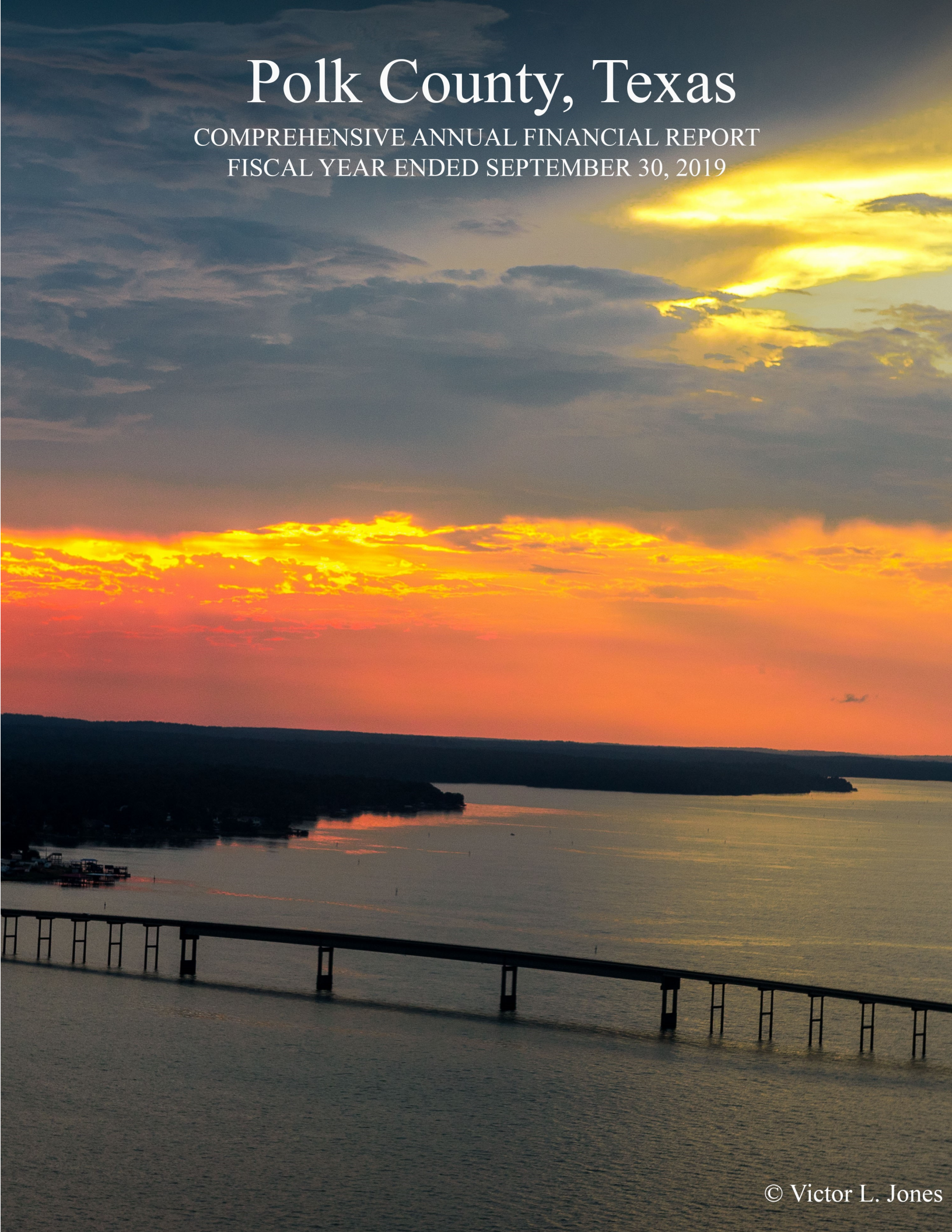


# Polk County, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED SEPTEMBER 30, 2019





*COMPREHENSIVE  
ANNUAL FINANCIAL REPORT*

of

**POLK COUNTY, TEXAS**

For the Year Ended  
September 30, 2019

**Prepared by:  
County Auditor's Office**

**Louis Ploth  
County Auditor**

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# **POLK COUNTY, TEXAS**

## **TABLE OF CONTENTS**

September 30, 2019

<b><u>INTRODUCTORY SECTION</u></b>	<b><u>Page</u></b>
Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	9
List of Elected and Appointed Officials	11
Organizational Chart	13
 <b><u>FINANCIAL SECTION</u></b>	
<b>Independent Auditors' Report</b>	17
<b>Management's Discussion and Analysis (Required Supplementary Information)</b>	23
 <b><u>BASIC FINANCIAL STATEMENTS</u></b>	
<b>Government–Wide Financial Statements</b>	
Statement of Net Position	33
Statement of Activities	34
<b>Governmental Funds Financial Statements</b>	
Balance Sheet – Governmental Funds	36
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	39
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	43
<b>Fiduciary Funds Financial Statements</b>	
Statement of Fiduciary Net Position – Fiduciary Funds	45
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	47
Notes to Financial Statements	49
 <b><u>REQUIRED SUPPLEMENTARY INFORMATION</u></b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	78
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Road and Bridge Fund	81
Schedule of Changes in Net Pension Liability and Related Ratios – Texas County and District Retirement System	82
Schedule of Contributions – Texas County and District Retirement System	84
Schedule of Changes in Net Other Post Employment Benefits Liability and Related Ratios	87
 <b><u>COMBINING STATEMENTS AND SCHEDULES</u></b>	
Combining Balance Sheet – Nonmajor Governmental Funds	92

# POLK COUNTY, TEXAS

## TABLE OF CONTENTS (Continued)

September 30, 2019

	<u>Page</u>
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	98
Combining Road and Bridge Sub-Funds – Schedule of Assets, Liabilities, And Fund Balances	104
Combining Road and Bridge Sub-Funds – Schedule of Revenues, Expenditures, and Changes in Fund Balances	106
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund	109
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Road and Bridge Fund – Precincts One through Four and Capital LeasesTO	111
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Other Funds	116
Combining Statement of Net Position – Agency Funds	126
Statement of Changes in Assets and Liabilities – Agency Funds	129

### STATISTICAL SECTION

Net Position by Component	132
Changes in Net Position	134
Fund Balances, Governmental Funds	136
Changes in Fund Balances, Governmental Funds	138
Tax Revenues by Source, Governmental Activities	140
Assessed Value and Estimated Actual Value of Taxable Property	142
Property Tax Rates – Direct and Overlapping Governments	144
Principal Property Taxpayers	147
Property Tax Levies and Collections	148
Ratio of General Bonded Debt Outstanding	150
Ratio of Outstanding Debt by Type	152
Direct and Overlapping Governmental Activities Debt	155
Legal Debt Margin Information	156
Demographic and Economic Statistics	158
Principal Employers	161
County Employees	162
Operating Indicators by Function	164
Capital Asset Statistics by Function	166

***INTRODUCTORY SECTION***

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**Louis Ploth**  
Phone: (936-327-6811  
Fax: (936) 327-6898



**Polk County Auditor**  
E. Church St., Suite 108  
Livingston, Texas 77351

## **Polk County**

Livingston, Texas

March 13, 2020

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

Belt Harris Pechacek, LLLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on Polk County’s (the “County”) financial statements for the year ended September 30, 2019. The independent auditors’ report is the first item in the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

### ***Profile of Polk County***

Polk County was formed in 1846 as a political subdivision of the Republic of Texas. The County was named in honor of James K. Polk, then President of the United States. The County is located in the tall pine forests of deep east Texas, about 70 miles north of Houston. It occupies a total of 1,095 square miles and serves an estimated population of 50,031. The County is empowered to levy a property tax on real property located within its boundaries.

The County’s governing body is the Commissioners’ Court (the “Court”). The Texas Constitution specifies that the Court consists of a County Judge, who is elected at large and serves as presiding officer, and four County commissioners elected by the voters of their individual precincts. The Court exercises the powers provided by law to conduct the varied business of the County. The Local Government Code prescribes the duties and grants authority to the Court and other County officers relating to financial management. In compliance with state statutes, the Court maintains budgetary control to ensure that provisions embodied within the annually appropriated budget are met for most County functions. According to the budget laws of the State of Texas, expenditures may not exceed the amount appropriated for each fund.



The County provides a full range of services complemented by statute or charter. This includes law enforcement, legal and judicial services, licenses and permits, vital statistics, waste management facilities, construction and maintenance of roads and bridges, and other infrastructure. The County, as the financial reporting entity, includes all the funds of the primary government (i.e., the County as legally defined), as well as any component units. Component units are legally separate entities for which the primary government is financially accountable. The County has one component unit: IAH Public Facility Corporation, which is reported separately within the County's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements (see note I.A).

The Court is required to adopt a budget for the fiscal year no later than September 30 preceding the beginning of the fiscal year on October 1. This annual budget serves as the foundation for the County's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). The County adopts an itemized budget. Any transfers within and between departments requires approval from the Court.

### ***Local Economy***

The County's local economy of farming changed drastically in the 1800's, when the railroads came into the area, to a timber economy. Today, the timber industry is still a vital part of the local economy and the County's largest employer. The County is the State's largest producer of timber, with over half the land in the County owned by the timber industry. The land of the County is over 80 percent forest and made up of predominantly pine trees.

The County's close proximity to the greater Houston area (fourth largest city in the U.S.) provides the County numerous benefits, the first of which is access to an international airport only 56 miles from the County Courthouse. The County's recreational opportunities also provide an excellent retreat for big city dwellers wanting to escape to a more relaxed lifestyle. Although the County is easily accessible to the Texas Medical Center in Houston, first class medical services are available from CHI St. Luke's Health Memorial Livingston, which opened its \$25 million facility in the summer of 2000 and has completed a five-year, \$30 million expansion and improvement program. The complex, located on the Highway 59 Bypass, includes a 66-bed hospital with emergency, surgery, intensive care/critical care, cardiopulmonary, radiology, and women's health departments supported by a community of skilled physicians and specialists.

Construction in 2017 expanded our Memorial Livingston Emergency Department to 23,500 square feet. With state-of-the-art technology and increased resources, our Emergency Department can now serve even more of our growing community. The new facility includes 26 treatment stations, including 3 trauma rooms, 16 exam rooms, and adjacent radiology, ultrasound, and CT rooms. There are also designated areas for disaster response and decontamination.

Per the U.S. Census Bureau, the most recent unemployment data has Polk County with an unemployment rate at 5.0% in 2018 (most recent data in 2018 dollars). During the past ten years, the unemployment rate has varied from a low of 4.6% in the year November 2018, to a peak high of 10.5% in the year 2010. Although unemployment rates have essentially decreased nationwide over the last year, the County continues to experience an unemployment rate above the national average.

Median household incomes within the County are lower than the state as a whole. According to the U.S. Census Bureau (the most recent data in 2018 dollars), Polk County's median household income was \$46,182 with the median income in Texas at \$59,570; while the median income in the United States was at \$57,652. The County's population has increased from the 2010 census from 45,413 to an estimated 50,031 as of July 2019. According to the latest information available (stated in 2018 dollars), the U.S. housing market has increased to a median price of \$204,900 for a single family home and increased to \$94,300 in

Polk County, Texas  
Letter of Transmittal

Polk County. Over the past ten plus years, the County has experienced a period of economic growth and investment.

The County currently has “A+/Stable” bond ratings by Standard & Poor’s. The County continues to work with its financial advisors and bond counsel to manage debt service to offset any new debt issued with older debt and limiting the impact to the budget.

Through tax abatement incentives and additional support in applications for the Texas Enterprise Zone and Texas Capital Fund programs, the County will experience the positive impact of the East Texas Hydroelectric Plant at the Lake Livingston dam, which is underway, as well as completed projects such as Roy O. Martin’s construction of the Corrigan OSB Plant and expansion of the Georgia Pacific plant in Camden. The Roy O. Martin Corrigan OSB plant started operations in 2017 and added 165 new jobs to Polk County. Efforts to retain existing business and attract new business and industry to the area serve to increase employment opportunities and strengthen the County’s tax base.

The Polk County College/Commerce Center (the “Center”), located on the Highway 59 Bypass near the hospital, provides advanced curriculum study and technical training through Angelina College and offers much needed public auditorium space. The Center construction began in fiscal year 2012 and opened for its first event in August 2013. Angelina College opened the doors for the fall 2013 semester with both day and evening classes. The County financed this project (not tax supported) with an Economic Development Grant of \$4,000,000 and an additional \$3,537,864 in Disaster Recovery and Community Development Block Grant funds. Locally, additional funds were raised in the amount of \$1,755,929 and \$750,000 in support was pledged by the T.L.L. Temple Foundation. The Center provides a conference center capable of meeting local needs that were previously found only in communities located 50 to 60 miles away and has a very favorable impact on the local economy.

During fiscal year 2018, the County completed the construction on a Polk County Senior Center (“the Senior Center”), which was funded by a grant from the U.S. Department of Housing and Urban Development in the amount of \$275,000 and matching County funds of \$125,000. The Senior Center’s grand opening was held on February 14, 2018. Since the grand opening, Polk County has provided additional funds to repave and expand the parking lots, install a back-up generator, and enhance the facility landscaping. The Senior Center is licensed to accommodate 96 individuals and provides lunch and space for seniors to socialize. The Senior Center operates Monday through Friday from 7 a.m. to 1:30 p.m. except on Wednesday when the facility closes at 3:30 p.m.

The County’s expenditures related to employee health insurance premiums continued to rise over the prior years. In fiscal year 2019 the County changed its health insurance coverage from a grandfathered plan to a non-grandfathered plan which reduced its cost by \$120,729 as compared to a projected increase and was able to continue to fund the full cost of employee health insurance premiums. Many counties and other employers have responded to rising health insurance costs by requiring employee contributions toward their insurance premiums. This change is expected to ensure that the County will continue to attract and retain experienced personnel which has hampered other counties in their operations. In fiscal year 2018 the County funded a compensation study to ensure that all positions were being paid within the market range, which resulted in employees receiving an initial increase of 2.5%. In fiscal year 2019 the County implemented a new salary schedule based on that third-party study which increased some employees beyond the initial 2.5% increase to bring their salary up to a market minimum and some employees received more to reflect their length of employment with the County. In the fiscal year 2020 budget, Commissioners Court was able to provide a final salary adjustment to all employees that had been with the County for a minimum of eight years, thus completing the implementation of the new salary schedule. The County contributed \$567,500 of the funding recommended by the actuary for the Retiree Health Benefits Trust to ensure availability of health insurance benefits to eligible County retirees and the necessary funding to meet

the contribution rate determined annually by the Texas County and District Retirement System to fully fund retiree pensions.

### ***Relevant Financial Policies***

The County has a policy that requires the adoption of a balanced annual operating budget (i.e., estimated revenues equal to or in excess of appropriations). The County had a planned use of fund balance to cover the budgeted expenditures over revenues to balance the original adopted budget. In cases where expenditures exceed appropriations, the policy allows for the appropriation of fund balance to close the gap. However, thanks to measures taken during the year to control expenditures, the County did not have to rely on any fund balance to close any operating deficit; revenues exceeded expenditures.

In addition to the increase in the fund balance during the fiscal year, the County was also able to maintain an adequate fund balance, which is in compliance with the minimum fund balance policy (i.e., three months of general fund expenditures, approximately 25%), approved by Commissioner' Court.

### ***Economic Factors and Next Year's Budget***

Although economic conditions continued to improve in the County in fiscal year 2019, the Commissioners' Court faced challenges during the 2020 budget process. At this time, the County cannot assess the long-term outcome of Senate Bill 2 that restricts the County's ability to increase tax rates. Sales tax revenue is expected to remain relatively constant during the fiscal year 2020 as compared to fiscal year 2019. The fiscal year 2020 budget for current property taxes is expected to generate an increase in property taxes during 2020 fiscal year.

The County continues to face budgetary pressures on the expenditure side related to a rising population and ongoing economic conditions. Although continued growth and stability are anticipated in fiscal year 2020 and beyond, there can be no assurances that the County's economic stability will not be negatively affected near-term by the recent coronavirus outbreak.

### ***Awards and Acknowledgements***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2018. This was the ninth year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County has to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

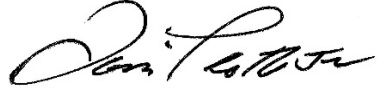
A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The County received the GFOA's Distinguished Budget Presentation Award since the County's first submittal to the award program of the annual budget for the fiscal year beginning October 1, 1999. To qualify the fiscal year for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Polk County, Texas  
Letter of Transmittal

The preparation of this report would not have been possible without the leadership of the District Judges and the skill, effort, and dedication of the entire Auditor's office, combined with special assistance from the Human Resources, Treasurer's Office and Information Technologies. We wish to thank all County departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the County Judge and Court for their unfailing support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Louis Ploth". The signature is written in a cursive, flowing style with a large initial "L".

Louis Ploth, County Auditor

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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Polk County  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morrill*

Executive Director/CEO

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**DISTRICT JUDGES:**

Kaycee L. Jones  
Travis E. Kitchens, Jr.

411th District Judge  
258th District Judge

**COMMISSIONERS' COURT:**

Sydney Murphy  
Robert C. Willis  
Ronnie L. Vincent  
Milton B. Purvis  
Charles T. Overstreet

County Judge  
Commissioner, Precinct #1  
Commissioner, Precinct #2  
Commissioner, Precinct #3  
Commissioner, Precinct #4

**JUDICIAL:**

Lee Hon  
Bobbye Richards

District Attorney  
District Clerk

**COUNTY COURT AT LAW:**

Tom Brown  
Schelana Hock

Judge, County Court at Law  
County Clerk

**JUSTICE COURTS:**

Darrell Longino  
Sarah Rasberry  
Robert Johnson  
Jamie Jones

Justice of Peace, Precinct #1  
Justice of Peace, Precinct #2  
Justice of Peace, Precinct #3  
Justice of Peace, Precinct #4

**LAW ENFORCEMENT:**

Kenneth Hammack  
Scott Hughes  
William "Bill" Cunningham  
Anthony "Ray" Myers  
Vacant

County Sheriff  
Constable, Precinct #1  
Constable, Precinct #2  
Constable, Precinct #3  
Constable, Precinct #4

**FINANCIAL ADMINISTRATION:**

Leslie Jones Burks  
Terri Williams  
Louis Ploth

Tax Assessor/Collector  
County Treasurer  
County Auditor\*

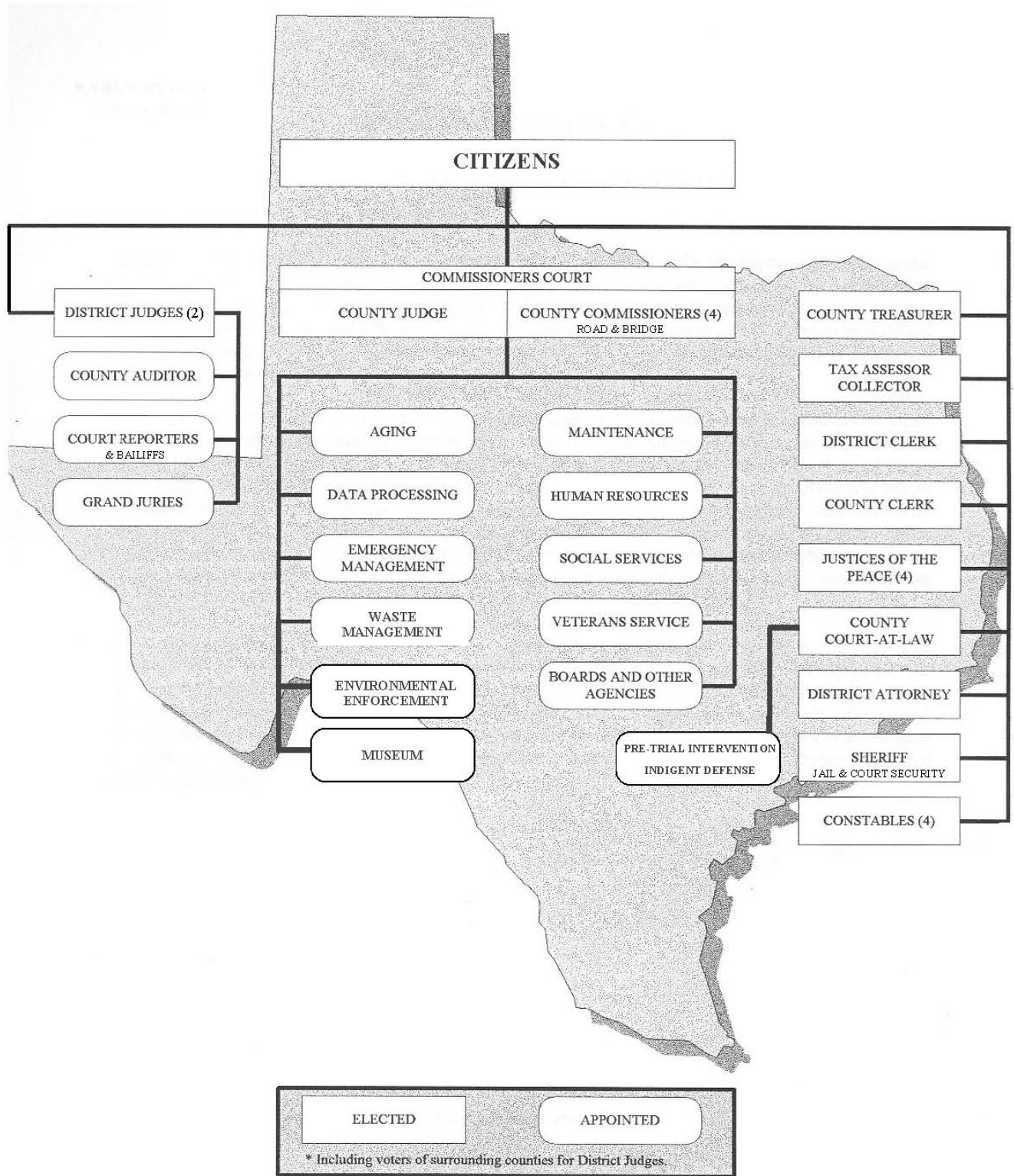
\*Designated appointed official. All others are elected.

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# POLK COUNTY, TEXAS

## ORGANIZATIONAL CHART

September 30, 2019





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***FINANCIAL SECTION***

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## ***INDEPENDENT AUDITORS' REPORT***

To the Honorable County Judge and  
Members of the Commissioners' Court of  
Polk County, Texas:

### **Report on the Financial Statements**

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

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

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

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

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

## **Emphasis of Matter**

### *Going Concern for IAH Public Facility Corporation*

IAH Public Facility Corporation (the “Corporation”) has been included in the reporting entity as a discretely presented component unit. The Corporation was created under the Public Facility Corporation Act Chapter 303 of the Texas Local Government Code by the County in 2004 for the purpose of financing for, and on behalf of, the County-eligible jail and criminal detention facility projects and other public buildings and facilities for use by the County. Separate financial statements of the Corporation may be obtained from the County Auditor’s office. The Corporation is a legal separate entity from the County and the County is not liable for the Corporation.

The accompanying financial statements have been prepared assuming that the Corporation will continue as a going concern. The Corporation’s cash flows have been insufficient at times to meet obligations necessitating amendments to previous terms with the project operator and bond holders. This condition raises substantial doubt about the Corporation’s ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

## **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, schedule of changes in net pension and other post-employment benefits (“OPEB”) liabilities and related ratios, and schedule of contributions, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management 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 the County’s basic financial statements. The introductory section, combining statements and schedules, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements.



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

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

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
March 13, 2020

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***MANAGEMENT'S DISCUSSION AND ANALYSIS***

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**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2019**

The Statement of Activities presents information showing how the County's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows using the accrual method rather than modified accrual that is used in the fund level statements.

