

HARRISON COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020**

HARRISON COUNTY, TEXAS

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge
and County Commissioners
Harrison 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 Harrison County, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise of Harrison County, Texas' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

OFFICE LOCATIONS

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Harrison County, Texas, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Road and Bridge Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate 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 Harrison County, Texas' basic financial statements. The combining nonmajor fund financial statements and schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2021, on our consideration of the of Harrison County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering of Harrison County, Texas' internal control over financial reporting and compliance.

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

Waco, Texas
June 22, 2021

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

Management's Discussion and Analysis

As Management of Harrison County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2020. This information is not intended to be a complete statement of the County's financial condition. We recommend and encourage readers to consider the information presented here in conjunction with the accompanying financial statements and disclosures.

FINANCIAL HIGHLIGHTS

- The County's net position, as indicated in the government-wide financial statements, is \$18,337,578. This is an increase of \$4,517,375 or 32.7% compared to the prior year. The increase was primarily caused by an increase in property tax revenues and a reduction in pension expense.
- Total net position are comprised of: 1) net investment in capital assets, of \$18,089,473, including property and equipment, net of accumulated depreciation; 2) amounts restricted by debt covenants, grantors, or statute of \$2,474,504; and 3) the County's unrestricted net position at year-end, which is a deficit balance of \$2,226,399
- Total governmental long-term debt of the County increased by \$592,049 due to the issuance of capital leases in the current year.
- The unassigned fund balance in the General Fund, as shown in the fund financial statements, is \$8,824,531 or 43.0% of General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The *Statement of Net Position* and the *Statement of Activities* provide information about the activities of the County as a whole and present a long-term view of the County's finances. For governmental activities, these statements show how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also compare actual revenue collection and expenditures to budget. Notes to the financial statements are included to provide additional financial information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the County's assets, deferred outflows/inflows of resources and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. This statement combines and consolidates governmental fund current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the County's property tax base and the condition of the County's assets.

The Statement of Activities presents information showing how the County's net position changed during the fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but not used compensated absences). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in prior reporting models.

Fund Financial Statements

Funds are established to account for money designated for specific purposes by the Commissioners' Court or by grantors such as the State of Texas. The fund financial statements differ from the government-wide statements in that they focus on significant funds rather than the County as a whole. Major funds are presented separately. The basic funds are classified by type and each type used by the County is described in the following paragraphs:

- **Governmental funds** – Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting that measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information shows the amount of financial resources available in the near future to finance County programs.

In addition to the major governmental funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances, budgetary comparison statements are included for the General Fund and major Special Revenue Funds. These schedules compare actual revenue and expenditures with adopted and amended budgets.

- **Proprietary funds** – When the County charges customers for the full cost of the services provided to County units or to outside third parties, the services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The County uses Internal Service Funds (the other component of proprietary funds) to report activities that provide supplies and services for the County's other programs and activities. The County has one Internal Service Fund that reports the activities of the County's self-funded health insurance program.

Notes to the Financial Statements

The notes, presented immediately following the basic financial statements, provide additional information to facilitate the understanding of the government-wide and fund financial statements. The notes explain accounting policies and disclose additional information concerning capital assets, long-term liabilities and the County's retirement plan.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County as a Whole

Our analysis of the County as a whole focuses on net position and changes in net position. Under Governmental Accounting Standards Board (GASB) standards, 2003 was the first year in which full accrual entity-wide statements were required. The Statement of Activities reports annual expenses by major function along with the charges for services and grant proceeds available to support each function. This presentation shows the cost of services that must be offset by general revenues such as property taxes.

The Summary of Net Position, shown below, lists assets in the order of liquidity, beginning with cash and ending with capital assets. Current assets include cash and other assets expected to be converted to cash within the next fiscal year. These include amounts due from other governments, receivables net of allowances for doubtful accounts, and prepaid expenditures. For property taxes receivable, the County has historically noted a collection rate of approximately 98.0 percent. Total land, buildings, infrastructure, equipment, and improvements are \$21,028,267. This amount is net of accumulated depreciation of \$28,163,612. Capital asset balances have continued to decrease as depreciation accumulates in excess of new purchases. Because these decreases represent the continued use of limited-life assets, future outlays will be necessary to replace assets as they are retired.

Liabilities are reported by current (payable in one year) and long-term classifications. Current liabilities include accounts payable, wages payable, and the portion of long-term liabilities due within the next year. Net position at year-end are \$18,337,578; a total of \$2,474,504 is restricted for specific purposes, as required by state law or grantor requirements; \$18,089,473 represents the County's net investment in capital assets, and \$2,226,399 is a deficit of unrestricted net position that is available for funding general operations. Unrestricted net position increased by \$7,513,326, total assets increased \$8,898,278, and total net position increased by \$4,517,375. The County also has deferred outflows in the amount of \$2,174,194 and deferred inflows in the amount of \$4,002,420, both of which are exclusively related to pensions and OPEB.

HARRISON COUNTY'S NET POSITION

	Governmental Activities	
	2020	2019
Current and other assets	\$ 21,405,004	\$ 17,898,357
Capital assets	<u>21,028,267</u>	<u>20,741,637</u>
Total assets	<u>42,433,271</u>	<u>38,639,994</u>
Deferred outflows of resources	<u>2,174,194</u>	<u>5,768,805</u>
Current liabilities	1,699,212	2,489,127
Noncurrent liabilities	<u>20,568,255</u>	<u>25,324,668</u>
Total liabilities	<u>22,267,467</u>	<u>27,813,795</u>
Deferred inflows of resources	<u>4,002,420</u>	<u>2,774,801</u>
Net position:		
Net investment in capital assets	18,089,473	18,394,892
Restricted	2,474,504	2,574,290
Unrestricted	<u>(2,226,399)</u>	<u>(7,148,979)</u>
Total net position	<u>\$ 18,337,578</u>	<u>\$ 13,820,203</u>

Revenues and expenses can be generally categorized by the function performing the activity. General revenues are available to cover the expenses of activities that do not generate sufficient program revenues. Total revenue for governmental activities was \$32,308,034. Total governmental expenses were \$27,790,659 resulting in an increase in net position of \$4,517,375. More details about the decrease are discussed in the Financial Analysis of the County Funds.

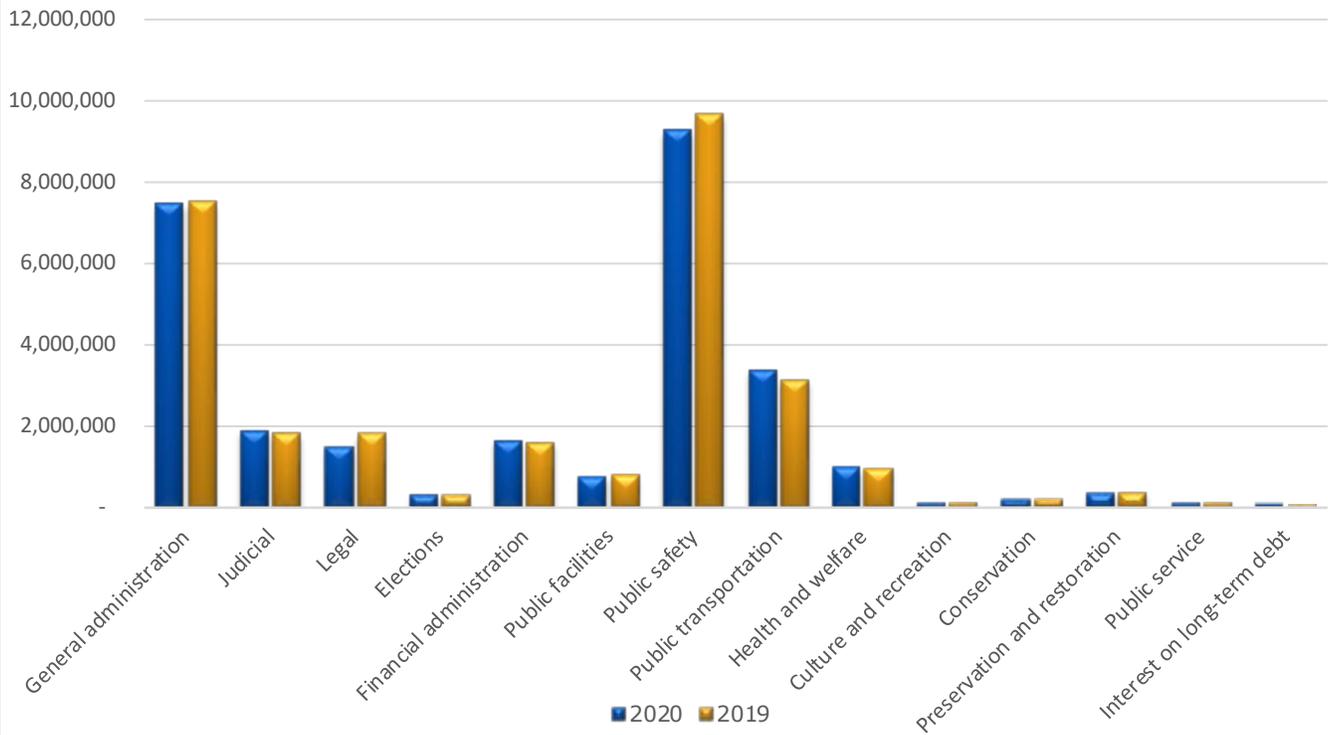
HARRISON COUNTY'S CHANGES IN NET POSITION

	Governmental Activities	
	2020	2019
Revenues:		
Program revenues:		
Charges for services	\$ 5,015,475	\$ 5,976,838
Operating grants and contributions	2,642,314	1,022,477
Capital grants and contributions	62,462	-
General revenues:		
Property taxes	23,788,466	22,166,568
Investment earnings	366,821	394,420
Gain on sale of assets	58,807	64,269
Miscellaneous	373,689	444,064
Total revenues	32,308,034	30,068,636
Expenses:		
General administration	7,442,462	8,224,550
Judicial	1,864,319	1,907,875
Legal	1,434,026	1,716,124
Elections	307,430	242,041
Financial administration	1,618,300	1,649,573
Public facilities	746,097	706,391
Public safety	9,269,847	9,946,180
Public transportation	3,366,670	2,967,126
Health and welfare	955,688	1,008,268
Culture and recreation	110,037	107,834
Conservation	165,583	175,182
Preservation and restoration	337,500	281,170
Public service	104,925	99,950
Interest on long-term debt	67,775	45,914
Total expenses	27,790,659	29,078,178
Change in net position	4,517,375	990,458
Net position - beginning	13,820,203	11,263,487
Prior period adjustment	-	1,566,258
Net position - ending	\$ 18,337,578	\$ 13,820,203

