges for services	198,500	252,018	248,264	(3,754)
Investment earnings	-	-	1,055	1,055
Miscellaneous	<u>54,455</u>	<u>347,074</u>	<u>403,193</u>	<u>56,119</u>
Total revenues	<u>252,955</u>	<u>599,477</u>	<u>652,897</u>	<u>53,420</u>
EXPENDITURES				
Current:				
General government	310,777	1,215,032	420,212	794,820
Public safety	-	602,531	53,519	549,012
Health and welfare	30,000	90,002	51,163	38,839
Culture and recreation	-	30,141	8,656	21,485
Debt service:				
Principal	-	-	17,953	(17,953)
Interest	-	-	4,060	(4,060)
Capital outlay	<u>76,977</u>	<u>674,917</u>	<u>158,786</u>	<u>516,131</u>
Total expenditures	<u>417,754</u>	<u>2,612,623</u>	<u>714,349</u>	<u>1,898,274</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(164,799)	(2,013,146)	(61,452)	<u>1,951,694</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	90,000	90,000	-	(90,000)
Transfers out	<u>-</u>	<u>-</u>	<u>(1,361,661)</u>	<u>(1,361,661)</u>
Total other financing sources (uses)	<u>90,000</u>	<u>90,000</u>	<u>(1,361,661)</u>	<u>(1,451,661)</u>
NET CHANGE IN FUND BALANCES	(74,799)	(1,923,146)	(1,423,113)	500,033
FUND BALANCE, BEGINNING	<u>3,288,925</u>	<u>3,288,925</u>	<u>3,288,925</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 3,214,126</u>	<u>\$ 1,365,779</u>	<u>\$ 1,865,812</u>	<u>\$ 500,033</u>

The accompanying notes are an integral part of this schedule.

BURNET COUNTY, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Measurement Date December 31,	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Pension Liability			
Change in actuary estimate	\$ -	\$(1,170,171)	\$ -
Service cost	1,448,123	1,815,151	1,995,104
Interest total pension liability	3,146,766	3,379,883	3,593,749
Effect of plan changes	-	(240,009)	-
Effect of assumption changes or inputs	-	479,045	-
Effect of economic/demographic (gains) or losses	752,053	(844,649)	(87,967)
Refund of contributions	-	-	-
Benefit payments/refunds of contributions	(1,463,782)	(1,733,316)	(2,114,355)
Net change in total pension liability	3,883,160	1,685,934	3,386,531
Total pension liability - beginning	<u>38,856,645</u>	<u>42,739,805</u>	<u>44,425,739</u>
Total pension liability - ending (a)	<u>\$ 42,739,805</u>	<u>\$ 44,425,739</u>	<u>\$ 47,812,270</u>
Plan Fiduciary Net Position			
Employer contributions	\$ 1,542,078	\$ 1,585,618	\$ 1,648,941
Member contributions	868,425	906,668	1,023,276
Investment income net of investment expenses	2,351,079	(194,525)	2,834,298
Benefit payments/refunds of contributions	(1,463,782)	(1,733,316)	(2,114,355)
Administrative expenses	(27,813)	(27,387)	(30,866)
Other	<u>(37,500)</u>	<u>53,460</u>	<u>(84,739)</u>
Net change in plan fiduciary net position	3,232,487	590,518	3,276,555
Plan fiduciary net position - beginning	<u>34,445,782</u>	<u>37,678,269</u>	<u>38,268,787</u>
Plan fiduciary net position - ending (b)	<u>\$ 37,678,269</u>	<u>\$ 38,268,787</u>	<u>\$ 41,545,342</u>
Net pension liability - ending (a) - (b)	<u>\$ 5,061,536</u>	<u>\$ 6,156,952</u>	<u>\$ 6,266,928</u>
Fiduciary net position as a percentage of total pension liability	88.16%	86.14%	86.89%
Pensionable covered payroll	\$ 12,406,073	\$ 12,943,805	\$ 14,618,232
Net pension liability as a percentage of covered payroll	40.80%	47.57%	42.87%

<u>2017</u>	<u>2018</u>
\$ -	\$ -
2,210,581	2,331,677
3,952,341	4,290,762
-	-
342,569	-
217,272	(32,123)
(191,532)	-
(2,314,288)	(2,832,175)
4,216,943	3,758,141
<u>47,812,270</u>	<u>52,029,213</u>
\$ <u>52,029,213</u>	\$ <u>55,787,354</u>
\$ 1,902,209	\$ 1,955,187
1,170,076	1,220,904
6,073,281	(893,377)
(2,505,820)	(2,832,175)
(32,028)	(38,223)
<u>7,290</u>	<u>15,084</u>
6,615,008	(572,600)
<u>41,545,342</u>	<u>48,160,350</u>
\$ <u>48,160,350</u>	\$ <u>47,587,750</u>
\$ <u>3,868,863</u>	\$ <u>8,199,604</u>
92.56%	85.30%
\$ 16,715,367	\$ 17,441,492
23.15%	47.01%

BURNET COUNTY, TEXAS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

<u>Fiscal Year Ended September 30</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll (1)</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2015	\$ 1,559,469	\$ 1,559,469	\$ -	\$ 12,680,031	12.3%
2016	1,610,680	1,610,680	-	13,961,626	11.5%
2017	1,864,269	1,864,269	-	16,420,179	11.4%
2018	1,937,607	1,937,607	-	17,214,201	11.3%
2019	2,005,257	2,005,257	-	18,088,564	11.1%

(1) Payroll is calculated based on contributions as reported to TCDRS.

Note: This schedule is required to have 10 years of information, but the information prior to 2015 is not available.

BURNET COUNTY, TEXAS

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Valuation Timing	Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which the contributions are reported.
<u>Methods and assumptions used to determine contributions rates:</u>	
Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	12.5 years (based on contribution rate calculated in 12/31/2018 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	8.0%, net of administration 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 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. 2016: No changes in plan provisions were reflected. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule.

BURNET COUNTY, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
GROUP TERM LIFE

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Measurement Date December 31,	<u>2017</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 29,675	\$ 33,851
Interest on total OPEB liability	26,935	27,072
Effect of assumption changes or inputs	34,067	(81,604)
Effect of economic/demographic (gains) or losses	1,757	(4,709)
Benefit payments	(23,402)	(20,930)
Net change in Total OPEB liability	69,032	(46,320)
Total OPEB liability - beginning	<u>694,473</u>	<u>763,505</u>
Total OPEB liability - ending	\$ <u>763,505</u>	\$ <u>717,185</u>
Covered-employee payroll	\$ 16,715,367	\$ 17,441,492
Total OPEB Liability as a percentage of covered-employee payroll	4.57%	4.11%

No assets are accumulated in a trust for the group term life plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

Included in the changes of assumptions was an increase in the discount rate from 3.44% to 4.1%.

BURNET COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2019

A. BUDGETARY INFORMATION

The budget is prepared in accordance with accounting principles generally accepted in the United States of America by the County Judge with the assistance of the County Auditor's Office and approved by the Commissioners' Court following a public hearing. The County maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's governing body and as such is a good management control device.

Annual budgets are legally adopted for the following funds:

- General
- Road and Bridge
- County Jail
- Restricted
- Economic Development
- Law Library
- Western County Tower System
- Special Operations Unit
- Library System
- Grants
- Courthouse Security
- Jail Commissary
- Debt Service

The budget law of the State of Texas provides that "the amounts budgeted for current expenditures from the various funds of the County shall not exceed the balances in said funds plus the anticipated revenues for the current year for which the budget is made as estimated by the County Auditor". In addition, the law provides that the Commissioners' Court "may, upon proper application, transfer an existing budget surplus during the year to a budget of like kind and fund but no such transfer shall increase the total budget".

Each year, all departments submit to the County Judge requests for appropriation. These requests are reviewed, compiled and presented to the Commissioners' Court for approval. The Commissioners' Court conducts departmental budget reviews, adjusts budget requests to final form and conducts a public hearing in the Commissioners' Courtroom. One copy of the proposed budget must be filed with the County Clerk and one with the County Auditor. A copy must be available to the public. The Commissioners' Court must provide for the public hearing on the budget on some date within seven calendar days after the filing of the budget and prior to October 1st of the current fiscal year.

The County's legal level of control for appropriations is at the department level (i.e., County Judge, Commissioners, County Clerk, etc.) for the General Fund and the fund level for all other funds. Administrative control is maintained through the establishment of more detailed accounts within each category. Appropriation transfers and budget increases may be made between categories or departments only with the approval of the Commissioners' Court. The original budgets presented in the report are the approved budgets before amendments and transfers. The final budgets presented in this report reflect the budgets as amended for all appropriation transfers and increases processed during the fiscal year.