In the Statement of Net Position and the Statement of Activities, the County has only one type of activity:

1. *Governmental Activities* – Most of the County's basic services are reported here such as general government, administration of justice, roads and bridges, health and human services, tax administration, and interest and fiscal agent fees on long-term debt. Property tax, sales tax, charges for services, and intergovernmental revenue finance most of these activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate public corporation for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found after the MD&A.

## **FUND FINANCIAL STATEMENTS**

Funds may be considered as operating companies of the parent corporation, which is the County. They are usually segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The two categories of County funds are governmental and fiduciary.

### **Governmental Funds**

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

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

The County maintains 35 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, debt service fund, road and bridge fund, and grants fund, which are considered to be major funds for reporting purposes.

The County adopts an annual appropriated budget for its general, road and bridge, debt service, and select special revenue funds. Budgetary comparison schedules have been provided for the general, road and bridge, debt service, and select special revenue funds to demonstrate compliance with these budgets.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2019**

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accrual basis of accounting is used for fiduciary funds. The County maintains five fiduciary funds. The County's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position.

**Notes to Financial Statements**

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

**Other Information**

In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes budgetary comparison schedules for the general fund and road and bridge fund, as well as a schedule of changes in net pension liability and related ratios and schedule of contributions for the Texas County and District Retirement System and a schedule of other post-employment benefits (OPEB) for the Polk County Retiree Healthcare Plan. RSI can be found after the notes to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve, over time, as a useful indicator of the County's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$42,137,467 as of September 30, 2019. This compares to \$32,275,187 from the prior fiscal year. A significant portion of the County's net position reflects its investments in capital assets (e.g., construction in progress, buildings, equipment, and infrastructure) less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2019

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Current and other assets	\$ 23,085,551	\$ 20,725,710
Capital assets, net	59,698,073	59,632,792
<b>Total Assets</b>	<u>82,783,624</u>	<u>80,358,502</u>
Deferred charge on refunding	219,259	249,334
Deferred outflows - pensions	4,967,147	1,374,212
Deferred outflows - OPEB	2,251,432	2,150,510
<b>Total Deferred Outflows of Resources</b>	<u>7,437,838</u>	<u>3,774,056</u>
Long-term liabilities	41,990,850	47,595,384
Other liabilities	2,179,524	2,645,249
<b>Total Liabilities</b>	<u>44,170,374</u>	<u>50,240,633</u>
Deferred inflows - pensions	553,900	1,614,851
Deferred inflows - OPEB	3,359,721	1,887
<b>Total Deferred Inflows of Resources</b>	<u>3,913,621</u>	<u>1,616,738</u>
<b>Net Position:</b>		
Net investment in capital assets	38,630,639	37,695,725
Restricted	5,501,000	4,415,662
Unrestricted	(1,994,172)	(9,836,200)
<b>Total Net Position</b>	<u>\$ 42,137,467</u>	<u>\$ 32,275,187</u>

A portion of the County's net position, \$5,501,000 or 13.1 percent, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a negative \$1,994,172. The County had an increase to net position of \$9,862,280 for the fiscal year, which is primarily due to the County's implementation of a cap on OPEB benefits, which had a positive impact on the OPEB liability that was recorded in the previous fiscal year.

Current assets increased by \$2,359,841 to \$23,085,551 as compared to capital assets, which increased by \$65,281 to \$59,698,073. Long-term liabilities decreased by \$5,604,534 in fiscal year 2019 due to the current year debt reductions, along with the decrease in the OPEB liability.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2019**

**Statement of Activities**

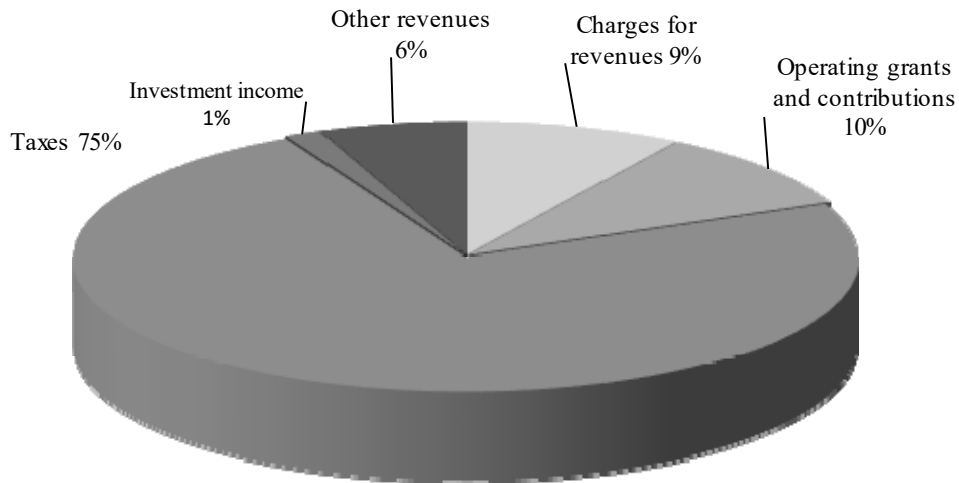
The following table provides a summary of the County's changes in net position:

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 2,673,882	\$ 2,831,845
Operating grants and contributions	3,263,193	2,650,189
General revenues:		
Taxes	25,002,843	24,338,387
Investment income	499,843	310,990
Other revenues	2,054,018	1,711,445
<b>Total Revenues</b>	<b>33,493,779</b>	<b>31,842,856</b>
<b>Expenses</b>		
General government	5,907,007	7,277,465
Administration of justice	8,089,203	13,024,986
Roads and bridges	6,774,803	7,388,389
Health and human services	1,284,264	1,292,738
Tax administration	996,187	1,374,349
Interest and fiscal agent fees on long-term debt	580,035	624,347
<b>Total Expenses</b>	<b>23,631,499</b>	<b>30,982,274</b>
<b>Change in Net Position</b>	<b>9,862,280</b>	<b>860,582</b>
Beginning net position	32,275,187	31,414,605
<b>Ending Net Position</b>	<b>\$ 42,137,467</b>	<b>\$ 32,275,187</b>

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2019**

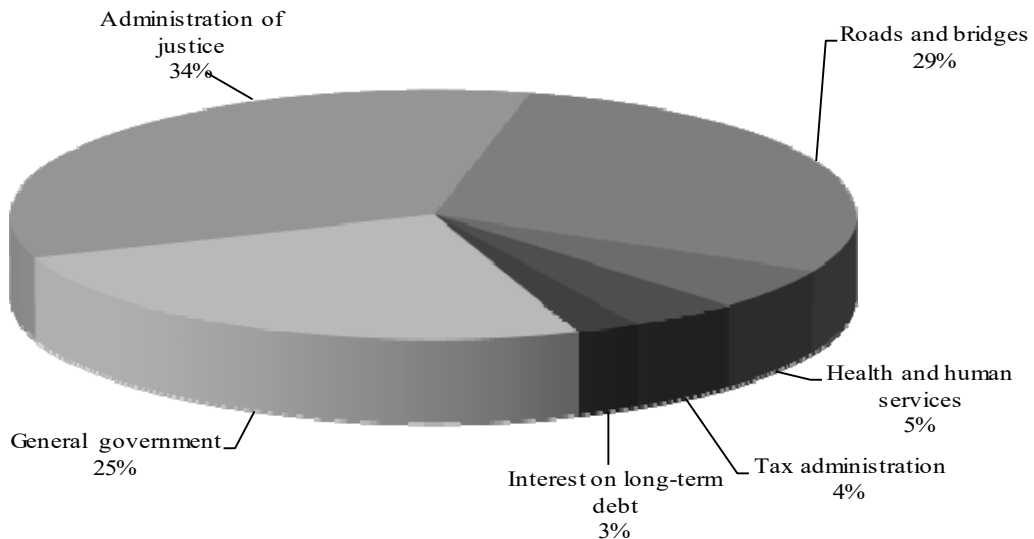
Graphic presentations of selected data from the summary tables follow to assist in the analysis of the County's activities:

**Governmental Revenues**



Total governmental revenues increased by \$1,650,923 from the prior year. This increase is primarily the result of an increase in property and sales tax revenue due to an increase in property tax values and the economic recovery in the area. In addition, there was an increase in operating grants and contributions received by the County.

**Governmental Expenses**



Governmental expenses decreased by \$7,350,775 from the prior year. The decrease in expenses was mainly attributed to a decrease in general government, administration of justice, and roads and bridges. During the current year, the County expensed less in health benefits in retiree health benefits trust fund as compared to the prior year. The reduction of expenses in retiree health benefits in the retiree health benefits is associated with the change to cap benefits for retirees approved by Commissioners' Court during the year.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2019**

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

The County's governmental funds reflect a combined fund balance of \$18,726,022. Of this, \$838,318 is restricted for endowments/trusts, \$1,756,745 is restricted for road and bridge, \$2,861,854 is restricted for special projects, \$145 is restricted for capital projects, and \$12,468 is considered as nonspendable for prepaids. The County has also assigned \$797,876 for post closure care costs for its landfill. The amount of unassigned fund balance is \$12,414,533.

There was an increase in the combined fund balance of \$2,946,036 from the prior year. The largest increases in fund balances are in the general fund, road and bridge, and debt service of \$2,536,779, \$335,755 and \$62,317, respectively. Both property and sales tax revenue had a combined increase of \$743,666. Expenditures for the County increased during the year by \$1,033,376, which is primarily due to an increase in general fund expenditures of \$822,968, an increase in grant expenditures of \$72,452, and an increase in nonmajor governmental funds expenditures of \$164,608.

The fund balance of the general fund had an increase of \$2,536,779, with an ending fund balance of \$13,012,462. This change can be attributed to an increase in tax revenues. The County's fund balance policy for the general fund is to maintain a minimum balance of 25 percent of average yearly expenditures. Unassigned fund balance for the general fund is in compliance with the policy.

There was an increase of \$62,317 in the debt service fund providing an ending fund balance of \$841,959. Debt service expenditures totaled \$3,259,555 for the year, which is a slight decrease from the prior year.

The road and bridge fund had an increase in fund balance of \$335,755, which brings the ending fund balance to \$1,756,745. The increase was primarily due to an increase in property and sales tax during the year offset with lower expenditures.

There was a slight increase in grant revenues and expenditures when compared to the prior year in the grants fund. This was a result of a increase in monies received from the Texas Historic Courthouse Preservation Program for improvements to the courthouse. The end result was no change to fund balance for the fiscal year.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

General fund expenditures were under the final budget by \$948,611. This is due to positive expenditure variances in all departments.

During the 2019 year, the Commissioners' Court amended the budget for the following purposes:

- To re-appropriate monies to pay for commitments in the form of encumbrances established prior to September 30, 2019, but not paid by that date;
- To appropriate monies from other governmental units received in year 2019;
- To re-appropriate monies within or between departments; and
- To reflect department year end projections.

**POLK COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2019**

**CAPITAL ASSETS**

At the end of the year, the County's governmental activities had invested \$59,698,073 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$65,281.

Major capital asset events during the current year included the following:

- Construction in progress on the courthouse
- Eight vehicle purchases for the Sheriff's department
- Sixteen vehicles and equipment for road and bridge department

More detailed information about the County's capital assets is presented in note III.C to the financial statements.

**LONG-TERM DEBT**

At the end of the year, the County reported total bonds, certificates of obligation, tax notes, and capital leases of \$17,487,028. The County issued \$1,750,000 in tax notes and \$1,062,820 in capital lease obligations during fiscal year 2019.

More detailed information about the County's long-term liabilities is presented in note III.D to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Although economic conditions continued to improve in the County in fiscal year 2019, the Commissioners' Court faced challenges during the 2020 budget process. At this time, the County cannot assess the long-term outcome of Senate Bill 2 that restricts the County's ability to increase tax rates. Sales tax revenue is expected to remain relatively constant during the fiscal year 2020 as compared to fiscal year 2019. The fiscal year 2020 budget for current property taxes is expected to generate \$12,916,313, which is an increase of \$659,052 over the fiscal year 2019 budgeted taxes.

The County continues to face budgetary pressures on the expenditure side related to the economic conditions in the County. Although continued growth and stability are anticipated in fiscal year 2020 and beyond, there can be no assurances that the County's economic stability will not be negatively affected near-term by the recent coronavirus outbreak.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the County's finances. Questions concerning this report or requests for additional financial information should be directed to Louis Ploth, County Auditor, Polk County, 602 East Church Street, Suite 108, Livingston, Texas 77351.

***BASIC FINANCIAL STATEMENTS***



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# POLK COUNTY, TEXAS

## STATEMENT OF NET POSITION

September 30, 2019

	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental Activities</b>	
<b><u>Assets</u></b>		
Cash and cash equivalents	\$ 19,386,994	\$ 7,685,905
Investments	-	4,300,000
Receivables, net	3,679,807	1,780,917
Prepays	12,468	-
Due from other units	6,282	-
<b>Total Current Assets</b>	<b>23,085,551</b>	<b>13,766,822</b>
Capital assets:		
Nondepreciable capital assets	3,532,045	330,346
Capital assets, net of accumulated depreciation	56,166,028	13,913,741
<b>Total Capital Assets</b>	<b>59,698,073</b>	<b>14,244,087</b>
<b>Total Assets</b>	<b>82,783,624</b>	<b>28,010,909</b>
<b><u>Deferred Outflows of Resources</u></b>		
Deferred charge on refunding	219,259	-
Deferred outflows - pensions	4,967,147	-
Deferred outflows - OPEB	2,251,432	-
<b>Total Deferred Outflows of Resources</b>	<b>7,437,838</b>	<b>-</b>
<b><u>Liabilities</u></b>		
Current liabilities:		
Accounts payable and accrued liabilities	1,884,553	1,400,331
Accrued interest payable	77,035	237,650
Due to other units	217,936	-
<b>Total Current Liabilities</b>	<b>2,179,524</b>	<b>1,637,981</b>
Noncurrent liabilities:		
Long-term liabilities due within one year	4,281,287	3,035,000
Long-term liabilities due in more than one year	37,709,563	20,730,000
<b>Total Noncurrent Liabilities</b>	<b>41,990,850</b>	<b>23,765,000</b>
<b>Total Liabilities</b>	<b>44,170,374</b>	<b>25,402,981</b>
<b><u>Deferred Inflows of Resources</u></b>		
Deferred inflows - pensions	553,900	-
Deferred inflows - OPEB	3,359,721	-
<b>Total Deferred Inflows of Resources</b>	<b>3,913,621</b>	<b>-</b>
<b><u>Net Position</u></b>		
Net investment in capital assets	38,630,639	(5,220,913)
Restricted for:		
Debt service	44,083	-
Endowments/trusts:		
Expendable	838,318	-
Road and bridge	1,756,745	-
Special projects	2,861,854	-
Unrestricted	(1,994,172)	7,828,841
<b>Total Net Position</b>	<b>\$ 42,137,467</b>	<b>\$ 2,607,928</b>

See Notes to Financial Statements.

# POLK COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2019

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Primary Government:</b>			
<b>Governmental Activities:</b>			
General government	\$ 5,907,007	\$ 2,023,645	\$ 2,318,310
Administration of justice	8,089,203	346,923	142,675
Roads and bridges	6,774,803	74,950	331,871
Health and human services	1,284,264	228,364	470,337
Tax administration	996,187	-	-
Interest and fiscal agent fees on long-term debt	580,035	-	-
<b>Total Governmental Activities</b>	23,631,499	2,673,882	3,263,193
<b>Total Primary Government</b>	\$ 23,631,499	\$ 2,673,882	\$ 3,263,193
<b>IAH Public Facility Corporation</b>			
Detention facility	\$ 18,703,173	\$ 24,432,265	\$ -
Interest and fiscal agent fees on long-term debt	662,386	-	-
<b>Total Component Unit</b>	\$ 19,365,559	\$ 24,432,265	\$ -

**General Revenues:**

- Property taxes
- Sales taxes
- Other taxes
- Investment income
- Gain on sale of capital assets
- Other revenues
- Gain on early extinguishment of debt

**Total General Revenues**

**Change in Net Position**

Beginning net position

**Ending Net Position**

See Notes to Financial Statements.

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

<u>Governmental Activities</u>	<u>Component Unit</u>
\$ (1,565,052)	\$ -
(7,599,605)	-
(6,367,982)	-
(585,563)	-
(996,187)	-
(580,035)	-
<u>(17,694,424)</u>	<u>-</u>
<u>(17,694,424)</u>	<u>-</u>
-	5,729,092
-	<u>(662,386)</u>
-	<u>5,066,707</u>
21,081,991	-
2,502,854	-
1,417,998	-
499,843	186,062
111,559	-
1,942,459	-
-	<u>1,549,671</u>
<u>27,556,704</u>	<u>1,735,733</u>
9,862,280	6,802,440
<u>32,275,187</u>	<u>(4,194,512)</u>
<u>\$ 42,137,467</u>	<u>\$ 2,607,928</u>

# POLK COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

September 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Road and Bridge</u>	<u>Grants</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 13,226,470	\$ 845,478	\$ 1,935,236	\$ 9,864
Receivables, net	2,095,268	420,299	575,598	472,309
Prepays	12,468	-	-	-
Due from other funds	476,232	-	-	-
Due from fiduciary funds	-	-	-	-
Due from other units	6,282	-	-	-
<b>Total Assets</b>	<b>\$ 15,816,720</b>	<b>\$ 1,265,777</b>	<b>\$ 2,510,834</b>	<b>\$ 482,173</b>
 <b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>				
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 1,476,222	\$ 3,519	\$ 188,441	\$ -
Due to other units	-	-	57,184	5,700
Due to other funds	-	-	-	476,232
<b>Total Liabilities</b>	<b>1,476,222</b>	<b>3,519</b>	<b>245,625</b>	<b>481,932</b>
 <b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - grants	-	-	-	241
Unavailable revenue - property taxes	1,328,036	420,299	508,464	-
<b>Total Deferred Inflows of Resources</b>	<b>1,328,036</b>	<b>420,299</b>	<b>508,464</b>	<b>241</b>
 <b><u>Fund Balances</u></b>				
Nonspendable:				
Prepays	12,468	-	-	-
Restricted:				
Debt service	-	44,083	-	-
Road and bridge	-	-	1,756,745	-
Special projects	585,461	-	-	-
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
Assigned:				
Post closure care costs	-	797,876	-	-
Unassigned	12,414,533	-	-	-
<b>Total Fund Balances</b>	<b>13,012,462</b>	<b>841,959</b>	<b>1,756,745</b>	<b>-</b>
 <b>Total Liabilities, Deferred Inflows of of Resources, and Fund Balances</b>	 <b>\$ 15,816,720</b>	 <b>\$ 1,265,777</b>	 <b>\$ 2,510,834</b>	 <b>\$ 482,173</b>

See Notes to Financial Statements.

<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
\$ 3,369,946	\$ 19,386,994
116,333	3,679,807
-	12,468
-	476,232
-	-
-	6,282
<u>\$ 3,486,279</u>	<u>\$ 23,561,783</u>

\$ 216,371	\$ 1,884,553
155,052	217,936
-	476,232
<u>371,423</u>	<u>2,578,721</u>

-	241
-	<u>2,256,799</u>
-	<u>2,257,040</u>

-	12,468
-	44,083
-	1,756,745
2,276,393	2,861,854
145	145
838,318	838,318
-	797,876
-	<u>12,414,533</u>
<u>3,114,856</u>	<u>18,726,022</u>

<u>\$ 3,486,279</u>	<u>23,561,783</u>
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**POLK COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO**  
**THE STATEMENT OF NET POSITION**  
**September 30, 2019**

Fund balances - total governmental funds	\$	18,726,022
<b>Adjustments for the Statement of Net Position:</b>		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Nondepreciable capital assets		3,532,045
Depreciable capital assets, net		56,166,028
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		
Deferred revenue		2,257,040
Deferred outflows and deferred inflows related to pension activity and other postemployment benefits (OPEB) are not current financial resources and, therefore, not reported in the governmental funds.		
Deferred outflows - pensions		4,967,147
Deferred inflows - pensions		(553,900)
Deferred outflows - OPEB		2,251,432
Deferred inflows - OPEB		(3,359,721)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued interest payable		(77,035)
Deferred charge on refunding		219,259
Long-term liabilities due within one year		(4,281,287)
Long-term liabilities due in more than one year		(37,709,563)
<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>42,137,467</u></b>

See Notes to Financial Statements.



**POLK COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2019**

	<b>General</b>	<b>Debt Service</b>	<b>Road and Bridge</b>	<b>Grants</b>
<b><u>Revenues</u></b>				
Property taxes	\$ 13,082,858	\$ 3,303,602	\$ 4,831,280	\$ -
Sales taxes	2,502,854	-	-	-
Other taxes	407,237	-	984,848	-
Fines and forfeitures	571,981	-	74,950	-
Charges for services	1,244,515	-	-	-
Intergovernmental	1,881,542	-	331,871	436,768
Licenses and permits	190,967	-	-	-
Investment income	391,069	18,270	51,234	-
Other revenue	1,442,472	-	234,247	-
<b>Total Revenues</b>	21,715,495	3,321,872	6,508,430	436,768
<b><u>Expenditures</u></b>				
<b>Current:</b>				
General government	5,984,887	-	-	436,768
Administration of justice	11,585,918	-	-	-
Roads and bridges	-	-	5,655,314	-
Health and human services	864,738	-	-	-
Tax administration	1,310,620	-	-	-
<b>Debt service:</b>				
Principal	-	2,670,000	1,049,030	-
Interest and fiscal charges	-	589,555	42,211	-
Debt issuance costs	35,825	-	-	-
<b>Capital outlay</b>	1,110,332	-	1,632,205	-
<b>Total Expenditures</b>	20,892,320	3,259,555	8,378,760	436,768
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	823,175	62,317	(1,870,330)	-
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	384,030	-	57,824	-
Transfers (out)	(239,950)	-	(27,835)	-
Debt issued	1,569,524	-	1,243,296	-
Gain on sale of capital assets	-	-	932,800	-
<b>Total Other Financing Sources (Uses)</b>	1,713,604	-	2,206,085	-
<b>Net Change in Fund Balances</b>	2,536,779	62,317	335,755	-
Beginning fund balances	10,475,683	779,642	1,420,990	-
<b>Ending Fund Balances</b>	\$ 13,012,462	\$ 841,959	\$ 1,756,745	\$ -

See Notes to Financial Statements.

<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
\$ -	\$ 21,217,740
-	2,502,854
25,913	1,417,998
19,500	666,431
571,969	1,816,484
613,012	3,263,193
-	190,967
39,270	499,843
265,740	1,942,459
<u>1,535,404</u>	<u>33,517,969</u>
336,293	6,757,948
360,899	11,946,817
-	5,655,314
519,104	1,383,842
-	1,310,620
-	3,719,030
-	631,766
-	35,825
133,854	2,876,391
<u>1,350,150</u>	<u>34,317,553</u>
185,254	(799,584)
196,510	638,364
(370,579)	(638,364)
-	2,812,820
-	932,800
<u>(174,069)</u>	<u>3,745,620</u>
11,185	2,946,036
<u>3,103,671</u>	<u>15,779,986</u>
<u>\$ 3,114,856</u>	<u>\$ 18,726,022</u>

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**POLK COUNTY, TEXAS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2019**

Net changes in fund balances – total governmental funds \$ 2,946,036

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	3,326,113
Depreciation expense	(2,276,580)
Capital retirements, net	(984,252)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Deferred revenue	(135,749)
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Net pension and other postemployment benefits (OPEB) liability and deferred outflows and deferred inflows related to the County's pension and OPEB plans are not reported in the governmental funds.

Net pension liability	(5,532,048)
Deferred outflows - pensions	3,592,935
Deferred inflows - pensions	1,060,951
Net OPEB liability	10,436,319
Deferred outflows - OPEB	100,922
Deferred inflows - OPEB	(3,357,834)

Bonds and note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.