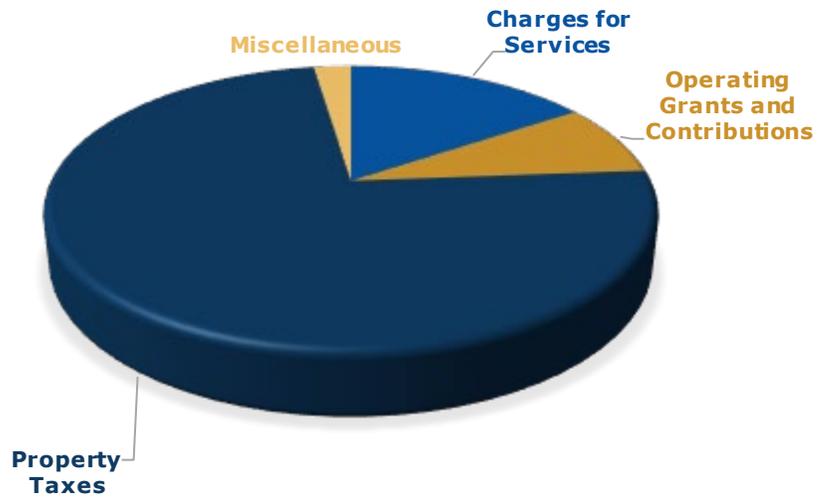
Revenues and expenses for governmental activities are compared below showing the relation between the cost of services and the revenue generated from users of the service. This table also shows how much general revenue (property taxes) and grants are needed to provide each service. Over the last several years, the County has seen property tax collections at 98.0% expected collection rate with revenue being flat or slightly lower over the past several years. The service provided by the courts' and clerks' offices in the County are funded partially by revenue generated by fines and fees assessed by the courts. The County operates a collection department that focuses on maximizing the collection of the fines and fees that are assessed by the courts.

The County showed decreases (approximately \$950 thousand in total) in most expense functions during fiscal year 2020, primarily due to a decrease in pension expense compared to the prior year. The County budgeted conservatively for current-year expenditures, and the largest increase (salaries) was significantly less than the savings from lower pension expense.

Expenses - Governmental Activities



REVENUE BY SOURCE FY20



HARRISON COUNTY'S GOVERNMENTAL ACTIVITIES

	Charges for Services 2020	% of Total	Functional Expenses 2020	Percent of Total	Funded by Other Revenues	
					Amount	Percent
General administration	\$ 1,996,107	6.2%	\$ 7,442,462	26.8%	\$(5,446,355)	(73.2%)
Judicial	1,071,744	3.3%	1,864,319	6.7%	(792,575)	(42.5%)
Legal	11,576	0.0%	1,434,026	5.2%	(1,422,450)	(99.2%)
Elections	1,900	0.0%	307,430	1.1%	(305,530)	(99.4%)
Financial administration	1,011,145	3.1%	1,618,300	5.8%	(607,155)	(37.5%)
Public facilities	-	-	746,097	2.7%	(746,097)	(100.0%)
Public safety	696,146	2.2%	9,269,847	33.4%	(8,573,701)	(92.5%)
Public transportation	226,857	0.7%	3,366,670	12.1%	(3,139,813)	(93.3%)
Health and welfare	-	-	955,688	3.4%	(955,688)	(100.0%)
Culture and recreation	-	-	110,037	0.4%	(110,037)	(100.0%)
Conservation	-	-	165,583	0.6%	(165,583)	(100.0%)
Preservation and restoration	-	-	337,500	1.2%	(337,500)	(100.0%)
Public service	-	-	104,925	0.4%	(104,925)	(100.0%)
Interest on long-term debt	-	-	67,775	0.2%	(67,775)	(100.0%)
Total	5,015,475	15.5%	\$ 27,790,659	100.0%	(22,775,184)	
OPERATING GRANTS AND CONTRIBUTIONS	2,642,314	8.2%			2,642,314	
CAPITAL GRANTS AND CONTRIBUTIONS	62,462	0.2%			62,462	
GENERAL REVENUES	<u>24,587,783</u>	<u>76.1%</u>			<u>24,587,783</u>	
TOTAL REVENUES	\$ <u>32,308,034</u>	<u>100.0%</u>				
CHANGE IN NET POSITION					<u>\$ 4,517,375</u>	

Capital Assets and Debt Administration

Capital Assets – Net capital assets increased by approximately \$286,630 primarily due to the acquisition of leased vehicles in the amount of \$1.6 million. Conversely, the County also disposed of aging fleet vehicles with an original cost of approximately \$1 million.

HARRISON COUNTY'S CAPITAL ASSETS AT YEAR-END

	Governmental Activities	
	2020	2019
Land, buildings and improvements	\$ 16,253,946	\$ 17,053,475
Autos and trucks	2,257,485	966,782
Heavy equipment	1,546,411	1,585,209
Other equipment, furniture and fixtures	306,944	276,140
Infrastructure	<u>663,481</u>	<u>860,031</u>
Total capital assets, net	\$ <u>21,028,267</u>	\$ <u>20,741,637</u>

Outstanding Debt

The table below reports the outstanding balances of debt for 2020 and 2019 for governmental activities. The County's balance in general obligation debt and notes payable increased from prior year due to the issuance of approximately \$1.2 million of capital leases for County vehicles. Detailed information concerning the County's long-term debt is available in the notes to the financial statements.

HARRISON COUNTY'S LONG-TERM DEBT AT YEAR-END

	Governmental Activities	
	2020	2019
General obligation debt	\$ 1,230,000	\$ 1,640,000
Notes and capital leases payable	1,649,026	646,977
Compensated absences	<u>1,423,507</u>	<u>1,458,194</u>
Total long-term debt	<u>\$ 4,302,533</u>	<u>\$ 3,745,171</u>

FINANCIAL ANALYSIS OF THE COUNTY FUNDS

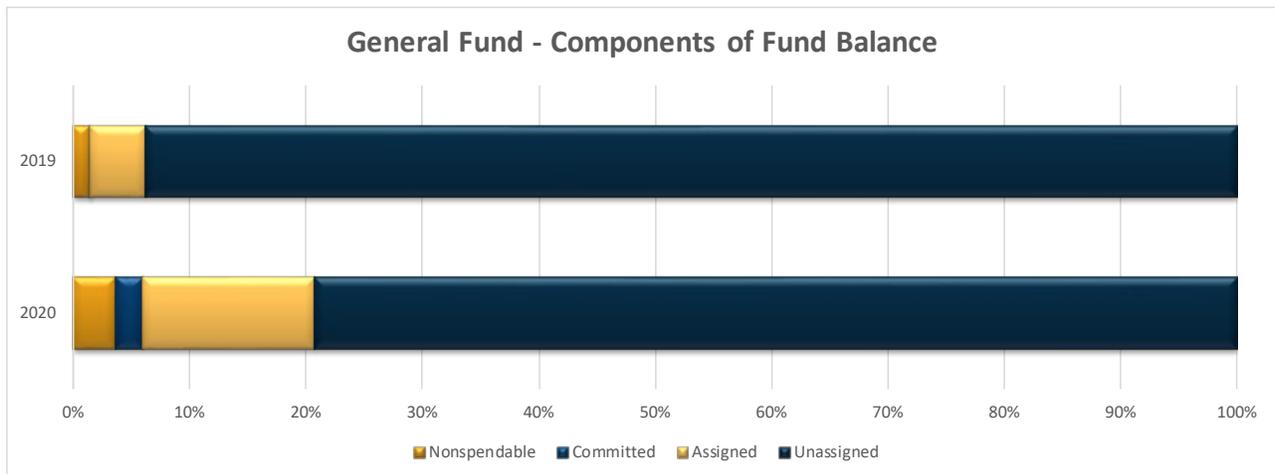
Governmental Funds

The governmental fund statements include the General Fund and Road and Bridge Fund which comprise the County's major funds and all other governmental funds combined. These statements focus on short-term transactions and the impact they have on financial resources for future financial requirements. The total fund balances at year-end for all governmental funds are \$16,409,700, an increase of \$2,866,743 from the prior year. This represented a 21.2% increase in total fund balances. This increase was mainly in the General Fund, due to increase in property tax revenues.

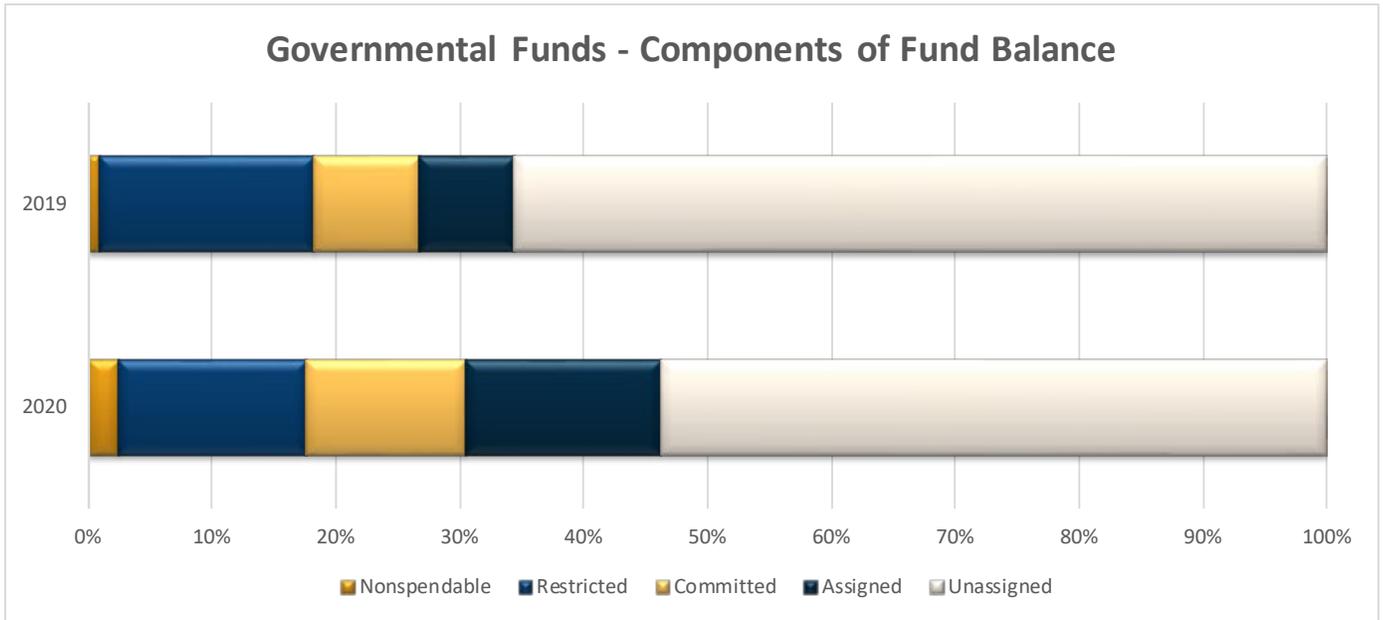
The General Fund is the primary day-to-day operating fund that finances services such as the courts and law enforcement. Approximately 84.5% of the revenue to support these services is generated by ad valorem taxes. General Fund operations resulted in an increase in fund balance of \$2,540,114. The ending fund balance of \$11,139,533 is in the acceptable level that the County Commissioners' Court would like to have, and steps will continue to be in place in order to maintain an acceptable General Fund balance to sustain County operations for a 90 - 120-day period. This represents an increase of 29.5% over prior year's fund balance, primarily caused by an increase in property tax revenue.