**COMBINING STATEMENTS AND
BUDGETARY COMPARISON
SCHEDULES AS SUPPLEMENTARY
INFORMATION**

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BURNET COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue			
	Economic Development	Law Library	Western County Tower System	Special Operations Unit
ASSETS				
Cash and cash equivalents	\$ 514,418	\$ 85,255	\$ 249,357	\$ 51,748
Investments	650	-	-	-
Other receivables (net)	166,200	-	-	-
Due from other governments	-	-	26,271	-
Prepaid items	500	-	-	-
Total assets	681,768	85,255	275,628	51,748
LIABILITIES				
Accounts payable and other accrued liabilities	20,778	1,221	34,712	559
Due to other funds	-	-	-	-
Due to others	-	-	-	-
Total liabilities	20,778	1,221	34,712	559
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - grants	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCE				
Nonspendable	500	-	-	-
Restricted	-	84,034	-	-
Committed	660,490	-	240,916	51,189
Total fund balance	660,990	84,034	240,916	51,189
Total liabilities, deferred inflows of resources and fund balance	\$ 681,768	\$ 85,255	\$ 275,628	\$ 51,748

Special Revenue

Library System	Grants	Courthouse Security	Jail Commissary	Historical Commission	County Records Management
\$ 64,777	\$ 516	\$ 4,880	\$ 34,148	\$ 127,278	\$ 52,424
-	-	-	-	-	-
-	-	-	9,140	-	-
-	560,793	-	-	-	-
<u>20,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>85,050</u>	<u>561,309</u>	<u>4,880</u>	<u>43,288</u>	<u>127,278</u>	<u>52,424</u>
4,680	11,848	4,880	8,876	-	127
-	112,053	-	-	-	-
-	66,463	-	-	-	-
<u>4,680</u>	<u>190,364</u>	<u>4,880</u>	<u>8,876</u>	<u>-</u>	<u>127</u>
-	313,843	-	-	-	-
<u>-</u>	<u>313,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
20,273	-	-	-	-	-
-	57,102	-	34,412	127,278	52,297
<u>60,097</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>80,370</u>	<u>57,102</u>	<u>-</u>	<u>34,412</u>	<u>127,278</u>	<u>52,297</u>
<u>\$ 85,050</u>	<u>\$ 561,309</u>	<u>\$ 4,880</u>	<u>\$ 43,288</u>	<u>\$ 127,278</u>	<u>\$ 52,424</u>

BURNET COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue			
	County Clerk Records	District Clerk Records	Technology	Blood Draw Program
ASSETS				
Cash and cash equivalents	\$ 387,672	\$ 81,478	\$ 108,404	\$ 15,245
Investments	120,871	-	-	-
Other receivables (net)	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
Total assets	508,543	81,478	108,404	15,245
LIABILITIES				
Accounts payable and other accrued liabilities	1,308	187	2,837	1,075
Due to other funds	-	-	-	-
Due to others	-	-	-	-
Total liabilities	1,308	187	2,837	1,075
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - grants	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	507,235	81,291	105,567	14,170
Committed	-	-	-	-
Total fund balance	507,235	81,291	105,567	14,170
Total liabilities, deferred inflows of resources and fund balance	\$ 508,543	\$ 81,478	\$ 108,404	\$ 15,245

<u>Special Revenue</u>		
<u>LEOSE Training</u>		<u>Total Nonmajor Governmental Funds</u>
\$ 20,939	\$	1,798,539
-		121,521
-		175,340
-		587,064
-		20,773
<u>20,939</u>		<u>2,703,237</u>
43		93,131
-		112,053
-		66,463
<u>43</u>		<u>271,647</u>
-		313,843
-		313,843
-		20,773
20,896		1,084,282
-		1,012,692
<u>20,896</u>		<u>2,117,747</u>
\$ <u>20,939</u>	\$	<u>2,703,237</u>

BURNET COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue			
	Economic Development	Law Library	Western County Tower System	Special Operations Unit
REVENUES				
Taxes:				
Other	\$ 440,165	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	2,968	168,608	-
Forfeitures	-	-	-	8,354
Investment earnings	8,842	-	3,286	511
Miscellaneous	-	-	-	-
Total revenues	<u>449,007</u>	<u>2,968</u>	<u>171,894</u>	<u>8,865</u>
EXPENDITURES				
Current:				
General government	9,070	-	148,372	-
Public safety	-	-	-	11,531
Public transportation	-	-	-	-
Culture and recreation	475,037	10,283	-	-
Capital outlay	<u>114,089</u>	<u>-</u>	<u>-</u>	<u>2,216</u>
Total expenditures	<u>598,196</u>	<u>10,283</u>	<u>148,372</u>	<u>13,747</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(149,189)</u>	<u>(7,315)</u>	<u>23,522</u>	<u>(4,882)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	2,216
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,216</u>
NET CHANGE IN FUND BALANCE	<u>(149,189)</u>	<u>(7,315)</u>	<u>23,522</u>	<u>(2,666)</u>
FUND BALANCE, BEGINNING	<u>810,179</u>	<u>91,349</u>	<u>217,394</u>	<u>53,855</u>
FUND BALANCE, ENDING	<u>\$ 660,990</u>	<u>\$ 84,034</u>	<u>\$ 240,916</u>	<u>\$ 51,189</u>

Special Revenue

Library System	Grants	Courthouse Security	Jail Commissary	Historical Commission	County Records Management
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,100	1,180,336	-	-	-	-
10,623	-	30,562	64,476	-	7,063
-	-	-	-	-	-
-	-	-	454	379	178
-	101,929	-	-	910	-
<u>12,723</u>	<u>1,282,265</u>	<u>30,562</u>	<u>64,930</u>	<u>1,289</u>	<u>7,241</u>
-	447,463	-	-	-	14,189
-	523,473	582,106	62,337	-	-
-	244,462	-	-	-	-
893,386	-	-	-	126	-
-	5,000	9,731	-	-	7,858
<u>893,386</u>	<u>1,220,398</u>	<u>591,837</u>	<u>62,337</u>	<u>126</u>	<u>22,047</u>
(880,663)	61,867	(561,275)	2,593	1,163	(14,806)
961,033	-	561,275	-	126,115	67,103
-	(38,826)	-	-	-	-
<u>961,033</u>	<u>(38,826)</u>	<u>561,275</u>	<u>-</u>	<u>126,115</u>	<u>67,103</u>
80,370	23,041	-	2,593	127,278	52,297
-	34,061	-	31,819	-	-
<u>\$ 80,370</u>	<u>\$ 57,102</u>	<u>\$ -</u>	<u>\$ 34,412</u>	<u>\$ 127,278</u>	<u>\$ 52,297</u>

BURNET COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue			
	County Clerk Records	District Clerk Records	Technology	Blood Draw Program
REVENUES				
Taxes:				
Other	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	154,623	3,963	7,111	4,096
Forfeitures	-	-	-	-
Investment earnings	2,854	-	353	47
Other	-	-	-	-
Total revenues	<u>157,477</u>	<u>3,963</u>	<u>7,464</u>	<u>4,143</u>
EXPENDITURES				
Current:				
General government	5,791	2,759	23,988	6,725
Public safety	-	-	-	-
Public transportation	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>5,791</u>	<u>2,759</u>	<u>23,988</u>	<u>6,725</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>151,686</u>	<u>1,204</u>	<u>(16,524)</u>	<u>(2,582)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	355,549	80,087	122,091	16,752
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>355,549</u>	<u>80,087</u>	<u>122,091</u>	<u>16,752</u>
NET CHANGE IN FUND BALANCE	507,235	81,291	105,567	14,170
FUND BALANCE, BEGINNING	-	-	-	-
FUND BALANCE, ENDING	<u>\$ 507,235</u>	<u>\$ 81,291</u>	<u>\$ 105,567</u>	<u>\$ 14,170</u>