Principal payment	3,719,030
Debt issuance	(2,812,820)
Changes to bond premiums	102,352
Amortization of deferred charges	(30,075)
Landfill closure and post closure costs	(299,142)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This adjustment reflects the net change on the accrual basis of accounting for accrued interest payable and compensated absences.

Accrued interest payable	15,279
Compensated absences	(9,157)

<b>Change in Net Position of Governmental Activities</b>	<b>\$ 9,862,280</b>
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See Notes to Financial Statements.

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**POLK COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**September 30, 2019**

	<b>Retiree Health Benefit Trust</b>	<b>Agency</b>
<b><u>Assets</u></b>		
Cash and cash equivalents	\$ 2,319,279	\$ 6,495,663
<b>Total Assets</b>	\$ 2,319,279	\$ 6,495,663
<b><u>Liabilities</u></b>		
Due to other units	\$ -	\$ 6,495,663
<b>Total Liabilities</b>	-	\$ 6,495,663
<b><u>Net Position</u></b>		
Held in trust for other postemployment benefits	\$ 2,319,279	

See Notes to Financial Statements.

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**POLK COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**For the Year Ended September 30, 2019**

		<b><u>Retiree Health Benefit Trust</u></b>
<b><u>Additions</u></b>		
Employer contributions	\$	567,500
Other revenue		34,631
Investment income		49,046
<b>Total Additions</b>		<b><u>651,177</u></b>
<b><u>Deductions</u></b>		
Benefits		230,686
Administrative expenses		3,001
<b>Total Deductions</b>		<b><u>233,687</u></b>
	<b>Change in Net Position</b>	417,490
Beginning net position		1,901,789
	<b>Ending Net Position</b>	<b><u>\$ 2,319,279</u></b>

See Notes to Financial Statements.



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**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2019

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Polk County, Texas (the “County”) is an independent government entity created in 1846 from Liberty County by an act of the Texas Legislature. The County is governed by Commissioners’ Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County’s financial statements include the accounts of all County operations. The County provides a vast array of services including administration of justice, health and human services, public improvements, and general administration.

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

**Discretely Presented Component Unit**

**IAH Public Facility Corporation**

IAH Public Facility Corporation (the “Corporation”) has been included in the reporting entity as a discretely presented component unit. The Corporation was created under the Public Facility Corporation Act Chapter 303 of the Texas Local Government Code by the County in 2004 for the purpose of financing for, and on behalf of, the County-eligible jail and criminal detention facility projects and other public buildings and facilities for use by the County. The Board of Directors is appointed by, and serves at the discretion of, the Commissioners’ Court of the County. Commissioners’ Court approval is required for annual budgets and bonded debt issuance. Separate financial statements of the Corporation may be obtained from the County Auditor’s office.

**B. Government-Wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, of which the County has none. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

**C. Basis of Presentation – Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**D. Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following governmental funds:

The *general fund* is used to account for and report all financial resources not accounted for and report in another fund. The principal sources of revenues include local property taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, administration of justice, health and human services, and tax administration. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The following special revenue funds are considered major funds for reporting purposes:

*Road and bridge fund* – This fund is used to account for revenues of property taxes levied and vehicle registration fees. Uses of funds are restricted for the maintenance of roads, bridges, and the operations of related facilities. All precinct operations, as well as permanent road monies, are accounted for in this fund.

*Grants fund* – This fund is used to account for various grants received by the County that are not reported in a separate fund.

The remaining special revenue funds are considered nonmajor funds for reporting purposes.

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

of capital facilities and other capital assets. The college and commerce center and energy savings funds are considered nonmajor funds for reporting purposes.

*Permanent funds* are governmental funds that are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

The County has the following permanent fund, which is considered a nonmajor fund for reporting purposes:

*Permanent school fund* – This fund was established from proceeds received from the sale of lands granted by the State of Texas for educational purposes. Earnings from this fund, other than oil royalties, accrue directly to the available school fund. Oil royalties are deposited to the permanent school fund, which increases the principal.

Additionally, the County reports the following fund types:

The *fiduciary funds* account for assets held by the government in a trustee capacity or as an agent on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County has the following types of fiduciary funds:

The *retiree health benefit trust fund* accounts for the funds held in trust for the health care benefit payments for the qualified retired employees of the County.

The *agency funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

**E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded 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.

The 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales tax, licenses, 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the County.

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Cash and Cash Equivalents**

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.

**2. Investments**

Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest earning contracts, such as certificates of deposit, are reported at cost.

The County has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the County is authorized to invest in the following:

- Direct obligations of the U.S. Government or U.S. Government agencies
- Fully collateralized certificates of deposit
- Money market mutual funds that meet certain criteria

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Bankers' acceptances  
Statewide investment pools

**3. Inventories and Prepaid Items**

The costs of governmental fund inventories are recorded as expenditures when the related liability is incurred (i.e., the purchase method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**4. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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.

Property, plant, and equipment of the County are depreciated using the straight-line method over the following estimated useful years.

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Infrastructure	10 to 45 years
Buildings	20 to 50 years
Improvements other than buildings	5 to 30 years
Equipment	3 to 25 years

The costs of a significant portion of capital assets have been estimated based on management's estimated historical cost.

**5. Deferred Outflows/Inflows of Resources**

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

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the District's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the District has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

**6. Compensated Employee Absences**

It is the County's policy to not allow employees to accumulate earned but unused holiday, vacation, and compensatory time. Certain allowances are made for holiday time for law enforcement personnel and extensions can be granted by the employee's supervising elected official or Department head. No liability is reported for unpaid accumulated sick leave since it does not vest. Employees are allowed to maintain an accrual of up to 480 hours of sick leave although it is not compensated on termination. Vacation, compensatory time, and holiday pay that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

**7. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, if material. Bonds payable are reported net of the applicable bond premium or discount.

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.

The property tax rate is allocated each year between the general, road and bridge, and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Assets acquired under the terms of a capital lease are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the applicable fund. Lease payments representing both principal and interest are recorded as expenditures in the road and bridge fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

**8. Net Position Flow Assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**9. Fund Balance Flow Assumptions**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**10. Fund Balance Policies**

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The Commissioners' Court is the highest level of decision-making authority for the County that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. Based on the County policy, the Commissioners' Court may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not



**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

In accordance with Commissioners' Court policy, the County must maintain a minimum of 25 percent of expenditures in unassigned fund balance in the general fund.

**11. Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**12. Pensions**

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

**13. Other Postemployment Benefits**

For the purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB expense, information about the fiduciary net position of the Polk County Retiree Benefits Trust Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments, as applicable, are reported at fair value.

**G. Revenues and Expenditures/Expenses**

**1. Program Revenues**

Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**2. Property Taxes**

Property taxes are recorded as revenue when levied for the current year and are due, payable, and collected in the current year. Uncollected amounts at year end are reported as deferred revenue. Delinquent property taxes collected within 60 days subsequent to year end were not considered material.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

The property tax calendar dates are:

Levy date and due date – October 1  
Collection dates – October 1 through January 31  
Lien date – February 1

The County bills and collects its own taxes and those for certain government entities within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the tax assessor's agency fund. Tax collections deposited for the County are distributed on a periodic basis to the general, road and bridge, and debt service funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners' Court for the tax year for which the collections are made.

The appraisal of property within the County is the responsibility of the County-wide appraisal district, which is required under the property tax code to assess all property within the appraisal district on the basis of 100 percent of its appraised value, and is prohibited from applying any assessment ratios. The appraisal district must review the value of the property within the County every three years unless the County, at its own expense, requires more frequent reviews. The County may challenge the appraised values through various appeals and, if necessary, legal action. Under this legislation, the County sets tax rates on County property.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The original budget is adopted by the Commissioners' Court prior to the beginning of the fiscal year. The legal level of control is at the department level in the general fund and road and bridge fund. The debt service fund's legal level of control is at the fund level. The remaining special revenue funds with adopted budgets are: County and district court technology, courthouse security, law library, aging, County records management, County clerk records preservation, hotel/motel tax, justice court technology, available school, district attorney collection, district clerk records preservation, waste management, jail commissary, district attorney special, justice court building security, permanent school, pre-trial intervention program, Sheriff federal revenue sharing, child abuse prevention, and forfeiture. The legal level control for these special revenue funds is at the fund level. Although budgets are adopted annually for these special revenue funds, they are not subject to performance measurement. Management may not amend the budget without the approval of Commissioners' Court.

Appropriations lapse at the end of the year for all funds. Budgets are adopted on a generally accepted accounting principles basis for all budgeted funds, except for the college and commerce center and energy saving funds, which adopt project length budgets. Several supplemental budget appropriations were made for the year ended September 30, 2019.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2019

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

As of September 30, 2019, the County had the following investments:

<u>Investment Type</u>	<u>Value</u>	<u>Weighted Average Maturity (Years)</u>
TexPool	\$ 12,335,747	0.09
Texas CLASS	5,313,303	0.11
<b>Total</b>	<b>\$ 17,649,050</b>	
Portfolio weighted average maturity		0.10

*Interest rate risk.* In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less.

*Credit risk.* State law and the County’s investment policy limit investments to obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent. Further, commercial paper must be rated not less than “A-1” or “P-1” or an equivalent rating by at least two nationally recognized credit rating agencies. As of September 30, 2019, the County’s investments in TexPool were rated “AAAm” and Texas CLASS were rated “AAA” by Standard & Poor’s.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County’s investment policy requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of September 30, 2019, bank balances did not exceed the market values of pledged securities and FDIC insurance.

**TexPool**

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor’s rates TexPool “AAAm”. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor’s, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool’s authority may only impose restrictions on redemptions in the event of a general suspension of trading on major national markets, general banking moratorium, or a national state of emergency that affects TexPool’s liquidity.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

**Texas CLASS**

The Texas Cooperative Liquid Assets Securities System Trust (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State of Texas. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for Texas CLASS may be obtained from CLASS' website at [www.texasclass.com](http://www.texasclass.com).

**B. Receivables**

The following comprise receivable balances at year end:

	<b>General</b>	<b>Debt Service</b>	<b>Road and Bridge</b>	<b>Grants</b>	<b>Nonmajor</b>	<b>Total</b>
Property taxes	\$ 1,321,218	\$ 420,299	\$ 508,464	\$ -	\$ -	\$ 2,249,981
Other	774,050	-	67,134	472,309	116,333	1,429,826
	<u>\$ 2,095,268</u>	<u>\$ 420,299</u>	<u>\$ 575,598</u>	<u>\$ 472,309</u>	<u>\$ 116,333</u>	<u>\$ 3,679,807</u>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2019

**C. Capital Assets**

A summary of changes in capital assets for the year ended September 30, 2019 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 1,574,713	\$ 26,592	\$ -	\$ 1,601,305
Construction in progress	8,991,971	638,725	(7,699,956)	1,930,740
<b>Total capital assets not being depreciated</b>	<u>10,566,684</u>	<u>665,317</u>	<u>(7,699,956)</u>	<u>3,532,045</u>
Other capital assets:				
Infrastructure	90,960,198	5,242,200	-	96,202,398
Buildings	45,312,572	382,407	-	45,694,979
Improvements	2,852,081	2,075,350	-	4,927,431
Equipment	17,291,352	2,660,795	(1,792,361)	18,159,786
<b>Total other capital assets</b>	<u>156,416,203</u>	<u>10,360,752</u>	<u>(1,792,361)</u>	<u>164,984,594</u>
Less accumulated depreciation for:				
Infrastructure	(87,210,796)	(233,111)	-	(87,443,907)
Buildings	(7,308,989)	(858,268)	-	(8,167,257)
Improvements	(1,606,073)	(169,440)	-	(1,775,513)
Equipment	(11,224,237)	(1,015,761)	808,109	(11,431,889)
<b>Total accumulated depreciation</b>	<u>(107,350,095)</u>	<u>(2,276,580)</u>	<u>808,109</u>	<u>(108,818,566)</u>
Other capital assets, net	49,066,108	8,084,172	(984,252)	56,166,028
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 59,632,792</u>	<u>\$ 8,749,489</u>	<u>\$ (8,684,208)</u>	<u>59,698,073</u>
			Less associated debt	(21,286,693)
			Plus deferred charge on refunding	219,259
			<b>Net Investment in Capital Assets</b>	<u>\$ 38,630,639</u>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Depreciation was charged to governmental functions as follows:

General government	\$	523,613
Administration of justice		614,676
Roads and bridges		1,024,462
Health and human services		113,829
<b>Total Governmental Activities Depreciation Expense</b>	<b>\$</b>	<b><u>2,276,580</u></b>

**D. Long-Term Liabilities**

The following is a summary of changes in the County's total governmental long-term liabilities for the year ended September 30, 2019. In general, the County uses the general, road and bridge, and debt service funds to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds, notes payable, and capital leases:					
General obligation	\$ 17,640,000	\$ -	(1,975,000)	\$ 15,665,000	\$ 2,055,000
Tax notes	960,000	-	(405,000)	555,000	250,000
Obligations under capital leases	1,253,238	1,062,820	(1,049,030)	1,267,028	1,084,028
Direct borrowings/placements:					
Tax notes	1,775,000	1,750,000	(290,000)	3,235,000	615,000
Less deferred amounts:					
Premium	667,017	-	(102,352)	564,665	-
	<u>22,295,255</u>	<u>2,812,820</u>	<u>(3,821,382)</u>	<u>21,286,693</u> *	<u>4,004,028</u>
Other:					
Compensated absences	298,909	923,103	(913,946)	308,066	277,259
Net pension liability	2,432,008	5,532,048	-	7,964,056	-
Net OPEB liability	18,610,499	-	(10,436,319)	8,174,180	-
Landfill closure and post closure care costs	3,958,713	299,142	-	4,257,855	-
	<u>25,300,129</u>	<u>6,754,293</u>	<u>(11,350,265)</u>	<u>20,704,157</u>	<u>277,259</u>
<b>Total Governmental Activities</b>	<b>\$ 47,595,384</b>	<b>\$ 9,567,113</b>	<b>\$ (15,171,647)</b>	<b>\$ 41,990,850</b>	<b>\$ 4,281,287</b>

**Long-term liabilities due in more than one year**      **\$ 37,709,563**

\* **Debt associated with capital assets**      **\$ 21,286,693**

See note IV.C. for additional information regarding landfill closure and post closure care costs. The County is not obligated in any manner for special assessment debt.

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The governmental activities compensated absences, and net pension and OPEB liability are generally liquidated by the general fund. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Long term debt as of September 30, 2019 was comprised of the following debt issues:

	<b>Interest Rate Percentage</b>	<b>Original Amount</b>	<b>Balance</b>
<b>General Obligation</b>			
Refunding Bonds, Series 2012	2.00-3.00	\$ 17,760,000	\$ 10,570,000
Contractual Obligation, Series 2016	1.935	\$ 2,120,000	1,915,000
Contractual Obligation, Series 2017	4.00-4.13	\$ 2,120,000	3,180,000
			15,665,000
<b>Tax Notes</b>			
Series 2014	1.00-2.00	\$ 1,570,000	\$ 470,000
Series 2016	1.93	\$ 145,000	85,000
		Sub total Tax Notes	555,000
From direct borrowings/placements:			
Series 2013	1.85	\$ 525,000	80,000
Series 2015	1.93	\$ 1,060,000	470,000
Series 2018	2.87	\$ 995,000	935,000
Series 2019	2.17	\$ 1,750,000	1,750,000
		Sub total Tax Notes from Direct Borrowings/Placements	3,235,000
			3,790,000
<b>Capital Leases</b>			
Bankcorp South Corporation	2.19	\$ 1,030,795	-
First National Bank Leasing	2.55	\$ 257,825	\$ 204,208
Bankcorp South Corporation	3.84	\$ 1,062,820	1,062,820
			1,267,028
		<b>Total</b>	<b>\$ 20,722,028</b>

A summary of the County's debt service requirements, including interest, is as follows:

<b>Year Ending Sept. 30</b>	<b>Governmental Activities</b>					
	<b>General Obligation</b>		<b>Tax Anticipation Notes</b>		<b>Capital Leases</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2020	\$ 2,055,000	\$ 467,643	\$ 250,000	\$ 8,630	\$ 1,084,028	\$ 47,684
2021	2,125,000	399,669	260,000	3,522	183,000	-
2022	2,200,000	329,300	20,000	714	-	-
2023	2,270,000	256,536	25,000	255	-	-
2024	1,485,000	193,977	-	-	-	-
2025-2028	4,925,000	331,685	-	-	-	-
2029-2031	605,000	18,044	-	-	-	-
<b>Totals</b>	<b>\$ 15,665,000</b>	<b>\$ 1,996,854</b>	<b>\$ 555,000</b>	<b>\$ 13,121</b>	<b>\$ 1,267,028</b>	<b>\$ 47,684</b>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

The annual requirements to amortize debt issues outstanding for the direct borrowings/placements at year end are as follows:

Direct Placement	
Tax Anticipation	
Notes	
Principal	Interest
\$ 615,000	\$ 65,647
545,000	55,376
560,000	42,697
410,000	31,262
415,000	21,191
690,000	13,815
<u>\$ 3,235,000</u>	<u>\$ 229,988</u>

Machinery and equipment acquired under current capital lease obligations totaled \$1,325,376.

**Federal Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the County could result. Although the County does not anticipate that it will have any arbitrage liability, it periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

**E. Interfund Transactions**

Operating transfers between the primary governmental funds during the year were as follows:

Transfer Out	Transfer In	Amounts
General fund	Road and bridge fund	\$ 57,824
General fund	Nonmajor governmental funds	182,127
Road and bridge fund	General fund	27,834
Nonmajor governmental funds	General fund	356,196
Nonmajor governmental funds	Nonmajor governmental funds	14,383
	<b>Total</b>	<u>\$ 638,364</u>

These transfers are for a wide variety of reasons, some of which are for operations within the various funds and salary subsidies.

The composition of interfund balances as of September 30, 2019 is as follows:

Due to	Due from	Amounts
General fund	Grant fund	\$ 476,232

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.



**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

**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; errors and omissions; and natural disasters for which the County carries commercial insurance. In addition, the County participates along with 254 other entities in the Texas Association of Counties' (TAC) Workers' Compensation Self-Insurance Fund (the "Pool"). TAC created this Pool in 1974 to insure the County for workers' compensation related claims. The County also provides its employees benefits, including medical and life insurance, which the County obtains through the TAC's Insurance Trust Fund. This Pool purchases commercial insurance at group rates for participants in the Pool. The County has no additional risk or responsibility to either of the Pools in which it participates, outside of payment of insurance premiums. The County has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past three years.

**B. Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, 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 is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

The County reports liabilities when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency, and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

**C. Landfill Closure and Post Closure Care Costs**

On December 1, 2001, the County entered into an agreement (the "Agreement") with a private contractor (the "Contractor") to operate the County's landfill and solid waste collection activities. The Agreement also provides for the Contractor to pay for a portion of the closure and post closure care costs for capacity utilized under their management. The Contractor is required to annually obtain a performance bond to provide financial assurance to the County for such costs. Upon the termination of the Agreement, the Contractor is relieved of any financial obligation for closure and post closure care costs. Accordingly, the County is liable or contingently liable for the entire amount of the closure and post closure care costs.

Current state regulations and the U.S. Environmental Protection Agency require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County is required to recognize a portion of the landfill closure and post closure care liability each year. Recognition of the liability is based on the landfill capacity used to date. The operations of the landfill are recorded in the waste management fund, one of the special revenue funds used by the County.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

The County revised its estimated closure and post closure care costs in an application for a permit amendment submitted to the Texas Commission on Environmental Quality in 2004 to modify the existing permit for expansion of total permit capacity. The County's estimate of total costs of closure and post closure care for 30 years, under permits and regulations currently in effect, is \$11,993,960.

The \$4,257,855 reported as landfill closure and post closure care liability at September 30, 2019 is based on the use of 35.5 percent of the estimated capacity of the landfill. The estimated net decrease in capacity after the permit modification during the year was 1.9 percent related to new estimates of airspace capacity using digital terrain modeling techniques. The accrued liability increased by \$299,142. The County will recognize the remaining estimated cost of closure and post closure care of \$7,736,104 as the remaining estimated capacity is filled. Based on the current rate of materials deposited, the life of the landfill is 26.8 years.

The estimated costs are based on what it would cost to perform all closure and post closure care in 2019 and do not include provisions for inflation. Based on current projections, the present landfill site will be closed in the year 2051. Monitoring would begin on this date and would continue for the next 30 years.

The County expects that future inflation costs will be paid from interest earnings on accumulated landfill earnings. However, if interest earnings are inadequate or additional post closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

The County is not currently required to make contributions to a trust fund to finance closure and post closure costs. The County has reserved \$797,876 in its debt service fund for post closure costs. The County intends to fund the deficiency in amounts currently available and the total estimated costs with contractor franchise fees.

**D. Pension Plan**

**Texas County and District Retirement System**

**Plan Description**

TCDRS is a statewide, agent multiple-employer, public-employee retirement system. TCDRS serves 780 actively participating counties and districts throughout Texas. Each employer maintains its own customized plan of benefits. Plan provisions are adopted by the Board of Directors of each employer, within the options available in the TCDRS Act. Because of that, the County has the flexibility and local control to select benefits and pay for those benefits based on its needs and budgets.

Each employer has a defined benefit plan that functions similarly to a cash balance plan. The assets of the plans are pooled for investment purposes, but each employer's plan assets may be used only for the payment of benefits to the members of that employer's plan. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available comprehensive annual financial report that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

All eligible employees (except temporary staff) of the County must be enrolled in the TCDRS.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Benefits Provided

TCDRS provides retirement, disability, and death benefits. The benefit provisions are adopted by the Commissioners' Court within the options available in Texas state statutes governing TCDRS. Members can retire at age 60 and above with eight or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any County-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits	200
Inactive employees entitled to, but not yet receiving, benefits	282
Active employees	319
<b>Total</b>	<u><u>801</u></u>

Contributions

A combination of three elements funds each employer's plan: employee deposits, employer contributions, and investment income.

- The deposit rate for employees is four percent, five percent, six percent, or seven percent of compensation, as adopted by the employer's governing body.
- Participating employers are required, by law, to contribute at actuarially determined rates, which are determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method.
- Investment income funds a large part of the benefits employees earn.

Employers have the option of paying more than the required contribution rate each year. Extra contributions can help employers "prefund" benefit increases, such as a cost-of-living adjustment to retirees, and they can be used to help offset or mitigate future increases in the required rate due to negative plan experience. There are two approaches for making extra contributions:

- (a) paying an elected contribution rate higher than the required rate and
- (b) making an extra lump-sum contribution to the employer account.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Employees for the County were required to contribute seven percent of their annual gross earnings during the fiscal year. The contribution rates for the County were 13.40 percent and 13.31 percent in calendar years 2018 and 2019, respectively. The County's contributions to TCDRS for the fiscal year ended September 30, 2019 were \$1,551,911 and were equal to the required contributions.

Net Pension Liability

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

Actuarial Assumptions

The actuarial assumptions that determined the TPL as of December 31, 2018 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB Standard No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68).