The Road and Bridge Fund is reported as a major governmental fund, because it represents a material percentage of the total revenue and expenditures of all governmental funds. The result of operations was an decrease in fund balance of \$247,019. The decrease was caused by continued maintenance costs on County infrastructure.

All other governmental funds are combined to form the nonmajor governmental fund category. Combined fund balances increased by \$573,648.



Governmental Funds - Components of Fund Balance



Proprietary Fund

As stated previously, the County’s proprietary fund statements report the activities of the County’s self-funded health insurance plan. The plan provides health and life insurance for all full-time and retired County employees and their dependents that qualify. The plan’s fund balance increased from increased charges to other County funds, due to the amount of money needed to cover claims with a slight increase in the fixed costs related to the administration of the plan.

Budgetary Highlights

Budgetary statements of revenues, expenditures, and changes in fund balance for the General Fund and Road and Bridge Fund report the budget and the actual amounts for each category. The variance is the difference between actual and the final budget. The County’s Commissioners’ Court, prior to the beginning of the fiscal year, adopted the original budget and the Court approves amendments to the budget during the year.

The original General Fund budget planned for revenues to exceed expenditures by \$664,338. Amendments made throughout the year were designed to account for both expected changes in revenue and the changes in expenditures made as a result. During the current year, the original General Fund expenditure budget was increased by \$1,199,672.

The original Road and Bridge Fund budget planned for expenditures to exceed revenues by \$302,673. However, actual expenditures were \$357,013 less than what was budgeted.

BUDGET FOR 2020 – 2021 AND LATER

For the FY 2021, the County adopted a property tax rate of \$.3548 per hundred dollars of taxable value, which equals the prior year tax rate. Harrison County must adopt a balanced budget worst case or a budget that will allow for increases in the surplus best case.

The County has three lease-purchase programs in which the County sells back old motorgraders, dump trucks and vehicles then acquires new ones. The lease program for the motorgraders occurs every three years and is ongoing capital management program. The lease program for the dump trucks is a thirteen-month lease. The lease program for the vehicles is a four-year lease program. Except for these recurring lease-purchases, the County has not issued any new debt and continues to pay down current debt.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to:

Becky Haynes
County Auditor
Harrison County Courthouse
200 W. Houston, Room 326
Marshall, Texas 75670
(903) 935-8405

**BASIC
FINANCIAL STATEMENTS**

HARRISON COUNTY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

	Primary Government Governmental Activities	Component Unit Industrial Development Authority
ASSETS		
Cash and cash equivalents	\$ 16,940,320	395,863
Investments	-	2,219,610
Receivables, net:		
Property taxes	1,618,955	-
Accounts receivable	252,461	-
Due from other governments	1,661,801	-
Due from agency funds	522,888	-
Prepaid items	408,579	-
Capital assets:		
Land, buildings and improvements	26,339,443	-
Autos and trucks	5,419,969	-
Heavy equipment	4,513,423	-
Other equipment, furniture and fixtures	1,359,828	-
Infrastructure	11,559,216	-
Accumulated depreciation	(28,163,612)	-
Total capital assets	21,028,267	-
Total assets	42,433,271	2,615,473
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	1,187,315	-
Deferred outflows related to OPEB	986,879	-
Total deferred outflows of resources	2,174,194	-
LIABILITIES		
Accounts payable	851,565	-
Accrued wages payable	539,713	-
Accrued interest payable	20,636	-
Unearned revenue	287,298	-
Noncurrent liabilities:		
Due within one year:		
Long-term Debt	1,100,359	-
Net OPEB liability	776,239	-
Due in more than one year		
Long-term Debt	3,202,174	-
Net Pension liability	2,114,933	-
Net OPEB liability	13,374,550	-
Total liabilities	22,267,467	-
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	2,418,809	-
Deferred inflows related to OPEB	1,583,611	-
Total deferred inflows of resources	4,002,420	-
NET POSITION		
Net investment in capital assets	18,089,473	-
Restricted for:		
Debt service	506,570	-
Capital projects	54,415	-
Special purposes	1,913,519	-
Unrestricted	(2,226,399)	2,615,473
Total net position	\$ 18,337,578	2,615,473

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

HARRISON COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Program Revenues				Changes Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Governmental	Unit
					Governmental	Industrial
					Activities	Development
						Authority
PRIMARY GOVERNMENT						
General administration	\$ 7,442,462	\$ 1,996,107	\$ 10,784	\$ -	\$(5,435,571)	\$ -
Judicial	1,864,319	1,071,744	29,673	-	(762,902)	-
Legal	1,434,026	11,576	119,474	-	(1,302,976)	-
Elections	307,430	1,900	5,703	12,462	(287,365)	-
Financial administration	1,618,300	1,011,145	-	-	(607,155)	-
Public facilities	746,097	-	-	-	(746,097)	-
Public safety	9,269,847	696,146	2,301,674	50,000	(6,222,027)	-
Public transportation	3,366,670	226,857	112,935	-	(3,026,878)	-
Health and welfare	955,688	-	33,176	-	(922,512)	-
Culture and recreation	110,037	-	-	-	(110,037)	-
Conservation	165,583	-	8,133	-	(157,450)	-
Preservation and restoration	337,500	-	-	-	(337,500)	-
Public service	104,925	-	20,762	-	(84,163)	-
Interest and other charges	67,775	-	-	-	(67,775)	-
Total primary government governmental activities	<u>27,790,659</u>	<u>5,015,475</u>	<u>2,642,314</u>	<u>\$ 62,462</u>	<u>(20,070,408)</u>	<u>-</u>
COMPONENT UNIT						
Industrial Development Authority	\$ <u>32,694</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	<u>-</u>	<u>(32,694)</u>
General revenues:						
Property taxes					23,766,674	-
Miscellaneous taxes					21,792	-
Investment earnings					366,821	195,099
Gain on sale of assets					58,807	-
Miscellaneous					<u>373,689</u>	<u>-</u>
Total general revenues					<u>24,587,783</u>	<u>195,099</u>
Change in net position					4,517,375	162,405
Net position, beginning					<u>13,820,203</u>	<u>2,453,068</u>
Net position, ending					<u>\$ 18,337,578</u>	<u>\$ 2,615,473</u>

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

HARRISON COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2020

	General	Road and Bridge	Other Governmental	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 11,364,572	\$ 871,818	\$ 4,404,361	\$ 16,640,751
Receivables, net				
Property taxes	1,618,955	-	-	1,618,955
Accounts receivable	217,784	1,180	2,639	221,603
Due from other governments	1,516,060	46,803	98,938	1,661,801
Due from other funds	294,089	198,361	105,198	597,648
Prepaid items	408,472	-	107	408,579
Total assets	<u>15,419,932</u>	<u>1,118,162</u>	<u>4,611,243</u>	<u>21,149,337</u>
LIABILITIES				
Accounts payable	434,780	105,771	70,732	611,283
Accrued wages payable	401,691	81,267	56,755	539,713
Unearned revenue	142,585	-	144,713	287,298
Due to other funds	74,760	-	-	74,760
Total liabilities	<u>1,053,816</u>	<u>187,038</u>	<u>272,200</u>	<u>1,513,054</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	1,582,360	-	-	1,582,360
Unavailable revenue-court fines	200,319	-	-	200,319
Unavailable revenue-grants	1,443,904	-	-	1,443,904
Total deferred inflows of resources	<u>3,226,583</u>	<u>-</u>	<u>-</u>	<u>3,226,583</u>
FUND BALANCES				
Nonspendable - prepaid items	408,472	-	107	408,579
Restricted				
Debt service	-	-	520,942	520,942
Capital projects	-	-	54,415	54,415
Bail bond services	-	-	225,718	225,718
Airport maintenance	-	-	255,342	255,342
Court technology and security	-	-	447,829	447,829
VIT escrow	-	-	133,097	133,097
Law library	-	-	67,977	67,977
Grants	-	-	90,128	90,128
District Attorney services	-	-	206,207	206,207
Records management and preservation	-	-	127,998	127,998
Other	-	-	359,223	359,223
Committed for:				
Jury services	-	-	82,456	82,456
Records management	-	-	847,584	847,584
Juvenile services	-	-	920,020	920,020
Construction	250,000	-	-	250,000
Assigned for:				
Subsequent year's budget:				
appropriation of fund balance	1,607,049	-	-	1,607,049
Road and bridge maintenance	-	931,124	-	931,124
Capital murder defense	49,481	-	-	49,481
Unassigned	8,824,531	-	-	8,824,531
Total fund balances	<u>11,139,533</u>	<u>931,124</u>	<u>4,339,043</u>	<u>16,409,700</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,419,932</u>	<u>\$ 1,118,162</u>	<u>\$ 4,611,243</u>	<u>\$ 21,149,337</u>

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

HARRISON COUNTY, TEXAS

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

SEPTEMBER 30, 2020

Total fund balances of governmental funds	\$ 16,409,700
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	21,028,267
The Internal Service Fund is used to charge the costs of health insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	90,145
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Property taxes receivable, net of allowance for uncollectible amounts	1,582,360
Court fines receivable, net of allowance for uncollectible amounts	200,319
Federal grants	1,443,904
Long-term liabilities, including bonds payable, the net pension liability, and the net OPEB liability, are not due and payable in the current period and therefore not reported in the funds.	
Bonds payable	(1,230,000)
Compensated absences	(1,423,507)
Interest payable	(20,636)
Notes and capital leases payable	(1,649,026)
Net pension Liability	(2,114,933)
Deferred resources related to pensions	(1,231,494)
Net OPEB Liability	(14,150,789)
Deferred resources related to OPEB	(596,732)
Net position of governmental activities	\$ <u>18,337,578</u>

