

Hamilton County, Texas

Audit Report

For the Year Ended September 30, 2019

HAMILTON COUNTY, TEXAS
Audit Report
For the Year Ended September 30, 2019

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INTRODUCTORY SECTION

**HAMILTON COUNTY, TEXAS
PRINCIPAL OFFICIALS**

as of September 30, 2019

<u>Title</u>	<u>Name</u>
County Judge	Mark Tynes
Commissioner, Precinct 1	Johnny Wagner
Commissioner, Precinct 2	Keith Curry
Commissioner, Precinct 3	Lloyd Huggins
Commissioner, Precinct 4	Dickie Clary
County Auditor	Kent Reeves
County Treasurer	Shawna Dyer
Tax Assessor-Collector	Terry Payne Short
County Clerk	Kiesha Bagwell
District Judge	Shaun Carpenter
District Clerk	Sandy Layhew
Justice of the Peace	James Lively
County Attorney	Mark Henkes
Sheriff	Justin Caraway

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hamilton County, Texas, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and Texas County and District Retirement System schedules on pages 10 through 17, and pages 51 through 57, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Hamilton County's financial statements as a whole. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

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

Boucher, Morgan & Young

Stephenville, Texas
March 22, 2021

**HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION & ANALYSIS
For the Year Ended September 30, 2019**

Profile of the County

Hamilton County was founded in 1856 and the County seat is Hamilton. It is located in the Edwards Plateau in Central Texas and bounded on the north by Comanche, Erath, and Bosque counties, on the west by Mills County, and on the south by Lampasas and Coryell counties. The county was named for **James Hamilton**, a South Carolina governor who invested some \$216,000 in gold to finance the Texas struggle for independence from Mexico.

Hamilton County covers approximately 844 square miles and has a population of around 8,500. The two largest towns are Hamilton and Hico.

Hamilton County is a political subdivision of the State of Texas with no legislative powers and very restrictive judicial and administrative powers. The governing body of the County is the Commissioners' Court which consists of five members. The County Judge is the chairman of the Court and the Commissioner from each of the four precincts are members. The Court has only such powers as are conferred upon it by the Constitution, Statutes, or by necessary implication from the Constitution or Statutes. Among the major duties of the Court, the Court is to:

1. Set the tax rate and adopt the County budget
2. Appoint County officials and hire personnel
3. Fill elective and appointee vacancies
4. Establish voting precincts, appoint precinct election judges and call county bond elections
5. Let contracts and authorize payment of all County bills
6. Build and maintain County roads and bridges
7. Build, maintain and improve County facilities, including jails
8. Provide for the data service and archival needs of the County

The County provides those services allowed by the Constitution and Statutes of the State of Texas. Services include; but are not limited to: law enforcement, judicial proceedings, probation monitoring services, juvenile services, recording services related to judicial proceedings, public health and welfare, veterans services, Texas AgriLife Extension Service, maintaining road and bridges principally within the unincorporated areas of the County and other related governmental functions.

Budget Process

In counties with a population less than 225,000 the County Judge serves as the budget officer assisted by the County Auditor. The County Judge may also solicit from each department whatever data may be required to prepare an accurate budget. The budget is presented on a line-item basis and adopted on the fund level. The budget must be itemized to make possible a comparison of the

proposed expenditures with the prior year expenditures. The budget must show, as accurately as possible, the purpose of each expenditure and the amount of money appropriated.

Upon completion of the proposed budget, the County Judge files a copy with the County Clerk and posts it on the County website. The Commissioners Court holds a public hearing on the proposed budget. Any taxpayer of the County may attend and participate in the hearing(s). The hearing(s) are held in accordance with the Texas Open Meetings Act and the calendar for the hearing(s) is set by the Texas Comptroller of Public Accounts and the Texas Local Government Code.

At the conclusion of the public hearing, the Commissioners Court takes action on the proposed budget. The Commissioners Court may make any changes in the proposed budget that it considers warranted by law and required in the best interest of the taxpayers. The Commissioners Court may levy taxes only in accordance with the budget. After final approval of the budget, the County Judge shall file a copy with the County Clerk and post it on the County website and the County may spend County funds only in strict compliance with the budget, except in an emergency.

The Commissioners' Court may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. If the Court amends the original budget to meet an emergency, the Court files a copy of its order amending the budget with the County Clerk. The clerk attaches the copy to the original budget.

The Commissioners' Court, by order, may amend the budget to transfer an amount budgeted for one item to another budgeted item within the same fund without authorizing an emergency expenditure.

State law requires counties to adopt a budget before adopting a tax rate. The Commissioners' Court may levy taxes only in accordance with the budget. Chapter 26 of the Property Tax Code requires taxing units to comply with truth-in-taxation laws in setting tax rates. This law has two purposes:

- To make the taxpayers more knowledgeable about tax rate proposals
- To allow taxpayers to roll back or limit a tax increase in certain cases

Factors Affecting Financial Condition

The information presented in the financial statements is better understood when it is considered from a broader perspective of the environment within which Hamilton County operates.

Discussion of the Financial Statements and Performance

The Management's Discussion and Analysis of Hamilton County's financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2019. The MD&A should be read in conjunction with the basic financial statements and the accompanying notes to those financial statements. This discussion and analysis includes comparative data for the prior year.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of the County exceeded its liabilities and deferred inflows by \$8,675,967 as of September 30, 2019. The government-wide financial position decreased by \$1,280 from the previous year.

Total assets and deferred outflows increased \$663,789 and total liabilities and deferred inflows decreased by \$65,641.

As of September 30, 2019 the County's combined governmental funds had a fund balance of \$2,647,645.

Cash and investments totaled \$2,976,348.

Revenue in primary governmental activities decreased by \$602,908 from the prior year.

During the same period expenditures decreased by \$108,918.

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 are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resources measurement focus using full accrual basis of accounting. These statements include all assets of the County (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred in regards to inter-fund activity, payables, and receivables.

The *statement of net position* presents information on the County's assets, deferred outflows, liabilities and deferred inflows, with the difference between them reported as *net position*. Fiduciary assets and liabilities are excluded. Increases or decreases in net position contrasted with budgetary decisions should serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal year using full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave). The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general administration, judicial administration, public safety and law enforcement, road and bridge, and health and welfare.

Fund financial statements. A *fund* is a grouping of related accounts 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 are considered governmental funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. In particular, unrestricted, unassigned, assigned, and committed fund balances may be useful in evaluating the County's near-term financing requirements. Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintains 29 individual governmental funds, 23 special revenue funds, 4 road and bridge funds, and the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund and Road & Bridge Fund which are classified as major funds. Data from the other non-major 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* in the Combining Fund Statements.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning pension and OPEB benefits for the County and general fund budgetary schedules.

GOVERNMENT - WIDE FINANCIAL ANALYSIS

The County's net position at September 30, 2019 and 2018 are summarized as follows:

	Primary Government		
	<u>Governmental Activities</u>		
	<u>2019</u>	<u>2018</u>	<u>Change</u>
Assets:			
Current and other assets	\$ 3,401,969	\$ 3,135,685	\$ 266,284
Capital assets (net of accumulated depreciation)	<u>7,310,818</u>	<u>7,255,697</u>	<u>55,121</u>
Total assets	<u>10,712,787</u>	<u>10,391,382</u>	<u>321,405</u>
Deferred outflows of resources:			
Deferred outflows of resources	<u>441,264</u>	<u>98,880</u>	<u>342,384</u>
Total assets and deferred outflows	<u>11,154,051</u>	<u>10,490,262</u>	<u>663,789</u>
Liabilities:			
Current and other liabilities	180,058	259,411	(79,353)
Long-term liabilities	<u>1,429,798</u>	<u>1,416,086</u>	<u>13,712</u>
Total liabilities	<u>1,609,856</u>	<u>1,675,497</u>	<u>(65,641)</u>
Deferred inflows of resources:	<u>5,964</u>	<u>137,518</u>	<u>(131,554)</u>
Total liabilities and deferred inflows	<u>1,615,820</u>	<u>1,813,015</u>	<u>(65,641)</u>
Net Position:			
Net investment in capital assets	7,187,103	7,052,131	134,972
Restricted	322,676	275,005	47,671
Unrestricted	<u>1,166,188</u>	<u>1,350,111</u>	<u>(183,923)</u>
Total net position	<u>\$ 8,675,967</u>	<u>\$ 8,677,247</u>	<u>\$ (1,280)</u>

