

CLAY COUNTY, TEXAS  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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**CLAY COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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## Financial Section

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**RUTLEDGE CRAIN & COMPANY,PC**  
CERTIFIED PUBLIC ACCOUNTANTS  
2401 Garden Park Court, Suite B  
Arlington, Texas 76013

**INDEPENDENT AUDITORS' REPORT**

To the Honorable County Judge and Commissioner's Comprising the  
Commissioners' Court of Clay County  
Henrietta, Texas

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

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Clay County Memorial Hospital, which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to Clay County Memorial Hospital, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Clay County, Texas, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension schedules on pages 5-12, 44-48, and 49-50 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

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

*Rutledge Crain & Company, PC*

May 21, 2021

## Management's Discussion and Analysis

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As management of Clay County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information found in the footnotes to the financial statements.

### **Financial Highlights**

The assets and deferred outflow of resources of the County exceeded its liabilities and deferred inflow of resources at the close of the fiscal year ended September 30, 2020, by \$9,110,907 (net position). Of this amount, \$4,575,945 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

The County's total net position increased by \$705,951. Of this amount around \$600,000 of this increase is attributed to deferred outflow of resources and the other was from Grant proceeds received from the HAVA Election Security and Cares Act Grants received.

The County's governmental funds reported combined ending fund balances of \$4,922,595 an increase of \$704,384 in comparison to the previous year.

The unreserved portion of the General Fund Balance at the end of the year was \$3,153,215 or 51.14% of total General Fund expenditures and transfers outs.

Clay County has no bond indebtedness at the current time.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) fiduciary financial statements, and 4) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of Clay County's finances. This is done in a manner like a private-sector business. Two statements, the Statement of Net Assets and the Statement of Activities, are utilized to provide this financial overview.

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

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

## CLAY COUNTY, TEXAS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2020

#### Fund Financial Statements

The County, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All the funds of the County can be categorized as 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. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirement.

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

The County maintains thirteen individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Road & Bridge Number One, Road & Bridge Number Two, Road & Bridge Number Three, and Road & Bridge Number Four, all of which are major funds. Data from the other seven funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in the report.

**Fiduciary Funds.** The County maintains funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support County programs.

**Notes to Financial Statements.** The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide, fund financial statements and fiduciary fund statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents other required supplementary information. Required supplementary information can be found after the notes to the financial statements. The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information.

#### Government-wide Financial Analysis

At the end of fiscal year 2020, the County's net position (assets and deferred resources outflows exceeding liabilities and deferred resource inflows) totaled \$9,110,908. This analysis focuses on the net position (Table 1) and changes in net position (Table 2).



CLAY COUNTY, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2020

**Net Position.** The largest portion of the County's net assets, \$4,534,963 or 49.78 %, reflects its investment in capital assets (land and improvements, building, infrastructure, machinery and equipment), less depreciation and any related debt used to acquire those assets that is still outstanding. The County uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net assets, \$4,575,945 or 50.22 %, may be used to meet the government's ongoing obligations to citizens and creditors.

Table 1  
Condensed Statement of Net Position

	Governmental Activities		Component Unit	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
<b>ASSETS</b>				
Current and other assets	\$ 6,100,200	\$ 5,431,129	\$ 12,056,706	\$ 7,449,317
Capital assets	6,762,261	6,602,866	2,413,400	2,350,355
Total assets	<u>12,862,461</u>	<u>12,033,995</u>	<u>14,470,106</u>	<u>9,799,672</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charges	<u>1,295,946</u>	<u>1,922,913</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
Long-term liabilities	2,427,356	4,475,919	1,227,822	452,374
Other liabilities	482,132	446,951	676,602	521,019
Total liabilities	<u>2,909,488</u>	<u>4,922,870</u>	<u>1,904,424</u>	<u>973,393</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred pension inflows	<u>2,138,011</u>	<u>629,081</u>	<u>2,442,487</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in capital assets	4,534,963	4,509,818	2,099,078	1,897,981
Unrestricted	4,575,945	3,895,139	8,024,117	6,928,298
	<u>\$ 9,110,908</u>	<u>\$ 8,404,957</u>	<u>\$ 10,123,195</u>	<u>\$ 8,826,279</u>

# CLAY COUNTY, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2020

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Component Unit	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Program Revenues:				
Charges for services	\$ 1,739,541	\$ 1,800,455	\$ 8,238,511	\$ 8,140,932
Operating grants and contributions	86,967	75,555	111,400	31,501
Capital grant and contributions	190,956	12,665	870,071	54,259
General Revenues				
Taxes	6,089,144	5,680,888	-	-
Miscellaneous	965,532	587,224	1,934,149	1,874,425
Unrestricted Investment Earnings	46,069	67,407	130,544	30,246
Gain (loss) on sale of capital assets	(325,318)	(255,132)	-	-
Total Revenues	<u>8,792,891</u>	<u>7,969,062</u>	<u>11,284,675</u>	<u>10,131,363</u>
Expenses:				
General Administration	828,774	795,916	-	-
Judicial	647,342	639,853	-	-
Legal	184,025	178,774	-	-
Financial Administration	236,082	228,806	-	-
Public Facilities	182,500	157,295	-	-
Public Safety	2,359,252	2,208,582	-	-
Public Transportation	2,175,995	2,275,183	-	-
Health and Welfare	237,163	239,329	-	-
Conservation	99,029	115,004	-	-
Nondepartmental	1,133,380	990,999	-	-
Debt Service	3,398	29,292	-	-
Hospital operations	-	-	9,987,759	9,528,186
Total Expenses	<u>8,086,940</u>	<u>7,859,033</u>	<u>9,987,759</u>	<u>9,528,186</u>
Increase (Decrease) in net position	705,951	110,029	1,296,916	603,177
Net position-October 1	8,321,220	8,184,190	8,826,279	8,223,102
Prior period adjustment	83,737	110,738	-	-
Net position-September 30	<u>\$ 9,110,908</u>	<u>\$ 8,404,957</u>	<u>\$ 10,123,195</u>	<u>\$ 8,826,279</u>

### Financial Analysis of the Government's Funds

**Government funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unreserved fund balances may serve as a useful measure of the governments net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$4,922,595

## CLAY COUNTY, TEXAS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2020

The General Fund is the main operating fund of the County. At the end of the current fiscal year, the General Fund unassigned fund balance was \$3,153,215. The fund balance increased \$769,140 during the current fiscal year. Part of this increase is due to the money dedicated for the Highway 82 Project and the Courthouse renovation that has not been expended yet. The County also received more Grant Funds than expected that helped contribute to the increased balance.

**General Fund Budgetary Highlights.** Each year the County performs periodic reviews of the budget. State law prohibits increasing total budgeted expenditures except during an emergency, however, an amount budgeted for one line item can be transferred to another budgeted item without authorizing an emergency expenditure.

There was no significant change in the total appropriations for the final amended budget compared to the original budget.

During the year there was a \$1,281,176 positive variance in appropriations between the final amended budget and actual. Following are the main components of the increase:

\$126,592 - Judicial –We have had excess money in Judicial mostly due to having money budgeted for a new Computer and Software program that has not been implemented and less court cost for jurors and attorneys used than budgeted.

\$288,565 - Public Safety-Sheriff's Department had excess money for personnel services for salary and benefits from positions not being filled for part of the year due to turn over and the process it takes when hiring new personnel in Law Enforcement. In the Juvenile Department there was less placement to Foster Care than what was allocated to be spent.

\$79,578 - Health and Welfare - Indigent health care cost was less than budgeted.

\$388,130 – Non- Departmental – a few items are over budgeted, county property renovation and the right of way for highway to be constructed from Nocona to Henrietta -these projects are projected but we have not incurred any expenses for these projects in this budget year. We also always budget money in our Emergency Reserve for any unforeseen circumstances and have only used a small portion of those funds.

There was little change in the estimated revenues for the final amended budget compared to the original budget. The additional revenue was from money received from unexpected grant proceeds.

## CLAY COUNTY, TEXAS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2020

#### Capital Assets and Debt Administration

*Capital Assets.* The County's investment in capital assets for its governmental activities as of September 30, 2020, amounts to \$6,762,261 (net of accumulated depreciation). The investment in capital assets includes land, buildings, machinery and equipment, net pension asset and infrastructure.

Table 3  
Capital Assets at Year End  
Net of Accumulated Depreciation

	Governmental Activities		Component Unit	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Land and improvements	\$ 164,695	\$ 140,695	\$ 367,357	\$ 368,476
Buildings	2,436,692	2,308,947	991,612	1,089,187
Machinery and equipment	3,027,676	2,902,651	1,054,431	892,692
Infrastructure	1,133,198	1,166,837	-	-
	<u>\$ 6,762,261</u>	<u>\$ 6,519,130</u>	<u>\$ 2,413,400</u>	<u>\$ 2,350,355</u>

Additional information on the County's capital assets can be found in the foot notes to the financial statements.