HARRISON COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General	Road and Bridge	Other Governmental	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 18,675,978	\$ 3,078,656	\$ 2,119,261	\$ 23,873,895
Miscellaneous taxes	21,792	-	-	21,792
Licenses and permits	99,530	1,015,114	570	1,115,214
Fines and forfeitures	13,554	710,346	3,882	727,782
Intergovernmental	371,138	112,935	470,337	954,410
Charges for services	2,282,838	126,977	1,079,451	3,489,266
Investment earnings	287,830	31,335	45,832	364,997
Miscellaneous	358,658	1,126	13,905	373,689
Total revenues	<u>22,111,318</u>	<u>5,076,489</u>	<u>3,733,238</u>	<u>30,921,045</u>
EXPENDITURES				
Current expenditures:				
General administration	4,428,626	2,485,964	1,005,120	7,919,710
Judicial	1,544,467	-	368,489	1,912,956
Legal	1,383,493	-	61,478	1,444,971
Elections	290,526	-	14,604	305,130
Financial administration	1,637,462	-	-	1,637,462
Public facilities	757,756	-	-	757,756
Public transportation	-	2,836,684	30,162	2,866,846
Public safety	8,144,288	-	1,229,413	9,373,701
Health and welfare	964,966	-	-	964,966
Culture and recreation	98,802	-	-	98,802
Conservation	162,685	-	-	162,685
Public service	104,925	-	-	104,925
Capital outlay	928,196	196,272	28,512	1,152,980
Debt service:				
Principal	43,842	26,772	473,497	544,111
Interest and other charges	10,820	2,756	39,827	53,403
Total expenditures	<u>20,500,854</u>	<u>5,548,448</u>	<u>3,251,102</u>	<u>29,300,404</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,610,464</u>	<u>(471,959)</u>	<u>482,136</u>	<u>1,620,641</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	65,900	-	-	65,900
Capital lease issued	911,376	196,272	28,512	1,136,160
Sale of capital assets	12,374	28,668	3,000	44,042
Transfers in	-	-	60,000	60,000
Transfers out	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>(60,000)</u>
Total other financing sources (uses)	<u>929,650</u>	<u>224,940</u>	<u>91,512</u>	<u>1,246,102</u>
NET CHANGE IN FUND BALANCES	2,540,114	(247,019)	573,648	2,866,743
FUND BALANCES, BEGINNING	<u>8,599,419</u>	<u>1,178,143</u>	<u>3,765,395</u>	<u>13,542,957</u>
FUND BALANCES, ENDING	<u>\$ 11,139,533</u>	<u>\$ 931,124</u>	<u>\$ 4,339,043</u>	<u>\$ 16,409,700</u>

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

HARRISON COUNTY, TEXAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balances - total governmental funds \$ 2,866,743

Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current year.

Capital outlay	\$ 2,037,923	
Depreciation expense	<u>(1,700,158)</u>	337,765

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position. 544,111

The issuance of debt has no effect on the governmental funds. (1,136,160)

Revenues in the statement of activities that do not provide current financial resources and are not reported as revenue in the funds.

Property taxes	(107,221)
Court fines and fees	(10,325)
Grants	1,443,904

Interest expense on long-term debt and contractual obligations is not accrued in the governmental funds. (14,372)

The net effect of various sales and disposals of capital assets is to decrease net position. (51,135)

The change in accrued compensated absences reported in the statement of activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the funds. 34,687

Pension and OPEB expenses are not recognized as an expense in governmental funds since they do not require the use of current financial resources. The net effect of the current year's expenses are to decrease net position. 491,545

The Internal Service Fund is used to charge the costs of health insurance to individual funds. The net revenue (expense) of the activity of the Internal Service Fund is reported with governmental activities. 117,833

Changes in net position of governmental activities \$ 4,517,375

HARRISON COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 18,361,421	\$ 18,361,421	\$ 18,675,978	\$ 314,557
Miscellaneous taxes	30,000	30,000	21,792	(8,208)
Licenses, permits and fees	68,000	68,000	99,530	31,530
Intergovernmental	158,600	158,600	371,138	212,538
Fines and forfeitures	28,375	28,375	13,554	(14,821)
Charges for services	1,909,650	1,909,650	2,282,838	373,188
Investment earnings	301,012	301,012	287,830	(13,182)
Miscellaneous	244,010	281,513	358,658	77,145
Total revenues	<u>21,101,068</u>	<u>21,138,571</u>	<u>22,111,318</u>	<u>972,747</u>
EXPENDITURES				
Current:				
General administration	4,874,085	4,950,056	4,428,626	521,430
Judicial	1,612,486	1,615,580	1,544,467	71,113
Legal	1,813,736	1,815,112	1,383,493	431,619
Elections	310,021	311,902	290,526	21,376
Financial administration	1,690,477	1,687,921	1,637,462	50,459
Public facilities	833,508	838,191	757,756	80,435
Public safety	8,123,194	8,575,707	8,144,288	431,419
Health and welfare	1,864,236	1,739,479	964,966	774,513
Culture and recreation	100,541	100,541	98,802	1,739
Conservation	183,434	183,438	162,685	20,753
Public service	106,200	109,925	104,925	5,000
Capital outlay	253,488	982,564	928,196	54,368
Debt service:				
Principal	-	43,842	43,842	-
Interest and other charges	-	10,820	10,820	-
Total expenditures	<u>21,765,406</u>	<u>22,965,078</u>	<u>20,500,854</u>	<u>2,464,224</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(664,338)</u>	<u>(1,826,507)</u>	<u>1,610,464</u>	<u>3,436,971</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	40,000	40,000	65,900	25,900
Capital lease issued	-	898,169	911,376	13,207
Sale of capital assets	2,000	2,000	12,374	10,374
Transfers in	200,000	-	-	-
Transfers out	(60,000)	(360,000)	(60,000)	300,000
Total other financing sources (uses)	<u>182,000</u>	<u>580,169</u>	<u>929,650</u>	<u>349,481</u>
NET CHANGE IN FUND BALANCES	<u>(482,338)</u>	<u>(1,246,338)</u>	<u>2,540,114</u>	<u>3,786,452</u>
FUND BALANCES, BEGINNING	<u>8,599,419</u>	<u>8,599,419</u>	<u>8,599,419</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 8,117,081</u>	<u>\$ 7,353,081</u>	<u>\$ 11,139,533</u>	<u>\$ 3,786,452</u>

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

HARRISON COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Road and Bridge Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 3,028,156	\$ 3,028,156	\$ 3,078,656	\$ 50,500
Licenses, permits and fees	1,007,100	1,007,100	1,015,114	8,014
Fines and forfeitures	880,000	880,000	710,346	(169,654)
Intergovernmental	83,000	83,000	112,935	29,935
Charges for services	170,000	170,000	126,977	(43,023)
Investment earnings	16,000	16,000	31,335	15,335
Miscellaneous	2,000	2,000	1,126	(874)
Total revenues	<u>5,186,256</u>	<u>5,186,256</u>	<u>5,076,489</u>	<u>(109,767)</u>
EXPENDITURES				
General administration	2,654,114	2,653,049	2,485,964	167,085
Public transportation	2,694,815	2,930,583	2,836,684	93,899
Capital Outlay	140,000	292,301	196,272	96,029
Debt Service				
Principal	-	26,772	26,772	-
Interest and other charges	-	2,756	2,756	-
Total expenditures	<u>5,488,929</u>	<u>5,905,461</u>	<u>5,548,448</u>	<u>357,013</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(302,673)</u>	<u>(719,205)</u>	<u>(471,959)</u>	<u>247,246</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	20,000	20,000	28,668	8,668
Capital lease issued	-	196,272	196,272	-
Total other financing sources (uses)	<u>20,000</u>	<u>216,272</u>	<u>224,940</u>	<u>8,668</u>
NET CHANGE IN FUND BALANCES	<u>(282,673)</u>	<u>(502,933)</u>	<u>(247,019)</u>	<u>255,914</u>
FUND BALANCES, BEGINNING	<u>1,178,143</u>	<u>1,178,143</u>	<u>1,178,143</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 895,470</u>	<u>\$ 675,210</u>	<u>\$ 931,124</u>	<u>\$ 255,914</u>

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

HARRISON COUNTY, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2020

	<u>Governmental Activities Internal Service Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 299,569
Accounts receivable	<u>30,858</u>
Total assets	<u>330,427</u>
LIABILITIES	
Current liabilities:	
Accounts payable	<u>240,282</u>
Total liabilities	<u>240,282</u>
NET POSITION	
Unrestricted	<u>90,145</u>
Total net position	<u>\$ 90,145</u>

HARRISON COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Governmental Activities Internal Service Fund</u>
OPERATING REVENUES	
Charges for services	\$ 3,154,807
Total operating revenues	<u>3,154,807</u>
OPERATING EXPENSES	
Benefit payments	<u>3,038,798</u>
Total operating expenses	<u>3,038,798</u>
OPERATING GAIN (LOSS)	<u>116,009</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	<u>1,824</u>
Total nonoperating revenues (expenses)	<u>1,824</u>
CHANGE IN NET POSITION	117,833
TOTAL NET POSITION, BEGINNING	(27,688)
TOTAL NET POSITION, ENDING	\$ <u>90,145</u>

HARRISON COUNTY, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from premiums and contributions	\$ 3,152,106
Payments for claims	<u>(3,058,887)</u>
Net cash provided by operating activities	<u>93,219</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	<u>1,824</u>
Net cash provided by investing activities	<u>1,824</u>
NET INCREASE IN CASH	95,043
CASH AND CASH EQUIVALENTS, BEGINNING	204,526
CASH AND CASH EQUIVALENTS, ENDING	<u>299,569</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income	116,009
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) decrease in receivables	(2,701)
Increase (decrease) in payables	<u>(20,089)</u>
Total adjustments	<u>(22,790)</u>
Net cash provided by operating activities	\$ <u>93,219</u>

HARRISON COUNTY, TEXAS

STATEMENT OF NET POSITION

FIDUCIARY FUNDS

SEPTEMBER 30, 2020

	<u>Agency Funds</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 7,533,809
Investments	<u>1,287,178</u>
Total assets	<u>8,820,987</u>
LIABILITIES	
Current liabilities:	
Accounts payable	249,173
Due to other governments	1,173,008
Due to other funds	522,888
Unearned revenue	659,611
Court ordered funds	5,068,117
Court ordered trust and prisoner funds	<u>1,148,190</u>
Total liabilities	<u>\$ 8,820,987</u>

HARRISON COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Harrison County, Texas, was organized in 1842. The County operates under a County Judge-Commissioners' Court type of government. The County provides the following services throughout the County: public safety, public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, elections, and general and financial administrative services.