<u>Special Revenue</u>		
<u>LEOSE Training</u>		<u>Total Nonmajor Governmental Funds</u>
\$ -	\$	440,165
-		1,182,436
-		454,093
-		8,354
65		16,969
-		102,839
<u>65</u>		<u>2,204,856</u>
-		658,357
2,550		1,181,997
-		244,462
-		1,378,832
-		138,894
<u>2,550</u>		<u>3,602,542</u>
(2,485)	(	1,397,686)
23,381		2,315,602
-	(	38,826)
<u>23,381</u>		<u>2,276,776</u>
20,896		879,090
-		1,238,657
<u>20,896</u>	\$	<u>2,117,747</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes:				
Other	\$ 500,000	\$ 500,000	\$ 440,165	\$(59,835)
Investment earnings	<u>4,500</u>	<u>4,500</u>	<u>8,842</u>	<u>4,342</u>
Total revenues	<u>504,500</u>	<u>504,500</u>	<u>449,007</u>	<u>(55,493)</u>
EXPENDITURES				
Current:				
General government	-	9,070	9,070	-
Culture and recreation	710,056	578,973	475,037	103,936
Capital outlay	<u>-</u>	<u>110,169</u>	<u>114,089</u>	<u>(3,920)</u>
Total expenditures	<u>710,056</u>	<u>698,212</u>	<u>598,196</u>	<u>100,016</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(205,556)	(193,712)	(149,189)	44,523
FUND BALANCE, BEGINNING	<u>810,179</u>	<u>810,179</u>	<u>810,179</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 604,623</u>	<u>\$ 616,467</u>	<u>\$ 660,990</u>	<u>\$ 44,523</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAW LIBRARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for services	\$ -	\$ -	\$ 2,968	\$ 2,968
Total revenues	<u>-</u>	<u>-</u>	<u>2,968</u>	<u>2,968</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>43,000</u>	<u>43,000</u>	<u>10,283</u>	<u>32,717</u>
Total expenditures	<u>43,000</u>	<u>43,000</u>	<u>10,283</u>	<u>32,717</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(43,000)	(43,000)	(7,315)	35,685
FUND BALANCE, BEGINNING	<u>91,349</u>	<u>91,349</u>	<u>91,349</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 48,349</u>	<u>\$ 48,349</u>	<u>\$ 84,034</u>	<u>\$ 35,685</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WESTERN COUNTY TOWER SYSTEM FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for services	\$ 239,808	\$ 239,808	\$ 168,608	\$(71,200)
Investment earnings	-	-	3,286	3,286
Total revenues	<u>239,808</u>	<u>239,808</u>	<u>171,894</u>	<u>(67,914)</u>
EXPENDITURES				
Current:				
General government	<u>273,792</u>	<u>273,792</u>	<u>148,372</u>	<u>125,420</u>
Total expenditures	<u>273,792</u>	<u>273,792</u>	<u>148,372</u>	<u>125,420</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(33,984)	(33,984)	23,522	57,506
OTHER FINANCING SOURCES				
Transfers in	<u>33,984</u>	<u>33,984</u>	-	(33,984)
Total other financing sources	<u>33,984</u>	<u>33,984</u>	-	(33,984)
NET CHANGE IN FUND BALANCE	-	-	23,522	23,522
FUND BALANCE, BEGINNING	<u>217,394</u>	<u>217,394</u>	<u>217,394</u>	-
FUND BALANCE, ENDING	<u>\$ 217,394</u>	<u>\$ 217,394</u>	<u>\$ 240,916</u>	<u>\$ 23,522</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL OPERATIONS UNIT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Forfeitures	\$ -	\$ -	\$ 8,354	\$ 8,354
Investment earnings	-	-	511	511
Total revenues	<u>-</u>	<u>-</u>	<u>8,865</u>	<u>8,865</u>
EXPENDITURES				
Current:				
Public safety	28,037	25,817	11,531	14,286
Capital outlay	-	2,220	2,216	4
Total expenditures	<u>28,037</u>	<u>28,037</u>	<u>13,747</u>	<u>14,290</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(28,037)</u>	<u>(28,037)</u>	<u>(4,882)</u>	<u>23,155</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	2,216	2,216
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,216</u>	<u>2,216</u>
NET CHANGE IN FUND BALANCE	<u>(28,037)</u>	<u>(28,037)</u>	<u>(2,666)</u>	<u>25,371</u>
FUND BALANCE, BEGINNING	<u>53,855</u>	<u>53,855</u>	<u>53,855</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 25,818</u>	<u>\$ 25,818</u>	<u>\$ 51,189</u>	<u>\$ 25,371</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LIBRARY SYSTEM FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with <u>Final Budget</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 2,100	\$ 2,100
Charges for services	-	-	10,623	10,623
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,723</u>	<u>\$ 12,723</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>945,445</u>	<u>1,016,013</u>	<u>893,386</u>	<u>122,627</u>
Total expenditures	<u>945,445</u>	<u>1,016,013</u>	<u>893,386</u>	<u>122,627</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(945,445)</u>	<u>(1,016,013)</u>	<u>(880,663)</u>	<u>135,350</u>
OTHER FINANCING SOURCES				
Transfers in	<u>945,445</u>	<u>1,035,445</u>	<u>961,033</u>	<u>(74,412)</u>
Total other financing sources	<u>945,445</u>	<u>1,035,445</u>	<u>961,033</u>	<u>(74,412)</u>
NET CHANGE IN FUND BALANCE	-	19,432	80,370	60,938
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 19,432</u>	<u>\$ 80,370</u>	<u>\$ 60,938</u>

BURNET COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with <u>Final Budget</u>
REVENUES				
Intergovernmental	\$ 578,654	\$ 994,203	\$ 1,180,336	\$ 186,133
Miscellaneous	-	100,000	101,929	1,929
Total revenues	<u>578,654</u>	<u>1,094,203</u>	<u>1,282,265</u>	<u>188,062</u>
EXPENDITURES				
Current:				
General government	178,351	588,599	447,463	141,136
Public safety	253,531	515,243	523,473	(8,230)
Public transportation	-	200,005	244,462	(44,457)
Capital outlay	-	5,000	5,000	-
Total expenditures	<u>431,882</u>	<u>1,308,847</u>	<u>1,220,398</u>	<u>88,449</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>146,772</u>	<u>(214,644)</u>	<u>61,867</u>	<u>276,511</u>
OTHER FINANCING USES				
Transfers out	-	-	(38,826)	(38,826)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(38,826)</u>	<u>(38,826)</u>
NET CHANGE IN FUND BALANCE	146,772	(214,644)	23,041	237,685
FUND BALANCE, BEGINNING	<u>34,061</u>	<u>34,061</u>	<u>34,061</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 180,833</u>	<u>\$ (180,583)</u>	<u>\$ 57,102</u>	<u>\$ 237,685</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURTHOUSE SECURITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for services	\$ 25,000	\$ 25,000	\$ 30,562	\$ 5,562
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>30,562</u>	<u>5,562</u>
EXPENDITURES				
Current:				
Public safety	614,121	604,390	582,106	22,284
Capital outlay	<u>-</u>	<u>9,731</u>	<u>9,731</u>	<u>-</u>
Total expenditures	<u>614,121</u>	<u>614,121</u>	<u>591,837</u>	<u>22,284</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(589,121)</u>	<u>(589,121)</u>	<u>(561,275)</u>	<u>27,846</u>
OTHER FINANCING SOURCES				
Transfers in	<u>589,121</u>	<u>589,121</u>	<u>561,275</u>	<u>(27,846)</u>
Total other financing sources	<u>589,121</u>	<u>589,121</u>	<u>561,275</u>	<u>(27,846)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JAIL COMMISSARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Charges for services	\$ -	\$ 91,724	\$ 64,476	\$ (27,248)
Investment earnings	-	353	454	101
Total revenues	<u>-</u>	<u>92,077</u>	<u>64,930</u>	<u>(27,147)</u>
EXPENDITURES				
Current:				
Public safety	<u>-</u>	<u>75,675</u>	<u>62,337</u>	<u>13,338</u>
Total expenditures	<u>-</u>	<u>75,675</u>	<u>62,337</u>	<u>13,338</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	-	16,402	2,593	(13,809)
FUND BALANCE, BEGINNING	<u>31,819</u>	<u>31,819</u>	<u>31,819</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 31,819</u>	<u>\$ 48,221</u>	<u>\$ 34,412</u>	<u>\$ (13,809)</u>

BURNET COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes:				
Property	\$ 2,637,543	\$ 2,637,543	\$ 2,790,840	\$ 153,297
Penalty and interest	15,000	15,000	26,063	11,063
Intergovernmental	-	-	1,198	1,198
Investment earnings	<u>2,000</u>	<u>2,000</u>	<u>21,552</u>	<u>19,552</u>
Total revenues	<u>2,654,543</u>	<u>2,654,543</u>	<u>2,839,653</u>	<u>185,110</u>
EXPENDITURES				
Debt service:				
Principal	1,875,000	1,890,000	1,890,000	-
Interest	777,014	810,514	787,823	22,691
Fiscal agent's fees	<u>49,500</u>	<u>1,000</u>	<u>300</u>	<u>700</u>
Total expenditures	<u>2,701,514</u>	<u>2,701,514</u>	<u>2,678,123</u>	<u>23,391</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(46,971)	(46,971)	161,530	208,501
FUND BALANCE, BEGINNING	<u>1,087,614</u>	<u>1,087,614</u>	<u>1,087,614</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u>1,040,643</u>	\$ <u>1,040,643</u>	\$ <u>1,249,144</u>	\$ <u>208,501</u>

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BURNET COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS

SEPTEMBER 30, 2019

	<u>Court Costs and Fees</u>	<u>Wastewater Permit Fees</u>	<u>Employee Great Fund Costs</u>	<u>Treasurer's Cash Bond</u>	<u>County Clerk's Trusts</u>
ASSETS					
Pooled cash and cash equivalents	\$ <u>136,470</u>	\$ <u>2,660</u>	\$ <u>30,984</u>	\$ <u>272,083</u>	\$ <u>508,017</u>
Total assets	\$ <u>136,470</u>	\$ <u>2,660</u>	\$ <u>30,984</u>	\$ <u>272,083</u>	\$ <u>508,017</u>
LIABILITIES					
Due to others	\$ <u>136,470</u>	\$ <u>2,660</u>	\$ <u>30,984</u>	\$ <u>272,083</u>	\$ <u>508,017</u>
Total liabilities and fund balances	\$ <u>136,470</u>	\$ <u>2,660</u>	\$ <u>30,984</u>	\$ <u>272,083</u>	\$ <u>508,017</u>

<u>County Clerk's Registry</u>	<u>District Clerk's Registry</u>	<u>District Clerk's Trusts</u>	<u>Tax A/C Sales Tax and State Fees</u>	<u>Inmate Trust</u>	<u>Juvenile Probation</u>	<u>Adult Probation</u>	<u>Total</u>
\$ <u>78,448</u>	\$ <u>450,216</u>	\$ <u>106,726</u>	\$ <u>261,570</u>	\$ <u>61,586</u>	\$ <u>578,149</u>	\$ <u>1,629,929</u>	\$ <u>4,116,838</u>
\$ <u>78,448</u>	\$ <u>450,216</u>	\$ <u>106,726</u>	\$ <u>261,570</u>	\$ <u>61,586</u>	\$ <u>578,149</u>	\$ <u>1,629,929</u>	\$ <u>4,116,838</u>
\$ <u>78,448</u>	\$ <u>450,216</u>	\$ <u>106,726</u>	\$ <u>261,570</u>	\$ <u>61,586</u>	\$ <u>578,149</u>	\$ <u>1,629,929</u>	\$ <u>4,116,838</u>
\$ <u>78,448</u>	\$ <u>450,216</u>	\$ <u>106,726</u>	\$ <u>261,570</u>	\$ <u>61,586</u>	\$ <u>578,149</u>	\$ <u>1,629,929</u>	\$ <u>4,116,838</u>