Following are the key assumptions and methods used in the December 31, 2018 actuarial valuation:

Valuation Timing	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry age normal
Amortization Method	Level of percentage of payroll, closed
Remaining Amortization Period	13 years
Smoothing Period	5 years
Recognition Method	Non-asymptotic
Corridor	None
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career, including inflation
Investment Rate of Return	8.00%
Cost-of-Living Adjustments	Cost-of-living adjustments for the County are not considered to be substantively automatic under GASB 68. Therefore, an assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

The long-term expected rate of return of TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The target allocation and best estimate of geometric real rate of return for each major asset class are summarized in the following table:

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

Discount Rate

The discount rate used to measure the TPL was 8.1 percent. 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, TCDRS'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 TCDRS investments was applied to all periods of projected benefit payments to determine the TPL.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2019

Changes in the NPL

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Changes for the year:			
Service cost	\$ 1,689,624	\$ -	\$ 1,689,624
Interest	4,992,429	-	4,992,429
Change in current period benefits	-	-	-
Difference between expected and actual experience	6,204	-	6,204
Changes in assumptions	-	-	-
Contributions - employer	-	1,520,716	(1,520,716)
Contributions - employee	-	794,408	(794,408)
Net investment income	-	(1,103,184)	1,103,184
Benefit payments, including refunds of employee contributions	(2,836,014)	(2,836,014)	-
Administrative expense	-	(45,962)	45,962
Other changes	-	(9,768)	9,768
Net changes	3,852,243	(1,679,804)	5,532,047
Balance at December 31, 2017	61,335,706	58,903,697	2,432,008
<b>Balance at December 31, 2018</b>	<b>\$ 65,187,949</b>	<b>\$ 57,223,893</b>	<b>\$ 7,964,055</b>

Sensitivity of the NPL to Changes in the Discount Rate

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

	1% Decrease in Discount Rate (7.1%)	Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
County's Net Pension Liability	\$ 16,465,057	\$ 7,964,056	\$ 830,640

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

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

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$2,430,073.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual economic experience	\$ 4,653	\$ 553,900
Changes in actuarial assumptions	91,687	-
Difference between projected and actual investment earnings	3,746,816	-
Contributions subsequent to the measurement date	1,123,991	-
<b>Total</b>	<b>\$ 4,967,147</b>	<b>\$ 553,900</b>

\$1,123,991 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year Ended September 30:</b>	<b>Pension Expense</b>
2020	\$ 1,176,350
2021	446,423
2022	496,186
2023	1,170,297
<b>Total</b>	<b>\$ 3,289,256</b>

**E. Other Postemployment Benefits**

**Healthcare Plan**

Plan Description

In order to recognize and reward long-term employees, as well as to provide an incentive for remaining in the County's employment, the County administers a single-employer defined benefit OPEB plan, known as Polk County Retiree Benefits Trust plan (the "Plan"). The Commissioners' Court has been appointed as the trustees for the Plan. The trustees have the power to amend or modify this Plan in order to comply with applicable legal requirements or to carry out the purposes of this Trust.

Each full-time employee who separates from the service of the County and who, at the time of their separation, is eligible for retirement under the TCDRS guidelines, and either (1) has total creditable service with TCDRS and continuous service as a full-time employee of the County for 20 years or more or (2) has total creditable service with TCDRS and continuous service as an elected official, of the County for 16 years or more; and whose full salary has been paid entirely from the County funds or grant funds received from Federal, State, or other local governments by the County continuously for 20 years or more or for 16 years or more as an elected official, and is covered by the County group health plan at the time of their retirement will have the same dollar amount contributed towards their group medical premiums by the County that the County contributes towards such premiums for its full-time employees. For employees and elected officials retiring on or after October 1, 2019 who are eligible for the Plan, a maximum of \$800 per month toward the premium for eligible retirees participating in the County's group health plan (pre-65) will be paid by the County and the retiree will be responsible for any portion of the total premium amount exceeding the County's maximum contribution.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Upon reaching Medicare eligibility (retiree must have Medicare A and B, and may have to be 65 or older), employees who meet the above requirements will be eligible to participate in the Plan offered by the County. For employees and elected officials retiring on or after October 1, 2018 who are eligible for the Plan, a maximum of \$400 per month toward the premium for eligible retirees electing to participate in the Plan will be paid by the County and the retiree will be responsible for any portion of the total premium amount exceeding the County's maximum contribution.

Coverage for spouses and dependents who are participants in the County's group health Plan on the date of the employee's retirement may also be continued. Premiums for spouses and dependents shall be paid by the retiree. Coverage for spouses or dependents ceases at midnight on the last day of any month in which the premium is not received in the Treasurer's office when due.

The following provides a summary of the number of participants in the plan as of September 30, 2019:

Inactive employees or beneficiaries currently receiving benefits	29
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	258
<b>Total</b>	<b>287</b>

Net OPEB Liability

The County's net OPEB liability of \$8,174,180 was determined by an actuarial valuation as of December 31, 2018.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	0.50% to 5.00%, not including wage inflation of 3.25%.
Discount rate	3.71% as of December 31, 2018
Actuarial cost method	Individual entry-age normal
Demographic assumptions	Based on experience study covering the four-year period ending December 31, 2016 as conducted for TCDRS. For the OPEB valuation, the standard TCDRS retirement rates were adjusted to reflect the impact of the County's retiree medical plan design.
Mortality	For healthy retirees, the gender-distinct RP2014 Healthy Annuitant Mortality Tables are used with male rates multiplied by 130% and female rates multiplied by 110%. Those rates are projected on a fully generational basis on 110% of the ultimate rates of Scale MP-2014.
Healthcare costs trend rate	Pre-65: Initial rate of 7.20% declining to an ultimate rate of 6.00% after 7 years; Post-65: Initial rate of 6.50% declining to an ultimate rate of 4.25% after 15 years.
Participation rates	90% of retirees that are eligible for subsidized coverage; 0% of retirees that are not eligible for subsidized coverage

Funding Policy

The County has elected to finance the Plan on a pay-as-you-go basis, paying an amount each year equal to the claims paid.



**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2019

Investments

The Plan is authorized to invest in the same options available to the County as authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code. Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. No investments were held by the Plan as of its most recent fiscal year end.

Changes in the Total OPEB Liability

	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
Changes for the year:			
Service cost	\$ 1,277,734	\$ -	\$ 1,277,734
Interest	682,731	-	682,731
Change in benefit terms	(8,228,980)	-	(8,228,980)
Difference between expected and actual experience	(3,792,181)	-	(3,792,181)
Changes in assumption	224,992	-	224,992
Employer contributions	-	580,708	(580,708)
Net investment income	-	21,707	(21,707)
Benefit payments	(250,958)	(250,958)	-
Administrative expense	-	(1,800)	1,800
<b>Net Changes</b>	(10,086,662)	349,657	(10,436,319)
Beginning balance	20,112,930	1,502,431	18,610,499
<b>Ending Balance</b>	\$ 10,026,268	\$ 1,852,088	\$ 8,174,180

Consistent with the requirements of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the employer contributions include “amounts for OPEB as the benefits come due that will not be reimbursed to the employer using OPEB plan assets.” The employer contributions shown above include trust contributions of \$530,838 and implicit benefit payments of \$49,870 which were paid by the County using its own assets.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the County, as well as what the County’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	<b>1% Decrease in Discount Rate (2.71%)</b>	<b>Discount Rate (3.71%)</b>	<b>1% Increase in Discount Rate (4.71%)</b>
County's Total OPEB Liability	\$ 9,607,112	\$ 8,174,180	\$ 6,982,317

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	<b>1% Decrease</b>	<b>Current Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
County's Net OPEB Liability	\$ 7,376,507	\$ 8,174,180	\$ 9,139,097

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended September 30, 2019, the County recognized OPEB expense of \$1,882,365. The County reported deferred outflows/inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 3,359,721
Changes in actuarial assumptions	1,565,459	-
Excess investment returns	26,632	-
Contributions subsequent to the measurement date	659,341	-
<b>Total</b>	<b>\$ 2,251,432</b>	<b>\$ 3,359,721</b>

\$659,341 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the fiscal year ending September 30, 2020.

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ended September 30</b>	<b>OPEB Expense Amount</b>
2020	\$ 210,714
2021	210,714
2022	210,714
2023	214,271
2024	218,261
Thereafter	702,956
<b>Total</b>	<b>\$ 1,767,630</b>

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2019

**F. Jointly Governed and Related Organizations**

The Adult Probation and Juvenile Probation divisions are operated as combined departments doing business as the 258<sup>th</sup> and 411<sup>th</sup> Community Supervision and Correction Departments (the “Departments”). A different board (the “Board”) governs each department, although the District Judges preside on both boards. The Departments service the counties of Polk, San Jacinto, and Trinity. Each county is required to provide office space for the operations of the Departments. Substantially all of the Departments’ funding is provided by the State. The participating counties provide approximately ten percent of the Departments’ budgets.

The Juvenile Probation Board consists of the Polk County Judge and the Polk County Court-at-Law Judge, along with two District judges and County judges from San Jacinto and Trinity Counties. The Adult Probation Department’s Board consists of two District judges and the County Court-at-Law Judge from the County. The Departments and their divisions are considered to be legally separate from the County. In addition, the County is not able to appoint a voting majority to either of the Departments’ Boards or otherwise able to impose its will. The Departments are not fiscally dependent on the County since the County’s approvals are ministerial in nature. While the Department’s divisions are closely affiliated with the County, they are not considered to be part of the reporting entity, i.e., component units of the County.

**G. Component Unit Disclosures**

**1. Long-Term Debt**

The following is a summary of changes in the Corporation’s total governmental long-term liabilities for the year ended September 30, 2019. The Corporation uses the general fund to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds payable:					
2017 Project Revenue Bonds	\$ 27,885,000	\$ -	\$ (4,120,000)	\$ 23,765,000	\$ 3,035,000
<b>Total Governmental Activities</b>	<u>\$ 27,885,000</u>	<u>\$ -</u>	<u>\$ (4,120,000)</u>	<u>\$ 23,765,000</u>	<u>\$ 3,035,000</u>
			<b>Long-term liabilities due in more than one year</b>	<u>\$ 20,730,000</u>	

In October 2018, U.S. Bank National Association serving as trustee (the “Trustee”) conducted a Reverse Dutch Auction whereas \$1,920,000 was retired for \$1,075,961, resulting in a gain of \$844,039. In May 2019, the Trustee conducted a Reverse Dutch Auction whereas \$2,200,000 was retired for \$1,494,368, resulting in a gain of \$705,362. This totals a gain for the fiscal year of \$1,549,671.

**POLK COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2019**

Long-term debt obligations of the Corporation as of September 30, 2019 are as follows:

Year Ending Sept. 30	Principal	Interest	Total
2020	\$ 3,035,000	\$ 460,650	\$ 3,495,650
2021	3,105,000	398,900	3,503,900
2022	3,165,000	335,900	3,500,900
2023	3,225,000	271,318	3,496,318
2024	3,295,000	204,290	3,499,290
2025-2026	7,940,000	493,309	8,433,309
<b>Total</b>	<b>\$ 23,765,000</b>	<b>\$ 2,164,367</b>	<b>\$ 25,929,367</b>

Long-term liabilities applicable to the Corporation's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental fund. Interest on long-term debt is not accrued in the governmental fund, but rather is recognized as an expenditure when due.

The debt service of the 2017 Bonds is payable from project revenues as a result of the operation of the Facility. The 2017 Bonds do not constitute an obligation, either special, general, or moral, of the County, the State, or any other political subdivision thereof.

At least 30, but not more than 60, days prior to any sinking fund payment date, each bond holder shall have right, but not the obligation, to offer its bonds for purchase by the issuer in lieu of sinking fund redemption pursuant to a Reverse Dutch Auction at a price less than the principal amount thereof from funds available therefore in the bond fund.

The Bonds were issued to finance a project that consists of the acquisition of real property in the County and the construction, furnishing, and equipping of a multi-classification secure detention center. Separate financial statements are available from the County Auditor's office.

**2. Net Position**

The Corporation reports a deficit net investment in capital assets. This is due to the carrying value of the capital assets, net of depreciation, being lower than the remaining outstanding debt. This is due to a large portion of the principal on the bonds being scheduled for repayment at the end of the bond repayment term, while the carrying value of the capital assets continues to decrease each year due to depreciation. Because this deficit net investment in capital assets is larger than the Corporation's total net position, net position is reported as a negative amount.

**3. Subsequent Events for Component Unit**

**Reverse Dutch Auction**

Subsequent to year end, the Trustees initiated the November 2019 Reverse Dutch Auction in which \$3,125,000 in bonds were retired for \$2,191,775, resulting in a gain on extinguishment of debt of \$933,225. The next Reverse Dutch Auction is scheduled for April 2020, of which the results are presently unknown.

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***REQUIRED SUPPLEMENTARY INFORMATION***

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2)**  
**GENERAL FUND**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 12,873,885	\$ 12,873,885	\$ 13,082,858	\$ 208,973
Sales taxes	2,450,000	2,450,000	2,502,854	52,854
Other taxes	323,000	323,000	407,237	84,237
Fines and forfeitures	628,880	628,880	571,981	(56,899)
Charges for services	1,277,200	1,280,108	1,244,515	(35,593)
Intergovernmental	(21,774)	1,410,091	1,881,542	471,451
Licenses and permits	162,030	162,030	190,967	28,937
Investment income	150,000	330,853	391,069	60,216
Other revenue	1,037,623	1,207,598	1,442,472	234,874
<b>Total Revenues</b>	<b>18,880,844</b>	<b>20,666,445</b>	<b>21,715,495</b>	<b>1,049,050</b>
<b><u>Expenditures</u></b>				
<b>General Government:</b>				
County Judge	259,677	260,835	234,497	26,338
Commissioners' Court	1,012,859	1,121,644	1,053,051	68,593
County Clerk	662,070	665,942	651,251	14,691
County Treasurer	186,306	187,131	185,042	2,089
County Auditor	302,253	295,503	290,743	4,760
Data processing	415,789	408,693	328,859	79,834
Human resources	179,566	179,659	165,358	14,301
Maintenance	932,007	903,149	825,219	77,930
Fire department support	172,912	172,912	171,076	1,836
Emergency management	273,213	287,545	276,227	11,318
General operating	1,117,050	1,497,015	1,486,989	10,026
Other unclassified	313,624	319,419	316,575	2,844
	<b>5,827,326</b>	<b>6,299,447</b>	<b>5,984,887</b>	<b>314,560</b>
<b>Administration of Justice:</b>				
Jury	59,273	59,349	56,711	2,638
County Court-at-law	687,239	769,713	742,393	27,320
District Clerk	566,308	570,753	516,428	54,325
District Judges	1,024,220	1,044,881	940,183	104,698
Pretrial services	50,775	33,661	32,064	1,597
Justice of the Peace Pct. 1	235,137	234,000	227,761	6,239
Justice of the Peace Pct. 2	185,546	185,727	185,672	55
Justice of the Peace Pct. 3	188,286	189,142	184,568	4,574
Justice of the Peace Pct. 4	181,666	182,489	179,725	2,764
District Attorney	1,211,080	1,223,298	1,205,910	17,388
Sheriff	3,991,822	3,991,557	3,960,414	31,143
Jail	3,273,476	3,328,223	3,054,870	273,353
Constables	248,679	248,679	230,648	18,031
DPS	71,461	71,461	68,571	2,890
	<b>11,974,968</b>	<b>12,132,933</b>	<b>11,585,918</b>	<b>547,015</b>

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2)**  
**GENERAL FUND**

For the Year Ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Expenditures (continued)</u></b>				
<b>Health and Human Services:</b>				
Museum	\$ 58,521	\$ 58,521	\$ 45,175	\$ 13,346
Permit/inspections	118,864	118,864	105,461	13,403
Social services	278,553	422,082	420,796	1,286
Veterans services	58,339	58,339	56,868	1,471
County extension	116,700	156,184	155,884	300
Environmental services	88,982	88,982	80,554	8,428
	<u>719,959</u>	<u>902,972</u>	<u>864,738</u>	<u>38,234</u>
<b>Tax Administration:</b>				
Appraisal District	424,713	426,480	426,479	1
Tax Assessor Collector	902,492	911,516	884,141	27,375
	<u>1,327,205</u>	<u>1,337,996</u>	<u>1,310,620</u>	<u>27,376</u>
<b>Debt Service:</b>				
Debt issuance costs	-	35,825	35,825	-
<b>Capital Outlay</b>				
	<u>167,825</u>	<u>1,131,758</u>	<u>1,110,332</u>	<u>21,426</u>
<b>Total Expenditures</b>	<u>20,017,283</u>	<u>21,840,931</u>	<u>20,892,320</u>	<u>948,611</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>(1,136,439)</u>	<u>(1,174,486)</u>	<u>823,175</u>	<u>1,997,661</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	397,562	397,562	384,030	(13,532)
Transfers (out)	(174,575)	(269,816)	(239,950)	29,866
Debt issuance	-	982,745	1,569,524	586,779
<b>Total Other Financing Sources</b>	<u>222,987</u>	<u>1,110,491</u>	<u>1,713,604</u>	<u>603,113</u>
<b>Net Change in Fund Balance</b>	<u>\$ (913,452)</u>	<u>\$ (63,995)</u>	2,536,779	<u>\$ 2,600,774</u>
Beginning fund balance			<u>10,475,683</u>	
<b>Ending Fund Balance</b>			<u>\$ 13,012,462</u>	

**Notes to Required Supplementary Information**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).



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**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 4,753,388	\$ 4,753,388	\$ 4,831,280	\$ 77,892
Other taxes	976,500	976,500	984,848	8,348
Fines and forfeitures	110,000	110,000	74,950	(35,050)
Intergovernmental	-	105,785	331,871	226,086
Investment income	27,600	27,600	51,234	23,634
Other revenue	49,300	212,322	234,247	21,925
<b>Total Revenues</b>	<u>5,916,788</u>	<u>6,185,595</u>	<u>6,508,430</u>	<u>322,835</u>
<b><u>Expenditures</u></b>				
<b>Roads and bridges:</b>				
Precinct 1	1,271,557	1,671,216	1,521,621	149,595
Precinct 2	1,301,735	1,453,761	1,318,131	135,630
Precinct 3	1,568,611	1,569,186	1,336,111	233,075
Precinct 4	1,560,305	1,719,302	1,479,451	239,851
<b>Debt service:</b>				
Principal	1,048,322	1,049,030	1,049,030	-
Interest	42,919	42,211	42,211	-
<b>Capital outlay</b>				
	-	1,632,205	1,632,205	-
<b>Total Expenditures</b>	<u>6,793,449</u>	<u>9,136,911</u>	<u>8,378,760</u>	<u>758,151</u>
<b>(Deficiency) of</b>				
<b>Revenues (Under) Expenditures</b>	(876,661)	(2,951,316)	(1,870,330)	1,080,986
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	158,441	57,824	57,824	-
Transfers out	(186,276)	(27,835)	(27,835)	-
Debt issuance	-	1,243,296	1,243,296	-
Gain on sale of capital assets	932,800	932,800	932,800	-
<b>Total Other Financing Sources</b>	<u>904,965</u>	<u>2,206,085</u>	<u>2,206,085</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 28,304</u>	<u>\$ (745,231)</u>	<u>335,755</u>	<u>\$ 1,080,986</u>
Beginning fund balance			<u>1,420,990</u>	
<b>Ending Fund Balance</b>			<u>\$ 1,756,745</u>	

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**POLK COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**For the Year Ended September 30, 2019**

	Measurement Year*			
	2014	2015	2016	2017
<b>Total Pension Liability</b>				
Service cost	\$ 1,609,408	\$ 1,635,340	\$ 1,775,942	\$ 1,800,150
Interest (on the total pension liability)	3,913,810	4,187,330	4,425,097	4,723,059
Changes of benefit terms	-	(312,590)	-	109,415
Difference between expected and actual experience	(345,432)	(878,518)	(940,817)	(637,391)
Change of assumptions	-	575,540	-	183,374
Benefit payments, including refunds of employee contributions	(1,834,960)	(2,054,587)	(2,375,085)	(2,652,608)
<b>Net Change in Total Pension Liability</b>	<u>3,342,826</u>	<u>3,152,515</u>	<u>2,885,137</u>	<u>3,525,999</u>
Beginning total pension liability	<u>48,429,228</u>	<u>51,772,054</u>	<u>54,924,569</u>	<u>57,809,706</u>
<b>Ending Total Pension Liability</b>	<u><u>\$ 51,772,054</u></u>	<u><u>\$ 54,924,569</u></u>	<u><u>\$ 57,809,706</u></u>	<u><u>\$ 61,335,705</u></u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 1,311,060	\$ 1,294,127	\$ 1,300,420	\$ 1,438,245
Contributions - employee	742,511	749,514	769,300	787,437
Net investment income	3,140,528	(761,831)	3,616,677	7,556,897
Benefit payments, including refunds of employee contributions	(1,834,961)	(2,054,587)	(2,375,085)	(2,652,608)
Administrative expense	(37,125)	(35,522)	(39,392)	(39,173)
Other	(184,795)	13,191	(406,128)	(6,091)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>3,137,218</u>	<u>(795,108)</u>	<u>2,865,792</u>	<u>7,084,707</u>
Beginning plan fiduciary net position	<u>46,611,088</u>	<u>49,748,306</u>	<u>48,953,198</u>	<u>51,818,990</u>
<b>Ending Plan Fiduciary Net Position</b>	<u><u>\$ 49,748,306</u></u>	<u><u>\$ 48,953,198</u></u>	<u><u>\$ 51,818,990</u></u>	<u><u>\$ 58,903,697</u></u>
<b>Net Pension Liability</b>	<u><u>\$ 2,023,748</u></u>	<u><u>\$ 5,971,371</u></u>	<u><u>\$ 5,990,716</u></u>	<u><u>\$ 2,432,008</u></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	96.09%	89.13%	89.64%	96.03%
<b>Covered Payroll</b>	\$ 10,607,304	\$ 10,677,523	\$ 11,032,245	\$ 10,957,089
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	19.08%	55.92%	54.30%	22.20%

\*Only five years of information is currently available. The County will build this schedule over the next five-year period.

**Measurement**

**Year\***

**2018**

\$ 1,689,624

4,992,429

-

6,205

-

(2,836,014)

3,852,244

61,335,705

\$ 65,187,949

\$ 1,520,716

794,408

(1,103,184)

(2,836,014)

(45,962)

(9,768)

(1,679,804)

58,903,697

\$ 57,223,893

\$ 7,964,056

87.78%

\$ 11,348,691

70.18%

**POLK COUNTY, TEXAS**  
**SCHEDULE OF CONTRIBUTIONS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**For the Year Ended September 30, 2019**

	Fiscal Year*			
	2014	2015	2016	2017
Actuarially determined contribution	\$ 1,289,676	\$ 1,302,182	\$ 1,257,017	\$ 1,375,377
Contributions in relation to the actuarially determined contribution	<u>1,289,676</u>	<u>1,302,182</u>	<u>1,257,017</u>	<u>1,375,377</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 \$ 10,160,018	 \$ 10,693,266	 \$ 10,597,164	 \$ 10,860,701
 Contributions as a percentage of covered payroll	 12.69%	 12.18%	 11.86%	 12.66%

\*Only six years of information is currently available. The County will build this schedule over the next four-year period.

**Notes to Required Supplementary Information:**

There were no benefit changes during the year.

<b>Fiscal Year*</b>	
<b>2018</b>	<b>2019</b>
\$ 1,494,403	\$ 1,520,716
<u>1,494,403</u>	<u>1,520,716</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 11,244,476	\$ 11,640,558
13.29%	13.06%

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**POLK COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
For the Year Ended September 30, 2019

	Measurement Year*	
	2017	2018
<b>Total OPEB Liability</b>		
Service cost	\$ 1,056,692	\$ 1,277,734
Interest (on the total OPEB liability)	658,785	682,731
Changes of benefit terms	-	(8,228,980)
Difference between expected and actual experience	(2,118)	(3,792,181)
Changes of assumptions	1,746,883	224,992
Benefit payments	(219,817)	(250,958)
<b>Net Change in Total OPEB Liability</b>	<u>3,240,425</u>	<u>(10,086,662)</u>
Beginning total OPEB liability	<u>16,872,505</u>	<u>20,112,930</u>
<b>Ending Total OPEB Liability</b>	<u><u>\$ 20,112,930</u></u>	<u><u>\$ 10,026,268</u></u>
<b>Plan Fiduciary Net Position</b>		
Contributions - employer	\$ 514,673	\$ 580,708
Contributions - employee	-	-
OPEB plan net investment income	15,783	21,707
Benefit payments	(219,817)	(250,958)
OPEB plan administrative expense	(6,798)	(1,800)
Other	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>303,841</u>	<u>349,657</u>
Beginning plan fiduciary net position	<u>1,198,590</u>	<u>1,502,431</u>
<b>Ending Plan Fiduciary Net Position</b>	<u><u>\$ 1,502,431</u></u>	<u><u>\$ 1,852,088</u></u>
<b>Net OPEB Liability</b>	<u><u>\$ 18,610,499</u></u>	<u><u>\$ 8,174,180</u></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	7.47%	18.47%
<b>Covered Payroll</b>	\$ 9,598,064	\$ 11,348,691
<b>Net OPEB Liability as a Percentage of Covered Payroll</b>	193.90%	72.03%

\*Only two years of information is currently available. The County will build this schedule over the next eight-year period.