#### *Debt Administration.*

From time-to-time Clay County signs lease agreements to finance equipment purchases in the General Fund and Road and Bridge Funds. On September 30, 2020, the County had capital lease obligations of \$2,227,298.

Table 4  
Outstanding Debt at Year End

Type of Debt	Governmental Activities		Component Unit	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Capital lease obligations	\$ 2,227,298	\$ 2,093,050	\$ 314,322	\$ 452,374
Notes payable	-	-	913,500	-
Net Pension Liability (Asset)	(20,514)	2,215,861	-	-
Compensated Absences	200,058	167,008	-	-
Total	<u>\$ 2,406,842</u>	<u>\$ 4,475,919</u>	<u>\$ 1,227,822</u>	<u>\$ 452,374</u>

Clay County does not have a current bond rating from either Standard & Poor Corporation or Moody's Investor Service.

Additional information on the County's long-term debt can be found in the notes to the financial statements.

## CLAY COUNTY, TEXAS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2020

#### Economic Factors and Next Year's Budgets and rates

The County provides a full range of services authorized by statute. Such services include general government functions such as recording and licensing, maintaining the County and District Court system, ensuring public safety, maintaining public health and welfare, and maintaining county roads and bridges. The cost associated with these services are presented within the financial statement in detail.

#### BUDGET

The annual budget serves as the foundation for Clay County's financial planning and control. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Commissioners' Court. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. The level of expenditures cannot legally exceed the appropriated amount this control is established at the department level within each fund. All transfers of appropriations, either between departments or within an individual department's budget, require the approval of the Commissioners' Court, except on the Sheriff's Department Forfeiture Account, the expenditures of the proceeds must be submitted to commissioner's court and clearly list and define the categories of expenditures, except the detail that would endanger the safety of the law enforcement. There is no requirement that commissioner's court approve the budget submitted on the Forfeiture account except for increase in salary, expense, or allowance. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

#### LOCAL ECONOMY

The County's economy depends a lot on agribusiness and oil & gas, local businesses that include Manufacturing, Service, Merchandising, Hybrid, Corporations, LLC's, Cooperative, Sole Proprietorships and Partnerships. We have established businesses that employ people and provide services to help keep the economy improving. Henrietta has not had any significant new growth this year, we have had some of the building purchased in Henrietta by an individual that have renovated them giving the downtown a great new look. Petrolia has a new Café. The unemployment rate at the end of September 2020 was up to 8.3% in Texas, it had decreased the following month to 6.9% a big part of the increased unemployment in Texas was due to the Covid pandemic.

#### LONG TERM FINANCIAL PLANNING

County strategies and plans are integrated into all departmental budgets to ensure unified efforts within County government to achieve the goals and objectives of the County. Texas county government operates under a balanced budget as required by law. This does not mean that estimated revenues must always be exactly equal to expenditures. As financial management practice, members of Commissioners Court should consistently emphasize maintaining sufficient unassigned fund balance levels to meet first quarter obligations of payroll and operating cost and furthermore, this assists in maintaining financial stability. When evaluating fund balance reserve, it is vitally important to maintain sufficient positive fund balance reserves in order to avoid borrowing to meet short term operating needs.

Finally, as a result of the trend of shifting of unfunded mandates by both federal and state levels to local government, it is anticipated that additional financial burden will continue to be experienced by the County and ultimately local taxpayers if other sources of funding are not identified. The County will be tasked with identifying new or additional revenue to counter these expenditures. At its discretion, the Court will probably continue to utilize some amount of fund balance not to exceed what is needed for the fund balance reserve. The Court must remain cautious in planning for the future budget in the absence of either continued cost containment initiatives or significant additional revenue enhancement efforts. It is imperative that County government continually strive to maintain steady increases in revenue while costs continue to rise.

## **CLAY COUNTY, TEXAS**

### *MANAGEMENT'S DISCUSSION AND ANALYSIS*

*September 30, 2020*

#### **INITIATIVES**

The County focuses on improving services and making improvements throughout the year that are needed to meet citizen's demands. Some of the Services include but are not limited to adding more staff to the Sheriff's Department. Better internet access so that the citizens can have better access to information from anywhere and anytime it may be needed. Clay County also preserves records each year of various indexes and record that contain pertinent information. The County's safety and welfare for the citizens will remain to be a priority.

## Basic Financial Statements

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**CLAY COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2020**

	Primary Governmental Activities	Component Unit
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,877,906	8,072,852
Receivables (net of allowances for uncollectibles):		
Taxes	241,346	--
Fines	690,204	--
Accounts	--	1,657,778
Other	--	125,304
Intergovernmental	88,219	--
Inventories	--	108,269
Prepaid items	182,011	267,170
Restricted assets:		
Cash and cash equivalents	--	1,825,333
Capital assets (net of accumulated depreciation)		
Land	164,695	367,357
Buildings	2,436,692	991,612
Infrastructure	1,133,198	--
Machinery and equipment	3,027,676	1,054,431
Net pension asset	20,514	--
Total Assets	<u>12,862,461</u>	<u>14,470,106</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Deferred pension expense	1,295,946	--
Total Deferred Outflow of Resources	<u>1,295,946</u>	<u>--</u>
<b>LIABILITIES</b>		
Accounts payable	96,305	352,967
Accrued liabilities and other payables	67,171	323,635
Due to other governments	203,747	--
Due to others	114,909	--
Noncurrent liabilities:		
Due within one year	487,780	700,239
Due in more than one year	1,939,576	527,583
Total Liabilities	<u>2,909,488</u>	<u>1,904,424</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unearned revenue	2,138,011	2,442,487
Total Deferred Inflows of Resources	<u>2,138,011</u>	<u>2,442,487</u>
<b>NET POSITION:</b>		
Net Investment in Capital Assets	4,534,963	1,185,578
Unrestricted	4,575,945	8,937,617
Total Net Position	<u>\$ 9,110,908</u>	<u>10,123,195</u>

The accompanying notes are an integral part of this statement.

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental activities:				
General government	\$ 828,774	\$ 305,080	\$ 613	\$ --
Judicial	647,342	193,209	25,200	--
Legal	184,025	1,155	28,000	--
Financial administration	236,082	--	--	--
Public facilities	182,500	--	--	--
Public Safety	2,359,252	554,383	33,154	--
Public transportation	2,175,995	665,768	--	--
Health and welfare	237,163	--	--	--
Conservation	99,029	--	--	--
Nondepartmental	1,133,380	19,946	--	190,956
Interest and fiscal charges	3,398	--	--	--
<b>Total Primary Government</b>	<b>\$ 8,086,940</b>	<b>\$ 1,739,541</b>	<b>\$ 86,967</b>	<b>\$ 190,956</b>
<b>COMPONENT UNIT:</b>				
Clay County Memorial Hospital	\$ 9,987,759	\$ 8,238,511	\$ 111,400	\$ 870,071

General Revenues:  
 Property Taxes  
 Miscellaneous  
 Unrestricted Investment Earnings  
 Gain (Loss) on Disposal of Capital Assets  
 Total General Revenues and Transfers  
 Change in Net Position  
 Net Position - Beginning  
 Prior Period Adjustment  
 Net Position - Ending

The accompanying notes are an integral part of this statement.

<u>Net (Expense)</u>	<u>Revenue and</u>
<u>Changes in</u>	<u>Net Position</u>
<u>Governmental</u>	<u>Component</u>
<u>Activities</u>	<u>Unit</u>
\$ (523,081)	
(428,933)	
(154,870)	
(236,082)	
(182,500)	
(1,771,715)	
(1,510,227)	
(237,163)	
(99,029)	
(922,478)	
<u>(3,398)</u>	
<u>(6,069,476)</u>	
	\$ <u>(767,777)</u>
6,089,144	--
965,532	1,934,149
46,069	130,544
<u>(325,318)</u>	<u>--</u>
<u>6,775,427</u>	<u>2,064,693</u>
705,951	1,296,916
8,321,219	8,826,279
83,738	--
<u>\$ 9,110,908</u>	<u>\$ 10,123,195</u>

**CLAY COUNTY, TEXAS**

BALANCE SHEET - GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2020

	<u>General Fund</u>	<u>Road &amp; Bridge Number One</u>	<u>Road &amp; Bridge Number Two</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,097,429	\$ 201,388	\$ 44,753
Receivables (net of allowances for uncollectibles):			
Taxes	105,005	32,078	33,049
Fines	690,204	--	--
Intergovernmental	83,531	1,021	826
Total Assets	<u>\$ 3,976,169</u>	<u>\$ 234,487</u>	<u>\$ 78,628</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 68,588	\$ --	\$ 2,717
Due to other governments	203,747	--	--
Due to others	114,909	--	--
Total Liabilities	<u>387,244</u>	<u>--</u>	<u>2,717</u>
Deferred Inflows of Resources:			
Unavailable revenue-property taxes	64,163	29,480	30,947
Unavailable revenue-fines	371,547	--	--
Total deferred inflows of resources	<u>435,710</u>	<u>29,480</u>	<u>30,947</u>
Fund balances:			
Restricted	--	--	--
Committed	--	205,007	44,964
Unassigned	3,153,215	--	--
Total fund balances	<u>3,153,215</u>	<u>205,007</u>	<u>44,964</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,976,169</u>	<u>\$ 234,487</u>	<u>\$ 78,628</u>

The accompanying notes are an integral part of this statement.