The current financial reporting model focusing on net position serves as a useful indicator of a government's financial position. Net position is unrestricted, subject to external restrictions as to how they may be used, or are invested in capital assets less any related outstanding debt used to acquire those assets. Total assets exceeded liabilities by \$ 8,675,967 at the close of the most recent fiscal year, representing a \$1,280 decrease from the prior year. \$1,166,188 of net position may be used to meet the government's commitments and on-going obligations to citizens and creditors. An additional portion of net position, \$322,676, represents resources that are subject to external restrictions on how they may be used. Restrictions on net position include statutory requirements,

bond covenants, and grantor conditions. The remaining balance of *net position*, \$7,187,103, reflects investments in capital assets (e.g., land, buildings, furniture and equipment, vehicles, infrastructure), less any related and outstanding debt used to acquire those assets. The County uses capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay any necessary debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental activities. Program revenues and expenses are presented net of inter-fund eliminations. Key elements for the years ended September 30, 2019 and 2018 are as follows:

	Primary Government		
	Governmental Activities		
	<u>2019</u>	<u>2018</u>	<u>Change</u>
Revenues:			
Net Program Revenues:			
Charges for services	\$ 1,079,491	\$ 1,357,981	\$ (278,490)
Operating grants and contributions	102,825	134,752	(134,752)
General Revenues:			
Property taxes	3,122,660	3,045,764	76,896
Other Taxes	481,542	436,236	45,306
Miscellaneous	25,978	363,413	(337,435)
Unrestricted investments earnings	81,457	55,890	25,567
Total revenues	<u>4,893,953</u>	<u>5,394,036</u>	<u>(602,908)</u>
Expenses:			
General administration	1,449,180	1,630,760	(181,580)
Administration of justice	824,806	736,485	88,321
Highways and streets	1,092,249	1,207,822	(115,573)
Health and welfare	89,148	62,511	26,637
Public safety	1,436,205	1,363,002	73,203
Interest on long-term debt	3,645	3,571	74
Total expense	<u>4,895,233</u>	<u>5,004,151</u>	<u>(108,918)</u>
Change in net position	<u>(1,280)</u>	<u>389,885</u>	<u>\$ (391,165)</u>
Net position - beginning	<u>8,677,247</u>	<u>8,885,841</u>	
Restatement Due to GASB No. 75	-	(598,479)	
Net position - ending	<u>\$ 8,675,967</u>	<u>\$ 8,677,247</u>	

General Revenues and Program Revenues

General revenues are revenues that are not assigned to support a specific function, but are available to provide financial resources as necessary. Included in general revenues are ad valorem taxes, other tax related revenues, interest earned from investments, and miscellaneous income. Total

revenues (including program revenues) were \$4,893,953 compared to \$5,394,036 for prior fiscal year or 11% decrease.

Property taxes received increased by \$76,896 during the year. The maintenance and operations tax rate adopted on September 18, 2018 remained at .5605 cents per \$100 (dollar).

Grants

During fiscal year 2019 the County received the following grant funds:

Indigent Defense Grant
Tobacco Settlement
Lateral Road
Law Enforcement Continuing Education

The total amount received from all grants was \$31,974 with expenditures of \$31,974 and, accordingly, no single audit was required.

Expenses and Program Revenues - Governmental

Net functions/programs costs include the revenue generated from a particular service and the costs of the function. For FY 2019, expenditures over revenue were (\$3,712,917) compared to (\$3,511,418) in FY 2018.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted, the County uses *fund accounting* to ensure and demonstrate compliance with finance related legal requirements. Fund accounting budget controls and fiscal responsibility are the framework of the County's strong fiscal management and accountability.

Governmental funds. The general government functions are reported in the General, Special Revenue, and Debt Service. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, *unassigned, assigned, and committed fund balances* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The FY2019 legally adopted cash budget was approved on September 18, 2018 for the General Fund totaling \$4,072,186.

Highlights from Hamilton County FY 2019 Budget include the following:

The County's property tax rate for valuation date January 1, 2019 was set at 56.05 cents per \$100 (dollar) assessed valuation and includes no bonded debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Hamilton County budget is developed annually and intended to provide efficient, effective and controlled usage of the County's resources, as well as a means to accomplish the highest priorities of the Hamilton County Commissioners. Through the budget, the County Commissioners set the direction of the County, allocate its resources and establish its priorities. The FY2020 budget meets the key established policy directive of the Commissioners Court. The FY2020 budget process was primarily focused identifying various balancing strategies that impact services provided to the citizens of Hamilton County as minimally as possible.

Highlights from Hamilton County FY2020 Budget include the following:

- Construction of a new facility for Precinct 4 operations
- General repairs and maintenance for the courthouse roof and soffit

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report, or need any additional financial information, contact the appropriate financial office (County Auditor, County Treasurer, or Budget Officer) at 102 N. Rice, Ste. 205 Hamilton, Texas 76531.

GOVERNMENT -WIDE FINANCIAL STATEMENTS

**HAMILTON COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

	Governmental Activities
ASSETS:	
Cash and investments	\$ 2,976,348
Receivables (net of allowance for uncollectible)	
Taxes	119,227
Other receivable	213,504
Other assets	91,954
Due from other government	936
Land	30,407
Buildings, net	6,569,702
Furniture and equipment	106,450
Vehicles	263,021
Infrastructure	341,238
Total Assets	10,712,787
DEFERRED OUTFLOWS:	
Deferred retirement contributions	90,198
Deferred changes of assumptions	4,843
Deferred investment experience	346,223
Total deferred outflows	441,264
Total assets and deferred outflows	11,154,051
LIABILITIES:	
Accounts payable and accrued liabilities	91,930
Accrued salaries and wages	35,844
Due to other governments	217,708
Capital lease-due within one year	52,284
Short-term note payable	150,000
Noncurrent liabilities	.
Capital lease	71,431
OPEB obligation	1,358,367
Net pension liability	494,556
Total Liabilities	2,472,120
DEFERRED INFLOWS:	
Deferred actual vs. assumption	5,964
Total deferred inflows	5,964
Total liabilities and deferred inflows	2,478,084
NET POSITION:	
Net investment in capital assets	7,187,103
Restricted for:	
Debt service	2,705
Special revenue purposes	319,971
Unrestricted	1,166,188
Total Net Position	\$ 8,675,967

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

**HAMILTON COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Program Activities	Expenses	Program Revenues	
		Fees, Fines and Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental Activities:			
General administration	\$ 1,449,180	\$ 306,071	\$ -
Judicial administration	824,806	270,114	35,630
Public safety and law enforcement	1,436,205	14,980	2,852
Road and bridge	1,092,249	488,326	42,375
Health and welfare	89,148	-	21,968
Interest and fees on long-term debt	3,645	-	-
Total Governmental Activities	<u>4,895,233</u>	<u>1,079,491</u>	<u>102,825</u>
Total primary government	<u>\$ 4,895,233</u>	<u>\$ 1,079,491</u>	<u>\$ 102,825</u>

General Revenues:
 Property taxes, levied for general purposes
 Other taxes
 Miscellaneous revenue
 Investment earnings
 Total General Revenues
 Change in Net Position
 Net Position - Beginning of Year
 Net Position - End of Year

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

<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Governmental Activities</u>
\$ -	\$ (1,143,109)
-	(519,062)
-	(1,418,373)
-	(561,548)
-	(67,180)
-	(3,645)
<u>-</u>	<u>(3,712,917)</u>
<u>\$ -</u>	<u>\$ (3,712,917)</u>
	\$ 3,122,660
	481,542
	25,978
	<u>81,457</u>
	<u>3,711,637</u>
	(1,280)
	<u>8,677,247</u>
	<u>\$ 8,675,967</u>