**Notes to Required Supplementary Information:**

Changes in Assumptions

Changes in assumptions reflect a change in the discount rate from 3.31% as of December 31, 2017 to 3.71% as of December 31, 2018, updates to the participation assumption for future subsidized retirees, and updates to the health care trend assumption.

Changes in Benefits

Changes in benefit terms reflect a \$400 maximum monthly premium contribution from the County for Medicare retirees who retire after October 1, 2018 and \$800 maximum monthly premium contribution from the County for non-Medicare retirees who retire after October 1, 2019.



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***COMBINING STATEMENTS  
AND SCHEDULES***

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

***County and District Court Technology*** - This fund and the associated fees assessed to certain offenders and case filings were approved by the Legislature and became effective in late 2009. Monies will be utilized, per statute, to improve the technology in County and District courts.

***Courthouse Security Fund*** - This fund is used to account for special fees collected by the District clerk and County clerk for the purpose of defraying expenses related to providing security in the County's court rooms.

***Law Library Fund*** - This fund accounts for revenues and expenditures to maintain a County law library at the County seat. Commissioners' Court has established a fee for each civil case filed in the County or District court.

***Aging Fund*** - This fund is used to account for a program created by the County and is funded in part by the Deep East Texas Council of Governments. This program provides senior citizens with nutrition and activity centers, home delivered meal programs, and counseling.

***County Records Management Fund*** - Fees collected by the District clerk and County clerk at law, as approved by the Texas Legislature, are accounted for in this fund. The requests to expend funds collected are addressed to Commissioners' Court.

***County Clerk Records Preservation Fund*** - Fees collected by the County clerk for filing official documents, such as birth and death certificates, are deposited in this fund and are expended for the purpose of preservation of documents within the County clerk's office.

***Hotel/Motel Tax Fund*** - This fund is used to account for revenues generated from a hotel occupancy tax and expenditures for improvements that serve the purpose of attracting visitors and tourists.

***Justice Court Technology Fund*** - This fund is used account for ticket revenues designated for technology expenditures.

***Historical Commission Fund*** - Revenues received by the Historical Commission are recorded in this fund. The purpose of the fund is to preserve the heritage of the Polk County area and to promote its history.

***Available School Fund*** - This fund is used to accumulate investment earnings from the permanent school fund including lease payments received on properties owned by the County in Throckmorton and Baylor counties.

***District Attorney Collection Fund*** - Fees collected in connection with processing checks issued or passed in violation of the Texas Penal Code are deposited in this fund and used for the purposes of defraying the salaries and expenses of the District attorney.

***District Clerk Records Preservation Fund*** - This fund is used to account for records preserved by the District clerk and fees collected.

***Forfeiture Fund*** - Funds collected in connection with gambling, drug seizures, and forfeitures for the use of the District attorney or sheriff are deposited into this fund. Depending on the nature of funds obtained, these monies can be used for either department.

## ***NONMAJOR GOVERNMENTAL FUNDS (Continued)***

### **Special Revenue Funds (continued)**

***District Clerk TDCJ Fund*** - Monies contributed by the Texas Department of Criminal Justice (TDCJ) to help offset the additional costs of the District clerk's office for having a prison located within the County are recorded within this fund.

***Judiciary Fund*** - Fees collected by the County and District clerk for various agencies are accumulated in this fund until payment is made.

***Officials' Fee Account Fund*** - This fund is used to account for monies held in official fee bank accounts. County officials (two justices of the peace and the County clerk) have bank accounts into which they deposit their collections.

***Sheriff Federal Revenue Sharing Fund*** - This fund is used to account for revenues seized and distributed by the federal government to the County.

***District Attorney's Check Restitution Fund*** - This fund is used to collect and remit restitution for insufficient checks. Fees collected are remitted to the District Attorney collection fund.

***Waste Management Fund*** - This fund is used to account for all revenues generated from the operation of the County landfill and citizens' collection stations.

***Jail Commissary Fund*** - This fund is used to account for all revenues generated from the County's jails.

***District Attorney Special Fund*** - Money requested by the District Attorney from the state is deposited into this fund and used for the purposes of defraying costs of salaries within the District Attorney's office. Also, funds from the state for the District Attorney's investigators for education and training expenses are included.

***Justice Court Building Security Fund*** - This fund is used to account for special fees collected for the purpose of defraying expenses related to providing security in the County's court rooms.

***Pre-Trial Intervention Fund*** - This fund is used to account for special fees collected for the purpose of defraying expenses related to the pretrial intervention program.

***Child Abuse Prevention Fund*** - This fund is used to account for special fees collected for the purpose of child abuse prevention.

### **Permanent Fund**

***Permanent School Fund*** - This fund is used to account for mineral lease revenue derived from property awarded in Texas land grants to be held for the benefit of schools within the County. These funds may be distributed if approved by the Commissioners' Court.

### **Capital Projects Funds**

Capital projects funds are governmental funds that are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

***College/Commerce Center Fund*** - This fund was established from proceeds received from grants and foundation funds. Its purpose is to develop and build the College and Commerce Center.

***Energy Savings Fund*** - This fund is used to account for contractual obligation proceeds associated with the energy savings program.

**POLK COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (page 1 of 3)**  
September 30, 2019

<b>Special Revenue Funds</b>				
	<b>County and District Court Technology</b>	<b>Courthouse Security</b>	<b>Law Library</b>	<b>Aging</b>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 8,542	\$ 23,830	\$ 83,859	\$ 87,985
Receivables, net	-	-	-	39,833
<b>Total Assets</b>	<b>\$ 8,542</b>	<b>\$ 23,830</b>	<b>\$ 83,859</b>	<b>\$ 127,818</b>
<b><u>Liabilities and Fund Balances</u></b>				
<b><u>Liabilities:</u></b>				
Accounts payable	\$ -	\$ 6,726	\$ 1,280	\$ 9,735
Due to other units	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>6,726</b>	<b>1,280</b>	<b>9,735</b>
<b><u>Fund Balances:</u></b>				
Restricted:				
Special projects	8,542	17,104	82,579	118,083
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
<b>Total Fund Balances</b>	<b>8,542</b>	<b>17,104</b>	<b>82,579</b>	<b>118,083</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,542</b>	<b>\$ 23,830</b>	<b>\$ 83,859</b>	<b>\$ 127,818</b>

**Special Revenue Funds**

<b>County Records Mgmt.</b>	<b>County Clerk Records Preservation</b>	<b>Hotel/Motel Tax</b>	<b>Justice Court Technology</b>	<b>Historical Commission</b>	<b>Available School</b>
\$ 9,081	\$ 811,135	\$ 81,298	\$ 4,220	\$ 310,995	\$ 259,070
-	-	7,472	-	-	-
<u>\$ 9,081</u>	<u>\$ 811,135</u>	<u>\$ 88,770</u>	<u>\$ 4,220</u>	<u>\$ 310,995</u>	<u>\$ 259,070</u>
\$ -	\$ 850	\$ 7,514	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>-</u>	<u>850</u>	<u>7,514</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,081	810,285	81,256	4,220	310,995	-
-	-	-	-	-	-
-	-	-	-	-	259,070
<u>9,081</u>	<u>810,285</u>	<u>81,256</u>	<u>4,220</u>	<u>310,995</u>	<u>259,070</u>
<u>\$ 9,081</u>	<u>\$ 811,135</u>	<u>\$ 88,770</u>	<u>\$ 4,220</u>	<u>\$ 310,995</u>	<u>\$ 259,070</u>

**POLK COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (page 2 of 3)**  
**September 30, 2019**

	<b>Special Revenue Funds</b>			
	<b>District Attorney Collection</b>	<b>District Clerk Records Preservation</b>	<b>Forfeiture</b>	<b>District Clerk TDCJ</b>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 33,139	\$ 64,048	\$ 500,393	\$ 1,840
Receivables, net	-	-	-	-
<b>Total Assets</b>	<b>\$ 33,139</b>	<b>\$ 64,048</b>	<b>\$ 500,393</b>	<b>\$ 1,840</b>
<b><u>Liabilities and Fund Balances</u></b>				
<b><u>Liabilities:</u></b>				
Accounts payable	\$ 420	\$ -	\$ 12,990	\$ -
Due to other units	-	-	117,271	1,840
<b>Total Liabilities</b>	<b>420</b>	<b>-</b>	<b>130,261</b>	<b>1,840</b>
<b><u>Fund Balances:</u></b>				
Restricted:				
Special projects	32,719	64,048	370,132	-
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
<b>Total Fund Balances</b>	<b>32,719</b>	<b>64,048</b>	<b>370,132</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 33,139</b>	<b>\$ 64,048</b>	<b>\$ 500,393</b>	<b>\$ 1,840</b>

**Special Revenue Funds**

<b>Judiciary</b>	<b>Officials' Fee Account</b>	<b>Sheriff Federal Revenue Sharing</b>	<b>District Attorney's Check Restitution</b>	<b>Waste Management</b>	<b>Jail Commissary</b>
\$ 164,596	\$ 35,941	\$ 13,358	\$ 494	\$ 63,165	\$ 56,877
-	-	-	-	69,028	-
<u>\$ 164,596</u>	<u>\$ 35,941</u>	<u>\$ 13,358</u>	<u>\$ 494</u>	<u>\$ 132,193</u>	<u>\$ 56,877</u>
\$ 164,596	\$ -	\$ -	\$ 494	\$ -	\$ -
-	35,941	-	-	-	-
<u>164,596</u>	<u>35,941</u>	<u>-</u>	<u>494</u>	<u>-</u>	<u>-</u>
-	-	13,358	-	132,193	56,877
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>13,358</u>	<u>-</u>	<u>132,193</u>	<u>56,877</u>
<u>\$ 164,596</u>	<u>\$ 35,941</u>	<u>\$ 13,358</u>	<u>\$ 494</u>	<u>\$ 132,193</u>	<u>\$ 56,877</u>



**POLK COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (page 3 of 3)**  
September 30, 2019

	<b>Special Revenue Funds</b>			
	<b>District Attorney Special</b>	<b>Justice Court Building Security</b>	<b>Pre-Trial Intervention</b>	<b>Child Abuse Prevention</b>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 12,325	\$ 49,955	\$ 113,487	\$ 920
Receivables, net	-	-	-	-
<b>Total Assets</b>	<b>\$ 12,325</b>	<b>\$ 49,955</b>	<b>\$ 113,487</b>	<b>\$ 920</b>
<b><u>Liabilities and Fund Balances</u></b>				
<b><u>Liabilities:</u></b>				
Accounts payable	\$ 11,766	\$ -	\$ -	\$ -
Due to other units	-	-	-	-
<b>Total Liabilities</b>	<b>11,766</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Fund Balances:</u></b>				
Restricted:				
Special projects	559	49,955	113,487	920
Capital projects	-	-	-	-
Endowments/trusts	-	-	-	-
<b>Total Fund Balances</b>	<b>559</b>	<b>49,955</b>	<b>113,487</b>	<b>920</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 12,325</b>	<b>\$ 49,955</b>	<b>\$ 113,487</b>	<b>\$ 920</b>

<b>Permanent Fund</b>	<b>Capital Projects Funds</b>		<b>Total Nonmajor Governmental Funds</b>
<b>Permanent School</b>	<b>College/ Commerce Center</b>	<b>Energy Savings</b>	
\$ 579,248	\$ 145	\$ -	\$ 3,369,946
-	-	-	116,333
<u>\$ 579,248</u>	<u>\$ 145</u>	<u>\$ -</u>	<u>\$ 3,486,279</u>
\$ -	\$ -	\$ -	\$ 216,371
-	-	-	155,052
<u>-</u>	<u>-</u>	<u>-</u>	<u>371,423</u>
-	-	-	2,276,393
-	145	-	145
<u>579,248</u>	<u>-</u>	<u>-</u>	<u>838,318</u>
<u>579,248</u>	<u>145</u>	<u>-</u>	<u>3,114,856</u>
<u>\$ 579,248</u>	<u>\$ 145</u>	<u>\$ -</u>	<u>\$ 3,486,279</u>

**POLK COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (page 1 of 3)**  
**For the Year Ended September 30, 2019**

	<b>Special Revenue Funds</b>			
	<b>County and District Court Technology</b>	<b>Courthouse Security</b>	<b>Law Library</b>	<b>Aging</b>
<b>Revenues</b>				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	1,425	-	-	-
Charge for services	-	29,479	12,650	-
Intergovernmental	-	-	-	470,337
Investment income	-	-	-	-
Other revenue	-	-	-	290
<b>Total Revenues</b>	<b>1,425</b>	<b>29,479</b>	<b>12,650</b>	<b>470,627</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	-	-	9,864	-
Administration of justice	-	174,555	-	-
Health and human services	-	-	-	519,104
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>
<b>Total Expenditures</b>	<b>-</b>	<b>174,555</b>	<b>9,864</b>	<b>544,104</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,425</b>	<b>(145,076)</b>	<b>2,786</b>	<b>(73,477)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	153,535	-	6,443
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>153,535</b>	<b>-</b>	<b>6,443</b>
<b>Net Change in Fund Balances</b>	<b>1,425</b>	<b>8,459</b>	<b>2,786</b>	<b>(67,034)</b>
Beginning fund balances	7,117	8,645	79,793	185,117
<b>Ending Fund Balances</b>	<b>\$ 8,542</b>	<b>\$ 17,104</b>	<b>\$ 82,579</b>	<b>\$ 118,083</b>

**Special Revenue Funds**

<b>County Records Mgmt.</b>	<b>County Clerk Records Preservation</b>	<b>Hotel/Motel Tax</b>	<b>Justice Court Technology</b>	<b>Historical Commission</b>	<b>Available School</b>
\$ -	\$ -	\$ 25,913	\$ -	\$ -	\$ -
-	-	-	14,479	-	-
16,182	273,610	-	-	-	-
-	-	-	-	-	-
-	7,176	-	-	7,328	6,745
-	-	-	-	1,661	156,614
<u>16,182</u>	<u>280,786</u>	<u>25,913</u>	<u>14,479</u>	<u>8,989</u>	<u>163,359</u>
15,875	36,095	30,975	-	669	169,123
-	-	-	39,739	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,875</u>	<u>36,095</u>	<u>30,975</u>	<u>39,739</u>	<u>669</u>	<u>169,123</u>
<u>307</u>	<u>244,691</u>	<u>(5,062)</u>	<u>(25,260)</u>	<u>8,320</u>	<u>(5,764)</u>
-	-	-	22,149	-	14,383
-	(134,728)	-	-	-	-
-	(134,728)	-	22,149	-	14,383
307	109,963	(5,062)	(3,111)	8,320	8,619
<u>8,774</u>	<u>700,322</u>	<u>86,318</u>	<u>7,331</u>	<u>302,675</u>	<u>250,451</u>
<u>\$ 9,081</u>	<u>\$ 810,285</u>	<u>\$ 81,256</u>	<u>\$ 4,220</u>	<u>\$ 310,995</u>	<u>\$ 259,070</u>

**POLK COUNTY, TEXAS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS (page 2 of 3)**  
**For the Year Ended September 30, 2019**

	<b>Special Revenue Funds</b>			
	<b>District Attorney Collection</b>	<b>District Clerk Records Preservation</b>	<b>Forfeiture</b>	<b>District Clerk TDCJ</b>
<b>Revenues</b>				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Charge for services	695	10,989	-	-
Intergovernmental	-	-	124,074	-
Investment income	-	-	3,421	-
Other revenue	-	5,818	-	-
<b>Total Revenues</b>	<b>695</b>	<b>16,807</b>	<b>127,495</b>	<b>-</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	-	-	-	-
Administration of justice	1,215	9,797	93,165	-
Health and human services	-	-	-	-
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>1,215</b>	<b>9,797</b>	<b>93,165</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(520)</b>	<b>7,010</b>	<b>34,330</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(520)</b>	<b>7,010</b>	<b>34,330</b>	<b>-</b>
Beginning fund balances	33,239	57,038	335,802	-
<b>Ending Fund Balances</b>	<b>\$ 32,719</b>	<b>\$ 64,048</b>	<b>\$ 370,132</b>	<b>\$ -</b>

**Special Revenue Funds**

<b>Judiciary</b>	<b>Officials' Fee Account</b>	<b>Sheriff Federal Revenue Sharing</b>	<b>District Attorney's Check Restitution</b>	<b>Waste Management</b>	<b>Jail Commissary</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	228,364	-
-	-	3,215	-	-	-
-	-	-	-	-	-
-	-	-	-	-	26,117
-	-	3,215	-	228,364	26,117
-	-	-	-	-	-
-	-	590	-	-	8,427
-	-	-	-	-	-
-	-	-	-	-	-
-	-	590	-	-	8,427
-	-	2,625	-	228,364	17,690
-	-	-	-	-	-
-	-	-	-	(221,468)	-
-	-	-	-	(221,468)	-
-	-	2,625	-	6,896	17,690
-	-	10,733	-	125,297	39,187
\$ -	\$ -	\$ 13,358	\$ -	\$ 132,193	\$ 56,877

**POLK COUNTY, TEXAS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS (page 3 of 3)**  
**For the Year Ended September 30, 2019**

	<b>Special Revenue Funds</b>			
	<b>District Attorney Special</b>	<b>Justice Court Building Security</b>	<b>Pre-Trial Intervention</b>	<b>Child Abuse Prevention</b>
<b>Revenues</b>				
Other taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	3,596	-	-
Charge for services	-	-	-	-
Intergovernmental	-	-	14,950	436
Investment income	-	-	-	-
Other revenue	28,297	-	-	-
<b>Total Revenues</b>	<b>28,297</b>	<b>3,596</b>	<b>14,950</b>	<b>436</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	-	-	-	-
Administration of justice	28,022	-	5,389	-
Health and human services	-	-	-	-
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>28,022</b>	<b>-</b>	<b>5,389</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>275</b>	<b>3,596</b>	<b>9,561</b>	<b>436</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>275</b>	<b>3,596</b>	<b>9,561</b>	<b>436</b>
Beginning fund balances	284	46,359	103,926	484
<b>Ending Fund Balances</b>	<b>\$ 559</b>	<b>\$ 49,955</b>	<b>\$ 113,487</b>	<b>\$ 920</b>

<b>Permanent Fund</b>	<b>Capital Projects Funds</b>		<b>Total Nonmajor Governmental Funds</b>
<b>Permanent School</b>	<b>College/Commerce Center</b>	<b>Energy Savings</b>	
\$ -	\$ -	\$ -	\$ 25,913
-	-	-	19,500
-	-	-	571,969
-	-	-	613,012
14,600	-	-	39,270
46,943	-	-	265,740
<u>61,543</u>	<u>-</u>	<u>-</u>	<u>1,535,404</u>
73,692	-	-	336,293
-	-	-	360,899
-	-	-	519,104
-	-	108,854	133,854
<u>73,692</u>	<u>-</u>	<u>108,854</u>	<u>1,350,150</u>
<u>(12,149)</u>	<u>-</u>	<u>(108,854)</u>	<u>185,254</u>
-	-	-	196,510
<u>(14,383)</u>	<u>-</u>	<u>-</u>	<u>(370,579)</u>
<u>(14,383)</u>	<u>-</u>	<u>-</u>	<u>(174,069)</u>
(26,532)	-	(108,854)	11,185
<u>605,780</u>	<u>145</u>	<u>108,854</u>	<u>3,103,671</u>
<u>\$ 579,248</u>	<u>\$ 145</u>	<u>\$ -</u>	<u>\$ 3,114,856</u>



**POLK COUNTY, TEXAS**  
**COMBINING ROAD AND BRIDGE SUB-FUNDS**  
**SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES**  
September 30, 2019

	<b>Road and Bridge Capital Leases</b>	<b>Road and Bridge Precinct No. 1</b>	<b>Road and Bridge Precinct No. 2</b>	<b>Road and Bridge Precinct No. 3</b>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ -	\$ 233,725	\$ 304,783	\$ 740,049
Receivables, net	-	115,167	115,726	140,387
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 348,892</b>	<b>\$ 420,509</b>	<b>\$ 880,436</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ 49,356	\$ 57,228	\$ 48,369
Due to other units	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>49,356</b>	<b>57,228</b>	<b>48,369</b>
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - property taxes	-	115,167	115,726	140,387
<b><u>Fund Balances</u></b>				
Restricted	-	184,369	247,555	691,680
<b>Total Fund Balances</b>	<b>-</b>	<b>184,369</b>	<b>247,555</b>	<b>691,680</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ -</b>	<b>\$ 348,892</b>	<b>\$ 420,509</b>	<b>\$ 880,436</b>

<b>Road and Bridge Precinct No. 4</b>	<b>Interfund Activity Elimination</b>	<b>Total Road and Bridge Funds</b>
\$ 656,679	\$ -	\$ 1,935,236
204,318	-	575,598
<u>\$ 860,997</u>	<u>\$ -</u>	<u>\$ 2,510,834</u>
\$ 33,488	\$ -	\$ 188,441
57,184	-	57,184
<u>90,672</u>	<u>-</u>	<u>245,625</u>
<u>137,184</u>	<u>-</u>	<u>508,464</u>
633,141	-	1,756,745
<u>633,141</u>	<u>-</u>	<u>1,756,745</u>
<u>\$ 860,997</u>	<u>\$ -</u>	<u>\$ 2,510,834</u>

**POLK COUNTY, TEXAS**  
**COMBINING ROAD AND BRIDGE SUB-FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the Year Ended September 30, 2019**

	<b>Road and Bridge Capital Leases</b>	<b>Road and Bridge Precinct No. 1</b>	<b>Road and Bridge Precinct No. 2</b>	<b>Road and Bridge Precinct No. 3</b>
<b>Revenues</b>				
Property taxes	\$ -	\$ 1,094,405	\$ 1,099,648	\$ 1,333,705
Other taxes	-	225,952	226,552	266,157
Fines and forfeitures	-	17,802	17,201	19,988
Intergovernmental	-	-	-	78,284
Investment income	-	8,863	6,205	19,056
Other	-	104,791	76,241	38,389
<b>Total Revenues</b>	<b>-</b>	<b>1,451,813</b>	<b>1,425,847</b>	<b>1,755,579</b>
<b>Expenditures</b>				
<b>Current:</b>				
Roads and bridges	-	1,521,621	1,318,131	1,336,111
<b>Debt service:</b>				
Principal	1,049,030	-	-	-
Interest charges	42,211	-	-	-
<b>Capital outlay</b>	<b>1,062,820</b>	<b>-</b>	<b>-</b>	<b>325,500</b>
<b>Total Expenditures</b>	<b>2,154,061</b>	<b>1,521,621</b>	<b>1,318,131</b>	<b>1,661,611</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,154,061)</b>	<b>(69,808)</b>	<b>107,716</b>	<b>93,968</b>
<b>Other Financing Sources (Uses)</b>				
Debt issued	1,062,820	-	-	-
Transfers in	158,441	10,091	12,287	14,201
Transfers (out)	-	(64,497)	(40,593)	(40,593)
Gain on sale of capital assets	932,800	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>2,154,061</b>	<b>(54,406)</b>	<b>(28,306)</b>	<b>(26,392)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(124,214)</b>	<b>79,410</b>	<b>67,576</b>
Beginning fund balances	-	308,583	168,145	624,104
<b>Ending Fund Balances</b>	<b>\$ -</b>	<b>\$ 184,369</b>	<b>\$ 247,555</b>	<b>\$ 691,680</b>