<u>Road &amp; Bridge Number Three</u>	<u>Road &amp; Bridge Number Four</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 162,718	\$ 388,018	\$ 983,601	\$ 4,877,907
35,899	35,315	--	241,346
--	--	--	690,204
1,384	1,457	--	88,219
<u>\$ 200,001</u>	<u>\$ 424,790</u>	<u>\$ 983,601</u>	<u>\$ 5,897,676</u>
\$ --	\$ 25,000	\$ --	\$ 96,305
--	--	--	203,747
--	--	--	114,909
<u>--</u>	<u>25,000</u>	<u>--</u>	<u>414,961</u>
32,376	31,607	--	188,573
--	--	--	371,547
<u>32,376</u>	<u>31,607</u>	<u>--</u>	<u>560,120</u>
--	--	983,601	983,601
167,625	368,183	--	785,779
--	--	--	3,153,215
<u>167,625</u>	<u>368,183</u>	<u>983,601</u>	<u>4,922,595</u>
<u>\$ 200,001</u>	<u>\$ 424,790</u>	<u>\$ 983,601</u>	<u>\$ 5,897,676</u>

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**CLAY COUNTY, TEXAS**

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

Total fund balances - governmental funds balance sheet	\$ 4,922,595
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	6,762,261
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	188,573
Payables for capital leases which are not due in the current period are not reported in the funds.	(2,227,298)
Payables for bond interest which are not due in the current period are not reported in the funds.	(67,171)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(200,058)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	182,009
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	371,547
Recognition of the County's net pension liability is not reported in the funds.	20,514
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(2,138,011)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	<u>1,295,946</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 9,110,907</u>

The accompanying notes are an integral part of this statement.

# CLAY COUNTY, TEXAS

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

	General Fund	Road & Bridge Number One	Road & Bridge Number Two
<b>Revenues:</b>			
Taxes	\$ 4,808,816	\$ 298,461	\$ 241,455
Licenses and permits	189,032	123,349	123,349
Intergovernmental	224,110	--	--
Fines and fees	334,261	34,119	31,000
Interest	26,811	2,193	518
Miscellaneous	1,492,255	5,915	4,931
Total revenues	<u>7,075,285</u>	<u>464,037</u>	<u>401,253</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	798,262	--	--
Judicial	659,330	--	--
Legal	178,984	--	--
Financial administration	243,300	--	--
Public facilities	153,370	--	--
Public Safety	2,362,343	--	--
Public transportation	--	546,684	1,041,736
Health and welfare	266,558	--	--
Conservation	105,231	--	--
Nondepartmental	1,398,689	--	--
Total expenditures	<u>6,166,067</u>	<u>546,684</u>	<u>1,041,736</u>
Excess (deficiency) of revenues over (under) expenditures	909,218	(82,647)	(640,483)
<b>Other financing sources (uses):</b>			
Transfers in	--	35,000	35,000
Transfers out	(140,078)	--	--
Sale of capital assets	--	--	31,776
Capital leases	--	--	528,124
Total other financing sources (uses)	<u>(140,078)</u>	<u>35,000</u>	<u>594,900</u>
Net change in fund balances	769,140	(47,647)	(45,583)
Fund balances, October 1	2,384,075	252,654	90,547
Fund balances, September 30	<u>\$ 3,153,215</u>	<u>\$ 205,007</u>	<u>\$ 44,964</u>

The accompanying notes are an integral part of this statement.



Road & Bridge Number Three	Road & Bridge Number Four	Other Governmental Funds	Total Governmental Funds
\$ 404,526	\$ 425,903	\$ --	\$ 6,179,161
123,349	123,349	--	682,428
--	--	--	224,110
39,923	41,092	78,221	558,616
1,788	3,333	11,426	46,069
8,029	8,422	--	1,519,552
<u>577,615</u>	<u>602,099</u>	<u>89,647</u>	<u>9,209,936</u>
--	--	35,534	833,796
--	--	--	659,330
--	--	8,387	187,371
--	--	--	243,300
--	--	--	153,370
--	--	--	2,362,343
667,903	811,528	--	3,067,851
--	--	--	266,558
--	--	--	105,231
--	--	12,972	1,411,661
<u>667,903</u>	<u>811,528</u>	<u>56,893</u>	<u>9,290,811</u>
(90,288)	(209,429)	32,754	(80,875)
35,000	35,000	78	140,078
--	--	--	(140,078)
--	25,141	--	56,917
29,559	170,659	--	728,342
<u>64,559</u>	<u>230,800</u>	<u>78</u>	<u>785,259</u>
(25,729)	21,371	32,832	704,384
193,354	346,812	950,769	4,218,211
<u>\$ 167,625</u>	<u>\$ 368,183</u>	<u>\$ 983,601</u>	<u>\$ 4,922,595</u>

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**CLAY COUNTY, TEXAS**

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

Net change in fund balances - total governmental funds	\$ 704,384
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,269,902
The depreciation of capital assets used in governmental activities is not reported in the funds.	(728,271)
Trade-in or disposal of capital assets decrease net position in the SOA but not in the funds.	(414,012)
The gain or loss on the sale of capital assets is not reported in the funds.	31,776
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(90,017)
Expenses not requiring the use of current financial resources are not reported as expenditures in the funds.	4,118
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	594,093
(Increase) decrease in accrued interest from beginning of period to end of period.	(3,398)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(33,050)
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.	(1,711)
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(728,341)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	<u>100,478</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 705,950</u>

The accompanying notes are an integral part of this statement.

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

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,016,449
Total Assets	<u>\$ 1,016,449</u>
<b>LIABILITIES</b>	
Due to other governments	\$ 655,364
Due to others	361,085
Total Liabilities	<u>\$ 1,016,449</u>

The accompanying notes are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County, a political subdivision of the State of Texas is governed by an elected judge and four county commissioners which comprise the commissioner's court. The county's operational activities include general administrative services, judicial, public safety, the construction and maintenance of roads, health and welfare assistance, permanent records preservation, and conservation.

The accounting policies of Clay County, Texas, conform to generally accepted accounting principals issued by the Governmental Accounting Standards Board which is the recognized financial accounting standard setting body for governmental entities. The notes to the financial statements are an integral part of the County's basic financial statements.

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "The Financial Reporting Entity," in that the financial statements include all organizations, activities, functions and component units for which the County (the "primary government") is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the County's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the County.

Discretely Presented Component Unit

For financial statement reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The criteria used are as follows:

Financial Accountability - The primary government is deemed to be a financially accountable if it appoints a voting majority of the organization's governing body and, (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government or a jointly appointed board.

Clay County Memorial Hospital (CCMH) operates a primary critical care hospital. The County Commissioners' Court appoints CCMH's board, approves its annual budget, regularly scheduled payment of bills, and major capital additions. CCMH is reported as a discretely presented component unit because its services are provided entirely to the public. Separate financial statements are available from hospital management at CCMH, 310 W. South Street, Henrietta, Texas, 76365.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

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

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

CLAY COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended September 30, 2020

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Fines and permits, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The County reports the following major governmental funds:

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

The *Road and Bridge Number One Special Revenue Fund* accounts for certain revenues and expenditures related to the construction and maintenance of roads and bridges within precinct one.

The *Road and Bridge Number Two Special Revenue Fund* accounts for certain revenues and expenditures related to the construction and maintenance of roads and bridges within precinct two.

The *Road and Bridge Number Three Special Revenue Fund* accounts for certain revenues and expenditures related to the construction and maintenance of roads and bridges within precinct three.

The *Road and Bridge Number Four Special Revenue Fund* accounts for certain revenues and expenditures related to the construction and maintenance of roads and bridges within precinct four.

Additionally, the County reports the following fund types:

The Special Revenue Funds account for specific revenue sources that are legally restricted to expenditures for specified purposes (not including private purpose trusts or major capital projects).

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes, miscellaneous revenue, and interest income.

CLAY COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended September 30, 2020

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

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

State statutes authorize the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (B) secured by obligations that are described by (1) - (4); or, (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with third party selected or approved by the County, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

2. Receivables and payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied on October 1 by the County based on the January 1 property values as appraised by the Clay County Central Appraisal District. Taxes are due without penalty until January 31, of the next calendar year. After January 31 the County has an enforceable lien with respect to both real and personal property. Under state law, property taxes levied on real property constitute a perpetual lien on the real property which cannot be forgiven without specific approval of the State Legislature. Taxes applicable to personal property can be deemed uncollectible by the County.