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

**HAMILTON COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	General Fund	Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 2,077,242	\$ 577,564	\$ 321,542	\$ 2,976,348
Taxes receivable	108,323	8,816	2,088	119,227
Other assets	70,882	21,072	-	91,954
Due from other government	936	-	-	936
Total Assets and Other Debits	<u>\$ 2,257,383</u>	<u>\$ 607,452</u>	<u>\$ 323,630</u>	<u>\$ 3,188,465</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 79,724	\$ 11,252	\$ 954	\$ 91,930
Wages and salaries payable	26,262	9,582	-	35,844
Due to other governments	217,708	-	-	217,708
Short-term note payable	150,000	-	-	150,000
Total Liabilities	<u>473,694</u>	<u>20,834</u>	<u>954</u>	<u>495,482</u>
Deferred inflows:				
Deferred property taxes	<u>36,524</u>	<u>8,814</u>	<u>-</u>	<u>45,338</u>
Fund Balances:				
Restricted				
Debt service	-	-	2,705	2,705
Election	-	-	2,156	2,156
General administration	-	-	6,128	6,128
Judicial	-	-	144,493	144,493
Legal	-	-	35,324	35,324
Public safety	-	-	5,807	5,807
Records management	-	-	126,063	126,063
Committed				
Road & bridge	-	577,804	-	577,804
Unassigned	1,747,165	-	-	1,747,165
Total Fund Balances	<u>1,747,165</u>	<u>577,804</u>	<u>322,676</u>	<u>2,647,645</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 2,257,383</u>	<u>\$ 607,452</u>	<u>\$ 323,630</u>	<u>\$ 3,188,465</u>

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

**HAMILTON COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

Total Fund Balances- Governmental Funds	\$	2,647,645
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Amounts reported in 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 governmental funds balance sheet.

Governmental capital assets	\$ 31,654,988	
Accumulated depreciation	<u>(24,344,170)</u>	7,310,818

Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund financial statements.

(123,714)

Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements.

Office fees	213,503	
Property taxes	<u>45,338</u>	258,841

The statement of net position includes the County's proportionate share of the TCDRS net pension liability as well as certain pension related transactions accounted for as Deferred Inflows and Outflows of resources.

Net pension liability	(494,556)	
Deferred retirement contributions	90,198	
Deferred actual vs. assumption	(5,964)	
Deferred assumptions and changes	4,843	
Deferred investment experience	<u>346,223</u>	(59,256)

The statement of net position includes the County's liability for OPEB

(1,358,367)

Net Position of Governmental Activities	\$	<u><u>8,675,967</u></u>
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The accompanying notes are an integral part of the financial statements.

**HAMILTON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	General Fund	Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
REVENUE:				
Taxes:				
Property taxes	\$ 2,515,248	\$ 600,000	\$ -	\$ 3,115,248
General sales and other taxes	481,542	-	-	481,542
Intergovernmental revenue and grants	61,198	71,595	-	132,793
Charges for services	525	-	-	525
Fines and fees	555,116	89,902	87,473	732,491
Licenses and permits	-	369,204	-	369,204
Investment earnings	81,457	-	-	81,457
Other revenue	25,703	20	-	25,723
Total Revenues	<u>3,720,789</u>	<u>1,130,721</u>	<u>87,473</u>	<u>4,938,983</u>
EXPENDITURES:				
Current:				
General Government:				
Public finance	428,219	-	-	428,219
General administration	834,205	-	13,680	847,885
Legal and Judicial	761,816	-	16,019	777,835
Public safety	1,371,928	-	5,001	1,376,929
Health and welfare	68,907	-	-	68,907
Road and bridge	-	1,121,821	-	1,121,821
Debt Service:				
Principal	-	59,971	-	59,971
Interest	-	3,645	-	3,645
Capital Outlay:				
Capital outlay	97,425	105,175	-	202,600
Total Expenditures	<u>3,562,500</u>	<u>1,290,612</u>	<u>34,700</u>	<u>4,887,812</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>158,289</u>	<u>(159,891)</u>	<u>52,773</u>	<u>51,171</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	17,252	295,000	-	312,252
Transfers out	(292,150)	(15,000)	(5,102)	(312,252)
Total Other Financing Sources (Uses)	<u>(274,898)</u>	<u>280,000</u>	<u>(5,102)</u>	<u>-</u>
Net Change in Fund Balances	(116,609)	120,109	47,671	51,171
Fund Balances - Beginning	1,863,774	457,695	275,005	2,596,474
Fund Balances - Ending	<u>\$ 1,747,165</u>	<u>\$ 577,804</u>	<u>\$ 322,676</u>	<u>\$ 2,647,645</u>

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

**HAMILTON COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2019**

Net Change in Fund Balances-Total Governmental Funds	\$	51,171
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of net capital activity recorded in the current period.		293,688
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Depreciation expense on capital asses is reported in the statement of activities and does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.		(238,567)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position.

Principal payments	79,850		
Issuance of debt	<u>-</u>		79,850

Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.

Office fees	(52,442)		
Property taxes	<u>7,412</u>	(45,030)	(45,030)

Net pension liabilities as well as the related deferred outflows of resources generated from those liabilities are not payable from current resources and therefore, are not reported in the governmental funds. These balances increase (decreased) by this amount.		(58,968)
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Other postemployment benefit liability as well as the related deferred outflows of resources generated from those liabilities are not payable from current resources and therefore, are not reported in the liabilities are not payable from current resources and therefore, are not reported in the governmental funds. These balances increase (decreased) by this amount.		<u>(83,424)</u>
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Change in Net Position of Governmental Activities	\$	<u><u>(1,280)</u></u>
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The accompanying notes are an integral part of the financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

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

**HAMILTON COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2019**

	Agency Funds
Assets:	
Cash and cash equivalents	\$ 2,367,275
Total Assets	\$ 2,367,275
Liabilities:	
Due to others	\$ 2,367,275
Total Liabilities	\$ 2,367,275

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies

The financial statements of Hamilton County, Texas (the County) included in the accompanying basic financial statements have been prepared in conformity with generally accepted accounting principles (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

Hamilton County, Texas is a state mandated governmental unit 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, judicial (courts, juries, etc.), legal (district attorney, county attorney, etc.), public safety (sheriff, jail, etc.), transportation, facilities, and public service (e.g. emergency management).

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either there is ongoing financial benefit or burden or operational responsibility. A primary government might also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has operational responsibility for an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Some organizations are included as component units because of the fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government. Based on these criteria, the County has no component units.

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Financial Statement Presentation

Government-wide financial statements - The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. 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. 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.

Fund financial statements - 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 governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The County reports the following fund types:

Major Governmental Funds:

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

Road and Bridge Funds - The Road and Bridge Funds are special revenue funds that are used to account for resources used by the County in connection with providing transportation services to its citizens.

Nonmajor Governmental Funds:

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Measurement Focus and Basis of Accounting

Government-wide and Fiduciary Fund Financial statements - These financial statements are reported using the economic resources measurement focus and 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 flow takes place. Non-exchange 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.

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 sales tax receipts are considered measurable and available when collected by the respective intermediary agency and recognized as revenue at that time. 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 expenditures 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.

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

B. Assets, Liabilities, and Net Position or Fund Balance

Cash and Cash Equivalents

For the 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.

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.

Property taxes are recorded net of the allowance for uncollectible taxes (\$76,998 General Fund, \$18,584 Road and Bridge Fund). Allowances for uncollectible tax receivables at the fund level 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.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature that affects the methods of property assessment and tax collection in the County. This legislation, with certain exceptions, exempts intangible personal property, household goods and family-owned automobiles from taxation. In addition, this legislation creates a "Property Tax Code" and provides, among other things, for the establishment of county wide appraisal districts and for the State Property Tax Board which commenced operation in January 1980.

As of October 1, 1981, the appraisal of property within the County is the responsibility of Hamilton County Appraisal District. The Hamilton County Tax Assessor-Collector assesses and collects the County's property taxes. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment rations. Beginning January 1, 1984, the value of property within the Appraisal District must be reappraised every three years. The County may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the County continues to set tax rates on County property. However, if the effective tax rates for bonds and other contractual obligations and adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the County may petition for an election to determine whether to limit the tax rate to no more than 8% above the effective rate of the previous year.