<b>Road and Bridge Precinct No. 4</b>	<b>Interfund Activity Elimination</b>	<b>Total Road and Bridge Funds</b>
\$ 1,303,522	\$ -	\$ 4,831,280
266,187	-	984,848
19,959	-	74,950
253,587	-	331,871
17,110	-	51,234
14,826	-	234,247
<u>1,875,191</u>	<u>-</u>	<u>6,508,430</u>
1,479,451	-	5,655,314
-	-	1,049,030
-	-	42,211
243,885	-	1,632,205
<u>1,723,336</u>	<u>-</u>	<u>8,378,760</u>
<u>151,855</u>	<u>-</u>	<u>(1,870,330)</u>
180,476	-	1,243,296
21,245	(158,441)	57,824
(40,593)	158,441	(27,835)
-	-	932,800
<u>161,128</u>	<u>-</u>	<u>2,206,085</u>
312,983	-	335,755
<u>320,158</u>	<u>-</u>	<u>1,420,990</u>
<u>\$ 633,141</u>	<u>\$ -</u>	<u>\$ 1,756,745</u>

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**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**

For the Year Ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 3,250,775	\$ 3,250,775	\$ 3,303,602	\$ 52,827
Investment income	10,000	10,000	18,270	8,270
<b>Total Revenues</b>	<u>3,260,775</u>	<u>3,260,775</u>	<u>3,321,872</u>	<u>61,097</u>
<b><u>Expenditures</u></b>				
Principal	2,670,000	2,670,000	2,670,000	-
Interest and fiscal charges	590,476	590,476	589,555	921
<b>Total Expenditures</b>	<u>3,260,476</u>	<u>3,260,476</u>	<u>3,259,555</u>	<u>921</u>
<b>Net Change in Fund Balance</b>	<u>\$ 299</u>	<u>\$ 299</u>	62,317	<u>\$ 62,018</u>
Beginning fund balance			<u>779,642</u>	
<b>Ending Fund Balance</b>			<u>\$ 841,959</u>	

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**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct One**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 1,076,761	\$ 1,076,761	\$ 1,094,405	\$ 17,644
Other taxes	224,595	224,595	225,952	1,357
Fines and forfeitures	25,300	25,300	17,802	(7,498)
Investment income	4,500	4,500	8,863	4,363
Other	11,339	104,839	104,791	(48)
<b>Total Revenues</b>	<u>1,342,495</u>	<u>1,435,995</u>	<u>1,451,813</u>	<u>15,818</u>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
Precinct 1	1,271,557	1,671,216	1,521,621	149,595
<b>Total Expenditures</b>	<u>1,271,557</u>	<u>1,671,216</u>	<u>1,521,621</u>	<u>149,595</u>
<b>Excess (Deficiency) of</b> <b>Revenues Over (Under) Expenditures</b>	<u>70,938</u>	<u>(235,221)</u>	<u>(69,808)</u>	<u>165,413</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	10,091	10,091	-
Transfers (out)	(64,497)	(64,497)	(64,497)	-
<b>Total Other Financing (Uses)</b>	<u>(64,497)</u>	<u>(54,406)</u>	<u>(54,406)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 6,441</u>	<u>\$ (289,627)</u>	<u>(124,214)</u>	<u>\$ 165,413</u>
Beginning fund balance			<u>308,583</u>	
<b>Ending Fund Balance</b>			<u>\$ 184,369</u>	



**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct Two**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
	<b>Revenues</b>			
Property taxes	\$ 1,081,919	\$ 1,081,919	\$ 1,099,648	\$ 17,729
Other taxes	224,595	224,595	226,552	1,957
Fines and forfeitures	25,300	25,300	17,201	(8,099)
Investment income	3,400	3,400	6,205	2,805
Other	11,339	76,289	76,241	(48)
<b>Total Revenues</b>	<u>1,346,553</u>	<u>1,411,503</u>	<u>1,425,847</u>	<u>14,344</u>
<b>Expenditures</b>				
<b>Current:</b>				
Precinct 2	1,301,735	1,453,761	1,318,131	135,630
<b>Total Expenditures</b>	<u>1,301,735</u>	<u>1,453,761</u>	<u>1,318,131</u>	<u>135,630</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>44,818</u>	<u>(42,258)</u>	<u>107,716</u>	<u>149,974</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	12,287	12,287	-
Transfers (out)	(40,593)	(40,593)	(40,593)	-
<b>Total Other Financing (Uses)</b>	<u>(40,593)</u>	<u>(28,306)</u>	<u>(28,306)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 4,225</u>	<u>\$ (70,564)</u>	<u>79,410</u>	<u>\$ 149,974</u>
Beginning fund balance			<u>168,145</u>	
<b>Ending Fund Balance</b>			<u>\$ 247,555</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct Three**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 1,312,201	\$ 1,312,201	\$ 1,333,705	\$ 21,504
Other taxes	263,655	263,655	266,157	2,502
Fines and forfeitures	29,700	29,700	19,988	(9,712)
Intergovernmental	-	-	78,284	78,284
Investment income	10,000	10,000	19,056	9,056
Other	13,311	16,311	38,389	22,078
<b>Total Revenues</b>	<u>1,628,867</u>	<u>1,631,867</u>	<u>1,755,579</u>	<u>123,712</u>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
Precinct 3	1,568,611	1,569,186	1,336,111	233,075
<b>Capital outlay</b>	-	325,500	325,500	-
<b>Total Expenditures</b>	<u>1,568,611</u>	<u>1,894,686</u>	<u>1,661,611</u>	<u>233,075</u>
<b>Excess (Deficiency) of</b> <b>Revenues Over (Under) Expenditures</b>	<u>60,256</u>	<u>(262,819)</u>	<u>93,968</u>	<u>356,787</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	14,201	14,201	-
Transfers (out)	(40,593)	(40,593)	(40,593)	-
<b>Total Other Financing (Uses)</b>	<u>(40,593)</u>	<u>(26,392)</u>	<u>(26,392)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 19,663</u>	<u>\$ (289,211)</u>	<u>67,576</u>	<u>\$ 356,787</u>
Beginning fund balance			<u>624,104</u>	
<b>Ending Fund Balance</b>			<u>\$ 691,680</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Precinct Four**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Property taxes	\$ 1,282,507	\$ 1,282,507	\$ 1,303,522	\$ 21,015
Other taxes	263,655	263,655	266,187	2,532
Fines and forfeitures	29,700	29,700	19,959	(9,741)
Intergovernmental	-	105,785	253,587	147,802
Investment income	9,700	9,700	17,110	7,410
Other	13,311	14,883	14,826	(57)
<b>Total Revenues</b>	<u>1,598,873</u>	<u>1,706,230</u>	<u>1,875,191</u>	<u>168,961</u>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
Precinct 4	1,560,305	1,719,302	1,479,451	239,851
<b>Capital outlay</b>	-	243,885	243,885	-
<b>Total Expenditures</b>	<u>1,560,305</u>	<u>1,963,187</u>	<u>1,723,336</u>	<u>239,851</u>
<b>Excess (Deficiency) of Revenues</b> <b>Over (Under) Expenditures</b>	<u>38,568</u>	<u>(256,957)</u>	<u>151,855</u>	<u>408,812</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers (in)	-	21,245	21,245	-
Transfers (out)	(40,593)	(40,593)	(40,593)	-
Debt issuance	-	180,476	180,476	-
<b>Total Other Financing Sources (Uses)</b>	<u>(40,593)</u>	<u>161,128</u>	<u>161,128</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (2,025)</u>	<u>\$ (95,829)</u>	312,983	<u>\$ 408,812</u>
Beginning fund balance			<u>320,158</u>	
<b>Ending Fund Balance</b>			<u>\$ 633,141</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND - Capital Leases**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Expenditures</u></b>				
<b>Debt service:</b>				
Principal	\$ 1,048,322	\$ 1,049,030	\$ 1,049,030	\$ -
Interest	42,919	42,211	42,211	-
<b>Capital outlay</b>	-	1,062,820	1,062,820	-
<b>Total Expenditures</b>	<u>1,091,241</u>	<u>2,154,061</u>	<u>2,154,061</u>	<u>-</u>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<u>(1,091,241)</u>	<u>(2,154,061)</u>	<u>(2,154,061)</u>	<u>-</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	158,441	158,441	158,441	-
Debt issued	-	1,062,820	1,062,820	-
Gain on sale of capital assets	932,800	932,800	932,800	-
<b>Total Other Financing Sources</b>	<u>1,091,241</u>	<u>2,154,061</u>	<u>2,154,061</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Beginning fund balance			<u>-</u>	
<b>Ending Fund Balance</b>			<u>\$ -</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY AND DISTRICT COURT TECHNOLOGY**  
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ 1,500	\$ 1,500	\$ 1,425	\$ (75)
<b>Total Revenues</b>	<b>1,500</b>	<b>1,500</b>	<b>1,425</b>	<b>(75)</b>
<b>Expenditures</b>				
Administration of justice	1,500	1,500	-	1,500
<b>Total Expenditures</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1,425</b>	<b>\$ 1,425</b>
Beginning fund balance			7,117	
<b>Ending Fund Balance</b>			<b>\$ 8,542</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COURTHOUSE SECURITY**  
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 33,250	\$ 33,250	\$ 29,479	\$ (3,771)
<b>Total Revenues</b>	<b>33,250</b>	<b>33,250</b>	<b>29,479</b>	<b>(3,771)</b>
<b>Expenditures</b>				
Administration of justice	186,785	193,116	174,555	18,561
<b>Total Expenditures</b>	<b>186,785</b>	<b>193,116</b>	<b>174,555</b>	<b>18,561</b>
<b>(Deficiency) of Revenues (Under)</b> <b>Expenditures</b>	<b>(153,535)</b>	<b>(159,866)</b>	<b>(145,076)</b>	<b>14,790</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	153,535	153,535	153,535	-
<b>Total Other Financing Sources</b>	<b>153,535</b>	<b>153,535</b>	<b>153,535</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (6,331)</b>	<b>8,459</b>	<b>\$ 14,790</b>
Beginning fund balance			8,645	
<b>Ending Fund Balance</b>			<b>\$ 17,104</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**LAW LIBRARY**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 13,500	\$ 13,500	\$ 12,650	\$ (850)
<b>Total Revenues</b>	<b>13,500</b>	<b>13,500</b>	<b>12,650</b>	<b>(850)</b>
<b>Expenditures</b>				
General government	13,500	13,500	9,864	3,636
<b>Total Expenditures</b>	<b>13,500</b>	<b>13,500</b>	<b>9,864</b>	<b>3,636</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,786</b>	<b>\$ 2,786</b>
Beginning fund balance			79,793	
<b>Ending Fund Balance</b>			<b>\$ 82,579</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**AGING**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 444,900	\$ 444,900	\$ 470,337	\$ 25,437
Other	-	801	290	(511)
<b>Total Revenues</b>	<b>444,900</b>	<b>445,701</b>	<b>470,627</b>	<b>24,926</b>
<b>Expenditures</b>				
Health and human services	454,847	553,161	519,104	34,057
<b>Capital Outlay</b>	-	30,000	25,000	5,000
<b>Total Expenditures</b>	<b>454,847</b>	<b>583,161</b>	<b>544,104</b>	<b>39,057</b>
<b>(Deficiency) of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>(9,947)</b>	<b>(137,460)</b>	<b>(73,477)</b>	<b>63,983</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	6,443	6,443	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>6,443</b>	<b>6,443</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ (9,947)</b>	<b>\$ (131,017)</b>	<b>(67,034)</b>	<b>\$ 63,983</b>
Beginning fund balance			185,117	
<b>Ending Fund Balance</b>			<b>\$ 118,083</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY RECORDS MANAGEMENT**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 18,000	\$ 18,334	\$ 16,182	\$ (2,152)
<b>Total Revenues</b>	<b>18,000</b>	<b>18,334</b>	<b>16,182</b>	<b>(2,152)</b>
<b>Expenditures</b>				
General government	15,120	15,875	15,875	-
<b>Total Expenditures</b>	<b>15,120</b>	<b>15,875</b>	<b>15,875</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ 2,880</b>	<b>\$ 2,459</b>	<b>307</b>	<b>\$ (2,152)</b>
Beginning fund balance			8,774	
<b>Ending Fund Balance</b>			<b>\$ 9,081</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**COUNTY CLERK RECORDS PRESERVATION**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 285,600	\$ 285,600	\$ 273,610	\$ (11,990)
Investment income	4,500	4,500	7,176	2,676
<b>Total Revenues</b>	<b>290,100</b>	<b>290,100</b>	<b>280,786</b>	<b>(9,314)</b>
<b>Expenditures</b>				
General government	127,233	127,233	36,095	91,138
<b>Total Expenditures</b>	<b>127,233</b>	<b>127,233</b>	<b>36,095</b>	<b>91,138</b>
<b>Excess of Revenues Over Expenditures</b>	<b>162,867</b>	<b>162,867</b>	<b>244,691</b>	<b>81,824</b>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	(134,728)	(134,728)	(134,728)	-
<b>Total Other Financing (Uses)</b>	<b>(134,728)</b>	<b>(134,728)</b>	<b>(134,728)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ 28,139</b>	<b>\$ 28,139</b>	<b>109,963</b>	<b>\$ 81,824</b>
Beginning fund balance			700,322	
<b>Ending Fund Balance</b>			<b>\$ 810,285</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**HOTEL/MOTEL TAX**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Other taxes	\$ 35,000	\$ 35,000	\$ 25,913	\$ (9,087)
<b>Total Revenues</b>	<u>35,000</u>	<u>35,000</u>	<u>25,913</u>	<u>(9,087)</u>
<b><u>Expenditures</u></b>				
General government	35,000	35,000	30,975	4,025
<b>Total Expenditures</b>	<u>35,000</u>	<u>35,000</u>	<u>30,975</u>	<u>4,025</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	(5,062)	<u>\$ (5,062)</u>
Beginning fund balance			<u>86,318</u>	
<b>Ending Fund Balance</b>			<u>\$ 81,256</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**JUSTICE COURT TECHNOLOGY**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Fines and forfeitures	\$ 18,700	\$ 18,700	\$ 14,479	\$ (4,221)
<b>Total Revenues</b>	<u>18,700</u>	<u>18,700</u>	<u>14,479</u>	<u>(4,221)</u>
<b><u>Expenditures</u></b>				
Administration of justice	39,739	39,740	39,739	1
<b>Total Expenditures</b>	<u>39,739</u>	<u>39,740</u>	<u>39,739</u>	<u>1</u>
<b>(Deficiency) of Revenues (Under)</b> <b>Expenditures</b>	<u>(21,039)</u>	<u>(21,040)</u>	<u>(25,260)</u>	<u>(4,220)</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	21,039	21,039	22,149	1,110
<b>Total Other Financing Sources</b>	<u>21,039</u>	<u>21,039</u>	<u>22,149</u>	<u>1,110</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (1)</u>	(3,111)	<u>\$ (3,110)</u>
Beginning fund balance			<u>7,331</u>	
<b>Ending Fund Balance</b>			<u>\$ 4,220</u>	



**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**AVAILABLE SCHOOL**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Investment income	\$ 10,000	\$ 10,000	\$ 6,745	\$ (3,255)
Other	156,614	156,614	156,614	-
<b>Total Revenues</b>	<b>166,614</b>	<b>166,614</b>	<b>163,359</b>	<b>(3,255)</b>
<b>Expenditures</b>				
General government	166,614	169,214	169,123	91
<b>Total Expenditures</b>	<b>166,614</b>	<b>169,214</b>	<b>169,123</b>	<b>91</b>
<b>(Deficiency) of Revenues (Under)</b>				
<b>Expenditures</b>	-	(2,600)	(5,764)	(3,164)
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	14,383	14,383
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>14,383</b>	<b>14,383</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (2,600)</b>	<b>8,619</b>	<b>\$ 11,219</b>
Beginning fund balance			250,451	
<b>Ending Fund Balance</b>			<b>\$ 259,070</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT ATTORNEY COLLECTION**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ -	\$ 695	\$ 695	\$ -
<b>Total Revenues</b>	<b>-</b>	<b>695</b>	<b>695</b>	<b>-</b>
<b>Expenditures</b>				
Administration of justice	-	1,215	1,215	-
<b>Total Expenditures</b>	<b>-</b>	<b>1,215</b>	<b>1,215</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (520)</b>	<b>(520)</b>	<b>\$ -</b>
Beginning fund balance			33,239	
<b>Ending Fund Balance</b>			<b>\$ 32,719</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT CLERK RECORDS PRESERVATION**  
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 15,500	\$ 15,500	\$ 10,989	\$ (4,511)
Other revenue	-	-	5,818	5,818
<b>Total Revenues</b>	<b>15,500</b>	<b>15,500</b>	<b>16,807</b>	<b>1,307</b>
<b>Expenditures</b>				
Administration of justice	15,500	15,500	9,797	5,703
<b>Total Expenditures</b>	<b>15,500</b>	<b>15,500</b>	<b>9,797</b>	<b>5,703</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>7,010</b>	<b>\$ 7,010</b>
Beginning fund balance			57,038	
<b>Ending Fund Balance</b>			<b>\$ 64,048</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FORFEITURE**  
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 766	\$ 56,093	\$ 124,074	\$ 67,981
Investment income	-	-	3,421	3,421
<b>Total Revenues</b>	<b>766</b>	<b>56,093</b>	<b>127,495</b>	<b>71,402</b>
<b>Expenditures</b>				
Administration of justice	766	93,166	93,165	1
<b>Total Expenditures</b>	<b>766</b>	<b>93,166</b>	<b>93,165</b>	<b>1</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (37,073)</b>	<b>34,330</b>	<b>\$ 71,403</b>
Beginning fund balance			335,802	
<b>Ending Fund Balance</b>			<b>\$ 370,132</b>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SHERIFF FEDERAL REVENUE SHARING**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 20,000	\$ 20,000	\$ 3,215	\$ (16,785)
<b>Total Revenues</b>	<u>20,000</u>	<u>20,000</u>	<u>3,215</u>	<u>(16,785)</u>
<b>Expenditures</b>				
Administration of justice	20,000	20,000	590	19,410
<b>Total Expenditures</b>	<u>20,000</u>	<u>20,000</u>	<u>590</u>	<u>19,410</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	2,625	<u>\$ 2,625</u>
Beginning fund balance			<u>10,733</u>	
<b>Ending Fund Balance</b>			<u>\$ 13,358</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**WASTE MANAGEMENT**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 235,000	\$ 235,000	\$ 228,364	\$ (6,636)
<b>Total Revenues</b>	<u>235,000</u>	<u>235,000</u>	<u>228,364</u>	<u>(6,636)</u>
<b>Excess of Revenues Over Expenditures</b>	<u>235,000</u>	<u>235,000</u>	<u>228,364</u>	<u>(6,636)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	(235,000)	(235,000)	(221,468)	13,532
<b>Total Other Financing (Uses)</b>	<u>(235,000)</u>	<u>(235,000)</u>	<u>(221,468)</u>	<u>13,532</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	6,896	<u>\$ 6,896</u>
Beginning fund balance			<u>125,297</u>	
<b>Ending Fund Balance</b>			<u>\$ 132,193</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**JAIL COMMISSARY**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Other	\$ 26,500	\$ 26,500	\$ 26,117	\$ (383)
<b>Total Revenues</b>	<u>26,500</u>	<u>26,500</u>	<u>26,117</u>	<u>(383)</u>
<b>Expenditures</b>				
Administration of justice	26,500	26,500	8,427	18,073
<b>Total Expenditures</b>	<u>26,500</u>	<u>26,500</u>	<u>8,427</u>	<u>18,073</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	17,690	<u>\$ 17,690</u>
Beginning fund balance			<u>39,187</u>	
<b>Ending Fund Balance</b>			<u>\$ 56,877</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DISTRICT ATTORNEY SPECIAL**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Other	\$ 28,200	\$ 28,296	\$ 28,297	\$ 1
<b>Total Revenues</b>	<u>28,200</u>	<u>28,296</u>	<u>28,297</u>	<u>1</u>
<b>Expenditures</b>				
Administration of justice	28,200	28,580	28,022	558
<b>Total Expenditures</b>	<u>28,200</u>	<u>28,580</u>	<u>28,022</u>	<u>558</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (284)</u>	275	<u>\$ 559</u>
Beginning fund balance			<u>284</u>	
<b>Ending Fund Balance</b>			<u>\$ 559</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**JUSTICE COURT BUILDING SECURITY**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ 4,549	\$ 4,549	\$ 3,596	\$ (953)
<b>Total Revenues</b>	<u>4,549</u>	<u>4,549</u>	<u>3,596</u>	<u>(953)</u>
<b>Expenditures</b>				
Capital outlay	4,549	4,549	-	4,549
<b>Total Expenditures</b>	<u>4,549</u>	<u>4,549</u>	<u>-</u>	<u>4,549</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	3,596	<u>\$ 3,596</u>
Beginning fund balance			<u>46,359</u>	
<b>Ending Fund Balance</b>			<u>\$ 49,955</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**PRE-TRIAL INTERVENTION PROGRAM**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 16,000	\$ 16,000	\$ 14,950	\$ (1,050)
<b>Total Revenues</b>	<u>16,000</u>	<u>16,000</u>	<u>14,950</u>	<u>(1,050)</u>
<b>Expenditures</b>				
Administration of justice	16,000	18,989	5,389	13,600
<b>Total Expenditures</b>	<u>16,000</u>	<u>18,989</u>	<u>5,389</u>	<u>13,600</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (2,989)</u>	9,561	<u>\$ 12,550</u>
Beginning fund balance			<u>103,926</u>	
<b>Ending Fund Balance</b>			<u>\$ 113,487</u>	

**POLK COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**CHILD ABUSE PREVENTION**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 300	\$ 300	\$ 436	\$ 136
<b>Total Revenues</b>	<b>300</b>	<b>300</b>	<b>436</b>	<b>136</b>
<b>Net Change in Fund Balance</b>	<b>\$ 300</b>	<b>\$ 300</b>	<b>436</b>	<b>\$ 136</b>
Beginning fund balance			484	
<b>Ending Fund Balance</b>			<b>\$ 920</b>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**PERMANENT SCHOOL**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Investment income	\$ -	\$ 14,383	\$ 14,600	\$ 217
Other	75,000	75,000	46,943	(28,057)
<b>Total Revenues</b>	<b>75,000</b>	<b>89,383</b>	<b>61,543</b>	<b>(27,840)</b>
<b>Expenditures</b>				
General government	75,000	75,000	73,692	1,308
<b>Total Expenditures</b>	<b>75,000</b>	<b>75,000</b>	<b>73,692</b>	<b>1,308</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>14,383</b>	<b>(12,149)</b>	<b>(26,532)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	-	(14,383)	(14,383)	-
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>(14,383)</b>	<b>(14,383)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(26,532)</b>	<b>\$ (26,532)</b>
Beginning fund balance			605,780	
<b>Ending Fund Balance</b>			<b>\$ 579,248</b>	

**POLK COUNTY, TEXAS**  
**COMBINING STATEMENT OF NET POSITION**  
**AGENCY FUNDS**  
**September 30, 2019**

	<u>County Clerk's Probate Trust</u>	<u>District Clerk's Trust</u>	<u>Tax Assessor Collector</u>	<u>Adult Probation</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 1,676,708	\$ 3,499,658	\$ 1,319,297	\$ 47,047
<b>Total Assets</b>	<b><u>\$ 1,676,708</u></b>	<b><u>\$ 3,499,658</u></b>	<b><u>\$ 1,319,297</u></b>	<b><u>\$ 47,047</u></b>
<b><u>Liabilities</u></b>				
Due to other units	\$ 1,676,708	\$ 3,499,658	\$ 1,319,297	\$ 47,047
<b>Total Liabilities</b>	<b><u>\$ 1,676,708</u></b>	<b><u>\$ 3,499,658</u></b>	<b><u>\$ 1,319,297</u></b>	<b><u>\$ 47,047</u></b>