BURNET COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
<u>COURT COSTS AND FEES</u>				
Assets:				
Cash and cash equivalents	\$ 157,977	\$ 576,283	\$ 597,790	\$ 136,470
Total assets	\$ 157,977	\$ 576,283	\$ 597,790	\$ 136,470
Liabilities:				
Due to others	\$ 157,977	\$ 576,283	\$ 597,790	\$ 136,470
Total liabilities	\$ 157,977	\$ 576,283	\$ 597,790	\$ 136,470
<u>WASTEWATER PERMIT FEES</u>				
Assets:				
Cash and cash equivalents	\$ 1,640	\$ 3,150	\$ 2,130	\$ 2,660
Total assets	\$ 1,640	\$ 3,150	\$ 2,130	\$ 2,660
Liabilities:				
Due to others	\$ 1,640	\$ 3,150	\$ 2,130	\$ 2,660
Total liabilities	\$ 1,640	\$ 3,150	\$ 2,130	\$ 2,660
<u>EMPLOYEE GREAT FUND COSTS</u>				
Assets:				
Cash and cash equivalents	\$ 24,890	\$ 7,494	\$ 1,400	\$ 30,984
Total assets	\$ 24,890	\$ 7,494	\$ 1,400	\$ 30,984
Liabilities:				
Due to others	\$ 24,890	\$ 7,494	\$ 1,400	\$ 30,984
Total liabilities	\$ 24,890	\$ 7,494	\$ 1,400	\$ 30,984
<u>TREASURER'S CASH BOND</u>				
Assets:				
Cash and cash equivalents	\$ 529,425	\$ 560,754	\$ 818,096	\$ 272,083
Total assets	\$ 529,425	\$ 560,754	\$ 818,096	\$ 272,083
Liabilities:				
Due to others	\$ 529,425	\$ 560,754	\$ 818,096	\$ 272,083
Total liabilities	\$ 529,425	\$ 560,754	\$ 818,096	\$ 272,083

BURNET COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
<u>COUNTY CLERK'S TRUSTS</u>				
Assets:				
Cash and cash equivalents	\$ 542,724	\$ 286,132	\$ 320,839	\$ 508,017
Total assets	\$ 542,724	\$ 286,132	\$ 320,839	\$ 508,017
Liabilities:				
Due to others	\$ 542,724	\$ 286,132	\$ 320,839	\$ 508,017
Total liabilities	\$ 542,724	\$ 286,132	\$ 320,839	\$ 508,017
<u>COUNTY CLERK'S REGISTRY</u>				
Assets:				
Cash and cash equivalents	\$ 71,303	\$ 94,806	\$ 87,661	\$ 78,448
Total assets	\$ 71,303	\$ 94,806	\$ 87,661	\$ 78,448
Liabilities:				
Due to others	\$ 71,303	\$ 94,806	\$ 87,661	\$ 78,448
Total liabilities	\$ 71,303	\$ 94,806	\$ 87,661	\$ 78,448
<u>DISTRICT CLERK'S REGISTRY</u>				
Assets:				
Cash and cash equivalents	\$ 415,816	\$ 462,857	\$ 428,457	\$ 450,216
Total assets	\$ 415,816	\$ 462,857	\$ 428,457	\$ 450,216
Liabilities:				
Due to others	\$ 415,816	\$ 462,857	\$ 428,457	\$ 450,216
Total liabilities	\$ 415,816	\$ 462,857	\$ 428,457	\$ 450,216
<u>DISTRICT CLERK'S TRUSTS</u>				
Assets:				
Cash and cash equivalents	\$ 100,760	\$ 7,065	\$ 1,099	\$ 106,726
Total assets	\$ 100,760	\$ 7,065	\$ 1,099	\$ 106,726
Liabilities:				
Due to others	\$ 100,760	\$ 7,065	\$ 1,099	\$ 106,726
Total liabilities	\$ 100,760	\$ 7,065	\$ 1,099	\$ 106,726

BURNET COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Balance October 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2019</u>
<u>TAX A/C SALES TAX AND STATE FEES</u>				
Assets:				
Cash and cash equivalents	\$ 185,489	\$ 37,201,924	\$ 37,125,843	\$ 261,570
Total assets	\$ 185,489	\$ 37,201,924	\$ 37,125,843	\$ 261,570
Liabilities:				
Due to others	\$ 185,489	\$ 37,201,924	\$ 37,125,843	\$ 261,570
Total liabilities	\$ 185,489	\$ 37,201,924	\$ 37,125,843	\$ 261,570
<u>INMATE TRUST</u>				
Assets:				
Cash and cash equivalents	\$ 47,315	\$ 700,229	\$ 685,958	\$ 61,586
Total assets	\$ 47,315	\$ 700,229	\$ 685,958	\$ 61,586
Liabilities:				
Due to others	\$ 47,315	\$ 700,229	\$ 685,958	\$ 61,586
Total liabilities	\$ 47,315	\$ 700,229	\$ 685,958	\$ 61,586
<u>JUVENILE PROBATION</u>				
Assets:				
Cash and cash equivalents	\$ 167,769	\$ 1,480,534	\$ 1,070,154	\$ 578,149
Total assets	\$ 167,769	\$ 1,480,534	\$ 1,070,154	\$ 578,149
Liabilities:				
Due to others	\$ 167,769	\$ 1,480,534	\$ 1,070,154	\$ 578,149
Total liabilities	\$ 167,769	\$ 1,480,534	\$ 1,070,154	\$ 578,149
<u>ADULT PROBATION</u>				
Assets:				
Cash and cash equivalents	\$ 995,082	\$ 7,133,747	\$ 6,498,900	\$ 1,629,929
Total assets	\$ 995,082	\$ 7,133,747	\$ 6,498,900	\$ 1,629,929
Liabilities:				
Due to others	\$ 995,082	\$ 7,133,747	\$ 6,498,900	\$ 1,629,929
Total liabilities	\$ 995,082	\$ 7,133,747	\$ 6,498,900	\$ 1,629,929
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and cash equivalents	\$ 3,240,190	\$ 48,514,975	\$ 47,638,327	\$ 4,116,838
Total assets	\$ 3,240,190	\$ 48,514,975	\$ 47,638,327	\$ 4,116,838
Liabilities:				
Due to others	\$ 3,240,190	\$ 48,514,975	\$ 47,638,327	\$ 4,116,838
Total liabilities	\$ 3,240,190	\$ 48,514,975	\$ 47,638,327	\$ 4,116,838

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STATISTICAL SECTION

**STATISTICAL SECTION
(Unaudited)**

This part of Burnet County, Texas' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	82
Revenue Capacity These schedules contain trend information to help the reader assess the factors affecting the County's ability to generate its property taxes.	90
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	96
Demographic and Economic Information These schedules offer economic and demographic information indicators to help the reader understand the environment within the County's financial activities take place and to help make comparisons over time and with other governments.	102
Operating Information These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	104
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

BURNET COUNTY, TEXAS

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities:				
Net investment in capital assets	\$ 8,131,053	\$ 8,991,719	\$ 10,130,715	\$ 10,397,590
Restricted	2,363,974	1,973,018	1,854,763	2,066,761
Unrestricted	<u>7,920,246</u>	<u>6,983,482</u>	<u>7,781,982</u>	<u>8,754,048</u>
Total governmental activities net position	<u>\$ 18,415,273</u>	<u>\$ 17,948,219</u>	<u>\$ 19,767,460</u>	<u>\$ 21,218,399</u>

TABLE 1

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 11,133,474	\$ 11,223,818	\$ 10,647,846	\$ 11,720,177	\$ 13,283,083	\$ 14,627,420
3,877,891	2,703,255	2,918,390	3,063,044	3,303,637	5,454,615
<u>7,272,048</u>	<u>6,189,897</u>	<u>6,244,489</u>	<u>2,752,974</u>	<u>2,070,125</u>	<u>(639,544)</u>
<u>\$ 22,283,413</u>	<u>\$ 20,116,970</u>	<u>\$ 19,810,725</u>	<u>\$ 17,536,195</u>	<u>\$ 18,656,845</u>	<u>\$ 19,442,491</u>