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

CLAY COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended September 30, 2020

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Buildings	20 - 30 years
Infrastructure	20 - 45 years
Machinery and Equipment	5 - 10 years

5. Long-term obligations

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

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

6. Fund equity

Nonspendable Fund Balance Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by the Commissioners Court through legislation, resolution or court order, unless the Commissioners Court removes or changes the specified use by taking the same type of action used to commit the amounts.

Assigned Fund Balance - Amounts that are constrained by the Commissioners Court, or by another County official or the finance division to which the Commissioners Court has delegated authority, that are to be used for specific purposes but are neither restricted nor committed.

Unassigned Fund Balance - Amounts that are available for any purpose; these amounts can be reported only in the County's General Fund.

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The County fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the County incurs an expenditure and both restricted and unrestricted amounts are available, the County considers restricted amounts to have been spent. When the County incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.



**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds and net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "Fines receivable unavailable to pay for current period expenditures are deferred in the funds." The details of this difference are as follows:

County clerk fines	\$109,380
District clerk fines	183,081
Justice of the peace fines	<u>79,086</u>
Total	<u>\$371,547</u>

**III. DETAILED NOTES ON ALL FUNDS**

A. Deposits and Investments

At year end, the carrying amount of the County's cash and cash equivalents was \$5,894,354, and the bank balance was \$6,175,440 which was covered by federal deposit insurance and collateralized by the pledging financial institution with marketable securities held by an agent in the County's name.

The Component Unit's deposit policy for custodial credit risk requires compliance with the provisions of state law. State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; bonds of any city, county, school district or special road district of the State of Texas; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. The Component Unit's cash balance was \$8,227,890 at year end and was fully collateralized.

The Component Unit's investments, totaling \$1,670,295, are reported at fair value, and are included with restricted cash and cash equivalents. These investments consist primarily of mutual funds.

Reconciliation of Carrying Amount to Balance Sheets:

	Primary <u>Government</u>	Component <u>Unit</u>	Reporting <u>Entity</u>
Cash and cash equivalents	\$4,877,905	\$8,072,852	\$12,950,757
Restricted cash and cash equivalents	--	1,825,333	<u>1,825,333</u>
Total government wide	4,877,905	9,898,185	14,776,090
Agency funds	1,016,449	--	1,016,449
	<u>\$5,894,354</u>	<u>\$9,898,185</u>	<u>\$15,792,539</u>

CLAY COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended September 30, 2020

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	NonMajor and Other	Total
Taxes receivable	\$105,005	\$32,078	\$33,049	\$35,899	\$35,315	\$ --	\$241,346
Fines receivable	\$1,126,930	\$ --	\$ --	\$ --	\$ --	\$ --	\$1,126,930
Allowance	(436,726)	--	--	--	--	--	(436,726)
	\$690,204	\$ --	\$ --	\$ --	\$ --	\$ --	\$690,204

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Total
Major Funds:			
Deferred tax revenue (General Fund)	\$64,163	\$ --	\$64,163
Deferred fines revenue (General Fund)	371,547	--	371,547
Deferred tax revenue (Road & Bridge/ Fund #1)	29,480	--	29,480
Deferred tax revenue (Road & Bridge Fund #2)	30,947	--	30,947
Deferred tax revenue (Road & Bridge Fund #3)	32,376	--	32,376
Deferred tax revenue (Road & Bridge Fund #4)	31,607	--	31,607
Total deferred/unearned revenue for governmental funds	\$560,120	\$ --	\$560,120

CLAY COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended September 30, 2020

C. Capital assets

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

	Balance 9/30/19	Additions	Retirements	Completed Construction	Balance 9/30/20
<b>GOVERNMENTAL ACTIVITIES:</b>					
Capital assets, not being depreciated:					
Land	\$140,695	\$24,000	\$ --	\$ --	\$164,695
Construction in progress	--	--	--	--	--
Total capital assets not being depreciated	140,695	24,000	--	--	164,695
Capital assets, being depreciated:					
Buildings	3,646,901	198,198	--	--	3,845,099
Infrastructure	46,336,189	--	--	--	46,336,189
Machinery and equipment	6,187,744	1,047,704	(748,401)	--	6,487,047
Total capital assets being depreciated	56,170,834	1,245,902	(748,401)	--	56,668,335
Less accumulated depreciation for:					
Buildings	(1,337,954)	(70,453)	--	--	(1,408,407)
Infrastructure	(45,169,352)	(33,639)	--	--	(45,202,991)
Machinery and equipment	(3,201,357)	(624,179)	366,165	--	(3,459,371)
Total accumulated depreciation	(49,708,663)	(728,271)	366,165	--	(50,070,769)
Total capital assets being depreciated, net	6,462,171	517,631	(382,236)	--	6,597,566
Governmental activities capital assets, net	\$6,602,866	\$541,631	(\$382,236)	\$ --	\$6,762,261

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$29,057
Public safety	89,176
Public transportation	529,801
Nondepartmental	80,237
Total depreciation expense - governmental activities	<u>\$728,271</u>

CLAY COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended September 30, 2020

	Balance 9/30/19	Additions	Retirements	Reclassify	Balance 9/30/20
<b>DISCRETE COMPONENT UNIT:</b>					
Capital assets, not being depreciated:					
Land	\$361,951	\$5,406	\$ --	\$ --	\$367,357
Construction in progress	--	--	--	--	--
Total capital assets not being depreciated	361,951	5,406	--	--	367,357
Capital assets, being depreciated:					
Buildings	3,177,417	--	--	--	3,177,417
Land improvements	16,779	--	--	--	16,779
Equipment	6,755,003	368,721	--	--	7,123,724
Leased assets	745,538	--	--	--	745,538
Total capital assets being depreciated	10,694,737	368,721	--	--	11,063,458
Less accumulated depreciation for:					
Buildings	(2,088,230)	(97,575)	--	--	(2,185,805)
Land improvements	(10,254)	(1,119)	--	--	(11,373)
Equipment	(6,332,626)	(79,712)	--	--	(6,412,338)
Leased assets	(275,223)	(132,676)	--	--	(407,899)
Total accumulated depreciation	(8,706,333)	(311,082)	--	--	(9,017,415)
Total capital assets being depreciated, net	1,988,404	57,639	--	--	2,046,043
Governmental activities capital assets, net	<u>\$2,350,355</u>	<u>\$63,045</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$2,413,400</u>

D. Interfund receivables, payables, and transfers

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

Interfund transfers:

Fund	Transfer In	Transfer Out
Major Governmental Funds		
General Fund	\$ --	\$140,078
Road and Bridge Number One	35,000	--
Road and Bridge Number Two	35,000	--
Road and Bridge Number Three	35,000	--
Road and Bridge Number Four	35,000	--
NonMajor Governmental Funds		
County Attorney	78	--
Total	<u>\$140,078</u>	<u>\$140,078</u>

Transfers were made to subsidize the Road and Bridge Funds, and the County Attorney Fund.

CLAY COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended September 30, 2020

E. Long-term debt

From time to time, the County issues general obligation bonds, certificates of obligation bonds, notes payable and capital lease obligations to provide funds for the acquisition and construction of equipment and major capital facilities. These issues are direct obligations and pledge the full faith and credit of the County.

The County leases equipment with a historical cost and accumulated amortization of \$3,460,566 and \$1,387,258 respectively, under capital lease arrangements.

Capital Lease Obligations Currently Outstanding:

Purpose	Original Amount	Date of Lease	Final Maturity	Interest Rate	Balance 09/30/20
2017 John Deere 672G Motor Gr.	\$273,605	6/26/17	6/15/22	2.69%	\$208,264
2020 CAT Motor Grader	258,043	7/17/20	7/17/25	2.55%	258,043
2019 CAT Motor Grader	225,896	7/23/19	7/23/24	3.85%	209,169
2019 4700 SF Western Star	223,527	7/23/19	7/23/24	2.50%	206,710
2015 420F Cat Backhoe	51,260	8/15/18	8/15/23	3.65%	26,511
2019 Mack Truck	108,174	6/25/18	6/25/21	3.16%	94,803
2017 Bomag	59,117	7/14/20	6/26/24	2.50%	59,117
2015 CAT 924 Wheel Loader	130,314	6/29/20	6/29/25	2.25%	80,100
2016 JD Tractor	53,781	8/16/16	8/16/21	2.55%	11,305
2016 420 F2 Backhoe	72,422	7/13/20	7/13/25	2.58%	31,238
2017 Mack Truck #5509 CAT	104,971	7/13/20	3/30/21	2.58%	74,195
2016 JD Tractor	119,699	9/30/16	11/15/21	2.55%	66,397
2020 CAT 140 M2 Motor Grader	270,081	7/17/20	7/17/25	2.50%	270,081
2018 CAT 140 M3 Motor Grader	128,498	2/04/18	3/05/23	2.55%	94,890
2018 CAT 140 M3 Motor Grader	126,079	3/04/18	3/05/23	2.55%	92,342
2018 CAT 140 M3 Motor Grader	128,382	2/04/18	3/05/23	2.55%	94,768
2017 John Deere 672G Motor Gr.	273,605	6/26/17	6/15/22	2.69%	208,265
2014 CAT Motor Grader	141,100	8/14/20	3/01/25	2.50%	141,100
Total Leases Payable					<u>\$2,227,298</u>