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

The County's taxes on real property are a lien against such property until paid. The County may foreclose real property upon which it has a lien for unpaid taxes. Although the County makes little effort to collect delinquent taxes through foreclosure proceedings, delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title on property.

The tax rate assessed for the year ended September 30, 2019 to finance maintenance and operations of the County, and Road and Bridge were \$0.5605 per \$100 valuation.

Property tax revenues are recorded as receivables and deferred revenue at the time the tax levy is billed. Revenues are recognized as the related property taxes are collected. Allowances for uncollectible taxes within funds are based upon historical experience in collecting property taxes.

Capital Assets

General capital assets are not capitalized in the funds used to acquire them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are capitalized in the government-wide statement of net position.

Donated capital assets are recorded at their estimated fair value at the date of the donation.

The County capitalizes all capital assets which have a cost of \$5,000 or more and a useful life in excess of two years. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

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

Buildings	30 – 40 years
Furniture and Equipment	3 – 15 years
Vehicles	5 – 7 years
Infrastructure	15 – 35 years

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Receivables and Payables

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.

There are no significant receivables which are not scheduled for collection within one year of year end.

Deferred Outflows and Deferred Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time

Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions, except quasi-external transactions and reimbursements, are treated as transfers. Transfers in and transfers out are netted and presented as a single “transfers” line on the

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single “internal balance” line of the government-wide statement of net position.

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.

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.

Legally Adopted Budgets

All governmental funds have legally adopted budgets.

Other Accounting Policies

The County provides statutory workers’ compensation insurance for its employees through Texas Association of Counties (“TAC”), a joint insurance fund, in which the County is a member.

Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Restricted Fund Balance – includes amounts that can be spent only for the specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments’ laws and regulations. Examples include federal and state grant programs, retirement of long-term debt, and construction

- a. The proceeds of specific revenue sources that are restricted to expenditures for specified purposes as designated by grantors, contributors, by vote of citizens, or governmental entities over state or local program grants.

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1: Summary of Significant Accounting Policies (cont.)

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the County Commissioners’ Court. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provision, or enabling legislation.

Assigned Fund Balance – represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent funds are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the General Fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending or specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose of which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

NOTE 2: Compliance and Accountability

Finance-Related Legal and Contractual Provisions - In accordance with GASB Statement No. 38, “Certain Financial Statement Note Disclosures,” violations of finance-related legal and contractual provisions are to be disclosed along with actions required to address such violations are to be disclosed. The County did not have any such violations during fiscal year 2019.

**HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3: 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.

Cash and investments as of September 30, 2019 consist of the following:

Cash and cash equivalents	\$ 1,322,811
Short-term investment	1,502,588
Certificate of deposit	150,949
	\$ 2,976,348

A. Cash Deposits

At September 30, 2019, the County's cash deposits were entirely covered by FDIC insurance or by pledged collateral held by the County's bank in the County's name.

B. Investments

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

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

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

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4: Capital Assets

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

	October 1, 2018	Increase	Decrease	September 30, 2019
Government activities capital assets:				
Non-depreciable assets:				
Land	\$ 30,407	\$ -	\$ -	\$ 30,407
Total non-depreciable assets	<u>30,407</u>	<u>-</u>	<u>-</u>	<u>30,407</u>
Depreciable assets:				
Buildings	8,980,475	132,906	-	9,113,381
Furniture and equipment	3,409,254	79,927	-	3,489,181
Vehicles	1,115,302	80,855	-	1,196,157
Infrastructure	17,825,862	-	-	17,825,862
Total depreciable assets	<u>31,330,893</u>	<u>293,688</u>	<u>-</u>	<u>31,624,581</u>
Totals at historic cost	<u>31,361,300</u>	<u>293,688</u>	<u>-</u>	<u>31,654,988</u>
Less accumulated depreciation:				
Buildings	(2,499,085)	(44,594)	-	(2,543,679)
Furniture and equipment	(3,298,524)	(84,207)	-	(3,382,731)
Vehicles	(853,291)	(79,845)	-	(933,136)
Infrastructure	(17,454,703)	(29,921)	-	(17,484,624)
Total accumulated depreciation	<u>(24,105,603)</u>	<u>(238,567)</u>	<u>-</u>	<u>(24,344,170)</u>
Total capital assets, being depreciated, net	<u>7,225,290</u>	<u>55,121</u>	<u>-</u>	<u>7,280,411</u>
Governmental capital assets, net	<u>\$ 7,255,697</u>	<u>\$ 55,121</u>	<u>\$ -</u>	<u>\$ 7,310,818</u>

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

Depreciation by function:	
General administration	\$ 134,659
Highways	64,789
Public safety	39,119
Total depreciation expense	<u>\$ 238,567</u>

**HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 5: Interfund Transactions

The General fund and non major funds transferred a total \$295,000 to the Road and Bridge funds for future projects. The Road and Bridge funds and non major funds transferred \$17,252 to the General fund for operations.

NOTE 6: Long-Term Debt

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Long-term debt at September 30, 2019, is as follows:

Changes in long-term debt for the period ended September 30, 2019, are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Capital lease	203,566	-	(79,851)	123,715	52,284
Total Governmental Activities	<u>\$ 203,566</u>	<u>\$ -</u>	<u>\$ (79,851)</u>	<u>\$ 123,715</u>	<u>\$ 52,284</u>

NOTE 7: Short-Term Note Payable

On March 12, 2019 the County obtained a short-term loan, in the amount of \$150,000, from a financial institution to finance the purchase of a building. The note matures on September 30, 2019 with a fixed rate of 4.51%. Periodic interest payments will be made with a single principal payment due on September 30, 2019.

NOTE 8: Commitments Under Capital Lease

The County has entered into a capital lease agreements. The leased property under capital leases is classified as furniture and equipment with a total capitalized cost of \$249,950 and amortized value of \$129,473. Amortization expense has been included in depreciation expense for the year ended September 30, 3019.

<u>Purpose</u>	<u>Cost</u>	<u>Year Acquired</u>	<u>Year Matures</u>	<u>Annual Payment</u>	<u>Interest Rate</u>	<u>Balance 9/30/2019</u>
Motor Grader- Pct. 4	101,000	2014	2021	16,089	2.80%	31,054
Financial System	83,950	2017	2020	22,880	3.74%	43,565
Motor Grader- Pct. 3	65,000	2018	2021	17,841	4.67%	49,096
						<u>\$ 123,715</u>

**HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 8: Commitments Under Capital Lease (cont.)

The following is a schedule of future minimum payments under the capital leases together with the present value of the net minimum lease payments as of September 30, 2019:

Year Ending September 30,	
2020	57,058
2021	56,765
2022	18,278
Total payments	132,101
Less Interest	(8,386)
Present value of minimum lease payments	\$ 123,715

NOTE 9: Risk Management

The County has risk exposure in various areas including general liability, workers compensation, automobile liability, property damage, etc. To reduce its risk exposure in these areas, the County is a member of Texas Association of Counties Risk Pool (“the Pool”) for liability, property, and worker’s compensation. The Pool is a public entity risk pool and was created based on the general objectives of formulating, developing, and administering a program of self-insurance for membership and obtaining lower costs for coverage. The Pool coverage is offered through interlocal agreements between the Pool and counties. The Pool has the power to establish fees, contributions and methods for establishing rates. Under contract with the Pool, the Association provides for such services as claims administration and management, underwriting, loss control services and training and financial reporting for its members. The Association submits sealed bids to counties during the bid process. The Pool is governed by a Board of Directors made up of employees or officials of counties, which are members of the Pool. Member counties make contributions to the Pool, and the Pool provides insurance coverage and applicable reinsurance or stop loss coverage. The insurance policies carry various deductibles and aggregate maximum loss totals. The by-laws of the Pool are detailed in a separate document, which can be obtained from the Texas Association of Counties, 1210 San Antonio Street, Austin, TX 78701.