BURNET COUNTY, TEXAS

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
EXPENSES				
Governmental activities:				
General government	\$ 8,971,896	\$ 9,365,277	\$ 9,689,816	\$ 8,911,433
Public safety	5,621,349	5,888,344	5,807,933	7,579,400
Public transportation	2,662,518	2,834,692	2,601,488	2,828,087
Health and welfare	590,292	722,603	609,570	531,660
Culture and recreation	726,592	749,805	697,018	779,946
Conservation	234,281	320,590	516,942	449,112
Debt service	229,834	209,573	163,462	118,286
Total governmental activities expenses	<u>19,036,762</u>	<u>20,090,884</u>	<u>20,086,229</u>	<u>21,197,924</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	1,387,549	292,287	1,002,955	1,085,961
Public safety	545,543	811,238	477,066	452,797
Public transportation	1,214,181	1,231,456	1,682,462	1,811,333
Health and welfare	5,707	5,829	18,660	19,578
Culture and recreation	37,161	36,853	33,030	32,236
Grants and contributions	1,295,608	936,982	2,010,403	1,506,620
Total governmental activities program revenues	<u>4,485,749</u>	<u>3,314,645</u>	<u>5,224,576</u>	<u>4,908,525</u>
Net (Expenses) / Revenues	<u>\$(14,551,013)</u>	<u>\$(16,776,239)</u>	<u>\$(14,861,653)</u>	<u>\$(16,289,399)</u>
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities:				
Taxes:				
Property	\$ 15,151,588	\$ 15,657,951	\$ 16,079,528	\$ 17,141,317
Other	307,643	274,257	321,095	318,621
Other revenue not restricted to specific programs	674,037	288,352	267,911	331,739
Investment earnings	54,434	88,625	138,548	98,537
Gain on sale of capital assets	-	-	-	-
Total general revenues	<u>16,187,702</u>	<u>16,309,185</u>	<u>16,807,082</u>	<u>17,890,214</u>
Change in Net Position	<u>\$ 1,636,689</u>	<u>\$(467,054)</u>	<u>\$ 1,945,429</u>	<u>\$ 1,600,815</u>

TABLE 2

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 9,836,316	\$ 10,009,382	\$ 11,611,958	\$ 12,630,031	\$ 12,667,853	\$ 11,729,343	
9,213,061	10,671,618	10,554,301	14,204,584	16,099,155	17,889,676	
2,925,573	2,950,608	2,986,116	3,029,716	3,218,518	3,015,832	
618,282	540,270	588,627	615,565	411,338	456,627	
786,521	811,745	819,902	892,541	890,872	1,433,593	
256,130	250,383	290,683	327,610	324,936	339,013	
87,962	821,885	679,737	656,821	642,497	876,689	
<u>23,723,845</u>	<u>26,055,891</u>	<u>27,531,324</u>	<u>32,356,868</u>	<u>34,255,169</u>	<u>35,740,773</u>	
1,218,240	1,525,027	1,962,179	1,856,913	1,907,754	2,018,298	
1,010,945	1,265,529	1,313,761	4,381,801	5,874,733	5,392,552	
1,917,877	2,400,852	1,593,672	1,603,453	1,702,351	1,655,221	
20,015	25,055	10,383	7,821	8,480	7,489	
33,724	42,217	47,595	43,313	41,095	27,215	
<u>1,764,627</u>	<u>1,855,659</u>	<u>1,748,028</u>	<u>1,061,226</u>	<u>3,455,929</u>	<u>1,838,075</u>	
<u>5,965,428</u>	<u>7,114,339</u>	<u>6,675,618</u>	<u>8,954,527</u>	<u>12,990,342</u>	<u>10,938,850</u>	
<u>\$(17,758,417)</u>	<u>\$(18,941,552)</u>	<u>\$(20,855,706)</u>	<u>\$(23,402,341)</u>	<u>\$(21,264,827)</u>	<u>\$(24,801,923)</u>	
\$ 17,535,790	\$ 18,516,562	\$ 19,340,372	\$ 19,998,027	\$ 21,837,294	\$ 24,121,921	
402,748	434,747	497,396	538,803	578,334	538,393	
639,551	1,256,892	662,714	412,697	417,138	516,173	
53,603	154,339	48,979	151,900	228,669	411,082	
-	-	-	26,384	-	-	
<u>18,631,692</u>	<u>20,362,540</u>	<u>20,549,461</u>	<u>21,127,811</u>	<u>23,061,435</u>	<u>25,587,569</u>	
<u>\$ 873,275</u>	<u>\$ 1,420,989</u>	<u>\$(306,245)</u>	<u>\$(2,274,530)</u>	<u>\$ 1,796,608</u>	<u>\$ 785,646</u>	

BURNET COUNTY, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (1)
(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
General fund:				
Nonspendable	\$ -	\$ 41,059	\$ 30,051	\$ 34,273
Restricted	-	670,331	663,078	758,096
Committed	-	55,096	60,775	92,748
Assigned	-	222,430	222,430	281,616
Unassigned	-	4,985,243	5,947,429	6,852,443
Reserved	1,014,527	-	-	-
Unreserved	<u>4,479,886</u>	-	-	-
Total general fund	<u>\$ 5,494,413</u>	<u>\$ 5,974,159</u>	<u>\$ 6,923,763</u>	<u>\$ 8,019,176</u>
All other governmental funds:				
Nonspendable	\$ -	\$ 1,740	\$ 4,227	\$ 3,910
Restricted	-	1,302,687	1,191,685	1,308,665
Committed	-	805,775	716,558	748,015
Assigned	-	35,936	12,116	59,724
Unassigned	-	-	-	-
Reserved	1,387,932	-	-	-
Unreserved, reported in:				
Special revenue funds	<u>1,657,549</u>	-	-	-
Total all other governmental funds	<u>3,045,481</u>	<u>2,146,138</u>	<u>1,924,586</u>	<u>2,120,314</u>
Total funds	<u>\$ 8,539,894</u>	<u>\$ 8,120,297</u>	<u>\$ 8,848,349</u>	<u>\$ 10,139,490</u>

(1) In 2011, the County began reporting fund balances in accordance with GASB 54, which eliminated the "reserved" and "unreserved" classifications and added the classifications currently in use.

TABLE 3

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 35,185	\$ 107,174	\$ 92,923	\$ 92,977	\$ 44,197	\$ 7,529
902,023	963,195	-	-	-	-
57,270	112,034	-	-	-	-
739,212	1,450,559	-	-	-	-
6,399,924	5,184,873	3,613,510	1,808,856	2,061,273	2,325,304
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,133,614</u>	<u>\$ 7,817,835</u>	<u>\$ 3,706,433</u>	<u>\$ 1,901,833</u>	<u>\$ 2,105,470</u>	<u>\$ 2,332,833</u>
\$ 998	\$ 20,708	\$ 17,222	\$ 16,892	\$ 11,636	\$ 20,773
1,190,123	1,738,067	8,588,290	8,415,655	6,320,951	8,864,671
865,738	946,625	1,020,733	1,126,542	1,257,152	1,012,692
123,525	764,722	2,896,654	1,812,120	1,726,264	-
-	-	-	(5,972)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,180,384</u>	<u>3,470,122</u>	<u>12,522,899</u>	<u>11,365,237</u>	<u>9,316,003</u>	<u>9,898,136</u>
<u>\$ 10,313,998</u>	<u>\$ 11,287,957</u>	<u>\$ 16,229,332</u>	<u>\$ 13,267,070</u>	<u>\$ 11,421,473</u>	<u>\$ 12,230,969</u>

BURNET COUNTY, TEXAS

CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
REVENUES				
Taxes	\$ 15,419,894	\$ 15,884,591	\$ 16,325,985	\$ 17,456,793
Licenses and permits	1,256,519	1,281,249	1,313,360	1,351,827
Intergovernmental	1,590,685	1,006,961	2,065,542	1,550,281
Charges for services	1,163,697	1,500,364	1,452,197	1,474,788
Fines and forfeitures	568,511	474,726	447,306	535,315
Investment earnings	53,334	88,362	117,212	98,537
Miscellaneous	299,209	224,943	273,707	266,301
Total revenues	<u>20,351,849</u>	<u>20,461,196</u>	<u>21,995,309</u>	<u>22,733,842</u>
EXPENDITURES				
General government	8,445,073	8,681,370	9,074,876	8,265,350
Public safety	4,933,582	5,444,752	5,330,507	6,945,177
Health and welfare	576,317	708,628	595,595	528,166
Culture and recreation	708,917	731,305	677,134	759,933
Conservation	212,469	298,263	495,722	429,441
Public transportation	2,291,767	2,253,269	2,180,950	2,347,796
Debt service:				
Principal	1,286,288	1,394,370	1,471,814	1,528,682
Interest	277,355	174,493	128,382	93,870
Fiscal agent's fees	-	-	-	-
Capital outlay	<u>2,878,861</u>	<u>1,491,123</u>	<u>1,356,102</u>	<u>688,226</u>
Total expenditures	<u>21,610,629</u>	<u>21,177,573</u>	<u>21,311,082</u>	<u>21,586,641</u>
Excess of revenues over (under) expenditures	<u>(1,258,780)</u>	<u>(716,377)</u>	<u>684,227</u>	<u>1,147,201</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,624,501	919,292	959,355	913,186
Transfers out	(2,337,925)	(831,042)	(853,412)	(934,772)
Debt issuance & capital leases	1,367,246	186,473	77,859	83,028
Premium on debt issuance	-	-	-	-
Insurance recoveries	-	12,143	8,191	48,851
Sale of capital assets	116,490	9,913	4,102	33,647
Total other financing sources (uses)	<u>1,770,312</u>	<u>296,779</u>	<u>196,095</u>	<u>143,940</u>
Net change in fund balances	\$ <u>511,532</u>	\$ <u>(419,598)</u>	\$ <u>880,322</u>	\$ <u>1,291,141</u>
Debt service as a percentage of noncapital expenditures	8.35%	7.97%	8.02%	7.76%