**CLAY COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended September 30, 2020

Capital lease obligation debt service requirements to maturity are as follows:

Year	Total
2021	\$421,283
2022	340,900
2023	686,071
2024	416,624
2025	530,822
Total payments	2,395,700
Less imputed interest	(168,402)
Total Capital Lease Obligations	<u>\$2,227,298</u>

**CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended September 30, 2020, was as follows:

	Balance 09/30/19	Additions	Retirements	Balance 09/30/20	Due Within One Year
<b>Governmental activities:</b>					
Capital leases	\$2,093,050	\$728,341	(\$594,093)	\$2,227,298	\$287,722
Net pension liability (asset)	2,215,861	--	(2,236,375)	(20,514)	--
Compensated absences	167,008	200,058	(167,008)	200,058	200,058
Governmental activity long-term liabilities	<u>\$4,475,919</u>	<u>\$928,399</u>	<u>(\$2,997,476)</u>	<u>\$2,406,842</u>	<u>\$487,780</u>

For the governmental activities, claims and judgements are generally liquidated by the general fund.

	Balance 09/30/19	Additions	Retirements	Balance 09/30/20	Due Within One Year
<b>Discrete Component Unit:</b>					
Capital leases	\$452,374	\$ --	(\$138,052)	\$314,322	\$126,355
Notes payable	\$ --	913,500	--	913,500	573,884
Governmental activity long-term liabilities	<u>\$452,374</u>	<u>\$913,500</u>	<u>(\$138,052)</u>	<u>\$1,227,822</u>	<u>\$700,239</u>

**IV. OTHER INFORMATION**

**A. Risk management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. The County participates in the Texas Association of Counties Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool which retains the risk of loss beyond the County's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

B. Contingent Liabilities and Commitments

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

The County periodically is defendant in various lawsuits. As of September 30, 2020, after consultation with the County's attorney, the County is not aware of any pending or threatened litigation which would have a material effect on the financial statements.

The District Clerk has invested trust funds at various financial institutions in accordance with court orders. The County has a fiduciary responsibility over these funds until their final disposition.

C. Retirement Commitments

1. 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 the administration of the statewide agent multi-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, Texas, 78768-20343.

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

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the County commissioners' court within the constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contribution and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Benefits

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

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

Inactive employees (or their beneficiaries) currently receiving benefits	62
Inactive employees entitled to but not yet receiving benefits	35
Active employees	72
	<u>169</u>

CLAY COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended September 30, 2020

3. Contributions

The contribution rates for employees in TCDRS was 7% of employee gross earnings, and the County percentages was 11.00% for October 1, 2019 through December 31, 2019, and 11.77% for January 1, 2020 through September 30, 2020, both as adopted by the governing body of the County. Under the state law governing TCDRS, the contribution rate for each County is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The County's contributions to TCDRS for the year ended September 30, 2020, were \$385,915 and were equal to the required contributions.

4. Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

**Actuarial assumptions:**

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

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 1.60% per year for a career employee.

Actuarial assumptions used in the December 31, 2019, valuation were based on the results of an actuarial experience study for the period January 1, 2013 - December 31, 2016 except where required to be different by GASB 68. For the year ended December 31, 2017, new annuity purchase rates were reflected to benefits earned after 2017. The current service rate was increased to 155% in 2018 and 155% in 2019.

The long-term expected rate of return on pension plan investments is 8.1%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:



CLAY COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended September 30, 2020

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	14.50%	5.20%
Private Equity	20.00%	8.20%
Global Equities	2.50%	5.50%
International Equities - Developed	7.00%	5.20%
International Equities - Emerging	7.00%	5.70%
Investment - Grade Bonds	3.00%	-0.20%
Strategic Credit	12.00%	3.14%
Direct Lending	11.00%	7.16%
Distressed Debt	4.00%	0.07%
REIT Equities	3.00%	4.50%
Master Limited Partnerships (MLPs)	2.00%	8.40%
Private Real Estate Partnerships	6.00%	5.50%
Hedge Funds	8.00%	2.30%
	100.00%	

*Discount Rate*

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

CLAY COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended September 30, 2020

*Changes in the net pension liability*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability(Asset)
	[a]	[b]	[a] - (b)
Balance at 12/31/18	\$17,221,431	\$15,005,568	\$2,215,863
Changes for the year:			
Service cost	348,206	--	348,206
Interest on total pension liability	1,378,708	--	1,378,708
Change of benefit terms	--	--	--
Difference between expected and actual experience	(935,372)	--	(935,372)
Change of assumptions	--	--	--
Contributions - employer	--	361,622	(361,622)
Contributions employee	--	230,124	(230,124)
Net investment income (loss)	--	2,464,749	(2,464,749)
Benefit payments, including refunds of employee contributions	(1,032,407)	(1,032,407)	--
Refund of contributions	(86,484)	(86,484)	--
Administrative expense	--	(12,890)	12,890
Other changes	--	(15,692)	15,692
Net changes	(327,349)	1,909,022	(2,236,371)
Balance at 12/31/19	\$16,894,082	\$16,914,590	(\$20,508)

*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 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$18,679,654	\$16,894,082	\$15,360,736
Fiduciary net position	16,914,592	16,914,592	16,914,592
Net Pension Liability (Asset)	\$1,765,062	(\$20,510)	(\$1,553,856)

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](http://www.tcdrs.org).

CLAY COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended September 30, 2020

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

For the year ended September 30, 2020, the County recognized pension expense of \$196,104. At September 30, 2020, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

	Original Amount	Date Established	Original Recognition Period	Amount Recognized in 12/31/19 Expense	Balance of Deferred Inflows 12/31/19	Balance of Deferred Outflows 12/31/2019
Investment (gains) or losses	(\$1,271,367)	12/31/2019	5.0	(\$257,273)	\$1,017,094	\$ --
	1,559,566	12/31/2018	5.0	311,913	--	935,740
	(920,276)	12/31/2017	5.0	(184,055)	368,111	--
	88,236	12/31/2016	5.0	17,647	--	17,648
	1,030,026	12/31/2015	5.0	206,006	--	--
Economic/demographic (gains) or losses	(935,372)	12/31/2019	4.0	(233,843)	701,529	--
	(69,556)	12/31/2018	4.0	(17,389)	34,778	--
	(41,246)	12/31/2017	5.0	(8,249)	16,499	--
	24,216	12/31/2016	5.0	4,843	--	4,844
	(280,196)	12/31/2015	4.0	--	--	--
Assumption changes or inputs	--	12/31/2019	5.0	--	--	--
	--	12/31/2018	5.0	--	--	--
	107,574	12/31/2017	5.0	21,515	--	43,029
	--	12/31/2016	5.0	--	--	--
	166,941	12/31/2015	4.0	--	--	--
Employer contributions made subsequent to measurement			1.0	--	--	294,685
				<u>(\$138,885)</u>	<u>\$2,138,011</u>	<u>\$1,295,946</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Inflows/outflows to Be Recognized in Future Years	
Year ended December 31,	
2020	(\$341,889)
2021	(364,384)
2022	(176,202)
2023	(254,275)
2024	--
	<u>(\$1,136,750)</u>

CLAY COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended September 30, 2020

F. Concentrations of Credit Risk

Taxes receivable are due from citizens and businesses within the County's boundaries. Risk of loss is immaterial due to wide dispersion of receivables and because of policies which address procedures for filing property tax liens. Fines receivable are due from citizens primarily within the County's boundaries. Risk of loss is reduced by an allowance for uncollectibles and collection policies.

G. Tax Abatements

The County negotiates property tax abatement agreements on an individual basis. The County has tax abatement agreements with a manufacturing facility and a wind farm under the authority of the Texas Property Redevelopment Act. The County has established an abatement policy for the value of eligible improvements, and a requirement for creating or preventing the loss of jobs. The tax abatement amount is determined by the Clay County Appraisal District (CCAD) under the terms of the abatement agreement. An abatement factor (given by CCAD's Tax Abatement Registry) is used to determine the portion of assessed taxable value excluded to determine the taxable value subject to the County's tax rate. If a default of the abatement agreement occurs during the agreement period, the County may apply established procedures to recapture abated taxes. Generally, abatement recipients agree to make eligible improvements and meet proposed employment targets.