The financial statements of Harrison County, Texas, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County's most significant accounting policies are described below.

A. Reporting Entity

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units for which the County may be financially accountable and, as such, should be included within the County's financial statements. The County is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization, or (2) there is a potential for the organization to provide specific financial burden on the County. Additionally, the County is required to consider other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete.

Discretely Presented Component Unit

The Harrison County Industrial Development Authority, Inc. (the "Authority") is a Texas nonprofit corporation and an industrial development corporation under the Development Corporation Act of 1979. It is managed by a nine-member board appointed by the Commissioners' Court of Harrison County, Texas. The state legislation under which the Authority was established authorizes the Commissioners' Court to remove the board members of the Authority for cause or at will. The Authority's board and the Commissioners' Court are not substantively the same, and the Authority does not provide services entirely, or almost entirely, to the County.

The Authority's fiscal year is the calendar year. The amounts reported under the component unit column of the government-wide financial statements are as of and for the year ended December 31, 2020. Since the Authority's fiscal year ends within the first quarter of the County's subsequent fiscal year, this financial statement presentation is in accordance with GASB Statement No. 14.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the County. All fiduciary activities are reported only in the fund financial statements. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. The primary government, which consists entirely of the governmental activities, is reported separately from the discretely presented component unit for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenue to be available if 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, miscellaneous taxes, and certain fees of office 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 year. 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).

Major funds represent the County's most important funds and are determined based on percentages of assets, liabilities, deferred outflows/inflows of resources, revenues, and expenditures/expenses. Governments may also choose to report other funds as major funds if the fund is particularly important to financial statement users. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section. The County reports the following major governmental funds:

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

The **Road and Bridge Fund** is a Special Revenue Fund used to account for monies restricted or intended for use in the Road and Bridge Department of the County. Primary sources of revenues include property tax revenue, automobile registration fees, County and District Court Clerk fees, and state allotments of road funds. Revenues are used for public transportation, maintenance and construction purposes.

Additionally, the County reports the following governmental fund types:

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The **Debt Service Funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on governmental contractual obligations.

The **Capital Projects Funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. The applicable generally accepted accounting principles are similar to those applied by businesses in the private sector. An Internal Service Fund is a type of proprietary fund used to account for the financing of goods or services provided by an activity to other departments or funds of the County on a cost-reimbursement basis. The County uses an Internal Service Fund to account for payments made by the County and by its employees for health insurance premiums and for the payment of health insurance claims of County employees.

The Internal Service Fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services in connection with the operation of the self-insured health care benefit program.

Fiduciary funds are held for the benefit of a third party or in an agency capacity and cannot be used to address activities or obligations of the government. These funds are not incorporated into the government-wide statements. Within the fiduciary funds, the County only reports the agency fund type. Agency funds have no measurement focus but they utilize the accrual basis of accounting for reporting assets and liabilities.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

Deposits and Investments

The County's cash and cash equivalents include cash on hand, demand deposit accounts, and cash management accounts related to demand deposit accounts. The County's investment policy authorizes the County Treasurer to invest County funds with any or all institutions or groups consistent with federal or state law, Chapter 2256 Texas Government Code, and the current Depository Bank Contract. During the year ended September 30, 2020, the County's investments were with its depository bank, Texas Term and Texas Class. Texas Term and Texas Class are a "public funds investment pools," as defined by the Public Funds Investment Act Section 2256.016-2256.019, and the portfolio normally consists of U. S. treasury bills, treasury notes, other government and non-governmental obligations, collateralized certificates of deposit, and repurchase agreements. Investments for the County are reported at fair value, except for the position in investment pools.

The Harrison County Industrial Development Authority, a discretely presented component unit, is not subject to the Public Funds Investment Act, but is instead governed by the Uniform Prudent Investor Act found in Chapter 117 of the Texas Property Code.

The Authority's investment policy allows for investments in common and preferred stock of U.S. Corporations traded on nationally recognized exchanges, stock and stock index mutual funds, U.S. Treasury and federal agency securities, U.S. corporate debt instruments (bonds, notes, convertible securities, and mutual funds), various international investments limited to 10% of total invested funds, commercial paper issued by corporations with an average credit quality rating of BBB or higher, certificates of deposit insured by the FDIC, interest-bearing savings and checking accounts, and money market funds.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as "due to/from other funds."

All property taxes receivable are shown net of an allowance for uncollectible accounts. The allowance is equal to 0.3% of the tax levy for the most recent 5 tax years and 90% of the outstanding balance per year for the prior 5 years, and all amounts over 10 years are estimated to be uncollectible. The County's property taxes are levied on October 1, and become due on January 31 of the following year. Taxes become past due February 1, and become delinquent July 1. The County's taxes attach as an enforceable lien on real property on January 1 of the year levied.

Prepaid Expenditures

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.

Capital Assets

Capital assets, which include buildings, property, plant, equipment, and infrastructure assets (roads and bridges), are reported in the governmental activities of the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and a useful life in excess of one year. Such assets are recorded at historical cost where records are available or at an estimated fair market value at date of acquisition where no historical records exist. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The County maintains many items and buildings of historical significance. The County does not capitalize historical treasures or works of art. The County has made this election because 1) the collection is held for reasons other than financial gain; 2) the collection is protected, kept unencumbered, cared for, and preserved; and 3) proceeds from the sale of collection items are used to acquire other items for collections.

Property, plant, and equipment of the County is depreciated using the straight-line method over their estimated useful lives:

Assets	Years
Buildings	20-50
Public domain infrastructure	5-50
Autos, machinery and equipment	5-10

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet 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. The County has the following items that qualify for reporting in this category:

- Pension and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Changes in actuarial assumptions – The changes are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of net position and/or balance sheet 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 or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category:

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Difference in projected and actual earnings on pension and OPEB assets – The difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension and OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

Compensated Absences

A liability for compensated absences is accrued by the County for all fulltime employees for unused vacation time, compensatory time off, and unused holidays. The County reports 25% of the total estimated liability for compensated absences as a current liability due in one year.

Compensated vacations are granted to all fulltime permanent employees of the County. This benefit can range from two to four weeks, depending upon length of continuous service. Unused vacation time can be accrued up to 160 hours, based on length of employment. Accrued time in excess of maximum is lost without payment. Accumulated vacation time is paid upon termination.

Compensatory time off is allowed in certain departments that have non-exempt employees who work in excess of 40 hours per week. In those departments, compensatory time off can be accrued up to 240 hours for clerical and 480 hours for professional and law enforcement employees. Time earned in excess of maximum accruals is paid as earned. Accumulated compensatory time off is paid upon termination.

Compensatory holiday time off is allowed in certain departments that have regular full-time and part-time employees. All regular, part-time employees shall be paid for holidays according to the number of hours each is scheduled to work on the holiday not to exceed 8 hours. Regular, full-time employees (non-exempt employees) shall receive 8 hours of pay for each official holiday. In the event the essential personnel (Juvenile Detention Supervisor Officers, Patrol Deputies, Dispatch personnel, and Jailers) work the approved holiday or is not scheduled to work on an approved holiday he/she would receive an additional 8 hours of holiday pay at the employee's normal rate of pay. The maximum amount of holiday time that an employee shall be allowed to carry over from one calendar year into the next is 80 hours. Accumulated holiday compensatory time off is only paid out upon termination.

The County provides 80 hours of paid sick leave to all employees each year. Unused sick leave can be accumulated up to 360 hours. Accrued sick leave in excess of maximum is lost without payment. Employees are not entitled to payment for unused sick leave upon termination. The County does not accrue a liability for unpaid sick leave.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources and debt payments as expenditures – debt service.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCDRS's Fiduciary Net Position have been determined on the same basis as they are reported by TCDRS. For this purpose, plan 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.

Other Post-Employment Benefits (OPEB)

The County provides eligible employees with certain postemployment health and life insurance benefits that meet the criteria of a defined benefit OPEB plan under Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The County has placed assets in trust to pay the obligations of the plan with the Public Agencies Retirement Services (PARS). Because plan assets are pooled by PARS with those of other plans for investment, the County's plan meets the criteria of an agent multiple-employer plan under GASB Statement No. 75.

The County has not established a formal funding policy. Therefore, for purposes of measuring the net OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the County for benefits due and payable that are not reimbursed by plan assets. Information regarding the County's net OPEB liability is obtained from a report prepared by a consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Statement No. 75.

Net Position Flow Assumptions

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 and proprietary 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 – net position to have been depleted before unrestricted – net position is applied.

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.

Fund Balance Classification

Fund balance of governmental funds is 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).

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 an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) 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. Commissioners’ Court has authorized the County Auditor to assign fund balance. The 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 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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from these estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General, Road and Bridge, and County Grant funds. All annual appropriations lapse at fiscal year-end.

The County Judge is the budget officer for the County. The County Judge, Commissioners' Court, County Auditor, and County department heads meet in budget workshops and prepare a tentative budget to cover all proposed expenditures of the County government for the succeeding fiscal year. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. The Commissioners' Court shall hold a public hearing on the proposed budget. At the conclusion of the public hearing, the Commissioners' Court shall take action on the proposed budget. After final approval of the budget, the Commissioners' Court may spend County funds only in strict compliance with the budget, except in an emergency. The Commissioners' Court may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. If the Court amends the original budget to meet an emergency, the Court shall file a copy of its order amending the budget with the County Clerk, and the Clerk shall attach the copy to the original budget. Management may not amend the budget without approval from the Commissioners' Court.

Expenditures may not legally exceed budgeted appropriations at the activity level. The budget is amended only by approval of the Commissioners' Court. Proposed amendments are presented to the Commissioners' Court in a public meeting and each amendment must have Commissioners' Court approval. As required by law, such amendments made before the fact are reflected in the official minutes of the Commissioners' Court meetings and are not made after fiscal year-end. During the year, the budget was amended as necessary. Significant budget amendments passed during the year ended September 30, 2020, are discussed in the Management's Discussion and Analysis (MD&A) starting on page 4 of this report.

3. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

As of September 30, 2020, the County had the following investments, which are classified as cash equivalents:

<u>Investment Type</u>	<u>Total Net Asset Value</u>	<u>Weighted Average Maturity (Days)</u>
Primary government:		
Texas Term	\$ 1,063,721	57
Texas Class	<u>1,048,589</u>	84
Total Net asset Value	<u>\$ 2,112,310</u>	

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U. S. Treasury, certain U. S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

Texas Term and Texas Class each have a redemption notice period of one day and may redeem daily. The investment pools' authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

Custodial Credit Risk. 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. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government Obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2020, the County's deposit balance was fully collateralized with securities held by the pledging financial institution in the County's name or by FDIC insurance.

Interest Rate Risk. This is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the County manages its exposure to interest rate risk by limiting the maturity of any individual investment owned by the County to three years.

Credit Risk. It is the County's policy, as defined in the Texas Public Funds Investment Act, to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. The County's investments were rated as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>
Texas Term	AAAm	Standard & Poor's
Texas Class	AAAm	Standard & Poor's

Distinguished from the investments of the primary government discussed above, the Harrison County Industrial Development Authority, a discretely presented component unit, held \$2,188,811 of primarily U.S. corporate stock and \$30,798 of bond mutual funds at the end of the current fiscal year.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of December 31, 2020, the Authority held the following fair value measurements:

- Equity and Corporate securities of \$2,188,811 and \$30,798 respectively, are valued using quoted prices in an active market for identical assets (Level 1 inputs).

Pursuant to its investment policy, the authority diversified its investment in equity securities so that no more than 5% of invested assets were invested in any single issuer. The average effective duration of the bond mutual funds was 3.66 years, which is less than the 5 year maximum required by the investment policy. The investment policy also requires all fixed income mutual funds to have an average credit quality rating of at least BBB. At the end of the current year, the bond mutual funds in which the Authority had invested were rated BBB or better.

Receivables

Receivables at September 30, 2020, for the County's individual major funds and aggregate nonmajor funds, including the applicable allowance for uncollectibles, were as follows:

	<u>General</u>	<u>Road and Bridge</u>	<u>Nonmajor</u>	<u>Internal Service</u>
Receivables:				
Property taxes	\$ 2,423,095	\$ -	\$ -	\$ -
Accounts receivable	<u>2,020,657</u>	<u>1,180</u>	<u>2,639</u>	<u>30,858</u>
Total receivables	<u>4,443,752</u>	<u>1,180</u>	<u>2,639</u>	<u>30,858</u>
Less: allowance for uncollectibles	<u>2,607,013</u>	-	-	-
Net total receivables	<u>\$ 1,836,739</u>	<u>\$ 1,180</u>	<u>\$ 2,639</u>	<u>\$ 30,858</u>

There are not any significant receivables scheduled for collection beyond one year of year-end.

Capital Assets

Capital asset activity for governmental activities for the year ended September 30, 2020, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 993,744	\$ -	\$ -	\$ 993,744
Total assets not being depreciated	<u>993,744</u>	<u>-</u>	<u>-</u>	<u>993,744</u>
Capital assets, being depreciated:				
Buildings and improvements	25,345,699	-	-	25,345,699
Autos and trucks	4,753,175	1,702,895	(1,036,101)	5,419,969
Heavy equipment	4,265,893	247,530	-	4,513,423
Equipment, furniture and fixtures	1,272,330	87,498	-	1,359,828
Infrastructure	<u>11,562,716</u>	<u>-</u>	<u>(3,500)</u>	<u>11,559,216</u>
Total capital assets being depreciated	<u>47,199,813</u>	<u>2,037,923</u>	<u>(1,039,601)</u>	<u>48,198,135</u>
Less accumulated depreciation:				
Buildings and improvements	9,285,968	799,529	-	10,085,497
Autos and trucks	3,786,393	364,557	(988,466)	3,162,484
Heavy equipment	2,680,684	286,328	-	2,967,012
Equipment, furniture and fixtures	996,190	56,694	-	1,052,884
Infrastructure	<u>10,702,685</u>	<u>193,050</u>	<u>-</u>	<u>10,895,735</u>
Total accumulated depreciation	<u>27,451,920</u>	<u>1,700,158</u>	<u>(988,466)</u>	<u>28,163,612</u>
Total capital assets being depreciated, net	<u>19,747,893</u>	<u>337,765</u>	<u>(51,135)</u>	<u>20,034,523</u>
Governmental activities capital assets, net	<u>\$ 20,741,637</u>	<u>\$ 337,765</u>	<u>\$ (51,135)</u>	<u>\$ 21,028,267</u>

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

Governmental activities:	
General administration	\$ 35,158
Judicial	1,854
Legal	199
Elections	2,291
Financial administration	5,466
Public safety	621,379
Public transportation	671,474
Health and welfare	7,719
Culture and recreation	13,786
Preservation and restoration	338,517
Conservation	<u>2,315</u>
Total depreciation expense	<u>\$ 1,700,158</u>

Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of September 30, 2020, is as follows:

Due to/from Other Funds

	Payable fund		
	General	Agency	Total
Receivable fund:			
General	\$ -	\$ 294,089	\$ 294,089
Road and Bridge	43,047	155,314	198,361
Other Governmental	<u>31,713</u>	<u>73,485</u>	<u>105,198</u>
Total	<u>\$ 74,760</u>	<u>\$ 522,888</u>	<u>\$ 597,648</u>

Balances resulted from the time lag between the dates that 1) interfund goods and services are provided on reimbursable expenditures, 2) transactions are recorded in the accounting system, and 3) payment between funds are made.

Transfer in/out

Transfer out: General	Transfer in: Other <u>Governmental</u> \$ <u>60,000</u>
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Operating Leases

The County leases road maintenance and other heavy equipment under noncancelable operating leases. Total costs were \$207,965 for the year. The future minimum lease payments for active operating leases are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2021	\$ <u>1,285,988</u>
Total	\$ <u>1,285,988</u>

Long-term Debt

Schedule of Contractual Obligations

<u>Series and Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Outstanding 09/30/2020</u>	
General Obligation Refunding - 2016	\$ 1,640,000	02/15/23	1.47%	\$ 1,230,000
Secured Equipment - Note #xxxx009	646,977	09/25/28	3.03%	583,480
Vehicle leases - Enterprise	1,136,160	Various	Various	<u>1,065,546</u>
Total				\$ <u>2,879,026</u>

Harrison County, Texas General Obligation Refunding Bonds, Series 2016 – During the Fiscal Year 2016, the County refunded Obligations in order to achieve a debt service savings and to restructure the Issuer's outstanding debt service. The stated interest rate is 1.47%, and payments are due semiannually on February 15 and August 15. Under the terms of the contract, the County covenants to include in each of its annual budgets an amount sufficient to make the contract payment each year and to levy and collect taxes from year to year in an amount sufficient to fulfill and fully comply with the terms of the contract.

Secured Equipment Loan #xxxx009, BancorpSouth Equipment Finance, Hattiesburg, Mississippi – On October 25, 2012, Harrison County executed a loan agreement to borrow \$1,050,000 in order to finance the entire purchase equipment used for energy savings. The stated interest rate is 3.03%.The equipment was collateralized as security on the loan. Principal and interest payments on this loan are funded from the Debt Service Fund.

Enterprise Vehicle Leases. Beginning in Fiscal Year 2020, the County entered into an agreement to lease County vehicles from Enterprise. Each vehicle carries a lease term of 48 months and, at the conclusion of the lease, the vehicle will be returned. The leases are classified as capital leases due to the value of the lease relative to the vehicles' fair values at the inception of the lease. Title is retained by Enterprise and the leases are secured by the leased vehicles. At September 30, 2020, the book value of the leased assets was \$1,511,123, net of accumulated depreciation of \$124,952. This amount includes certain additional equipment paid for upfront by the County at the vehicle's beginning of service.

The general obligation bonds are classified as private placements; In the event of default, any registered owner of the bonds is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the County to make payment. The note and leases are classified as direct borrowings and are secured by the leased equipment.

Long-term Liabilities Activity

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation debt	\$ 1,640,000	\$ -	\$ 410,000	\$ 1,230,000	\$ 395,000
Notes payable	646,977	-	63,497	583,480	65,448
Capital leases payable	-	1,136,160	70,614	1,065,546	284,040
Compensated absences	1,458,194	1,496,073	1,530,760	1,423,507	355,871
	<u>\$ 3,745,171</u>	<u>\$ 2,632,233</u>	<u>\$ 2,074,871</u>	<u>\$ 4,302,533</u>	<u>\$ 1,100,359</u>

Total future debt service requirements for certificates of obligation and notes payable, considered individually, are as follows:

	Principal	Interest	Total
General obligation debt	\$ 1,230,000	\$ 28,258	\$ 1,258,258
Capital leases payable	1,065,546	289,352	1,354,898
Notes payable	583,480	75,967	659,447
	<u>\$ 2,879,026</u>	<u>\$ 393,577</u>	<u>\$ 3,272,603</u>

The combined future debt service requirements for certificates of obligation and notes payable are as follows:

Year Ending September 30,	Principal	Interest	Total
2021	\$ 744,488	\$ 108,055	\$ 852,543
2022	761,499	100,307	861,806
2023	778,571	91,947	870,518
2024	285,093	72,920	358,013
2025	73,869	8,562	82,431
2026-2030	<u>235,506</u>	<u>11,786</u>	<u>247,292</u>
Total	<u>\$ 2,879,026</u>	<u>\$ 393,577</u>	<u>\$ 3,272,603</u>

4. OTHER INFORMATION

Risk Management

Harrison County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the County carries commercial insurance. There have not been significant reductions in insurance carried during the year ended September 30, 2020. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

In addition, Harrison County is a member of the Texas Association of Counties (TAC) Risk Management Pool, a public entity risk pool participating in property and casualty insurance coverage, automobile insurance coverage, and public official and law enforcement liability coverage. The pool is authorized by Chapter 119 of Local Government Code and provides coverage through an interlocal agreement authorized by The Interlocal Cooperation Act – Chapter 791, Texas Government Code. The interlocal agreement provides that the TAC pool will be self-sustaining through member premiums and will reinsure through commercial insurance companies for claims in excess of \$500,000 for each insured event.

Premiums paid to the pool during 2020 have been reported as expenditures in the General Fund and Special Revenue Funds.