TABLE 4

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 17,990,254	\$ 19,212,460	\$ 19,818,757	\$ 20,509,103	\$ 22,490,942	\$ 24,536,460	
1,440,048	1,514,583	1,543,735	1,581,490	1,661,691	1,633,952	
1,800,592	1,828,548	1,615,590	1,061,503	3,157,097	1,503,654	
2,174,799	3,043,751	2,283,034	5,339,075	7,035,791	7,025,463	
574,762	560,301	986,196	1,143,354	840,987	454,850	
53,603	154,339	74,119	151,900	228,669	411,082	
282,807	196,188	631,118	412,698	396,791	619,623	
<u>24,316,865</u>	<u>26,510,170</u>	<u>26,952,549</u>	<u>30,199,123</u>	<u>35,811,968</u>	<u>36,185,084</u>	
9,095,659	9,550,395	11,198,909	11,956,410	11,934,685	10,922,799	
8,541,083	10,000,796	9,419,010	12,507,401	13,808,485	15,865,405	
618,282	540,270	554,618	581,556	392,495	452,387	
762,320	799,912	784,816	860,101	864,827	1,387,713	
236,459	241,531	291,449	310,030	312,475	323,010	
2,517,464	2,563,894	2,592,691	2,593,843	3,051,946	3,200,519	
1,309,482	1,308,770	1,160,519	1,553,058	1,697,639	2,401,089	
63,548	552,085	893,681	687,628	672,162	828,885	
-	-	-	-	-	71,230	
<u>1,146,147</u>	<u>16,256,701</u>	<u>1,253,092</u>	<u>2,521,181</u>	<u>5,821,022</u>	<u>8,440,439</u>	
<u>24,290,444</u>	<u>41,814,354</u>	<u>28,148,785</u>	<u>33,571,208</u>	<u>38,555,736</u>	<u>43,893,476</u>	
<u>26,421</u>	<u>(15,304,184)</u>	<u>(1,196,236)</u>	<u>(3,372,085)</u>	<u>(2,743,768)</u>	<u>(7,708,392)</u>	
1,096,901	4,477,625	8,422,290	4,290,483	3,258,132	5,168,397	
(1,124,929)	(4,515,179)	(8,445,998)	(4,301,694)	(3,282,927)	(5,168,397)	
135,934	15,767,396	6,072,023	379,422	860,073	8,280,677	
-	-	-	-	-	93,529	
28,229	850,000	-	-	62,893	93,847	
<u>11,954</u>	<u>33,221</u>	<u>89,296</u>	<u>41,612</u>	<u>-</u>	<u>49,835</u>	
<u>148,089</u>	<u>16,613,063</u>	<u>6,137,611</u>	<u>409,823</u>	<u>898,171</u>	<u>8,517,888</u>	
\$ <u>174,510</u>	\$ <u>1,308,879</u>	\$ <u>4,941,375</u>	\$ <u>(2,962,262)</u>	\$ <u>(1,845,597)</u>	\$ <u>809,496</u>	
5.93%	7.28%	7.64%	7.22%	7.24%	9.33%	

BURNET COUNTY, TEXAS

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year Ended September 30	Real Property			Less: Tax- Exempt Property
	Residential Property	Commercial Property	All Other	
2019	\$ 4,143,686,241	\$ 653,111,561	\$ 2,334,666,573	\$ 694,719,234
2018	3,475,759,227	577,516,971	2,268,377,812	640,117,358
2017	3,177,645,632	487,404,314	2,002,155,260	514,570,866
2016	3,038,830,379	511,552,863	1,952,074,644	540,799,102
2015	2,823,339,548	486,561,703	1,766,633,625	409,988,073
2014	2,793,516,440	438,367,987	1,933,515,093	287,001,305
2013	2,747,582,531	415,256,598	1,920,376,551	310,803,398
2012	2,707,663,070	408,441,825	1,855,547,950	308,748,799
2011	2,662,340,790	403,281,579	1,758,191,279	261,182,451
2010	2,615,424,333	393,594,834	1,684,535,858	239,631,639

Source: Burnet Central Appraisal District

TABLE 5

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Value
\$ 6,436,745,141	0.39000	\$ 5,038,034,563	1.2776
5,681,536,652	0.39690	4,426,995,916	1.2834
5,152,634,340	0.39690	4,038,629,807	1.2758
4,961,658,784	0.40250	3,892,475,631	1.2747
4,666,546,803	0.41400	3,683,640,872	1.2668
4,878,398,215	0.39510	3,600,291,297	1.3550
4,772,412,282	0.39340	3,557,129,850	1.3416
4,662,904,046	0.37240	3,504,632,927	1.3305
4,562,631,197	0.36920	3,484,737,786	1.3093
4,453,923,386	0.36270	3,468,961,578	1.2839

BURNET COUNTY, TEXAS

Property Tax Rates
Direct and Overlapping Governments

Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Direct Rates:				
Burnet County General Rates	0.3267	0.3303	0.3332	0.3517
Burnet Co. Special Road & Bridge Rate	<u>0.0360</u>	<u>0.0389</u>	<u>0.0392</u>	<u>0.0417</u>
Total direct tax rate	<u>0.3627</u>	<u>0.3692</u>	<u>0.3724</u>	<u>0.3934</u>
Overlapping debt:				
City Rates:				
City of Bertram	0.4565	0.4565	0.4810	0.4810
City of Burnet	0.5852	0.6265	0.6265	0.6265
City of Cottonwood Shores	0.4999	0.5000	0.5000	0.5172
City of Granite Shoals	0.4300	0.4480	0.4600	0.4970
City of Highland Haven	0.0680	0.0718	0.0944	0.1125
City of Horseshoe Bay	0.3300	0.2500	0.2500	0.2500
City of Marble Falls	0.6134	0.6435	0.6483	0.6483
City of Meadowlakes	0.2990	0.2990	0.3159	0.3206
School District Rates:				
Burnet C. I. S. D.	1.2500	1.2650	1.2625	1.2625
Lampasas I. S. D.	1.4600	1.4600	1.4600	1.4500
Marble Falls I. S. D.	1.2850	1.2900	1.2800	1.2800
Special District Rates:				
Burnet ESD #1	0.0280	0.0280	0.0220	0.0220
Burnet ESD #2	0.1000	0.1000	0.1000	0.1000
Burnet ESD #3	-	-	0.0875	0.0875
Burnet ESD #4	0.0810	0.0826	0.0750	0.1000
Burnet ESD #5	0.1000	0.1000	0.0998	0.0910
Burnet ESD #6	-	-	0.0861	0.0861
Burnet ESD #7	0.1000	0.0960	0.0975	0.0975
Burnet ESD #8	-	0.1000	0.1000	0.1000
Burnet ESD #9	-	-	-	-
Kingsland M.U.D.	0.2400	0.2250	0.2200	0.2200
Central Texas Groundwater	<u>0.0131</u>	<u>0.0108</u>	<u>0.0099</u>	<u>0.0098</u>
Total Direct and Overlapping Rates	<u>8.3018</u>	<u>8.4219</u>	<u>8.6488</u>	<u>8.7529</u>

Source: Burnet Central Appraisal District

TABLE 6

2014	2015	2016	2017	2018	2019
0.3533	0.3700	0.3601	0.3551	0.3551	0.3483
<u>0.0418</u>	<u>0.0440</u>	<u>0.0424</u>	<u>0.0418</u>	<u>0.0418</u>	<u>0.0417</u>
<u>0.3951</u>	<u>0.4140</u>	<u>0.4025</u>	<u>0.3969</u>	<u>0.3969</u>	<u>0.3900</u>
0.4810	0.4810	0.4810	0.4810	0.4810	0.4810
0.6265	0.6265	0.6265	0.6265	0.6237	0.6237
0.5438	0.5438	0.5438	0.5438	0.5438	0.5423
0.5198	0.5207	0.5472	0.56313	0.56313	0.5960
0.1125	0.1059	0.1110	0.1154	0.1154	0.1172
0.2500	0.2500	0.2600	0.2600	0.2600	0.2607
0.6483	0.6483	0.6483	0.6340	0.6340	0.0615
0.3206	0.3206	0.3186	0.3150	0.3150	0.2914
1.2625	1.3300	1.3200	1.2800	1.2800	1.2600
1.4500	1.4300	1.4300	1.4300	1.4300	1.4300
1.2800	1.2800	1.2800	1.2786	1.2786	1.2686
0.0220	0.0231	0.0246	0.0246	0.0246	0.0236
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.0875	0.0855	0.0750	0.0650	0.0650	0.0620
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.0910	0.0910	0.0905	0.0911	0.0911	0.0870
0.0835	0.0791	0.1000	0.0929	0.0929	0.0808
0.0965	0.0965	0.0965	0.0977	0.0977	0.0913
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.2200	0.2200	0.2200	0.2190	0.2190	0.2190
<u>0.0096</u>	<u>0.0091</u>	<u>0.0091</u>	<u>0.0085</u>	<u>0.0085</u>	<u>0.0080</u>
<u>8.9002</u>	<u>8.9551</u>	<u>8.9846</u>	<u>8.9231</u>	<u>8.9203</u>	<u>8.2941</u>

BURNET COUNTY, TEXAS

TABLE 7

Principal Property Taxpayers

Current Year and Nine Years Ago

Employer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Pedernales Electric Co-Op, Inc.	\$ 48,577,618	1	0.69%	\$ 26,713,715	1	0.77%
APAC Texas, Inc	32,503,520	2	0.46%			
LCRA Transmission Services Corp.	27,886,027	3	0.39%	12,924,746	4	0.37%
Whitethorn Pipeline LLC	22,874,953	4	0.32%			
Worldmark the Club	16,030,944	5	0.23%			
NE Marble Falls LLP	15,963,003	6	0.23%			
Seminole Pipeline Co.	14,450,009	7	0.20%			
HTA-Marble Falls Mob LLC	14,321,840	8	0.20%			
Bray Spaar Partnership	13,382,146	9	0.19%			
Lhoist North America	<u>12,019,774</u>	10	<u>0.17%</u>			
Capitol Aggregates LTD				21,998,267	2	0.28%
ATMI Materials LTD				15,826,946	3	0.63%
GTE Southwest				11,558,466	5	0.46%
Huber JM Corp				9,688,553	6	0.33%
Chemical Lime, Inc.				8,866,320	7	0.26%
Wal-Mart Stores Inc.				8,144,779	8	0.20%
Wal-Mart Stores East LP				7,476,271	9	0.23%
Johnson-Sewell Family Partnership				<u>6,868,386</u>	10	<u>0.22%</u>
Total	\$ <u>218,009,834</u>		<u>3.08%</u>	\$ <u>130,066,449</u>		<u>3.75%</u>

Source: The Municipal Advisory of Texas.