Certain property improvements made during the improvement period are exempt from property taxes according to a multi year abatement schedule with decreasing amounts abated over a 7-10 year period. Property taxes assessed October 1, 2019 for fiscal year 2020 amounted to a 100% abatement or approximately \$169,991 for the manufacturing facility, and \$480,980 for the wind farms. Additionally, the wind farms make a payment in lieu of taxes to the County.

H. Prior Period Adjustment

During fiscal year 2020, the County inventoried election equipment and found that certain equipment purchased in fiscal year 2017 had not been recorded in the detailed capital asset records. Correction of this error resulted in a restatement of the year ended September 30, 2019 as follows:

	As Reported	Increase	As Restated
	9/30/2019	(Decrease)	9/30/2019
Assets	\$1,950,257	\$ 135,790	\$2,086,047
Change in net position	137,029	(27,000)	110,029
Net position beginning of year	8,184,190	110,738	8,294,928
Net position end of year	8,321,219	83,738	8,404,957

## Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

**CLAY COUNTY, TEXAS**

**EXHIBIT B-1**

GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,618,945	\$ 4,618,945	\$ 4,808,816	\$ 189,871
Licenses and permits	160,000	160,000	189,032	29,032
Intergovernmental	75,000	195,000	224,110	29,110
Fines and fees	392,500	392,500	334,261	(58,239)
Interest	25,000	25,000	26,811	1,811
Miscellaneous	1,338,580	1,361,292	1,492,255	130,963
Total revenues	<u>6,610,025</u>	<u>6,752,737</u>	<u>7,075,285</u>	<u>322,548</u>
Expenditures:				
Current:				
General government	807,970	811,832	798,262	13,570
Judicial	781,172	785,922	659,330	126,592
Legal	187,268	191,935	178,984	12,951
Financial administration	271,862	271,862	243,300	28,562
Public facilities	158,454	158,454	153,370	5,084
Public Safety	2,632,864	2,650,908	2,362,343	288,565
Health and welfare	346,136	346,136	266,558	79,578
Conservation	120,827	120,827	105,231	15,596
Nondepartmental	1,675,430	1,786,819	1,398,689	388,130
Total expenditures	<u>6,981,983</u>	<u>7,124,695</u>	<u>6,166,067</u>	<u>958,628</u>
Excess (deficiency) of revenues over (under) expenditures	(371,958)	(371,958)	909,218	1,281,176
Other financing sources (uses):				
Transfers out	<u>(140,078)</u>	<u>(140,078)</u>	<u>(140,078)</u>	<u>--</u>
Total other financing sources (uses)	<u>(140,078)</u>	<u>(140,078)</u>	<u>(140,078)</u>	<u>--</u>
Net change in fund balances	(512,036)	(512,036)	769,140	1,281,176
Fund balances, October 1	<u>2,384,075</u>	<u>2,384,075</u>	<u>2,384,075</u>	<u>--</u>
Fund balances, September 30	<u>\$ 1,872,039</u>	<u>\$ 1,872,039</u>	<u>\$ 3,153,215</u>	<u>\$ 1,281,176</u>

**CLAY COUNTY, TEXAS**  
ROAD & BRIDGE NUMBER ONE  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT B-2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 301,047	\$ 301,047	\$ 298,461	\$ (2,586)
Licenses and permits	120,000	120,000	123,349	3,349
Intergovernmental	25,000	25,000	--	(25,000)
Fines and fees	24,000	24,000	34,119	10,119
Interest	1,500	1,500	2,193	693
Miscellaneous	5,000	5,000	5,915	915
Total revenues	<u>476,547</u>	<u>476,547</u>	<u>464,037</u>	<u>(12,510)</u>
Expenditures:				
Current:				
Public transportation	691,249	691,249	546,684	144,565
Total expenditures	<u>691,249</u>	<u>691,249</u>	<u>546,684</u>	<u>144,565</u>
Excess (deficiency) of revenues over (under) expenditures	(214,702)	(214,702)	(82,647)	132,055
Other financing sources (uses):				
Transfers in	35,000	35,000	35,000	--
Total other financing sources (uses)	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>--</u>
Net change in fund balances	(179,702)	(179,702)	(47,647)	132,055
Fund balances, October 1	252,654	252,654	252,654	--
Fund balances, September 30	<u>\$ 72,952</u>	<u>\$ 72,952</u>	<u>\$ 205,007</u>	<u>\$ 132,055</u>

**CLAY COUNTY, TEXAS**  
ROAD & BRIDGE NUMBER TWO  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT B-3

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 243,310	\$ 243,310	\$ 241,455	\$ (1,855)
Licenses and permits	120,000	120,000	123,349	3,349
Intergovernmental	10,000	10,000	--	(10,000)
Fines and fees	24,000	24,000	31,000	7,000
Interest	1,000	1,000	518	(482)
Miscellaneous	4,000	4,000	4,931	931
Total revenues	<u>402,310</u>	<u>402,310</u>	<u>401,253</u>	<u>(1,057)</u>
Expenditures:				
Current:				
Public transportation	548,666	548,666	1,041,736	(493,070)
Total expenditures	<u>548,666</u>	<u>548,666</u>	<u>1,041,736</u>	<u>(493,070)</u>
Excess (deficiency) of revenues over (under) expenditures	(146,356)	(146,356)	(640,483)	(494,127)
Other financing sources (uses):				
Transfers in	35,000	35,000	35,000	--
Sale of capital assets	--	--	31,776	31,776
Capital leases	--	--	528,124	528,124
Total other financing sources (uses)	<u>35,000</u>	<u>35,000</u>	<u>594,900</u>	<u>559,900</u>
Net change in fund balances	(111,356)	(111,356)	(45,583)	65,773
Fund balances, October 1	90,547	90,547	90,547	--
Fund balances, September 30	<u>\$ (20,809)</u>	<u>\$ (20,809)</u>	<u>\$ 44,964</u>	<u>\$ 65,773</u>



**CLAY COUNTY, TEXAS**  
ROAD & BRIDGE NUMBER THREE  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

**EXHIBIT B-4**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 407,609	\$ 407,609	\$ 404,526	\$ (3,083)
Licenses and permits	120,000	120,000	123,349	3,349
Intergovernmental	50,000	50,000	--	(50,000)
Fines and fees	34,000	34,000	39,923	5,923
Interest	500	500	1,788	1,288
Miscellaneous	6,000	6,000	8,029	2,029
Total revenues	<u>618,109</u>	<u>618,109</u>	<u>577,615</u>	<u>(40,494)</u>
Expenditures:				
Current:				
Public transportation	<u>692,778</u>	<u>692,778</u>	<u>667,903</u>	<u>24,875</u>
Total expenditures	<u>692,778</u>	<u>692,778</u>	<u>667,903</u>	<u>24,875</u>
Excess (deficiency) of revenues over (under) expenditures	(74,669)	(74,669)	(90,288)	(15,619)
Other financing sources (uses):				
Transfers in	35,000	35,000	35,000	--
Capital leases	--	--	29,559	29,559
Total other financing sources (uses)	<u>35,000</u>	<u>35,000</u>	<u>64,559</u>	<u>29,559</u>
Net change in fund balances	(39,669)	(39,669)	(25,729)	13,940
Fund balances, October 1	193,354	193,354	193,354	--
Fund balances, September 30	<u>\$ 153,685</u>	<u>\$ 153,685</u>	<u>\$ 167,625</u>	<u>\$ 13,940</u>

**CLAY COUNTY, TEXAS**  
ROAD & BRIDGE NUMBER FOUR  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

**EXHIBIT B-5**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 428,885	\$ 428,885	\$ 425,903	\$ (2,982)
Licenses and permits	120,000	120,000	123,349	3,349
Intergovernmental	50,000	50,000	--	(50,000)
Fines and fees	34,000	34,000	41,092	7,092
Interest	2,000	2,000	3,333	1,333
Miscellaneous	7,000	7,000	8,422	1,422
Total revenues	<u>641,885</u>	<u>641,885</u>	<u>602,099</u>	<u>(39,786)</u>
Expenditures:				
Current:				
Public transportation	<u>799,787</u>	<u>799,787</u>	<u>811,528</u>	<u>(11,741)</u>
Total expenditures	<u>799,787</u>	<u>799,787</u>	<u>811,528</u>	<u>(11,741)</u>
Excess (deficiency) of revenues over (under) expenditures	(157,902)	(157,902)	(209,429)	(51,527)
Other financing sources (uses):				
Transfers in	35,000	35,000	35,000	--
Sale of capital assets	--	--	25,141	25,141
Capital leases	--	--	170,659	170,659
Total other financing sources (uses)	<u>35,000</u>	<u>35,000</u>	<u>230,800</u>	<u>(195,800)</u>
Net change in fund balances	(122,902)	(122,902)	21,371	144,273
Fund balances, October 1	346,812	346,812	346,812	--
Fund balances, September 30	<u>\$ 223,910</u>	<u>\$ 223,910</u>	<u>\$ 368,183</u>	<u>\$ 144,273</u>