During the year ended September 30, 2020, employees of the County were covered by a health insurance plan (the "Plan"). The County contributed to the Plan for employees and, employees, at their option, authorized payroll withholding to pay contributions for their dependents. All contributions were paid to an Internal Service Fund maintained by the County for the purpose of self-insuring these health costs. A claims administration agreement (the Agreement) was executed with a third party administrator to provide for the payment of health benefits to the employees of the County. Reinsurance coverage was obtained by the County for fiscal year 2020. This coverage provides for an individual excess risk maximum of \$2,000,000 and an aggregate excess risk maximum of \$1,000,000.

The County was protected against unanticipated catastrophic individual or aggregate loss by stop-loss coverage carried through HCC Life Insurance Company, a commercial insurer licensed or eligible to do business in Texas in accordance with the Texas Insurance Code. Stop-loss coverage was in effect as stated in the paragraph above. Latest financial statements for HCC Life Insurance Company have been filed with the Texas State Board of Insurance, Austin, Texas, and are public record.

A liability was recorded at year-end for claims incurred prior to September 30, 2020. A liability has not been estimated for claims incurred but not reported.

An analysis of claims activity is presented below:

	<u>Beginning Balance</u>	<u>Current Year Claims Expenditures</u>	<u>Actual Claims Payments</u>	<u>Ending Balance</u>
09/30/2020	\$ 260,371	\$ 3,096,158	\$(3,116,247)	\$ 240,282
09/30/2019	215,014	3,155,931	(3,110,574)	260,371
09/30/2018	172,643	3,263,112	(3,220,741)	215,014

Contingent Liabilities and Commitments

Amounts received or receivable from grantor 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 that 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, in the opinion of the County's attorney, the resolution of these matters will not have a materially adverse effect on the financial condition of the County.

Tax Abatements

The County enters into economic development agreements designed to promote development and redevelopment within the County, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the County. This program reduces the assessed property values as authorized under Chapter 312 of the Texas Tax Code.

The County has entered into an agreement to reduce property taxes. The agreement calls for a reduction of taxable property values on incremental values of 80% to 25% over 7 years. The agreement requires the developer to make capital improvements of at least \$10,500,001 and maintain an initial job creation requirement. For fiscal year 2020, the County abated property taxes of \$83,329.

Defined Benefit Pension Plan

Plan Description

The County participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

Benefits Provided

TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer’s commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee’s accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	226
Inactive employees entitled to but not yet receiving benefits	284
Active employees	<u>325</u>
	<u><u>835</u></u>

Contributions

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer’s governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer’s plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 11.67% and 12.23% in calendar years 2019 and 2020, respectively. The County’s contributions to TCDRS for the year ended September 30, 2020, were \$1,472,859 and were equal to the required contributions.

Net Pension Liability

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

Actuarial Assumptions

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

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

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

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

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

Updated mortality assumptions were adopted in the actuarial valuation of December 31, 2019. All other actuarial assumptions that determined the total pension liability as of December 31, 2019, were based on the results of an actuarial experience study for the period January 1, 2013, through December 31, 2016.

The long-term expected rate of return on pension plan investments is 8.00%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2020 information for a 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a 30-year time horizon; the most recent analysis was performed in 2020. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾
U.S. Equities	Dow Jones U.S. Total Stock	14.50%	5.20%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	20.00%	8.20%
Global Equities	MSCI World (net) Index	2.50%	5.50%
International Equities - Developed	MSCI World Ex USA (net) Index	7.00%	5.20%
International Equities - Emerging	MSCI Emerging Markets (net) Index	7.00%	5.70%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.20%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.00%	3.14%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.00%	7.16%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽⁴⁾	4.00%	6.90%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	3.00%	4.50%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	8.40%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	5.50%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	8.00%	2.30%

⁽¹⁾ Target asset allocation adopted at the June 2020 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.80%, per Cliffwater's 2020 capital market assumptions.

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

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

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

Discount Rate

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

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2018	\$ 63,659,139	\$ 56,101,807	\$ 7,557,332
Changes for the year:			
Service cost	1,485,193	-	1,485,193
Interest on total pension liability ⁽¹⁾	5,119,028	-	5,119,028
Effect of economic/demographic gains or losses	(637,625)	-	(637,625)
Refund of contributions	(365,729)	(365,729)	-
Benefit payments	(3,604,483)	(3,604,483)	-
Administrative expenses	-	(48,420)	48,420
Member contributions	-	859,087	(859,087)
Net investment income	-	9,214,741	(9,214,741)
Employer contributions	-	1,432,217	(1,432,217)
Other ⁽²⁾	-	(48,630)	48,630
Balance at 12/31/2019	<u>\$ 65,655,523</u>	<u>\$ 63,540,590</u>	<u>\$ 2,114,933</u>

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

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

Sensitivity Analysis

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

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$ 73,349,789	\$ 65,655,523	\$ 59,133,062
Fiduciary net position	<u>63,540,590</u>	<u>63,540,590</u>	<u>63,540,590</u>
Net pension liability/(asset)	<u>\$ 9,809,199</u>	<u>\$ 2,114,933</u>	<u>\$ (4,407,528)</u>

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2020, the County recognized pension expense of \$1,281,941. At September 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 793,771	\$ -
Changes in actuarial assumptions	-	56,125
Difference between projected and actual investment earnings	1,625,038	-
Contributions subsequent to the measurement date	-	1,131,190
Total	<u>\$ 2,418,809</u>	<u>\$ 1,187,315</u>

\$1,131,190 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended September 30,	
2021	(697,281)
2022	(765,841)
2023	48,642
2024	(948,204)
	<u>\$(2,362,684)</u>

Post-retirement Health Care Benefits

Plan Description

The County provides certain health care benefits through an agent, multiple-employer defined benefit OPEB plan. Qualifying, full-time employees are eligible to participate in the County's health care plan as a retiree. A qualifying employee is an individual with eight years of service at the County and hired prior to January 24, 2011.

When a qualifying, regular full-time employee retires they are eligible to continue to participate in the County's group health insurance plan.

Retirees who decide to opt-out for the health care plan are eligible to opt back in when coverage from another entity ceases.

Benefits Provided

Retirees are eligible for medical, dental, vision, and prescription insurance until they become Medicare eligible. Retirees are also eligible for a \$20,000 life insurance policy. Once Medicare eligible, retirees are eligible for dental, vision, and life insurance only. At that time, the County medical plan will no longer be available. The County supplements 70% of the premium to all retirees who either (1) retire after the age of 65 or (2) are covered pre-Medicare in the retiree medical program. Spouses of retirees will receive the County supplement if they have been on the plan for one year prior to retirement.

In the event that an active employee passes away, the spouse and dependents will become eligible for retiree coverage if (1) the employee was eligible for retirement as defined by the Texas County & District Retirement System; and (2) the employee had dependent coverage at the time of death. Coverage will continue under the plan as long as monthly retiree premiums are paid by the specified due date, until dependents are no longer considered eligible dependents as defined by the plan, until the covered dependent becomes Medicare eligible, or until a surviving spouse remarries.

For the fiscal year ended September 30, 2020, the County's contributions to the plan were \$876,239, which were equal to plan benefit payments. Contributions and payments are considered equal because no contributions to the trust fund were made during the measurement period, and no benefit payments were made using plan assets.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	112
Active members	<u>106</u>
Total	<u>218</u>

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Actuarial Valuation Date	12/31/2018
Actuarial Cost Method	Individual Entry Age Normal
Discount Rate	6.85%
Inflation Rate	2.50%
Salary Increases	0.50% to 5.00%, not including inflation of 3.25%
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2016 as conducted for the Texas County and District Retirement System (TCDRS)
Mortality	For healthy retirees, the gender-distinct RP-2014 Healthy Annuitant Mortality Tables are used with male rates multiplied by 130% and female rates multiplied by 110%. The rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014.
Participation Rates	90% for retirees who are at least 65 years old at retirement and 95% for retirees who are younger than 65 years old at retirement
Health care cost trend rates	Non-Medicare: Initial rate of 7.20% declining to an ultimate rate of 4.25% after 15 years; Medicare: Initial rate of 6.40% declining to an ultimate rate of 4.25% after 14 years.

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

There is no separately issued audited benefit plan report available for the County's OPEB plan.

Discount Rate

A Single Discount Rate of 6.85% was used to measure the total OPEB liability. This Single Discount Rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019.

The asset portfolio of the OPEB trust can support a 6.85% long term rate of return. Because the plan is closed to new entrants, the plan's assets are never depleted in the projection used to determine the single discount rate.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (6.85%) in measuring the net OPEB liability.

	1% Decrease 5.85%	Current Single Discount Rate Assumption 6.85%	1% Increase 7.85%
County's net OPEB liability	\$ 15,877,289	\$ 14,150,789	\$ 12,686,380

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the net OPEB liability.

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1% Increase</u>
County's net OPEB liability	\$ 12,509,619	\$ 14,150,789	\$ 16,113,774

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEBs

At September 30, 2020, the County reported a liability of \$14,150,789 for its net OPEB liability. The Net OPEB Liability was measured as of December 31, 2019, based on the results of an actuarial valuation as of December 31, 2018. Rollforward procedures were used to update the Total OPEB Liability. For the year ended September 30, 2020, the County recognized OPEB expense of \$623,331. There were no changes of benefit terms that affected measurement of the net OPEB liability during the measurement period.

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balance at 12/31/2018	\$ 15,459,312	\$ 1,437,147	\$ 14,022,165
Changes for the year:			
Service cost	281,033	-	281,033
Interest on the total OPEB liability	1,039,827	-	1,039,827
Difference between expected and actual experience	(81,017)	-	(81,017)
Employer contributions	-	839,759	(839,759)
Net investment income	-	280,663	(280,663)
Benefit payments	(839,759)	(839,759)	-
Administrative expense	-	(9,203)	9,203
Net changes	<u>400,084</u>	<u>271,460</u>	<u>128,624</u>
Balance at 12/31/2019	<u>\$ 15,859,396</u>	<u>\$ 1,708,607</u>	<u>\$ 14,150,789</u>

At September 30, 2020, the County reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 1,507,765
Changes in actuarial assumptions	230,486	-
Difference between projected and actual investment earnings	-	75,846
Contributions subsequent to the measurement date	<u>756,393</u>	<u>-</u>
Total	<u>\$ 986,879</u>	<u>\$ 1,583,611</u>

\$756,393 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the County paid with own assets and will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2021. Other amounts of the reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30,	
2021	\$(608,604)
2022	(606,922)
2023	(98,436)
2024	(39,163)
	<u>\$(1,353,125)</u>

New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) issued the following statements which become effective for fiscal years 2021 and 2022.