BURNET COUNTY, TEXAS

TABLE 8

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date ⁽¹⁾	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 23,797,573	\$ 23,438,008	98.49%	\$ -	\$ 23,438,008	98.49%
2018	21,637,680	21,267,043	98.29%	139,172	21,406,215	98.93%
2017	19,773,632	19,631,328	99.28%	124,747	19,756,075	99.91%
2016	19,134,259	18,986,845	99.23%	114,595	19,101,440	99.83%
2015	18,861,757	18,439,809	97.76%	166,663	18,606,472	98.65%
2014	17,271,388	17,027,445	98.59%	229,805	17,257,250	99.92%
2013	16,761,190	16,585,333	98.95%	167,906	16,753,239	99.95%
2012	15,828,135	15,487,022	97.84%	335,483	15,822,505	99.96%
2011	15,425,858	15,092,330	97.84%	322,788	15,415,118	99.93%
2010	14,943,142	14,565,642	97.47%	298,908	14,864,550	99.47%

Source: Burnet Central Appraisal District

BURNET COUNTY, TEXAS

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Governmental Activities

Fiscal Year	General Obligation Bonds	Tax Notes	Unamortized Bond Premium	Capital Leases	Total
2019	\$ 13,095,000	\$ 13,785,000	\$ 525,860	\$ 995,091	\$ 28,400,951
2018	13,620,000	4,370,000	471,910	1,205,503	19,667,413
2017	19,335,000	-	498,128	698,069	20,531,197
2016	20,625,000	-	524,345	581,704	21,731,049
2015	15,820,000	-	553,349	475,200	16,848,549
2014	2,185,000	-	11,143	210,875	2,407,018
2013	3,400,000	-	19,499	287,620	3,707,119
2012	4,790,000	-	27,855	225,075	5,042,930
2011	6,140,000	-	36,211	269,030	6,445,241
2010	7,420,000	-	44,567	196,927	7,661,494

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements

¹ See the Schedule of Demographic and Economic Statistics for personal income and population data.

² Ratio of Total Primary Government Debt to Total County Personal Income.

TABLE 9

Percentage of Personal Income ^{1,2}	Population	Net Bonded Debt Per Capita
1.24%	48,950	\$ 580
0.93%	50,386	390
0.98%	46,243	444
1.08%	45,463	478
0.85%	44,943	375
0.12%	43,911	55
0.35%	43,448	85
0.48%	43,117	117
0.61%	42,750	151
0.52%	42,750	179

BURNET COUNTY, TEXAS

TABLE 10

Direct and Overlapping Governmental Activities Debt

As of September 30, 2019

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Burnet County	\$ 28,400,951	100.00%	\$ 28,400,951
Overlapping debt:			
Burnet C. I. S. D.	35,985,000	87.89%	31,627,217
City of Bertram	-	100.00%	-
City of Burnet	22,341,000	100.00%	22,341,000
City of Cottonwood Shores	1,666,000	100.00%	1,666,000
City of Granite Shoals	11,393,000	100.00%	11,393,000
City of Highland Haven	895,000	100.00%	895,000
City of Horseshoe Bay	22,920,000	10.67%	2,445,564
City of Marble Falls	55,915,000	100.00%	55,915,000
City of Meadowlakes	2,025,000	100.00%	2,025,000
Lampasas I. S. D.	33,424,982	8.07%	2,697,396
Marble Falls I. S. D.	<u>55,065,000</u>	<u>85.97%</u>	<u>47,339,381</u>
Total overlapping debt	<u>241,629,982</u>		<u>178,344,557</u>
Total direct and overlapping debt	<u>\$ 270,030,933</u>		<u>\$ 206,745,508</u>

Source: The Municipal Advisory of Texas

BURNET COUNTY, TEXAS**TABLE 11**

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value¹ of Property	Per Capita²
2019	\$ 13,095,000	1,249,144	\$ 11,845,856	0.2351%	\$ 242
2018	13,620,000	1,087,614	12,532,386	0.2831%	264
2017	19,335,000	857,174	18,477,826	0.4575%	400
2016	20,625,000	793,260	19,831,740	0.5095%	436
2015	15,820,000	674,383	15,145,617	0.4112%	337
2014	2,185,000	293,509	1,891,491	0.5250%	42
2013	3,400,000	270,771	3,129,229	0.0880%	71
2012	4,790,000	279,320	4,510,680	0.1287%	104
2011	6,140,000	327,222	5,812,778	0.1668%	135
2010	7,420,000	520,063	6,899,937	0.1989%	161

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics.

BURNET COUNTY, TEXAS

Legal Debt Margin Information

Last Ten Fiscal Years

	Fiscal Year				
	2010	2011	2012	2013	2014
Debt Limit	\$ 927,148,304	\$ 936,480,059	\$ 953,345,432	\$ 966,983,312	\$ 971,823,151
Total net debt applicable to limit	<u>6,899,937</u>	<u>5,812,778</u>	<u>4,510,680</u>	<u>3,129,229</u>	<u>1,891,491</u>
Legal debt margin	\$ <u>920,248,367</u>	\$ <u>930,667,281</u>	\$ <u>948,834,752</u>	\$ <u>963,854,083</u>	\$ <u>969,931,660</u>
Total net debt applicable to the limit as percentage of debt limit	0.74%	0.62%	0.47%	0.32%	0.19%

**Legal Debt Margin Calculation
for Fiscal Year 2019**

Assessed Value¹

Add back: exempt real property¹

Total assessed value

Debt Limit (25% of total assessed value)

Debt applicable to limit:

 General obligation bonds

Less: Amount set aside for repayment of
 general obligation debt

 Total net debt applicable to limit

Legal debt margin

Sources:

¹Burnet Central Appraisal District

TABLE 12

Fiscal Year				
2015	2016	2017	2018	2019
\$ 1,166,636,701	\$ 1,107,248,995	\$ 1,138,300,168	\$ 1,266,778,319	\$ 1,419,537,980
<u>15,145,617</u>	<u>19,831,740</u>	<u>18,477,826</u>	<u>16,907,212</u>	<u>26,156,716</u>
<u>\$ 1,151,491,084</u>	<u>\$ 1,087,417,255</u>	<u>\$ 1,119,822,342</u>	<u>\$ 1,249,871,107</u>	<u>\$ 1,393,381,264</u>
1.30%	1.79%	1.62%	1.33%	1.84%
			\$ 5,038,034,563	
			<u>640,117,358</u>	
			<u>5,678,151,921</u>	
			1,419,537,980	
		\$ 27,405,860		
		<u>1,249,144</u>		
			<u>26,156,716</u>	
			<u>\$ 1,393,381,264</u>	

BURNET COUNTY, TEXAS

TABLE 13

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population*	Personal Income	Per capita Personal Income*	Median Age	Education Level in Years of Formal Schooling	Public School Enrollment	Burnet County Unemployment Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2019	48,950	\$ 2,290,860,000	\$ 46,800	44.3	14.1	7,447	2.7%
2018	47,542	2,122,566,000	45,500	44.3	14.1	7,385	2.9%
2017	46,243	2,097,120,050	45,350	44.5	14.0	7,295	2.9%
2016	45,463	2,018,466,274	44,398	44.1	13.4	7,314	3.5%
2015	44,943	1,979,424,549	44,043	43.4	13.8	7,204	3.7%
2014	43,911	2,079,361,494	47,354	43.8	13.8	6,949	4.0%
2013	43,448	920,880,360	21,195	43.0	13.8	7,464	4.9%
2012	43,117	1,078,399,287	25,011	43.2	13.8	7,520	5.0%
2011	42,750	1,052,761,500	24,626	43.5	13.2	7,582	6.7%
2010	42,750	1,048,700,250	24,531	41.5	12.6	7,316	6.4%

(1) (2) (5) US Census Bureau, www.dshs.texas.gov
 (3) www.bea.gov
 (4) U.S. Census Bureau, American Community Survey
 (6) Texas Education Agency Website (Grades K-12)
 (7) <http://www.bls.gov/lau/laucntycur14.txt>
 * 2019 estimated