**CLAY COUNTY, TEXAS**

SCHEDULE OF CHANGES IN THE COUNTY'S  
NET PENSION LIABILITY AND RELATED RATIOS  
CLAY COUNTY, TEXAS PENSION PLAN  
LAST TEN PLAN YEARS \*

	Plan Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Total pension liability:</b>										
Service cost	\$ 348,206	\$ 374,296	\$ 386,080	\$ 398,393	\$ 354,961	\$ 339,370	\$ --	\$ --	\$ --	\$ --
Interest	1,378,708	1,338,896	1,269,025	1,187,398	1,134,318	1,065,724	--	--	--	--
Changes of benefit terms	--	(28,047)	121,588	--	121,229	--	--	--	--	--
Differences between expected and actual experience	(935,372)	--	(41,246)	24,216	(280,196)	9,847	--	--	--	--
Changes of assumptions	--	(69,556)	107,574	--	166,941	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,118,889)	(1,077,897)	(863,543)	(725,217)	(718,825)	(715,284)	--	--	--	--
Net change in total pension liability	(327,347)	537,692	979,478	884,790	778,428	699,657	--	--	--	--
Total pension liability - beginning	17,221,429	16,683,737	15,704,259	14,819,469	14,041,041	13,341,384	--	--	--	--
Total pension liability - ending (a)	\$ 16,894,082	\$ 17,221,429	\$ 16,683,737	\$ 15,704,259	\$ 14,819,469	\$ 14,041,041	\$ --	\$ --	\$ --	\$ --
<b>Plan fiduciary net position:</b>										
Contributions - employer	\$ 361,622	\$ 386,404	\$ 352,239	\$ 345,127	\$ 333,546	\$ 317,514	\$ --	\$ --	\$ --	\$ --
Contributions - employee	230,124	223,621	224,152	219,626	211,416	202,054	--	--	--	--
Net investment income	2,464,749	(299,528)	2,046,546	975,865	56,359	870,107	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,118,891)	(1,077,897)	(863,543)	(725,217)	(718,825)	(715,284)	--	--	--	--
Administrative expense	(12,890)	(12,053)	(10,506)	(10,601)	(9,575)	(10,079)	--	--	--	--
Other	(15,692)	(12,352)	(3,948)	52,395	(120,817)	42,252	--	--	--	--
Net change in plan fiduciary net position	1,909,022	(791,805)	1,744,940	857,195	(247,896)	706,564	--	--	--	--
Plan fiduciary net position - beginning	15,005,568	15,797,373	14,052,433	13,195,238	13,443,134	12,736,570	--	--	--	--
Plan fiduciary net position - ending (b)	\$ 16,914,590	\$ 15,005,568	\$ 15,797,373	\$ 14,052,433	\$ 13,195,238	\$ 13,443,134	\$ --	\$ --	\$ --	\$ --
<b>County's net pension liability - ending (a) - (b)</b>	\$ (20,508)	\$ 2,215,861	\$ 886,364	\$ 1,651,826	\$ 1,624,231	\$ 597,907	\$ --	\$ --	\$ --	\$ --
Plan fiduciary net position as a percentage of the total pension liability	100.12%	87.13%	94.69%	89.48%	89.04%	95.74%	--	--	--	--
Covered-employee payroll	\$ 3,287,490	\$ 3,194,584	\$ 3,202,168	\$ 3,137,511	\$ 3,134,440	\$ 2,886,490	\$ --	\$ --	\$ --	\$ --
County's net pension liability as a percentage of covered-employee payroll	-0.62%	69.36%	27.68%	52.65%	51.82%	20.71%	--	--	--	--

**Notes to Schedule:**

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CLAY COUNTY, TEXAS**  
 SCHEDULE OF COUNTY CONTRIBUTIONS  
 CLAY COUNTY, TEXAS PENSION PLAN  
 LAST TEN PLAN YEARS \*

	December 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 360,308	\$ 350,765	\$ 323,739	\$ 345,127	\$ 315,010	\$ 311,741	\$ 293,174	\$ 274,093	\$ 251,368	\$ 242,304
Contributions in relation to the actuarially determined contribution	(361,622)	(386,404)	(352,239)	(345,127)	(333,546)	(317,514)	(310,226)	(298,785)	(275,129)	(250,033)
Contribution deficiency (excess)	<u>\$ (1,314)</u>	<u>\$ (35,639)</u>	<u>\$ (28,500)</u>	<u>\$ --</u>	<u>\$ (18,536)</u>	<u>\$ (5,773)</u>	<u>\$ (17,052)</u>	<u>\$ (24,692)</u>	<u>\$ (23,761)</u>	<u>\$ (7,729)</u>
Covered-employee payroll	\$ 3,287,480	\$ 3,194,584	\$ 3,202,168	\$ 3,137,511	\$ 3,020,226	\$ 2,886,490	\$ 2,768,408	\$ 2,598,039	\$ 2,501,176	\$ 2,273,023
Contributions as a percentage of covered-employee payroll	11.00%	12.10%	11.00%	11.00%	11.04%	11.00%	11.21%	11.50%	11.00%	11.00%

**Valuation date:** December 31, 2019

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

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed.
Remaining amortization period	4.1 years (based on contribution rate calculated in 12/31/17 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 pension plan investment expense, including inflation.
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefits based on age. The average age at service retirement for recent retirement is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Tables 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 in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2017: New mortality assumptions were reflected.
	2015: No changes in plan provisions were reflected in the Schedule.
	2016: Employer contributions reflect that the current service matching rate was increased rate was increased to 150%.
	2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.
	2018: Employer contributions reflect that the current service rate was increased to 155%.
	2019: Employer contributions reflect that the current service rate was decreased to 150%.

**CLAY COUNTY, TEXAS**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
Year Ended September 30, 2020

**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Budgetary Information

Annual budgets are adopted on the GAAP basis of accounting for the general fund and all special revenue funds. All annual appropriations lapse at fiscal year end.

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 requests and holds informal hearings when needed. Before October 1, a proposed budget is presented to the 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. Amounts finally budgeted may not exceed the estimate of revenues and available fund balance.

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 conditions of the various funds and accounts.

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. Thus, the legal level of budgetary control is at the fund level. No significant supplemental appropriations were required during the year.

Encumbrance accounting is not employed by the County because it is not considered necessary to assure effective budgetary control.

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## Combining Statements and Budget Comparisons as Supplementary Information

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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

	Special Revenue Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
<b>ASSETS</b>		
Cash and cash equivalents	\$ 983,601	\$ 983,601
Total Assets	<u>\$ 983,601</u>	<u>\$ 983,601</u>
<b>FUND BALANCES</b>		
Restricted	\$ 983,601	\$ 983,601
Total Fund Fund Balances	<u>\$ 983,601</u>	<u>\$ 983,601</u>



**CLAY COUNTY, TEXAS**

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

	Special Revenue Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:		
Fines and fees	\$ 78,221	\$ 78,221
Interest	11,426	11,426
Total revenues	<u>89,647</u>	<u>89,647</u>
Expenditures:		
Current:		
General government	35,534	35,534
Legal	8,387	8,387
Nondepartmental	12,972	12,972
Total expenditures	<u>56,893</u>	<u>56,893</u>
Excess (deficiency) of revenues over (under) expenditures	32,754	32,754
Other financing sources (uses):		
Transfers in	78	78
Total other financing sources (uses)	<u>78</u>	<u>78</u>
Net change in fund balances	32,832	32,832
Fund balances, October 1	950,769	950,769
Fund balances, September 30	<u>\$ 983,601</u>	<u>\$ 983,601</u>

**CLAY COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 SEPTEMBER 30, 2020

	<u>Records Management Fee</u>	<u>Court Reporter Service</u>	<u>Records Preservation</u>	<u>Courthouse Security</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 242,654	\$ 31,386	\$ 32,679	\$ 94,015
Total Assets	<u>\$ 242,654</u>	<u>\$ 31,386</u>	<u>\$ 32,679</u>	<u>\$ 94,015</u>
<b>FUND BALANCES</b>				
Restricted	\$ 242,654	\$ 31,386	\$ 32,679	\$ 94,015
Total fund balances	<u>\$ 242,654</u>	<u>\$ 31,386</u>	<u>\$ 32,679</u>	<u>\$ 94,015</u>

<u>County Attorney</u>	<u>Sheriff's Forfeiture</u>	<u>Juvenile Case Manager</u>	<u>Court Technology</u>	<u>Total Nonmajor Special Revenue Funds (See Exhibit C-1)</u>
\$ <u>2</u>	\$ <u>518,806</u>	\$ <u>16,968</u>	\$ <u>47,091</u>	\$ <u>983,601</u>
\$ <u>2</u>	\$ <u>518,806</u>	\$ <u>16,968</u>	\$ <u>47,091</u>	\$ <u>983,601</u>
\$ <u>2</u>	\$ <u>518,806</u>	\$ <u>16,968</u>	\$ <u>47,091</u>	\$ <u>983,601</u>
\$ <u>2</u>	\$ <u>518,806</u>	\$ <u>16,968</u>	\$ <u>47,091</u>	\$ <u>983,601</u>