Health Care

During the year ended September 30, 2019, the employees of the County were covered by a health insurance plan. Employees had the option of participating in PPO provider plan. Employees, at their option, authorize payroll withholdings to pay remaining premiums for dependents. All premiums were paid to a licensed insurer. The plan was authorized by Article 3.51.2 of the Texas Insurance Code and was documented by contractual agreement.

**HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10: Pension Plan

A. Plan Description

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

B. Benefits Provided

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

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

Inactive employees of beneficiaries currently receiving benefits	47
Inactive employees entitled to but not yet receiving benefits	75
Active employees	<u>56</u>
	<u><u>178</u></u>

C. Contributions

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

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10: Pension Plan (cont.)

The employer contributed using the actuarially determined rate of 6.37% for the calendar year ending in 2019. The deposit rate payable by the employee members for calendar year 2019 is the rate of 6% as adopted by the governing body of the employer. The employee and employer deposit rates may be changed by the governing body of the employer within the options available in the TCDRS Act.

D. Net Pension Liability

The employer's Net Pension Liability (NPL) for the year ended September 30, 2019, 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	2.25% per year
Investment Rate of Return	8.0%, net of pension plan investment expense, including inflation
Actuarial Cost Method	Entry Age
Retirement Age	Average age is 61

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

Updated mortality assumptions were as follows:

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 assumed long-term investment return of 8% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 8% for calculating the

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

NOTE 10: Pension Plan (cont.)

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	10.5%	5.40%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	18.0%	8.40%
Global Equities	MSCI World (net) Index	2.5%	5.70%
International Equities - Developed	MSCI World Ex USA (net) Index	10.0%	5.40%
International Equities - Emerging	MSCI Emerging Markets (net) Index	7.0%	5.90%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.0%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.0%	4.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.0%	7.95%
Distressed Debt	Cambridge Associates Distressed Securities Index	2.0%	7.20%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.0%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.0%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.0%	6.30%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	13.0%	3.90%
Total		100.0%	

Discount Rate:

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

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

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

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10: Pension Plan (cont.)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance at 12/31/2017	\$ 5,816,305	\$ 5,854,656	\$ (38,351)
Changes for the year:			
Service cost	167,879	-	167,879
Interest on total pension liability	470,689	-	470,689
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(3,917)	-	(3,917)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(54,337)	(54,337)	-
Benefit payments	(298,956)	(298,956)	-
Administrative expenses	-	(4,500)	4,500
Member contributions	-	104,059	(104,059)
Net investment income	-	(110,558)	110,558
Employer contributions	-	116,121	(116,121)
Other	-	(3,378)	3,378
Net changes	\$ 281,358	\$ (251,549)	\$ 532,907
Balance at 12/31/2018	\$ 6,097,663	\$ 5,603,107	\$ 494,556

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

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 in Discount Rate (7.1%)	Current Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
Total pension liability	\$ 6,825,410	\$ 6,097,663	\$ 5,481,961
Fiduciary net position	5,603,107	5,603,107	5,603,107
Net pension liability (asset)	\$ 1,222,303	\$ 494,556	\$ (121,146)

E. Pension Plan Fiduciary Net Position

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

F. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2019, the County recognized pension expense of \$58,969.

As of September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10: Pension Plan (cont.)

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 5,964	\$ -
Changes of assumptions	-	4,843
Net difference between projected and actual earnings	-	346,223
Contributions subsequent to the measurement date	N/A	90,198

Amounts currently reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Valuation year ended December 31:	
2019	\$ 129,359
2020	52,358
2021	47,547
2022	115,838
2023	-
Thereafter	-

NOTE 11: Commitments and Contingencies

Contingencies

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds or any money received may be required and collectability of any related receivable at September 30, 2019, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulation governing the respective grant; therefore no provision has been recorded in the accompanying financial statements for such contingencies.

Litigation

The County Attorney has indicated that there are no lawsuits filed and pending against the County that will result in a material effect on the County's financial position.

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 12: Other Postemployment Benefit Obligation (OPEB)

A. Plan Description

The Hamilton County Retiree Health Care Plan is not a formal document detailing the specific terms of the plan, but is a substantive plan- loosely defined as the benefit covered by the plan as understood by the employer and plan members at the time of each actuarial valuation.

The County has implemented the alternative measurement method for employers with fewer than 100 plan members and performed an actuarial study to quantify the amount of the County's OPEB obligations.

Permanent full-time employees who retire drawing a monthly county pension from the Texas County & District Retirement System (TCDRS) are eligible to participate in the County's employee health care plan. Hamilton County will pay an amount not to exceed \$250 per month with the remainder of the premium to be paid at the expense of the retiree.

Members are eligible for retirement in TCDRS at age 60 with 8 years of service credit or at any age with 20 years of service credit or when the member's age plus service credit totals 75. Retirees who terminate employment before normal retirement conditions are not eligible.

County health care coverage terminates once the retiree is eligible for Medicare. The retiree is then eligible for the County's contracted Medicare Supplement health plan.

Retiree medical coverage for retirees is the same as coverage provided to active County employees in accordance with the terms and conditions of the current County health care coverage if they were enrolled at the time of death. Benefits include medical and prescription drug, and vision screenings. All benefits for dependent children or spouse are provided at the expense of the retiree.

B. Funding Policies

The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) or the net OPEB obligation. Contribution requirements of the County are established and may be amended through the County. The plan is currently being funded on a pay-as-you-go basis. No trust or agency fund has been established for the plan. The plan does not issue a separate financial report.

C. Employees Covered by Benefit Terms

At September 30, 2019, the following employees were covered by the benefit terms:

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Inactive employees or beneficiaries currently receiving benefits	9
Active plan members	41
	50
	50

NOTE 12: Other Postemployment Benefit Obligation (OPEB) (cont.)

D. Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2019 and was determined by an actuarial valuation as of September 30, 2019. The following table shows the County's total OPEB liability for the year ended September 30, 2019.

	Total OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
Balance- October 1, 2018	\$ 1,274,943	-	1,274,943.00
Changes for the Year:			
Service Cost	71,842	-	71,842.00
Interest	50,963	-	50,963.00
Changes in Assumptions	-	-	-
Differences Between Expected and Actual Experience	-	-	-
Benefit Payments	(39,381)	-	(39,381.00)
Net Changes	83,424	-	83,424
Balance-September 30, 2019	\$ 1,358,367	-	1,358,367

E. Discount Rate Sensitivity

The following presents the total OPEB liability of the County, 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 or 1-percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Total OPEB Liability	1,166,549	1,358,367	1,600,407

F. Healthcare Trend Rate Sensitivity

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Total OPEB Liability	1,148,564	1,358,367	1,628,996

G. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

HAMILTON COUNTY, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

For the year ending September 30, 2019 the County reported no deferred inflows or outflows of resources related to the OPEB.

NOTE 12: Other Postemployment Benefit Obligation (OPEB) (cont.)