<u>Juvenile Probation</u>	<u>Total Agency Funds</u>
\$ 8,057	\$ 6,495,663
<u>\$ 8,057</u>	<u>\$ 6,495,663</u>
<u>\$ 8,057</u>	<u>\$ 6,495,663</u>
<u>\$ 8,057</u>	<u>\$ 6,495,663</u>



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**POLK COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**

For the Year Ended September 30, 2019

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
<b><u>County Clerk's Probate Trust</u></b>				
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 1,750,674	\$ -	\$ (73,966)	\$ 1,676,708
<b>Total Assets</b>	<b>\$ 1,750,674</b>	<b>\$ -</b>	<b>\$ (73,966)</b>	<b>\$ 1,676,708</b>
<b><u>Liabilities</u></b>				
Due to other units	\$ 1,750,674	\$ -	\$ (73,966)	\$ 1,676,708
<b>Total Liabilities</b>	<b>\$ 1,750,674</b>	<b>\$ -</b>	<b>\$ (73,966)</b>	<b>\$ 1,676,708</b>
<b><u>District Clerk's Trust</u></b>				
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 3,212,601	\$ 287,057	\$ -	\$ 3,499,658
<b>Total Assets</b>	<b>\$ 3,212,601</b>	<b>\$ 287,057</b>	<b>\$ -</b>	<b>\$ 3,499,658</b>
<b><u>Liabilities</u></b>				
Due to other units	\$ 3,212,601	\$ 287,057	\$ -	\$ 3,499,658
<b>Total Liabilities</b>	<b>\$ 3,212,601</b>	<b>\$ 287,057</b>	<b>\$ -</b>	<b>\$ 3,499,658</b>
<b><u>Tax Assessor Collector</u></b>				
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 1,360,714	\$ -	\$ (41,417)	\$ 1,319,297
<b>Total Assets</b>	<b>\$ 1,360,714</b>	<b>\$ -</b>	<b>\$ (41,417)</b>	<b>\$ 1,319,297</b>
<b><u>Liabilities</u></b>				
Due to other units	\$ 1,360,714	\$ -	\$ (41,417)	\$ 1,319,297
<b>Total Liabilities</b>	<b>\$ 1,360,714</b>	<b>\$ -</b>	<b>\$ (41,417)</b>	<b>\$ 1,319,297</b>
<b><u>Adult Probation</u></b>				
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 44,671	\$ -	\$ 2,376	\$ 47,047
<b>Total Assets</b>	<b>\$ 44,671</b>	<b>\$ -</b>	<b>\$ 2,376</b>	<b>\$ 47,047</b>
<b><u>Liabilities</u></b>				
Due to other units	\$ 44,671	\$ -	\$ 2,376	\$ 47,047
<b>Total Liabilities</b>	<b>\$ 44,671</b>	<b>\$ -</b>	<b>\$ 2,376</b>	<b>\$ 47,047</b>
<b><u>Juvenile Probation</u></b>				
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 24,848	\$ -	\$ (16,791)	\$ 8,057
<b>Total Assets</b>	<b>\$ 24,848</b>	<b>\$ -</b>	<b>\$ (16,791)</b>	<b>\$ 8,057</b>
<b><u>Liabilities</u></b>				
Due to other units	\$ 24,848	\$ -	\$ (16,791)	\$ 8,057
<b>Total Liabilities</b>	<b>\$ 24,848</b>	<b>\$ -</b>	<b>\$ (16,791)</b>	<b>\$ 8,057</b>

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## ***STATISTICAL SECTION***

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the County's overall financial health.

### **Contents**

#### **Financial Trends (Page 132)**

*These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.*

#### **Revenue Capacity (Page 142)**

*These schedules contain information to help the reader assess the County's most significant local revenue source, property tax.*

#### **Debt Capacity (Page 150)**

*These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.*

#### **Demographic and Economic Information (Page 158)**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.*

#### **Operating Information (Page 164)**

*These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.*

# POLK COUNTY, TEXAS

## NET POSITION BY COMPONENT

Last Ten Years

(Accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 11,091,425	\$ 13,205,126	\$ 19,677,873	\$ 27,247,770
Restricted	2,785,081	2,542,014	5,086,759	4,430,353
Unrestricted	7,334,856	7,276,085	6,321,114	4,014,357
<b>Total governmental activities net position</b>	<b>\$ 21,211,362</b>	<b>\$ 23,023,225</b>	<b>\$ 31,085,746</b>	<b>\$ 35,692,480</b>

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$ 29,864,824	\$ 31,763,084	\$ 34,652,210	\$ 36,559,546	\$ 37,695,725	\$ 38,630,639
5,567,823	5,576,469	5,766,620	4,627,091	4,415,662	5,501,000
3,799,287	2,503,356	1,879,843	2,032	(9,836,200)	(1,994,172)
<u>\$ 39,231,934</u>	<u>\$ 39,842,909</u>	<u>\$ 42,298,673</u>	<u>\$ 41,188,669</u>	<u>\$ 32,275,187</u>	<u>\$ 42,137,467</u>

# POLK COUNTY, TEXAS

## CHANGES IN NET POSITION

Last Ten Years

(Accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
<b>Expenses</b>				
Governmental activities				
General government	\$ 4,730,688	\$ 5,400,250	\$ 7,113,066	\$ 10,804,098
Administration of justice	10,384,722	9,883,929	10,501,266	10,179,505
Roads and bridges	5,774,317	6,343,810	4,646,530	4,732,628
Health and human services	1,062,130	977,523	1,055,093	1,068,339
Tax administration	992,019	1,042,231	1,042,583	1,174,054
Interest and fiscal agent fees	1,611,384	1,247,829	1,527,916	925,609
<b>Total governmental activities expenses</b>	<b>\$ 24,555,260</b>	<b>\$ 24,895,572</b>	<b>\$ 25,886,454</b>	<b>\$ 28,884,233</b>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
General government	\$ 2,313,774	\$ 2,286,156	\$ 2,227,281	\$ 2,044,160
Administration of justice	42,364	52,826	39,145	221,211
Roads and bridges	77,566	74,070	99,227	82,282
Health and human services	138,900	141,251	132,073	139,624
Operating grants and contributions	2,676,971	2,673,300	8,748,161	9,137,367
<b>Total governmental activities program revenues</b>	<b>5,249,575</b>	<b>5,227,603</b>	<b>11,245,887</b>	<b>11,624,644</b>
<b>Net (Expense)</b>				
Governmental activities	<b>\$ (19,305,685)</b>	<b>\$ (19,667,969)</b>	<b>\$ (14,640,567)</b>	<b>\$ (17,259,589)</b>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities				
Taxes	\$ 18,207,997	\$ 19,089,029	\$ 19,047,013	\$ 20,113,427
Investment earnings	163,124	49,727	58,869	20,216
Other revenues	1,408,586	1,830,102	4,081,736	1,834,354
Gain on sale of capital assets	-	-	-	-
<b>Total governmental activities</b>	<b>19,779,707</b>	<b>20,968,858</b>	<b>23,187,618</b>	<b>21,967,997</b>
<b>Change in Net Position</b>				
Governmental activities	<b>\$ 474,022</b>	<b>\$ 1,300,889</b>	<b>\$ 8,547,051</b>	<b>\$ 4,708,408</b>

**Fiscal Year**

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$ 7,453,356	\$ 7,183,313	\$ 8,247,032	\$ 8,052,484	\$ 7,277,465	\$ 5,907,007
10,840,429	10,950,781	11,216,535	12,429,450	13,024,986	8,089,203
5,182,543	7,124,431	5,864,408	9,257,802	7,388,389	6,774,803
1,121,303	1,044,763	1,192,366	1,192,373	1,292,738	1,284,264
1,247,269	1,235,406	1,240,282	1,303,518	1,374,349	996,187
937,773	878,067	877,747	784,356	624,347	580,035
<u>\$ 26,782,673</u>	<u>\$ 28,416,761</u>	<u>\$ 28,638,369</u>	<u>\$ 33,019,983</u>	<u>\$ 30,982,274</u>	<u>\$ 23,631,499</u>
\$ 2,048,349	\$ 2,204,713	\$ 1,976,516	\$ 2,101,994	\$ 2,143,912	\$ 2,023,645
291,860	337,454	336,248	354,383	356,482	346,923
67,811	105,240	108,232	125,057	92,555	74,950
129,909	143,881	145,676	183,360	238,896	228,364
4,118,523	2,688,631	3,181,552	3,627,839	2,650,189	3,263,193
<u>6,656,452</u>	<u>5,479,919</u>	<u>5,748,224</u>	<u>6,392,633</u>	<u>5,482,034</u>	<u>5,937,075</u>
<u>\$ (20,126,221)</u>	<u>\$ (22,936,842)</u>	<u>\$ (22,890,145)</u>	<u>\$ (26,627,350)</u>	<u>\$ (25,500,240)</u>	<u>\$ (17,694,424)</u>
\$ 21,645,908	\$ 22,354,430	\$ 22,981,912	\$ 23,064,315	\$ 24,338,387	\$ 25,002,843
10,250	30,436	59,910	140,485	310,990	499,843
2,009,517	1,988,796	2,304,087	2,087,173	1,584,686	1,942,459
-	-	-	-	126,759	111,559
<u>23,665,675</u>	<u>24,373,662</u>	<u>25,345,909</u>	<u>25,291,973</u>	<u>26,360,822</u>	<u>27,556,704</u>
<u>\$ 3,539,454</u>	<u>\$ 1,436,820</u>	<u>\$ 2,455,764</u>	<u>\$ (1,335,377)</u>	<u>\$ 860,582</u>	<u>\$ 9,862,280</u>



**POLK COUNTY, TEXAS**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 Last Ten Years  
 (Modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Nonspendable	\$ -	\$ 18,292	\$ 15,547	\$ 13,763
Special projects	-	-	-	-
Unassigned	5,936,757	6,744,271	6,840,851	6,605,018
<b>Total general fund</b>	<u><u>\$ 5,936,757</u></u>	<u><u>\$ 6,762,563</u></u>	<u><u>\$ 6,856,398</u></u>	<u><u>\$ 6,618,781</u></u>
All Other Governmental Funds				
Restricted	\$ 17,730,144	\$ 5,297,356	\$ 6,471,158	\$ 4,430,313
Assigned	527,160	758,046	758,908	759,628
Unassigned	-	(28,095)	-	-
<b>Total all other governmental funds</b>	<u><u>\$ 18,257,304</u></u>	<u><u>\$ 6,027,307</u></u>	<u><u>\$ 7,230,066</u></u>	<u><u>\$ 5,189,941</u></u>

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$ 15,548	\$ -	\$ -	\$ -	\$ -	\$ 12,468
-	-	-	-	-	585,461
7,105,228	7,440,074	8,365,306	9,083,198	10,475,683	12,414,533
<u>\$ 7,120,776</u>	<u>\$ 7,440,074</u>	<u>\$ 8,365,306</u>	<u>\$ 9,083,198</u>	<u>\$ 10,475,683</u>	<u>\$ 13,012,462</u>
\$ 5,567,823	\$ 5,576,469	\$ 7,323,132	\$ 4,787,736	\$ 4,524,661	\$ 4,915,684
759,884	760,277	762,472	767,770	779,642	797,876
-	-	-	(51,791)	-	-
<u>\$ 6,327,707</u>	<u>\$ 6,336,746</u>	<u>\$ 8,085,604</u>	<u>\$ 5,503,715</u>	<u>\$ 5,304,303</u>	<u>\$ 5,713,560</u>

**POLK COUNTY, TEXAS**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**

Last Ten Years  
(Modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
<b>Revenues</b>				
Taxes	\$ 17,956,886	\$ 18,953,467	\$ 19,189,170	\$ 20,213,918
Licenses and permits	168,435	160,603	164,353	175,398
Fines and forfeitures	810,322	836,365	866,696	718,960
Charges for services	1,614,709	1,569,874	1,466,677	1,592,959
Intergovernmental	2,656,109	2,660,761	8,748,161	9,137,367
Investment earnings	163,124	49,727	58,869	20,216
Other revenue	1,408,586	1,830,102	4,081,736	1,834,354
<b>Total revenues</b>	<u>24,778,171</u>	<u>26,060,899</u>	<u>34,575,662</u>	<u>33,693,172</u>
<b>Expenditures</b>				
General government	5,221,830	5,433,652	12,269,676	15,307,259
Administration of justice	9,551,963	9,399,418	9,992,612	9,886,816
Roads and bridges	5,473,262	4,993,689	4,613,980	4,819,560
Health and human services	978,597	916,618	972,777	971,190
Tax administration	985,611	1,041,238	1,041,590	1,174,054
Capital outlay	13,562,056	13,107,972	2,280,999	93,215
Debt service				
Principal	3,181,266	3,249,886	3,137,930	3,258,789
Debt issuance costs	36,839	30,025	600,040	28,213
Interest and paying agent	1,450,296	1,364,011	1,013,583	956,778
Payment to refunded bond escrow agent	-	-	17,834,875	-
Advance refunding escrow	-	-	386,221	-
<b>Total expenditures</b>	<u>40,441,720</u>	<u>39,536,509</u>	<u>54,144,283</u>	<u>36,495,874</u>
(Deficiency) of revenues (under) expenditures	(15,663,549)	(13,475,610)	(19,568,621)	(2,802,702)
<b>Other Financing Sources (Uses)</b>				
Transfers in	485,496	257,695	612,412	2,826,354
Transfers out	(485,496)	(257,695)	(612,412)	(2,826,354)
Issuance of debt	1,775,558	1,194,779	19,566,434	525,000
Premium on bonds issued	-	-	658,576	-
Sale of capital assets	874,590	876,640	640,205	-
<b>Total other financing sources</b>	<u>2,650,148</u>	<u>2,071,419</u>	<u>20,865,215</u>	<u>525,000</u>
<b>Net change in fund balances</b>	<u>\$ (13,013,401)</u>	<u>\$ (11,404,191)</u>	<u>\$ 1,296,594</u>	<u>\$ (2,277,702)</u>
Debt service as a percentage of noncapital expenditures	17.23%	17.23%	43.64%	11.59%

**Fiscal Year**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$	21,466,960	\$ 22,182,899	\$ 23,022,338	\$ 22,907,667	\$ 24,353,603	\$ 25,138,592
	178,133	160,261	174,746	171,385	173,822	190,967
	652,276	721,504	657,667	799,538	778,876	666,431
	1,707,520	1,909,523	1,734,259	1,793,871	1,879,147	1,816,484
	4,118,523	2,688,631	3,181,552	3,627,839	2,650,189	3,263,193
	10,250	30,436	59,910	140,485	310,990	499,843
	2,009,517	1,988,796	2,304,087	2,087,173	1,584,686	1,942,459
	<u>30,143,179</u>	<u>29,682,050</u>	<u>31,134,559</u>	<u>31,527,958</u>	<u>31,731,313</u>	<u>33,517,969</u>
	8,711,024	7,020,291	7,268,461	7,002,234	6,235,358	6,757,948
	10,726,732	10,456,874	10,675,120	11,046,954	11,617,784	11,946,817
	4,664,171	5,954,742	5,667,284	7,324,181	5,975,553	5,655,314
	1,016,281	941,598	1,073,199	1,051,857	1,153,656	1,383,842
	1,247,269	1,238,932	1,221,446	1,234,171	1,302,814	1,310,620
	1,078,353	2,050,961	2,320,390	3,337,273	2,624,567	2,876,391
	3,267,645	3,509,860	3,762,198	3,653,094	3,686,949	3,719,030
	52,847	31,226	58,033	98,014	671,453	35,825
	869,231	827,127	777,664	771,061	32,953	631,766
	-	-	-	4,119,069	-	-
	-	-	-	-	-	-
	<u>31,633,553</u>	<u>32,031,611</u>	<u>32,823,795</u>	<u>39,637,908</u>	<u>33,301,087</u>	<u>34,317,553</u>
	(1,490,374)	(2,349,561)	(1,689,236)	(6,679,230)	(784,785)	(799,584)
	1,029,953	407,626	370,335	734,434	584,863	638,364
	(1,029,953)	(407,626)	(370,335)	(734,434)	(584,863)	(638,364)
	2,395,865	1,921,898	3,572,326	4,941,160	2,025,795	2,812,820
	26,552	-	-	320,953	-	-
	707,678	756,000	791,000	983,840	948,000	932,800
	<u>3,130,095</u>	<u>2,677,898</u>	<u>4,363,326</u>	<u>6,245,953</u>	<u>2,973,795</u>	<u>3,745,620</u>
\$	<u>1,639,721</u>	<u>\$ 328,337</u>	<u>\$ 2,674,090</u>	<u>\$ (433,277)</u>	<u>\$ 2,189,010</u>	<u>\$ 2,946,036</u>
	13.56%	14.90%	15.74%	12.41%	11.98%	18.18%

**POLK COUNTY, TEXAS**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL ACTIVITIES**  
 Last Ten Years  
 (Accrual basis of accounting)

<b>Function</b>	<b>Fiscal Year</b>			
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Property	\$ 16,227,341	\$ 16,069,131	\$ 16,000,772	\$ 16,548,137
Sales	1,623,603	1,812,359	1,824,271	2,354,141
Other taxes	1,238,085	1,165,523	1,221,970	1,211,149
<b>Total Taxes</b>	<b>\$ 19,089,029</b>	<b>\$ 19,047,013</b>	<b>\$ 19,047,013</b>	<b>\$ 20,113,427</b>

<b>Fiscal Year</b>						<b>Change</b>
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2018-2019</b>
\$ 18,212,134	\$ 18,586,644	\$ 19,168,536	\$ 19,052,802	\$ 20,458,921	\$ 21,081,991	3.0%
2,063,194	2,210,700	2,470,991	2,437,411	2,502,791	2,502,854	0.0%
1,370,580	1,385,555	1,342,385	1,417,454	1,376,675	1,417,998	3.0%
<u>\$ 21,645,908</u>	<u>\$ 22,182,899</u>	<u>\$ 22,981,912</u>	<u>\$ 22,907,667</u>	<u>\$ 24,338,387</u>	<u>\$ 25,002,843</u>	2.7%

**POLK COUNTY, TEXAS**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Real Property	\$ 2,149,623,793	\$ 1,864,972,789	\$ 1,888,429,689	\$ 1,886,501,642
Personal Property	447,387,229	432,705,637	443,841,435	470,556,096
Mineral	291,241,527	318,143,220	287,995,665	349,102,310
Total assessed value (1)	<u>2,888,252,549</u>	<u>2,615,821,646</u>	<u>2,620,266,789</u>	<u>2,706,160,048</u>
Less: real property exemptions	<u>(394,447,560)</u>	<u>(277,276,388)</u>	<u>(415,465,243)</u>	<u>(429,347,409)</u>
<b>Total Taxable Assessed Value (Net)(1)</b>	<u>2,493,804,989</u>	<u>2,338,545,258</u>	<u>2,204,801,546</u>	<u>2,276,812,639</u>
Less: freeze taxable exemptions	<u>(265,603,022)</u>	<u>(281,802,394)</u>	<u>(278,671,325)</u>	<u>(310,369,756)</u>
<b>Total Freeze Adjusted Taxable(1)</b>	<u>\$ 2,228,201,967</u>	<u>\$ 2,056,742,864</u>	<u>\$ 1,926,130,221</u>	<u>\$ 1,966,442,883</u>
<b>Total Direct Tax Rate</b>	\$ 0.6277	\$ 0.6277	\$ 0.6277	\$ 0.6277

(1) Property is assessed at actual value; therefore, the assessed values are equal to actual value.  
 Source: Polk Central Appraisal District

**Fiscal Year**

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 2,038,542,297	\$ 2,584,070,818	\$ 2,743,880,166	\$ 2,873,191,987	\$ 3,047,723,414	\$ 3,154,514,774
512,183,088	535,973,582	575,589,894	604,117,476	690,425,326	835,555,725
352,464,821	336,421,796	232,753,563	109,579,830	198,273,059	196,736,488
<u>2,903,190,206</u>	<u>3,456,466,196</u>	<u>3,552,223,623</u>	<u>3,586,889,293</u>	<u>3,936,421,799</u>	<u>4,186,806,987</u>
<u>(442,563,250)</u>	<u>(456,123,623)</u>	<u>(475,602,352)</u>	<u>(463,299,119)</u>	<u>(598,407,562)</u>	<u>(771,896,150)</u>
<u>2,460,626,956</u>	<u>3,000,342,573</u>	<u>3,076,621,271</u>	<u>3,123,590,174</u>	<u>3,338,014,237</u>	<u>3,414,910,837</u>
<u>(352,192,056)</u>	<u>(393,901,443)</u>	<u>(421,853,708)</u>	<u>(454,131,686)</u>	<u>(516,439,579)</u>	<u>(538,128,396)</u>
<u>\$ 2,108,434,900</u>	<u>\$ 2,606,441,130</u>	<u>\$ 2,654,767,563</u>	<u>\$ 2,669,458,488</u>	<u>\$ 2,821,574,658</u>	<u>\$ 2,876,782,441</u>
\$ 0.6277	\$ 0.6461	\$ 0.6461	\$ 0.6461	\$ 0.6461	\$ 0.6461



**POLK COUNTY, TEXAS**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
<b><u>Polk County by fund:</u></b>				
General	\$ 0.33760	\$ 0.33760	\$ 0.33310	\$ 0.33350
Road and Bridge	0.15150	0.15150	0.15430	0.15050
Debt Service	0.13860	0.13860	0.14030	0.14370
	<u>0.62770</u>	<u>0.62770</u>	<u>0.62770</u>	<u>0.62770</u>
<b><u>Cities:</u></b>				
City of Corrigan	0.48610	0.48610	0.48610	0.48150
City of Goodrich	0.55170	0.50000	0.50000	0.55150
<b><u>School Districts:</u></b>				
Big Sandy ISD	1.11130	1.19750	1.21610	1.19480
Corrigan-Camden ISD	1.16780	1.20200	1.20750	1.19290
Goodrich ISD	1.04000	1.04000	1.04000	1.04000
Leggett ISD	1.16610	1.13520	1.13150	1.14500
Livingston ISD	1.40000	1.41350	1.39500	1.39500
Onalaska ISD	1.20020	1.18000	1.16800	1.16500
<b><u>Utility Districts:</u></b>				
Memorial Point Utility District	0.84000	0.84000	0.89000	0.89000
Polk County FWSD	0.44000	0.38700	0.37300	0.37300
<b>Total Direct and Overlapping Rates</b>	<u>\$ 10.03090</u>	<u>\$ 10.00900</u>	<u>\$ 10.03490</u>	<u>\$ 10.05640</u>

Tax rates per \$100 of assessed valuation  
 Source: Polk County Tax Assessor/Collector

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 0.36390	\$ 0.37570	\$ 0.37980	\$ 0.38680	\$ 0.39840	\$ 0.39744	
0.14880	0.14880	0.14290	0.14710	0.14710	0.14710	
0.13340	0.12160	0.12340	0.11220	0.10060	0.10156	
<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	<u>0.64610</u>	
0.48150	0.44310	0.43540	0.35180	0.43600	0.42770	
0.50840	0.49320	0.45730	0.40840	0.42600	0.43290	
1.18210	1.17540	1.21650	1.26940	1.26900	1.20450	
1.20000	1.18000	1.18000	1.18000	1.18000	1.11000	
1.17000	1.17000	1.17000	1.33000	1.33100	1.20530	
1.14190	1.14000	1.15290	1.20000	1.18200	1.17740	
1.39500	1.39500	1.39000	1.39000	1.39000	1.32330	
1.15600	1.29880	1.27980	1.23500	1.24900	1.17890	
0.89000	0.89000	0.89000	0.89000	0.90000	0.90000	
0.35800	0.35800	0.33500	0.33500	0.33500	0.33500	
<u>\$ 10.12900</u>	<u>\$ 10.18960</u>	<u>\$ 10.15300</u>	<u>\$ 10.23570</u>	<u>\$ 10.34410</u>	<u>\$ 9.94110</u>	