**CLAY COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Records Management Fee	Court Reporter Service	Records Preservation	Courthouse Security
Revenues:				
Fines and fees	\$ 49,972	\$ 1,642	\$ 3,961	\$ 9,434
Interest	--	--	--	--
Total revenues	<u>49,972</u>	<u>1,642</u>	<u>3,961</u>	<u>9,434</u>
Expenditures:				
Current:				
General government	35,534	--	--	--
Legal	--	--	--	--
Nondepartmental	--	--	--	11,358
Total expenditures	<u>35,534</u>	<u>--</u>	<u>--</u>	<u>11,358</u>
Excess (deficiency) of revenues over (under) expenditures	14,438	1,642	3,961	(1,924)
Other financing sources (uses):				
Transfers in	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	14,438	1,642	3,961	(1,924)
Fund balances, October 1	228,216	29,744	28,718	95,939
Fund balances, September 30	<u>\$ 242,654</u>	<u>\$ 31,386</u>	<u>\$ 32,679</u>	<u>\$ 94,015</u>

County Attorney	Sheriff's Forfeiture	Juvenile Case Manager	Court Technology	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ 1,155	\$ --	\$ 6,701	\$ 5,356	\$ 78,221
--	11,426	--	--	11,426
<u>1,155</u>	<u>11,426</u>	<u>6,701</u>	<u>5,356</u>	<u>89,647</u>
--	--	--	--	35,534
1,233	--	7,154	--	8,387
--	--	--	1,614	12,972
<u>1,233</u>	<u>--</u>	<u>7,154</u>	<u>1,614</u>	<u>56,893</u>
(78)	11,426	(453)	3,742	32,754
78	--	--	--	78
<u>78</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>78</u>
--	11,426	(453)	3,742	32,832
2	507,380	17,421	43,349	950,769
<u>\$ 2</u>	<u>\$ 518,806</u>	<u>\$ 16,968</u>	<u>\$ 47,091</u>	<u>\$ 983,601</u>

**CLAY COUNTY, TEXAS**  
 RECORDS MANAGEMENT FEE  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT C-5

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Fines and fees	\$ 38,050	\$ 49,972	\$ 11,922
Total revenues	<u>38,050</u>	<u>49,972</u>	<u>11,922</u>
Expenditures:			
Current:			
General government	<u>35,891</u>	<u>35,534</u>	<u>357</u>
Total expenditures	<u>35,891</u>	<u>35,534</u>	<u>357</u>
Net change in fund balances	2,159	14,438	12,279
Fund balances, October 1	<u>228,216</u>	<u>228,216</u>	--
Fund balances, September 30	<u>\$ 230,375</u>	<u>\$ 242,654</u>	<u>\$ 12,279</u>

**CLAY COUNTY, TEXAS**  
 COURT REPORTER SERVICE  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT C-6

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Fines and fees	\$ 1,200	\$ 1,642	\$ 442
Total revenues	<u>1,200</u>	<u>1,642</u>	<u>442</u>
Expenditures:			
Current:			
General government	<u>10,000</u>	--	<u>10,000</u>
Total expenditures	<u>10,000</u>	<u>--</u>	<u>10,000</u>
Net change in fund balances	(8,800)	1,642	10,442
Fund balances, October 1	29,744	29,744	--
Fund balances, September 30	<u>\$ 20,944</u>	<u>\$ 31,386</u>	<u>\$ 10,442</u>

**CLAY COUNTY, TEXAS**  
 RECORDS PRESERVATION  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT C-7

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Fines and fees	\$ 2,500	\$ 3,961	\$ 1,461
Total revenues	<u>2,500</u>	<u>3,961</u>	<u>1,461</u>
Expenditures:			
Current:			
General government	<u>23,897</u>	--	<u>23,897</u>
Total expenditures	<u>23,897</u>	<u>--</u>	<u>23,897</u>
Net change in fund balances	(21,397)	3,961	25,358
Fund balances, October 1	<u>28,718</u>	<u>28,718</u>	--
Fund balances, September 30	<u>\$ 7,321</u>	<u>\$ 32,679</u>	<u>\$ 25,358</u>



**CLAY COUNTY, TEXAS**  
 COURTHOUSE SECURITY  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT C-8

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Fines and fees	\$ 10,650	\$ 9,434	\$ (1,216)
Total revenues	<u>10,650</u>	<u>9,434</u>	<u>(1,216)</u>
Expenditures:			
Current:			
Nondepartmental	<u>94,365</u>	<u>11,358</u>	<u>83,007</u>
Total expenditures	<u>94,365</u>	<u>11,358</u>	<u>83,007</u>
Net change in fund balances	(83,715)	(1,924)	81,791
Fund balances, October 1	95,939	95,939	--
Fund balances, September 30	<u>\$ 12,224</u>	<u>\$ 94,015</u>	<u>\$ 81,791</u>

**CLAY COUNTY, TEXAS**  
 COUNTY ATTORNEY  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT C-9

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Fines and fees	\$ 655	\$ 1,155	\$ 500
Total revenues	<u>655</u>	<u>1,155</u>	<u>500</u>
Expenditures:			
Current:			
Legal	<u>1,233</u>	<u>1,233</u>	<u>--</u>
Total expenditures	<u>1,233</u>	<u>1,233</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(578)	(78)	500
Other financing sources (uses):			
Transfers in	<u>78</u>	<u>78</u>	<u>--</u>
Total other financing sources (uses)	<u>78</u>	<u>78</u>	<u>--</u>
Net change in fund balances	(500)	--	500
Fund balances, October 1	<u>2</u>	<u>2</u>	<u>--</u>
Fund balances, September 30	<u>\$ (498)</u>	<u>\$ 2</u>	<u>\$ 500</u>

**CLAY COUNTY, TEXAS**

EXHIBIT C-10

JUVENILE CASE MANAGER  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Fines and fees	\$ 8,000	\$ 6,701	\$ (1,299)
Total revenues	<u>8,000</u>	<u>6,701</u>	<u>(1,299)</u>
Expenditures:			
Current:			
Legal	<u>7,168</u>	<u>7,154</u>	<u>14</u>
Total expenditures	<u>7,168</u>	<u>7,154</u>	<u>14</u>
Net change in fund balances	832	(453)	(1,285)
Fund balances, October 1	17,421	17,421	--
Fund balances, September 30	<u>\$ 18,253</u>	<u>\$ 16,968</u>	<u>\$ (1,285)</u>

**CLAY COUNTY, TEXAS**  
 COURT TECHNOLOGY  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

EXHIBIT C-11

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Fines and fees	\$ 5,250	\$ 5,356	\$ 106
Total revenues	<u>5,250</u>	<u>5,356</u>	<u>106</u>
Expenditures:			
Current:			
Nondepartmental	<u>7,650</u>	<u>1,614</u>	<u>6,036</u>
Total expenditures	<u>7,650</u>	<u>1,614</u>	<u>6,036</u>
Net change in fund balances	(2,400)	3,742	6,142
Fund balances, October 1	43,349	43,349	--
Fund balances, September 30	<u>\$ 40,949</u>	<u>\$ 47,091</u>	<u>\$ 6,142</u>

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# CLAY COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
SEPTEMBER 30, 2020

	<u>District Clerk</u>	<u>County Clerk</u>	<u>Sheriff Agency</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 128,834	\$ 99,997	\$ 116,894
Receivables (net of allowances for uncollectibles):			
Total Assets	<u>\$ 128,834</u>	<u>\$ 99,997</u>	<u>\$ 116,894</u>
<b>LIABILITIES</b>			
Due to other governments	\$ --	\$ --	\$ --
Due to others	<u>128,834</u>	<u>99,997</u>	<u>116,894</u>
Total Liabilities	<u>\$ 128,834</u>	<u>\$ 99,997</u>	<u>\$ 116,894</u>

Tax Assessor Collector	County Attorney Agency	County Treasurer	Officer's Fee	Total Agency Funds (See Exhibit A-7)
\$ 615,764	\$ 1,188	\$ 10,882	\$ 42,890	\$ 1,016,449
<u>\$ 615,764</u>	<u>\$ 1,188</u>	<u>\$ 10,882</u>	<u>\$ 42,890</u>	<u>\$ 1,016,449</u>
\$ 615,745	\$ --	\$ --	\$ 39,619	\$ 655,364
19	1,188	10,882	3,271	361,085
<u>\$ 615,764</u>	<u>\$ 1,188</u>	<u>\$ 10,882</u>	<u>\$ 42,890</u>	<u>\$ 1,016,449</u>

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