H. Actuarial Valuation

The total OPEB liability in the September 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.06% (1.06% real rate of return plus 3.00% inflation)
Healthcare Cost Trend Rates	3.00%
Actuarial Method	Individual Entry Age Normal Cost Method-Level Percentage
Payroll growth rate	1.0% per annum
Mortality	RHP-2014 Total Table with Projection MP-2018
Disability	None assumed

NOTE 13: COVID-19

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

REQUIRED SUPPLEMENTARY INFORMATION

HAMILTON COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget - Positive (Negative)
REVENUE:				
Taxes:				
Property taxes	\$ 2,533,887	\$ 2,533,887	\$ 2,515,248	\$ (18,639)
General sales and other taxes	389,000	389,000	481,542	92,542
Intergovernmental revenue and grants	64,172	81,363	61,198	(20,165)
Charges for services	500	500	525	25
Fines and fees	487,000	487,000	555,116	68,116
Investment earnings	35,000	35,000	81,457	46,457
Other revenue	22,400	22,400	25,703	3,303
Total Revenues	<u>3,531,959</u>	<u>3,549,150</u>	<u>3,720,789</u>	<u>171,639</u>
EXPENDITURES:				
Current:				
General Government:				
Public finance	465,200	450,725	428,219	22,506
General administration	843,921	969,111	834,205	134,906
Judicial	784,533	781,083	761,816	19,267
Public safety	1,546,956	1,525,974	1,371,928	154,046
Health and welfare	67,482	78,052	68,907	9,145
Debt Service:				
Principal	18,807	18,807	-	18,807
Interest	3,287	3,287	-	3,287
Capital Outlay:				
Capital outlay	50,000	97,453	97,425	28
Total Expenditures	<u>3,780,186</u>	<u>3,924,492</u>	<u>3,562,500</u>	<u>361,992</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(248,227)	(375,342)	158,289	723,984
OTHER FINANCING SOURCES (USES):				
Loan Proceeds	-	150,000	150,000	-
Transfers in	12,000	12,000	17,252	5,252
Transfers out	(292,000)	(292,000)	(292,150)	(150)
Total Other Financing Sources (Uses)	<u>(280,000)</u>	<u>(130,000)</u>	<u>(124,898)</u>	<u>5,102</u>
Net Change in Fund Balances	(528,227)	(505,342)	33,391	723,834
Fund Balances - Beginning	-	-	1,863,774	-
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,897,165</u>	<u>\$ -</u>

HAMILTON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
REVENUES:				
Property taxes, penalties and interest	\$ 600,000	\$ 600,000	\$ 600,000	\$ -
Fees and fines	80,000	80,000	89,902	9,902
Intergovernmental	80,000	80,000	71,595	(8,405)
Licenses and permits	400,000	400,000	369,204	(30,796)
Miscellaneous	62,000	62,000	20	(61,980)
Total Revenues	<u>1,222,000</u>	<u>1,222,000</u>	<u>1,130,721</u>	<u>(91,279)</u>
EXPENDITURES:				
Salaries	741,221	751,053	693,809	57,244
Equipment	124,100	157,355	105,175	52,180
Equipment repair	116,000	120,700	114,216	6,484
Fuel	125,000	111,560	89,463	22,097
Road expense	205,000	228,600	124,303	104,297
Operating	95,450	110,535	96,768	13,767
Miscellaneous	-	3,300	3,262	38
Debt- principal	59,745	59,972	59,971	1
Debt- interest	3,877	3,650	3,645	5
Total Expenditures	<u>1,470,393</u>	<u>1,546,725</u>	<u>1,290,612</u>	<u>256,113</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(248,393)</u>	<u>(324,725)</u>	<u>(159,891)</u>	<u>164,834</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	280,000	280,000	295,000	15,000
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(15,000)</u>	<u>85,000</u>
Total Other Financing Sources (Uses)	<u>180,000</u>	<u>180,000</u>	<u>280,000</u>	<u>100,000</u>
Net Changes in Fund Balances	(68,393)	(144,725)	120,109	264,834
Fund Balance-Beginning	-	-	457,695	-
Fund Balance-Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 577,804</u>	<u>\$ -</u>

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

Total Pension Liability	2018	2017	2016	2015	2014
Service Cost	\$ 167,879	\$ 161,726	\$ 174,734	\$ 161,122	\$ 178,410
Interest on total pension liability	470,689	447,961	427,875	415,154	394,186
Effect of plan changes	-	-	-	(22,650)	-
Effect of assumption changes or inputs	-	14,527	-	48,748	-
Effect of economic/demographic (gains) or losses	(3,917)	(10,059)	(117,821)	(151,152)	(61,704)
Benefit payments/refunds of contributions	(353,293)	(326,642)	(299,629)	(276,927)	(236,552)
Net Change in Total Pension Liability	281,358	287,513	185,159	174,295	274,340
Total Pension Liability, beginning	5,816,305	5,528,792	5,343,634	5,169,339	4,895,000
Total Pension Liability, ending (a)	\$ 6,097,663	\$ 5,816,305	\$ 5,528,793	\$ 5,343,634	\$ 5,169,340
Fiduciary Net Position					
Employer contributions	\$ 116,121	\$ 112,182	\$ 122,965	\$ 118,979	\$ 124,944
Member contributions	104,059	103,394	101,068	101,836	106,831
Investment income net of investment expenses	(110,558)	759,004	367,191	31,990	327,395
Benefit payments/refunds of contributions	(353,293)	(326,642)	(299,629)	(276,927)	(236,552)
Administrative expenses	(4,500)	(3,894)	(4,002)	(3,618)	(3,788)
Other	(3,378)	(1,525)	(49,298)	(77,053)	8,555
Net Change in Fiduciary Net Position	(251,549)	642,519	238,295	(104,793)	327,385
Fiduciary Net Position, beginning	5,854,656	5,212,137	4,973,843	5,078,636	4,751,251
Fiduciary Net Position, ending (b)	\$ 5,603,107	\$ 5,854,656	\$ 5,212,138	\$ 4,973,843	\$ 5,078,636
Net Pension Liability (Asset), ending = (a) - (b)	\$ 494,556	\$ (38,351)	\$ 316,655	\$ 369,791	\$ 90,704
Fiduciary net position as a % of total pension liability	91.89%	100.66%	94.27%	93.08%	98.25%
Pensionable covered payroll	\$ 1,734,314	\$ 1,723,226	\$ 1,684,462	\$ 1,697,265	\$ 1,742,616
Net pension liability as a % of covered payroll	28.52%	-2.23%	18.80%	21.79%	5.21%

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

HAMILTON COUNTY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last 10 Years

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	122,321	122,321	-	2,080,285	5.9%
2010	135,958	135,958	-	2,023,189	6.7%
2011	121,062	121,062	-	2,014,291	6.0%
2012	120,600	120,600	-	1,887,330	6.4%
2013	123,233	123,233	-	1,779,309	6.9%
2014	124,944	124,944	-	1,742,616	7.2%
2015	118,979	118,879	-	1,697,265	7.0%
2016	122,965	122,965	-	1,684,462	7.3%
2017	112,182	112,182	-	1,723,226	6.5%
2018	116,026	116,121	(95)	1,734,314	6.7%

HAMILTON COUNTY
TOTAL OPEB LIABILITY AND RELATED RATIOS
YEAR ENDED SEPTEMBER 30, 2019

	2019	2018
Service Cost	\$ 71,842	69039
Interest	50,963	50511
Changes in Assumptions	-	0
Differences Between Expected and Actual Experience	-	0
Benefit Payments	(39,381)	(39,381)
Net Change in Total OPEB Liability	83,424	80,169
Total OPEB Liability-Beginning	1,274,973	1194774
Total OPEB Liability-Ending	\$ 1,358,397	\$ 1,274,943
 Country's Covered-employee Payroll	 \$ 1,499,175	 \$ 1,499,175
 County's Total OPEB Liability as a Percentage of Covered-employee Payroll	 90.61%	 85.04%
 OPEB Plan's Fiduciary Net Position	 \$ -	 \$ -
 OPEB Plan's Fiduciary Net Position as a Percentage of Total OPEB Liability	 N/A	 N/A

HAMILTON COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Information

Annual budgets are adopted on the cash basis of accounting for the General Fund and certain Special Revenue Funds. The County employs an encumbrance system as a method of accomplishing budgetary control. At year end, open encumbrances are closed, and departments are required to re-appropriate those funds in the following year's budget.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget request and holds an informal hearing when needed. Before October 1, a proposed budget is presented to Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments.

Once the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping members of the Commissioners' Court advised of the condition of various funds and accounts.

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. No amendments may be made without Commissioners' Court approval to the total budget for each department within a fund. Thus, the legal level of budgetary control is at the department level. No supplemental appropriations were required during the year.

Retirement Schedules

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later. GASB 68, Paragraph 81.2.b requires that the data in the Schedule of Contributions be presented as of the District's current fiscal year as opposed to the valuation measurement date as provided in other schedules of these financial statements.

HAMILTON COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Retirement Schedules (cont'd)

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	10.4 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	8.00%, net of investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule.