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# POLK COUNTY, TEXAS

## PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Taxpayer	2019			2010		
	2018 Taxable Assessed Value	Rank	% of Taxable Assessed Value	2009 Taxable Assessed Value	Rank	% of Taxable Assessed Value
Comstock Oil & Gas	\$ 153,932,330	1	4.60%	\$ -	n/a	0.00%
Georgia Pacific LLC	102,335,737	2	3.06%	\$ 114,371,560	1	3.72%
Black Stone Materials	21,270,220	3	0.64%	18,740,063	7	0.61%
Unit Petroleum Company	17,430,670	4	0.52%	73,381,011	3	2.39%
Wal-Mart Stores #01-0275	16,817,149	5	0.50%	-	n/a	0.00%
Devon Energy Production Co. LP	15,081,380	6	0.45%	-	n/a	0.00%
Eastex Telephone	14,302,320	7	0.43%	-	n/a	0.00%
Natural Gas Pipeline Co.	13,540,705	8	0.40%	-	n/a	0.00%
Corrigan Timberland	11,953,616	9	0.36%	-	n/a	0.00%
Lowe's Home Centers, Inc.	11,588,993	10	0.35%	-	n/a	0.00%
Transcanada Keystone Pipeline LP	-	n/a	0.00%	93,168,176	2	3.03%
RMS Texas Timberlands I LP	-	n/a	0.00%	29,637,765	4	0.96%
Union Pacific Railroad Co.	-	n/a	0.00%	29,473,166	5	0.96%
Amplify Energy Operating LLC	-	n/a	0.00%	19,404,347	6	0.63%
Midcoast Pipelines LP	-	n/a	0.00%	17,796,650	8	0.58%
Kinder Morgan Tejas Pipeline LP	-	n/a	0.00%	17,514,400	9	0.57%
Gulf South Pipeline Co LP	-	n/a	0.00%	16,885,640	10	0.55%
Subtotal	<u>378,253,120</u>		<u>11.30%</u>	<u>430,372,778</u>		<u>13.99%</u>
Other taxpayers	<u>2,969,856,820</u>		<u>88.70%</u>	<u>2,646,248,493</u>		<u>86.01%</u>
<b>Total</b>	<u>\$ 3,348,109,940</u>		<u>100.00%</u>	<u>\$ 3,076,621,271</u>		<u>100.00%</u>

Source: Polk Central Appraisal District

**POLK COUNTY, TEXAS**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Adjusted tax levy	\$ 15,110,680	\$ 15,868,728	\$ 15,837,389	\$ 16,354,546
Current tax collected	\$ 14,431,072	\$ 15,192,264	\$ 15,230,709	\$ 15,776,269
Percentage of current tax collections	95.50%	95.74%	96.17%	96.46%
Delinquent tax collections	586,124	577,855	503,344	467,630
Total tax collections	\$ 15,017,197	\$ 15,770,119	\$ 15,734,053	\$ 16,243,900
Total collections as a percentage of current levy	99.38%	99.38%	99.35%	99.32%
Outstanding delinquent taxes	\$ 93,483	\$ 98,609	\$ 103,336	\$ 110,646
Outstanding delinquent taxes as percentage of current levy	0.62%	0.62%	0.65%	0.68%

Source: Polk County Tax Assessor/Collector

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$ 17,876,863	\$ 18,472,325	\$ 18,827,503	\$ 18,891,307	\$ 20,298,419	\$ 20,793,624
\$ 17,270,190	\$ 17,690,427	\$ 18,220,530	\$ 18,238,267	\$ 19,600,034	\$ 20,197,962
96.61%	95.77%	96.78%	96.54%	96.56%	97.14%
476,537	619,845	428,513	442,452	379,382	-
\$ 17,746,727	\$ 18,310,272	\$ 18,649,043	\$ 18,680,719	\$ 19,979,416	\$ 20,197,962
99.27%	99.12%	99.05%	98.89%	98.43%	97.14%
\$ 130,136	\$ 162,053	\$ 178,460	\$ 210,588	\$ 319,003	\$ 595,662
0.73%	0.88%	0.95%	1.11%	1.57%	2.86%

**POLK COUNTY, TEXAS**  
**RATIO OF GENERAL BONDED DEBT OUTSTANDING**  
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
<b>Net Taxable Assessed Value</b>				
All property	\$ 2,493,804,989	\$ 2,235,684,028	\$ 2,204,801,546	\$ 2,284,032,548
<b>Net Bonded Debt</b>				
Gross bonded debt	\$ 33,930,000	\$ 32,094,000	\$ 30,663,243	\$ 28,319,066
Less debt service funds	56,042	-	30,092	33,694
<b>Net Bonded Debt</b>	<b>\$ 33,873,958</b>	<b>\$ 32,094,000</b>	<b>\$ 30,633,151</b>	<b>\$ 28,285,372</b>
<b>Ratio of Net Bonded Debt     To Assessed Value</b>	1.3583%	1.4355%	1.3894%	1.2384%
<b>Population (1,2,3)</b>	45,413	45,413	45,725	45,790
<b>Net Bonded Debt per Capita</b>	\$ 746	\$ 707	\$ 670	\$ 618

Data sources:

- (1) U.S. Bureau of Economic Analysis\*\*
- (2) Texas Association of Counties (County Information Project)\*\*
- (3) US Census Bureau\*\*

\*\*Most current information available from these data sources.

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<u>\$ 2,460,626,956</u>	<u>\$ 3,000,342,573</u>	<u>\$ 3,076,621,771</u>	<u>\$ 3,123,590,174</u>	<u>\$ 3,338,014,237</u>	<u>\$ 3,348,109,940</u>
\$ 27,045,440	\$ 26,083,036	\$ 25,351,776	\$ 22,777,368	\$ 21,042,017	\$ 20,019,665
39,975	48,183	63,588	51,766	-	-
<u>\$ 27,005,465</u>	<u>\$ 26,034,853</u>	<u>\$ 25,288,188</u>	<u>\$ 22,725,602</u>	<u>\$ 21,042,017</u>	<u>\$ 20,019,665</u>
1.0975%	0.8677%	0.8219%	0.7275%	0.6304%	0.5979%
46,079	46,079	46,972	46,972	49,162	50,031
\$ 586	\$ 565	\$ 538	\$ 484	\$ 459	\$ 400



**POLK COUNTY, TEXAS**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
 Last Nine Years(1)

	Fiscal Year			
	2011	2012	2013	2014
<b>Governmental activities:</b>				
General obligation	\$ 26,795,000	\$ 25,735,000	\$ 24,455,000	\$ 22,810,000
Tax notes	5,299,000	4,928,243	3,864,066	4,235,440
Obligations under capital leases	761,980	791,434	399,645	825,865
<b>Net Governmental Debt</b>	<u>\$ 32,855,980</u>	<u>\$ 31,454,677</u>	<u>\$ 28,718,711</u>	<u>\$ 27,871,305</u>
<b>Percentage of personal income</b>	1.90%	1.68%	1.51%	1.46%
<b>Net Bonded Debt per Capita</b>	\$ 723	\$ 688	\$ 627	\$ 609

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

(1) The requirement for statistical data is ten years; only the current year and prior eight years are available at this time.

<b>Fiscal Year</b>				
<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$ 21,762,567	\$ 22,092,278	\$ 20,329,842	\$ 18,293,460	\$ 15,665,000
4,290,469	3,259,498	2,447,527	2,748,557	3,790,000
862,198	1,307,326	1,281,393	1,253,238	1,267,033
<u>\$ 26,915,234</u>	<u>\$ 26,659,102</u>	<u>\$ 24,058,762</u>	<u>\$ 22,295,255</u>	<u>\$ 20,722,033</u>
1.62%	1.56%	1.39%	1.19%	1.05%
\$ 584	\$ 568	\$ 502	\$ 454	\$ 414

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**POLK COUNTY, TEXAS**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
September 30, 2019

<u>Governmental Unit</u>	<u>Net Bonded Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Cities:			
Corrigan	\$ 674,000	100.00%	\$ 674,000
Goodrich	188,000	100.00%	188,000
Livingston	5,480,000	100.00%	5,480,000
School Districts:			
Big Sandy ISD	1,620,000	100.00%	1,620,000
Corrigan-Camden ISD	2,685,000	100.00%	2,685,000
Goodrich ISD	2,760,000	100.00%	2,760,000
Leggett ISD	2,990,000	100.00%	2,990,000
Livingston ISD	58,130,000	100.00%	58,130,000
Onalaska ISD	11,159,756	100.00%	11,159,756
Woodville ISD	4,109,000	1.22%	50,130
Subtotal, overlapping debt	<u>89,795,756</u>		<u>85,736,886</u>
<b>Polk County direct debt</b>	<u>21,286,698</u>	100.00%	<u>21,286,698</u>
<b>Total direct and overlapping debt</b>	<u><u>\$ 111,082,454</u></u>		<u><u>\$ 107,023,584</u></u>

Source: Texas Municipal Reports

(1) Estimated Percentage Applicable obtained from Municipal Advisory Council of Texas: "The percentage of overlapping debt applicable is determined by dividing the County's certified taxable value within the taxing jurisdiction by the certified taxable value of the taxing jurisdiction."

**POLK COUNTY, TEXAS**  
**LEGAL DEBT MARGIN INFORMATION**  
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Debt limit	\$ 249,380,499	558,921,007	551,200,387	\$ 571,008,137
Total net debt applicable to limit	33,930,000	32,094,000	25,704,908	28,272,306
Legal debt margin	<u>\$ 215,450,499</u>	<u>\$ 526,827,007</u>	<u>525,495,479</u>	<u>\$ 542,735,831</u>
Total net debt applicable to the limit as a percentage of debt limit	13.61%	5.74%	4.66%	4.95%

**Legal Debt Margin Calculation for 2018**

Assessed value	\$ 3,414,910,837
Debt limit (25% of assessed value)	853,727,709
Debt applicable to limit:	
General obligation bonds	15,665,000
Tax notes	3,790,000
Total net debt applicable to limit	<u>19,455,000</u>
Legal debt margin	<u>\$ 834,272,709</u>

**Fiscal Year**

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 615,244,268	\$ 750,085,643	\$ 769,155,318	\$ 780,897,544	\$ 834,503,559	\$ 853,727,709
26,968,025	25,335,817	24,685,412	22,059,766	20,375,000	19,455,000
<u>\$ 588,276,243</u>	<u>\$ 724,749,826</u>	<u>\$ 744,469,906</u>	<u>\$ 758,837,778</u>	<u>\$ 814,128,559</u>	<u>\$ 834,272,709</u>
4.38%	3.38%	3.21%	2.82%	2.44%	2.28%

**POLK COUNTY, TEXAS**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Population (1,2,4)**	45,413	45,413	45,725	45,790
Personal income (BEA) (4)**	\$1,726,151,000	\$1,726,151,000	\$1,875,855,000	\$1,907,585,000
Per capita personal income (BEA) (4)**	\$ 38,747	\$ 37,839	\$ 41,014	\$ 41,659
Median age (1,4,5)**	42.9	42.9	43.2	42.9
School enrollment (2)				
Big Sandy ISD	451	453	470	494
Chester ISD	171	174	166	181
Corrigan-Camden ISD	947	923	930	1,018
Goodrich ISD	247	224	220	235
Leggett ISD	173	170	174	187
Livingston ISD	3,741	3,829	3,862	4,098
Onalaska ISD	880	889	881	942
<b>Total</b>	<u>6,610</u>	<u>6,663</u>	<u>6,701</u>	<u>7,155</u>
Unemployment rate (3)	10.00%	10.50%	7.70%	8.00%

Data sources:

- (1) U.S. Bureau of Economic Analysis\*\*
- (2) Texas Education Agency
- (3) Texas Workforce Commission
- (4) Texas Association of Counties (County Information Project)\*\*
- (5) US Census Bureau\*\*

\*\*Most current information available from these data sources.

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
46,079	46,079	46,972	47,916	49,162	50,031
\$ 1,907,585,000	\$1,663,552,000	\$1,706,994,000	\$1,736,049,000	\$1,878,484,000	\$ 1,973,118,000
\$ 37,194	\$ 36,102	\$ 39,662	\$ 36,231	\$ 38,210	\$ 24,686
42.9	43.6	43.5	43.7	43.4	43.7
464	455	498	528	528	507
155	157	175	194	194	206
945	911	988	917	917	890
207	225	239	227	227	241
159	150	168	163	163	179
3,788	3,826	4,049	4,063	4,063	4,056
846	846	893	1,026	1,026	1,110
<u>6,564</u>	<u>6,570</u>	<u>7,010</u>	<u>7,118</u>	<u>7,118</u>	<u>7,189</u>
6.80%	6.20%	6.50%	6.30%	4.60%	5.00%



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# POLK COUNTY, TEXAS

## PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Georgia Pacific*	1,000	1	2.00%	1,050	1	2.26%
Texas Dept of Criminal Justice, Polunsky Unit	835	2	1.67%	561	3	1.21%
Livingston ISD	614	3	1.23%	600	2	1.29%
Wal-Mart	480	4	0.96%	500	4	1.07%
Alabama-Coushatta Tribe of Texas**	475	5	0.95%	158	7	0.34%
CHI St. Lukes's Health Memorial Livingston	431	6	0.86%	-	n/a	0.00%
Polk County	335	7	0.67%	300	5	0.64%
Corrigan/Camden ISD	197	8	0.39%	178	6	0.38%
Sam Houston Electric Cooperative	160	9	0.32%	153	8	0.33%
Lowe's	125	10	0.25%	-	n/a	0.00%
<b>Total</b>	<b>4,652</b>		<b>9.30%</b>	<b>3,500</b>		<b>7.52%</b>

Sources: (2019) Current data collection from Employers as provided to Polk County Judge's Office

(2010) Polk County Economic & Industrial Development Corporation Texas Workforce Co.

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# POLK COUNTY, TEXAS

## COUNTY EMPLOYEES

Last Ten Years

Function/Program	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Government:</b>										
County Judge	3	3	3	3	3	3	3	3	2	3
Commissioners' Court	1	1	1	1	1	1	1	1	1	1
County Clerk	10	10	10	10	10	10	10	11	11	11
County Auditor	5	5	5	5	5	4	5	4	5	5
County Treasurer	3	3	3	3	3	3	3	3	3	3
Information Technology*	2	2	2	2	2	2	3	3	3	3
Maintenance/Custodial	3	3	4	-	-	-	-	-	-	0
Maintenance/Engineering	7	7	7	11	11	11	12	12	10	11
Emergency Management	5	5	5	5	5	5	3	3	4	4
Personnel/Human Resources	3	3	3	3	3	2	3	3	3	3
Grants & Contracts***	-	-	-	-	-	-	-	-	-	1
<b>Road and Bridges:</b>										
Commissioners	4	4	4	4	4	4	4	4	4	4
Road and Bridge Workers	37	45	45	47	37	36	35	34	43	34
<b>Administration of Justice:</b>										
County Court-at-Law	4	4	4	4	3	4	4	3	4	5
District Clerk	10	10	10	10	9	10	9	10	10	12
District Judges	7	7	7	8	9	9	11	8	10	10
JP Precinct 1	4	4	4	3	3	3	4	4	4	4
JP Precinct 2	3	3	4	3	3	3	3	3	2	4
JP Precinct 3	3	3	3	3	3	3	3	3	3	3
JP Precinct 4	3	3	3	3	2	3	3	3	3	3
District Attorney	17	18	17	16	16	18	18	17	18	18
Sheriff's Dept	50	50	52	54	50	53	51	54	51	53
Jail	33	35	37	41	39	41	46	49	45	48
Constables	4	4	4	4	4	4	4	4	4	3
Department of Public Safety	1	1	1	1	1	1	1	1	1	1
Courthouse Security	1	1	2	2	2	2	3	3	2	4
Fire Marshall***	-	-	-	-	-	-	-	-	-	1
<b>Health and Human Services:</b>										
Library and Museum	2	2	2	2	2	1	1	1	1	1
Social Services	2	2	2	2	2	2	1	1	1	2
Veterans Service	2	2	1	1	1	1	1	1	1	1
County Extension	4	4	4	4	4	4	4	3	3	3
Permits/Inspections**	-	-	-	-	-	-	2	2	2	2
Environmental Enforcement	-	-	1	-	-	-	1	1	1	2
Aging Services	1	1	4	1	1	1	4	4	4	7
<b>Tax Administration:</b>										
Tax Assessor/Collector	17	14	14	17	12	14	14	14	14	14
<b>Total:</b>	<u>251</u>	<u>259</u>	<u>268</u>	<u>273</u>	<u>250</u>	<u>258</u>	<u>270</u>	<u>270</u>	<u>273</u>	<u>284</u>

Source: Polk County Human Resources ( Based on Full-Time Status)

\*Previously named Data Processing

\*\*FY2016 separated these functions from Emergency Management.

\*\*\*FY2019 Newly created departments

# POLK COUNTY, TEXAS

## OPERATING INDICATORS BY FUNCTION

Last Ten Years

	Fiscal Year			
	2010	2011*	2012	2013
<b><u>County Court</u></b>				
<b>Civil Cases</b>				
Pending Beginning of Year	3,212	1,051	1,305	1,472
Docket Adjust	(435)	-	(16)	(31)
Added	1,306	743	723	813
Disposed	(1,051)	(490)	(540)	(576)
Pending End of Year	3,032	1,305	1,472	1,678
<b>Criminal Cases</b>				
Pending Beginning of Year	2,669	2,560	2,856	3,120
Docket Adjust	(9)	(1)	(8)	(15)
Added	1,002	1,276	1,243	874
Disposed	(1,079)	(979)	(971)	(837)
Pending End of Year	2,583	2,856	3,120	3,142
<b><u>District Court</u></b>				
<b>Civil Cases</b>				
Pending Beginning of Year	784	803	862	860
Docket Adjust	(3)	(2)	(50)	(35)
Added	324	330	1,021	304
Disposed	(227)	(269)	(973)	(240)
Pending End of Year	878	862	860	889
<b>Criminal Cases</b>				
Pending Beginning of Year	823	778	1,198	1,639
Docket Adjust	(15)	(3)	(14)	(48)
Added	847	1,187	1,256	967
Disposed	(848)	(764)	(801)	(997)
Pending End of Year	807	1,198	1,639	1,561
<b><u>Justice of the Peace Courts</u></b>				
<b>Cases Filed</b>				
Traffic	4,772	4,922	5,833	4,290
Nontraffic	1,961	1,828	2,962	2,913
Small Claims Suits	68	73	38	44
Forcible Entry and Detainer	130	106	128	106
Other Civil Suits	174	209	292	238
<b>Cases Disposed</b>				
Traffic	4,837	4,240	4,798	3,780
Nontraffic	1,903	1,971	2,382	2,373
Small Claims Suits	123	61	42	33
Forcible Entry and Detainer	111	101	113	95
Other Civil Suits	212	145	233	200
<b>Cases Appealed</b>				
Traffic	18	15	16	12
Nontraffic	5	9	26	2
Small Claims Suits	2	-	2	-
Forcible Entry and Detainer	2	1	5	-
Other Civil Suits	1	-	-	-
<b>Miscellaneous</b>				
Examining Trials	1	4	-	-
Inquests	178	212	209	215

Source: Texas Courts Online (Office of Court Administration)

\*FY11 had reporting changes

Fiscal Year					
2014	2015	2016	2017	2018	2019
1,678	1,734	1,724	2,504	2,461	2414
46	-	-	(18)	(67)	(37)
789	707	988	860	855	864
(779)	(673)	(875)	(871)	(835)	(903)
1,734	1,724	2,504	2,461	2,414	2338
3,142	3,180	2,294	2,555	1,873	1692
(6)	-	-	1	(41)	994
1,145	994	984	1,078	734	606
(1,101)	(957)	(501)	(446)	(874)	(204)
3,180	2,294	2,555	1,873	1,692	3088
889	956	707	679	776	761
-	-	-	(7)	-	(53)
334	272	357	428	327	390
(267)	(227)	(383)	(321)	(342)	(349)
956	707	679	776	761	749
1,561	1,687	918	639	832	637
-	-	-	(9)	(338)	(21)
919	704	871	688	998	830
(793)	(513)	(941)	(1,032)	(855)	(892)
1,687	918	639	832	637	554
4,162	4,837	3,172	4,447	6,101	5541
2,507	2,100	1,892	1,217	1,724	2053
168	155	277	130	131	179
165	179	72	207	179	204
195	281	120	387	487	533
3,658	2,922	2,682	2,837	4,246	3565
2,007	1,545	1,257	984	1,264	1241
170	182	173	122	97	175
147	188	210	178	173	199
101	208	272	266	395	508
10	10	4	5	5	17
5	-	3	-	1	1
-	-	3	-	1	4
1	2	80	5	5	-
-	-	-	-	-	-
1	-	-	-	-	8
243	312	299	307	334	347

**POLK COUNTY, TEXAS**  
**CAPITAL ASSET STATISTICS BY FUNCTION**  
 Last Ten Years

Function/Program	Fiscal Year			
	2010	2011	2012	2013
<b><u>General Government</u></b>				
Commissioners' Court	4	1	1	2
County Clerk	15	4	4	6
Veterans Service	1	-	-	-
General Operations	40	41	54	69
District Clerk	3	1	1	2
JP Precinct 1	-	-	-	-
JP Precinct 2	-	-	1	1
JP Precinct 4	-	-	-	-
Judicial	4	4	5	5
District Attorney	6	6	7	6
County Auditor	4	2	2	2
County Treasurer	3	2	2	2
Tax Assessor/Collector	4	3	3	3
Delinquent Tax Collection	1	1	1	-
Data Processing	13	13	13	14
Maintenance/Engineering	37	36	34	30
Jail	17	9	8	13
Constable Precinct 1	1	1	1	1
Constable Precinct 2	1	1	1	2
Constable Precinct 3	1	1	1	1
Constable Precinct 4	1	1	1	1
Sheriff's Department	79	77	80	88
Social Services	4	3	3	2
Extension	1	1	1	1
Emergency Management	14	11	11	12
Environmental Enforcement	2	2	2	3
<b><u>Road and Bridge</u></b>				
Road and Bridge Precinct 1	49	46	46	40
Road and Bridge Precinct 2	40	39	38	39
Road and Bridge Precinct 3	80	77	78	83
Road and Bridge Precinct 4	67	66	66	66
<b><u>Security</u></b>				
Security Department	1	1	1	1
<b><u>Historical Commission</u></b>				
Historical	2	2	2	2
<b><u>Waste Management</u></b>				
Waste Management	35	35	35	34
<b><u>Aging</u></b>				
Aging Services	9	8	9	11

Source: County Inventory Reports

<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
2	2	2	2	2	2
6	7	7	7	7	7
-	-	-	-	-	-
46	44	48	51	48	50
2	2	2	2	2	2
-	-	1	1	1	1
1	1	-	-	-	-
-	-	5	-	5	5
5	5	6	5	6	6
6	6	2	6	2	2
2	2	2	2	2	2
2	2	3	2	3	3
3	4	1	3	1	1
-	-	-	-	-	-
14	13	13	16	13	14
33	32	32	33	32	33
14	14	13	14	13	13
1	2	2	2	2	2
2	3	3	4	3	3
2	2	2	2	2	2
1	1	1	1	1	1
96	93	91	92	91	93
3	3	3	3	3	3
1	1	21	1	21	22
13	14	14	14	14	14
-	3	3	3	3	3
40	41	42	44	42	43
41	41	42	42	42	41
83	82	83	83	83	84
67	68	68	69	68	70
1	1	1	1	1	1
2	2	2	2	2	2
35	35	35	34	35	35
10	10	10	11	10	10



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