BURNET COUNTY, TEXAS

TABLE 14

Principal Employers

Current and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Marble Falls ISD	693	1	3.03%	649	1	2.87%
Horseshoe Bay Resort & Marriott	662	2	2.89%	580	2	2.56%
Baylor, Scott & White	573	3	2.50%			
Burnet CISD	503	4	2.20%	285	6	1.26%
HEB Grocery	440	5	1.92%	300	5	1.33%
Burnet County	380	5	1.66%	190	7	0.84%
Wal-Mart Stores, Inc.	400	6	1.75%	360	3	1.59%
Stealth Products	150	7	0.66%			
City of Burnet	130	7	0.57%	120	9	0.53%
Entegris	<u>141</u>	8	<u>0.62%</u>			
Seton Highland Lakes				311	4	1.37%
Texas Dept. of Criminal Justice				120	8	0.53%
City of Marble Falls				<u>114</u>	10	<u>0.50%</u>
Total	<u>4,072</u>		<u>17.79%</u>	<u>3,029</u>		<u>13.38%</u>

Source: The Municipal Advisory of Texas
 Number of employed from the Texas Labor Market Info--Burnet County Website--
<http://www.tracer2.com>

BURNET COUNTY, TEXAS

Full-time Equivalent Employees by Function

Last Ten Fiscal Years

<u>Function/ Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General government	65	65	65	63	78
Elected Officials	20	20	20	20	20
Public Safety	58	58	58	59	88
Conservation/Environmental	4	4	4	4	5
Health and Welfare	1	1	1	1	-
Community Service	1	1	1	1	1
Library	14	13	13	13	13
Road and Bridge	<u>27</u>	<u>27</u>	<u>27</u>	<u>27</u>	<u>27</u>
Total	<u>190</u>	<u>189</u>	<u>189</u>	<u>187</u>	<u>232</u>

¹Note--FY 2010 equivalent employees has been changed to include part-time positions allocated by hours worked

Source: Burnet County Human Resources Department, Burnet County Budget book

TABLE 15

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
79	82	82	93	115
20	20	20	20	20
137	182	187	151	156
6	5	5	5	5
-	-	-	-	-
1	1	1	1	1
14	14	14	19	19
<u>27</u>	<u>27</u>	<u>27</u>	<u>27</u>	<u>27</u>
<u>284</u>	<u>331</u>	<u>336</u>	<u>316</u>	<u>343</u>

BURNET COUNTY, TEXAS

Operating Indicators by Function

Last Ten Fiscal Years

Function/ Program	2010	2011	2012	2013
General Government:				
County Finance:				
Accounts Payable checks issued	4,516	5,880	4,554	3,799
Payroll checks and advices issued	7,070	7,016	7,287	7,540
Deposit warrants issued	3,871	5,014	4,985	5,441
Tax Office:				
Auto titles issued	10,049	10,121	10,489	10,868
Auto registrations	50,681	50,746	51,390	52,074
Elections: ¹				
Voter Registration	26,117	25,390	26,636	26,308
Administration of Justice: ²				
District court level:				
Civil cases filed	605	521	437	419
Civil case dispositions	575	558	400	447
Criminal cases filed	257	916	966	638
Criminal case dispositions	282	387	426	460
Juvenile cases filed	60	41	57	43
Juvenile cases disposed	59	11	35	33
County court level:				
Civil cases filed	432	423	199	578
Civil case dispositions	444	307	186	582
Misdemeanor cases filed	835	950	1,041	1,848
Misdemeanor case dispositions	989	1,100	976	1,238
Justice of the Peace court level:				
Civil cases filed	337	518	322	370
Civil case dispositions	281	362	324	337
Criminal cases filed	4,940	4,451	4,171	5,607
Criminal case dispositions	4,487	4,214	4,354	5,312
Public Safety:				
Jail Facilities:				
Total prisoner days	112	90	87	88
Cost per prisoner day	40	32	38	44
Law Enforcement:				
Arrests	2,375	944	1,026	921
Citations filed	577	485	402	575
Culture and recreation:				
County Library:				
Materials circulated	292,100	298,714	271,946	232,789
Patrons	12,625	12,773	13,562	14,451
Transportation:				
Road and Bridge:				
Miles of new roadways	-	-	-	1.42

TABLE 16

2014	2015	2016	2017	2018	2019
4,759	4,243	4,281	5,076	5,167	5,371
8,169	7,384	7,930	8,502	9,885	606
5,739	5,527	5,626	6,720	8,738	5,842
10,951	11,001	11,111	11,858	12,107	**
53,269	53,479	54,198	56,540	57,881	**
27,384	27,326	29,587	39,571	31,072	31,290
373	353	359	415	423	503
444	421	400	342	389	404
684	599	722	882	885	872
429	641	505	520	559	475
53	56	42	37	37	32
42	51	47	32	47	34
346	504	181	295	291	318
347	550	247	207	176	256
2,087	1,153	1,565	1,028	1,466	1,314
1,128	1,213	1,382	947	915	771
325	330	347	337	319	420
357	273	340	274	291	390
4,658	3,250	3,221	4,577	3,698	3,200
4,702	3,305	3,252	4,043	3,305	3,129
107	144	192	322	**	**
46	50	50	50	50	50
842	725	791	910	1,280	1,381
349	490	714	996	1,426	1,212
243,420	241,410	239,665	224,613	201,405	**
13,308	13,044	12,002	11,663	11,371	**
0.19	-	-	-	-	-

BURNET COUNTY, TEXAS

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	2010	2011	2012	2013
General Government:				
Administrative Vehicles	16	16	16	15
Public Safety:				
Sheriff patrol units	48	48	48	48
Law Enforcement units	16	16	18	21
Transportation:				
Road and Bridge Vehicles	32	32	28	28
Road and Bridge Equipment	96	96	96	90
County roads (miles)	490	490	490	490
Culture and recreation:				
County Parks	2	2	2	2
County Libraries	4	4	4	4

TABLE 17

2014	2015	2016	2017	2018	2019
12	27	30	28	30	30
48	30	44	55	61	70
30	30	33	19	24	26
29	25	29	30	37	37
91	93	97	93	97	100
490	490	490	490	490	490
2	2	2	2	2	2
4	4	5	5	5	5

BURNET COUNTY, TEXAS

SCHEDULE OF INSURANCE IN FORCE

September 30, 2019

Type of Coverage and Name of Company	Policy Number	Policy From	Policy To	Details of Coverage	Liability Limits	Annual Premium
AUTOMOBILE LIABILITY (TAC Risk Management Pool)	AL 0270 2014 07 01	7/1/2019	7/1/2020	Auto Liability Bodily Injury Property Damage Uninsured Motorist - Bodily Injury Property Damage Personal Injury Protection	\$ 1,000 / Deductible 100,000 / Person 300,000 / Occurrence 100,000 / Occurrence 30,000 / Person 60,000 / Occurrence 25,000 / Occurrence 5,000 / Person	\$ 30,825
AUTOMOBILE PHYSICAL DAMAGE (TAC Risk Management Pool)	APD 0270 2014 07 01	7/1/2019	7/1/2020	Comprehensive Collision	2,500 / Deductible Actual cash value or cost of repair (lesser)	\$ 19,546
GENERAL LIABILITY (TAC Risk Management Pool)	GL 0270 2014 07 01	7/1/2019	7/1/2020	General Liability Bodily Injury Property Damage Medical Expense Employee Benefits Personal & Advertising Injury	1,000 / Deductible 100,000 / Person 300,000 / Occurrence 100,000 / Occurrence 5,000 / Person 100,000 / Claim 100,000 / Person 300,000 / Offense/Aggr	\$ 13,090
BUILDINGS/PROPERTY/CRIME (TAC Risk Management Pool)	PR 0270 2014 07 01	7/1/2019	6/30/2020	Basic Coverage: Buildings Contents Flood Flood- Deductible Earth Movement Deductible Valuable Papers Electronic Data Equipment Mobile Equipment Equipment Breakdown Fine Arts Site Improvement Law Enforcement Animals	1,000 / Deductible 49,824,749 / Limit 6,670,460 / Limit 2,500,000 / Limit 25,000 / Deductible 10,000,000 / Limit 25,000 / Deductible 1,000,000 / Limit 1,000,000 / Limit 2,227,417 / Limit 50,000,000 / Limit 20,000 / Limit 306,953 / Limit 30,000 / Limit per animal	\$ 76,232
PUBLIC OFFICIALS LIABILITY (TAC Risk Management Pool)	PO 0270 2014 07 01	7/1/2019	6/30/2020	Public Officials Liability	5,000 / Deductible 2,000,000 / Loss 2,000,000 / Aggregate	\$ 44,410

TABLE 18

Type of Coverage and Name of Company	Policy Number	Policy From	Policy To	Details of Coverage	Liability Limits	Annual Premium
LAW ENFORCEMENT LIABILITY (TAC Risk Management Pool)	LE 0270 2014 04 01	4/1/2017	4/1/2018	Law Enforcement Liability	5,000 / Deductible 2,000,000 / Loss 2,000,000 / Aggregate	\$ 69,562
WORK RELEASE VOLUNTEER PROGRAM (The CIMA Companies, Inc.)	TX BURN 4	7/1/2019	6/30/2020	Volunteer Insurance Service	2,500 / Accidental Death 25,000 / Medical	\$ 1,890
WORKERS' COMPENSATION EMPLOYERS' LIABILITY	0270 2014 01 01	1/1/2017	1/1/2018	Death by Accident Death by Disease	1,000,000 / Accident 1,000,000 / Claimant 2,000,000 / Aggregate	\$ 230,301
UNEMPLOYMENT (Participation Agreement-TAC Unemployment Compensation Group Account Fund)	99-991884-D	10/1/2017	9/30/2018	Unemployment Compensation Group Account Fund	Texas Workforce Commission/ Texas Labor Code Requirements	\$ 26,729