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

COMBINING FUND STATEMENTS

**HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
ROAD AND BRIDGE FUNDS
SEPTEMBER 30, 2019**

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Maintenance Barn	Total Road and Bridge Funds
ASSETS						
Cash and investments	\$139,022	\$ 93,942	\$ 68,404	\$ 176,196	\$ 100,000	\$ 577,564
Receivables (net of Allowance for Uncollectible)	2,204	2,204	2,204	2,204	-	8,816
Other Assets	4,965	5,357	5,146	5,604	-	21,072
Total Assets	<u>\$ 146,191</u>	<u>\$ 101,503</u>	<u>\$ 75,754</u>	<u>\$ 184,004</u>	<u>\$ 100,000</u>	<u>\$ 607,452</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 3,482	\$ 3,835	\$ 3,935	\$ -	\$ -	\$ 11,252
Salary payable	2,115	2,447	2,561	2,459	-	9,582
Total Liabilities	<u>5,597</u>	<u>6,282</u>	<u>6,496</u>	<u>2,459</u>	<u>-</u>	<u>20,834</u>
Deferred inflows:						
Deferred property taxes	<u>2,202</u>	<u>2,204</u>	<u>2,202</u>	<u>2,206</u>	<u>-</u>	<u>8,814</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Committed	138,392	93,017	67,056	179,339	100,000	577,804
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>138,392</u>	<u>93,017</u>	<u>67,056</u>	<u>179,339</u>	<u>100,000</u>	<u>577,804</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 146,191</u>	<u>\$ 101,503</u>	<u>\$ 75,754</u>	<u>\$ 184,004</u>	<u>\$ 100,000</u>	<u>\$ 607,452</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - ROAD AND BRIDGE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Road and Bridge Barn	Total Road and Bridge Funds
REVENUES:						
Property taxes, penalties and interest	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	\$ 600,000
Fee and fines	22,453	22,483	22,483	22,483	-	89,902
Intergovernmental	17,899	24,229	11,568	17,899	-	71,595
Licenses and permits	92,301	92,301	92,301	92,301	-	369,204
Miscellaneous Revenue	-	-	-	20	-	20
Total Revenues	282,653	289,013	276,352	282,703	-	1,130,721
EXPENDITURES:						
Salaries	180,784	171,738	193,561	147,726	-	693,809
Equipment	29,524	31,725	37,350	6,576	-	105,175
Equipment repair	24,922	37,405	21,369	30,520	-	114,216
Fuel	23,704	21,904	21,554	22,301	-	89,463
Road expense	13,401	62,369	46,117	2,416	-	124,303
Operating	16,910	13,516	19,245	47,097	-	96,768
Miscellaneous	-	1,086	1,089	1,087	-	3,262
Debt- principal	-	7,914	37,055	15,002	-	59,971
Debt- interest	-	293	2,265	1,087	-	3,645
Total Expenditures	289,245	347,950	379,605	273,812	-	1,290,612
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,592)	(58,937)	(103,253)	8,891	-	(159,891)
OTHER FINANCING SOURCES (USES):						
Transfers in	45,000	45,000	60,000	45,000	100,000	295,000
Proceeds from sale of assets	-	-	-	-	-	-
Transfers out	-	(15,000)	-	-	-	(15,000)
Total Other Financing Sources (Uses)	45,000	30,000	60,000	45,000	100,000	280,000
Net Changes in Fund Balances	38,408	(28,937)	(43,253)	53,891	-	120,109
Fund Balance-Beginning	99,984	121,954	110,309	125,448	-	457,695
Fund Balance-Ending	<u>\$ 138,392</u>	<u>\$ 93,017</u>	<u>\$ 67,056</u>	<u>\$ 179,339</u>	<u>\$ -</u>	<u>\$ 577,804</u>

**HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Vital Statistics	Co Clerk Records Management	District Clerk Vital Statistics	District Clerk Records Management	District Clerk Records Archive Fee
ASSETS					
Cash and investments	\$ 5,019	\$ 50,670	\$ 1,109	\$ 140	\$ 192
Receivables (net of Allowance for Uncollectible)	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total Assets	<u>\$ 5,019</u>	<u>\$ 50,670</u>	<u>\$ 1,109</u>	<u>\$ 140</u>	<u>\$ 192</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	836	\$ -	\$ -	\$ -
Salary payable	-	-	-	-	-
Total Liabilities	-	836	-	-	-
Deferred inflows:					
Deferred property taxes	-	-	-	-	-
Fund Balances:					
Restricted					
Committed	-	-	-	-	-
Debt service	-	-	-	-	-
Election	-	-	-	-	-
General administration	5,019	-	1,109	-	-
Judicial	-	-	-	-	-
Legal	-	-	-	-	-
Public safety	-	-	-	-	-
Records management	-	49,834	-	140	192
Total Fund Balances	<u>5,019</u>	<u>49,834</u>	<u>1,109</u>	<u>140</u>	<u>192</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 5,019</u>	<u>\$ 50,670</u>	<u>\$ 1,109</u>	<u>\$ 140</u>	<u>\$ 192</u>

**HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	County Clerk Records Archive	Court Reporter	Justice Court Technology	County Clerk Probate
ASSETS				
Cash and investments	\$ 52,499	\$ 10,406	\$ 46,033	\$ 1,894
Receivables (net of Allowance for Uncollectible)	-	-	-	-
Due from other funds	-	-	-	-
Total Assets	<u>\$ 52,499</u>	<u>\$ 10,406</u>	<u>\$ 46,033</u>	<u>\$ 1,894</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 118	\$ -
Salary payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>118</u>	<u>-</u>
Deferred inflows:				
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted				
Election	-	-	-	-
Debt service	-	-	-	-
Election	-	-	-	-
General administration	-	-	-	-
Judicial	-	10,406	45,915	-
Legal	-	-	-	1,894
Public safety	-	-	-	-
Records management	52,499	-	-	-
Total Fund Balances	<u>52,499</u>	<u>10,406</u>	<u>45,915</u>	<u>1,894</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 52,499</u>	<u>\$ 10,406</u>	<u>\$ 46,033</u>	<u>\$ 1,894</u>

**HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Election Contracting	County Court Technology	District Court Technology	Sheriff's Office LEOCE	LEOCE Special
ASSETS					
Cash and investments	\$ 534	\$ 273	\$ 2,989	\$ 1,537	\$ 1,284
Receivables (net of Allowance for Uncollectible)	1,622	-	-	466	-
Due from other funds	-	-	-	-	-
Total Assets	<u>\$ 2,156</u>	<u>\$ 273</u>	<u>\$ 2,989</u>	<u>\$ 2,003</u>	<u>\$ 1,284</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salary payable	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows:					
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted					
Election	-	-	-	-	-
Debt service	-	-	-	-	-
Election	2,156	-	-	-	-
General administration	-	-	-	-	-
Judicial	-	273	2,989	-	-
Legal	-	-	-	-	-
Public safety	-	-	-	2,003	1,284
Records management	-	-	-	-	-
Total Fund Balances	<u>2,156</u>	<u>273</u>	<u>2,989</u>	<u>2,003</u>	<u>1,284</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 2,156</u>	<u>\$ 273</u>	<u>\$ 2,989</u>	<u>\$ 2,003</u>	<u>\$ 1,284</u>

**HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Law Library	Records Management Preservation	Courthouse Security	District Clerk Records Preservation	Justice Ct Bldg Sec Fund
ASSETS					
Cash and investments	\$ 18,329	\$ 7,311	\$ 84,910	16,087.00	\$ 2,705
Receivables (net of Allowance for Uncollectible)	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total Assets	\$ 18,329	\$ 7,311	\$ 84,910	\$ 16,087	\$ 2,705
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salary payable	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Deferred inflows:					
Deferred property taxes	-	-	-	-	-
Fund Balances:					
Restricted					
Election	-	-	-	-	-
Debt service	-	-	-	-	2,705
Election	-	-	-	-	-
General administration	-	-	-	-	-
Judicial	-	-	84,910	-	-
Legal	18,329	-	-	-	-
Public safety	-	-	-	-	-
Records management	-	7,311	-	16,087	-
Total Fund Balances	18,329	7,311	84,910	16,087	2,705
Total Liabilities, Deferred inflows, and Fund Balances	\$ 18,329	\$ 7,311	\$ 84,910	\$ 16,087	\$ 2,705

**HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Probate Supplemental Guardianship	Debt Service	Sheriff's Trust	County Attorney Check Collection	Total
ASSETS					
Cash and investments	\$ 10,344	\$ -	\$ 2,520	\$ 4,757	\$ 321,542
Receivables (net of Allowance for Uncollectible)	-	-	-	-	2,088
Due from other funds	-	-	-	-	-
Total Assets	<u>\$ 10,344</u>	<u>\$ -</u>	<u>\$ 2,520</u>	<u>\$ 4,757</u>	<u>\$ 323,630</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 954
Salary payable	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>954</u>
Deferred inflows:					
Deferred property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted					
Election	-	-	-	-	-
Debt service	-	-	-	-	2,705
Election	-	-	-	-	2,156
General administration	-	-	-	-	6,128
Judicial	-	-	-	-	144,493
Legal	10,344	-	-	4,757	35,324
Public safety	-	-	2,520	-	5,807
Records management	-	-	-	-	126,063
Total Fund Balances	<u>10,344</u>	<u>-</u>	<u>2,520</u>	<u>4,757</u>	<u>322,676</u>
Total Liabilities, Deferred inflows, and Fund Balances	<u>\$ 10,344</u>	<u>\$ -</u>	<u>\$ 2,520</u>	<u>\$ 4,757</u>	<u>\$ 323,630</u>

**HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Vital Statistics	County Clerk Records Management	District Clerk Vital Statistics	District Clerk Records Management	District Clerk Records Archive Fee
REVENUES:					
Property taxes, penalties and interest	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and fines	694	22,388	79	-	-
Contributions	-	-	-	-	-
Investment earnings	-	-	-	-	-
Total Revenues	<u>694</u>	<u>22,388</u>	<u>79</u>	<u>-</u>	<u>-</u>
EXPENDITURES:					
General Government	-	-	-	-	-
Administration of justice	-	15,819	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>15,819</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>694</u>	<u>6,569</u>	<u>79</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	694	6,569	79	-	-
Fund Balance-Beginning	4,325	43,265	1,030	140	192
Fund Balance-Ending	<u>\$ 5,019</u>	<u>\$ 49,834</u>	<u>\$ 1,109</u>	<u>\$ 140</u>	<u>\$ 192</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	County Clerk Records Archive	Court Reporter	Justice Court Technology	County Clerk Probate
REVENUES:				
Property taxes, penalties and interest	\$ -	\$ -	\$ -	\$ -
Fees and fines	19,990	1,530	16,302	185
Contributions	-	-	-	-
Investment earnings	-	-	-	-
Total Revenues	<u>19,990</u>	<u>1,530</u>	<u>16,302</u>	<u>185</u>
EXPENDITURES:				
General Government	-	-	4,358	-
Administration of justice	-	-	-	-
Public safety	-	-	-	864
Highways and streets	-	-	-	-
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>4,358</u>	<u>864</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,990</u>	<u>1,530</u>	<u>11,944</u>	<u>(679)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Capital lease proceeds	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	19,990	1,530	11,944	(679)
Fund Balance-Beginning	<u>32,509</u>	<u>8,876</u>	<u>33,971</u>	<u>2,573</u>
Fund Balance-Ending	<u>\$ 52,499</u>	<u>\$ 10,406</u>	<u>\$ 45,915</u>	<u>\$ 1,894</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Election Contracting	County Court Technology	District Court Technology	Sheriff's Office LEOCE	Special Fund LEOCE
REVENUES:					
Property taxes, penalties and interest	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	254	1,570	-	1,022
Contributions	-	-	-	-	-
Investment earnings	-	-	-	-	-
Total Revenues	<u>-</u>	<u>254</u>	<u>1,570</u>	<u>-</u>	<u>1,022</u>
EXPENDITURES:					
General Government	(95)	1,700	-	-	-
Administration of justice	-	-	-	-	-
Public safety	-	-	-	210	-
Highways and streets	-	-	-	-	-
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>(95)</u>	<u>1,700</u>	<u>-</u>	<u>210</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>95</u>	<u>(1,446)</u>	<u>1,570</u>	<u>(210)</u>	<u>1,022</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	95	(1,446)	1,570	(210)	1,022
Fund Balance-Beginning	<u>2,061</u>	<u>1,719</u>	<u>1,419</u>	<u>2,213</u>	<u>262</u>
Fund Balance-Ending	<u>\$ 2,156</u>	<u>\$ 273</u>	<u>\$ 2,989</u>	<u>\$ 2,003</u>	<u>\$ 1,284</u>

**HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Law Library	Records Management Preservation	Courthouse Security	District Clerk Records Preservation	Justice Court Security Fund
REVENUES:					
Property taxes, penalties and interest	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and fines	5,390	1,245	11,476	1,288	2,705
Contributions	-	-	-	-	-
Investment earnings	-	-	-	-	-
Total Revenues	<u>5,390</u>	<u>1,245</u>	<u>11,476</u>	<u>1,288</u>	<u>2,705</u>
EXPENDITURES:					
General Government	6,017	-	-	-	-
Administration of justice	-	-	-	-	-
Public safety	-	-	3,927	-	-
Highways and streets	-	-	-	-	-
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>6,017</u>	<u>-</u>	<u>3,927</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(627)</u>	<u>1,245</u>	<u>7,549</u>	<u>1,288</u>	<u>2,705</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	(1)	-	-	-	-
Capital lease proceeds	-	-	-	-	-
Total other financing sources (uses):	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(628)	1,245	7,549	1,288	2,705
Fund Balance-Beginning	18,957	6,066	77,361	14,799	-
Fund Balance-Ending	<u>\$ 18,329</u>	<u>\$ 7,311</u>	<u>\$ 84,910</u>	<u>\$ 16,087</u>	<u>\$ 2,705</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Probate Supplemental Guardianship	Debt Service	Sheriff's Trust	County Attorney Check Collection	Total
REVENUES:					
Property taxes, penalties and interest	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and fines	700	-	-	655	87,473
Contributions	-	-	-	-	-
Investment earnings	-	-	-	-	-
Total Revenues	<u>700</u>	<u>-</u>	<u>-</u>	<u>655</u>	<u>87,473</u>
EXPENDITURES:					
General Government	-	-	1,700	-	13,680
Administration of justice	200	-	-	-	16,019
Public safety	-	-	-	-	5,001
Highways and streets	-	-	-	-	-
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>200</u>	<u>-</u>	<u>1,700</u>	<u>-</u>	<u>34,700</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>500</u>	<u>-</u>	<u>(1,700)</u>	<u>655</u>	<u>52,773</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	(5,101)	-	-	(5,102)
Capital lease proceeds	-	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>(5,101)</u>	<u>-</u>	<u>-</u>	<u>(5,102)</u>
Net change in fund balances	500	(5,101)	(1,700)	655	47,671
Fund Balance-Beginning	<u>9,844</u>	<u>5,101</u>	<u>4,220</u>	<u>4,102</u>	<u>275,005</u>
Fund Balance-Ending	<u>\$ 10,344</u>	<u>\$ -</u>	<u>\$ 2,520</u>	<u>\$ 4,757</u>	<u>\$ 322,676</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	County Clerk Registry	District Clerk Registry	Probation Trust	Child Support	Total
Assets					
Cash	<u>42,123</u>	<u>2,322,501</u>	<u>2,261</u>	<u>390</u>	<u>2,367,275</u>
Total assets	<u>\$ 42,123</u>	<u>\$ 2,322,501</u>	<u>\$ 2,261</u>	<u>\$ 390</u>	<u>\$ 2,367,275</u>
Liabilities:					
Due to others	<u>42,123</u>	<u>2,322,501</u>	<u>2,261</u>	<u>390</u>	<u>2,367,275</u>
Total liabilities	<u>\$ 42,123</u>	<u>\$ 2,322,501</u>	<u>\$ 2,261</u>	<u>\$ 390</u>	<u>\$ 2,367,275</u>