Statement No. 84, *Fiduciary Activities* – This Statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The focus is generally on whether a government is controlling the assets of the fiduciary activity and on the beneficiaries with whom a fiduciary relationship exists. This Statement will become effective for the County in fiscal year 2021.

Statement No. 87, *Leases* – This Statement will improve the accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities previously classified as operating leases. It establishes a single model for lease accounting based on the principle that leases are financing the right to use an underlying asset. Under the Statement a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resource, enhancing the relevance and consistency of information about leasing activities. This Statement will become effective for the County in fiscal year 2022.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

HARRISON COUNTY, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Measurement Date December 31,	<u>2014</u>	<u>2015</u>
Total Pension Liability		
Service Cost	\$ 1,413,572	\$ 1,447,843
Interest total pension liability	4,023,176	4,221,571
Effect of plan changes	-	(250,766)
Effect of assumption changes or inputs	-	554,196
Effect of economic/demographic (gains) or losses	(424,782)	(207,963)
Benefit payments/refunds of contributions	(2,531,118)	(2,933,129)
Net change in total pension liability	<u>2,480,848</u>	<u>2,831,752</u>
Total pension liability - beginning	<u>50,216,739</u>	<u>52,697,587</u>
Total pension liability - ending (a)	<u>\$ 52,697,587</u>	<u>\$ 55,529,339</u>
Plan Fiduciary Net Position		
Employer contributions	\$ 1,350,827	\$ 1,417,241
Member contributions	780,821	822,612
Investment income net of investment expenses	3,275,031	235,303
Benefit payments/refunds of contributions	(2,531,117)	(2,933,128)
Administrative expenses	(37,419)	(35,707)
Other	<u>(274,959)</u>	<u>64,983</u>
Net change in plan fiduciary net position	2,563,184	(428,696)
Plan fiduciary net position - beginning	<u>47,314,471</u>	<u>49,877,655</u>
Plan fiduciary net position - ending (b)	<u>\$ 49,877,655</u>	<u>\$ 49,448,959</u>
Net pension liability - ending (a) - (b)	<u>\$ 2,819,932</u>	<u>\$ 6,080,380</u>
Fiduciary net position as a percentage of total pension liability	94.65%	89.05%
Pensionable covered payroll	\$ 11,154,589	\$ 11,751,604
Net pension liability as a percentage of covered payroll	25.28%	51.74%

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

2016	2017	2018	2019
\$ 1,635,005	\$ 1,563,380	\$ 1,507,461	\$ 1,485,193
4,444,871	4,697,492	4,936,362	5,119,028
-	-	-	-
-	224,501	-	-
(608,266)	(194,367)	(533,918)	(637,625)
(2,969,767)	(3,265,266)	(3,307,685)	(3,970,215)
<u>2,501,843</u>	<u>3,025,740</u>	<u>2,602,220</u>	<u>1,996,381</u>
<u>55,529,339</u>	<u>58,031,182</u>	<u>61,056,922</u>	<u>63,659,142</u>
\$ <u>58,031,182</u>	\$ <u>61,056,922</u>	\$ <u>63,659,142</u>	\$ <u>65,655,523</u>
\$ 1,388,058	\$ 1,319,964	\$ 1,378,682	\$ 1,432,217
815,136	827,933	831,963	859,087
3,655,330	7,568,357	(1,099,682)	9,214,741
(2,969,767)	(3,265,266)	(3,307,684)	(3,970,212)
(39,736)	(38,818)	(45,061)	(48,420)
(324,397)	(15,340)	(26,821)	(48,633)
2,524,624	6,396,830	(2,268,603)	7,438,780
<u>49,448,959</u>	<u>51,973,583</u>	<u>58,370,413</u>	<u>56,101,810</u>
\$ <u>51,973,583</u>	\$ <u>58,370,413</u>	\$ <u>56,101,810</u>	\$ <u>63,540,590</u>
\$ <u>6,057,599</u>	\$ <u>2,686,509</u>	\$ <u>7,557,332</u>	\$ <u>2,114,933</u>
89.56%	95.60%	88.13%	96.78%
\$ 11,644,794	\$ 11,827,612	\$ 11,885,189	\$ 12,272,672
52.02%	22.71%	63.59%	17.23%

HARRISON COUNTY, TEXAS

SCHEDULE OF PENSION CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	\$ 1,350,827	\$ 1,350,827	\$ -	\$ 11,154,589	12.1%
2015	1,417,241	1,417,241	-	11,751,604	12.1%
2016	1,385,853	1,385,853	-	11,589,728	12.0%
2017	1,344,892	1,344,892	-	11,835,281	11.4%
2018	1,351,689	1,351,689	-	11,772,354	11.5%
2019	1,422,492	1,422,492	-	11,885,189	12.0%
2020	1,472,859	1,472,859	-	12,272,672	12.0%

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

HARRISON COUNTY, TEXAS

NOTES TO SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Valuation Timing	Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which the contributions are reported.
<u>Methods and assumptions used to determine contributions rates:</u>	
Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	9.4 years (based on contribution rate calculated in 12/31/2019 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.0%, net of administrative and investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule	2015 & 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule.

HARRISON COUNTY, TEXAS

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS
POST-RETIREMENT HEALTH CARE BENEFIT PLAN

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Measurement Date December 31,	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total OPEB Liability			
Service Cost	\$ 337,003	\$ 298,422	\$ 281,033
Interest on the total OPEB liability	1,115,831	1,156,329	1,039,827
Difference between expected and actual experience	(56,174)	(2,759,282)	(81,017)
Changes of assumptions	-	446,336	-
Benefit payments	(744,307)	(828,001)	(839,759)
Net change in total OPEB liability	<u>652,353</u>	<u>(1,686,196)</u>	<u>400,084</u>
Total OPEB liability - beginning	<u>16,493,155</u>	<u>17,145,508</u>	<u>15,459,312</u>
Total OPEB liability - ending (a)	<u>\$ 17,145,508</u>	<u>\$ 15,459,312</u>	<u>\$ 15,859,396</u>
Plan Fiduciary Net Position			
Employer contributions	\$ 744,307	\$ 1,028,001	\$ 839,759
Net investment income	155,511	(70,781)	280,663
Benefit payments	(744,307)	(828,001)	(839,759)
Administrative expenses	<u>(7,106)</u>	<u>(7,891)</u>	<u>(9,203)</u>
Net change in plan fiduciary net position	148,405	121,328	271,460
Plan fiduciary net position - beginning	<u>1,167,414</u>	<u>1,315,819</u>	<u>1,437,147</u>
Plan fiduciary net position - ending (b)	<u>\$ 1,315,819</u>	<u>\$ 1,437,147</u>	<u>\$ 1,708,607</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 15,829,689</u>	<u>\$ 14,022,165</u>	<u>\$ 14,150,789</u>
Fiduciary net position as a percentage of total OPEB liability	7.67%	9.30%	10.77%
Covered-employee payroll	\$ 4,609,267	\$ 4,094,669	\$ 4,094,669
Net OPEB liability as a percentage of covered-employee payroll	343.43%	342.45%	345.59%

Notes to Schedule:

GASB Statement No. 75 requires 10 years of data to be provided in this schedule. Data prior to 2017 is not available. Additional years will be added in the future as the information becomes available.

**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS**

HARRISON COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL REVENUE FUNDS

SEPTEMBER 30, 2020

	Special Revenue				
	Jury	Bail Bond Board	Drug Forfeitures	Permanent School Fund	Airport Maintenance
ASSETS					
Cash and cash equivalents	\$ 82,828	\$ 225,718	\$ 13,088	\$ 117,657	\$ 258,796
Receivables:					
Accounts receivable	-	-	-	-	1,465
Due from other governments	862	-	-	-	-
Due from other funds	4,893	-	-	-	1,891
Prepaid items	-	-	-	-	-
Total assets	<u>88,583</u>	<u>225,718</u>	<u>13,088</u>	<u>\$ 117,657</u>	<u>262,152</u>
LIABILITIES					
Liabilities:					
Accounts payable	-	-	-	-	6,810
Accrued wages payable	6,127	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>6,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,810</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	225,718	13,088	117,657	255,342
Committed	<u>82,456</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>82,456</u>	<u>225,718</u>	<u>13,088</u>	<u>117,657</u>	<u>255,342</u>
 Total liabilities, deferred inflows, and fund balances	 <u>\$ 88,583</u>	 <u>\$ 225,718</u>	 <u>\$ 13,088</u>	 <u>\$ 117,657</u>	 <u>\$ 262,152</u>

Special Revenue

Tax Collector VIT	Justice Technology	Law Library	Juvenile Services	Records Management	Security	District Attorney Special	District Court Technology
\$ 130,529	\$ 221,802	\$ 70,017	\$ 863,721	\$ 821,201	\$ 111,627	\$ 206,968	\$ 53,232
-	-	-	42	-	-	1,132	-
-	-	-	85,300	-	-	-	-
2,568	2,580	3,955	20,142	34,523	4,094	-	580
-	107	-	-	-	-	-	-
<u>133,097</u>	<u>224,489</u>	<u>73,972</u>	<u>969,205</u>	<u>855,724</u>	<u>115,721</u>	<u>208,100</u>	<u>53,812</u>
-	7,861	5,780	3,784	8,140	-	487	-
-	-	215	45,401	-	2,863	1,406	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>7,861</u>	<u>5,995</u>	<u>49,185</u>	<u>8,140</u>	<u>2,863</u>	<u>1,893</u>	<u>-</u>
-	107	-	-	-	-	-	-
133,097	216,521	67,977	-	-	112,858	206,207	53,812
-	-	-	920,020	847,584	-	-	-
<u>133,097</u>	<u>216,628</u>	<u>67,977</u>	<u>920,020</u>	<u>847,584</u>	<u>112,858</u>	<u>206,207</u>	<u>53,812</u>
<u>\$ 133,097</u>	<u>\$ 224,489</u>	<u>\$ 73,972</u>	<u>\$ 969,205</u>	<u>\$ 855,724</u>	<u>\$ 115,721</u>	<u>\$ 208,100</u>	<u>\$ 53,812</u>

HARRISON COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL REVENUE FUNDS

SEPTEMBER 30, 2020

	Special Revenue				
	County Court Technology	Case Manager	District Clerk Preservation	County Clerk Preservation	6th Court of Appeal
ASSETS					
Cash and cash equivalents	\$ 5,836	\$ 57,247	\$ 83,419	\$ 46,133	\$ 923
Receivables:					
Accounts receivable	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	111	2,187	575	520	570
Prepaid items	-	-	-	-	-
Total assets	<u>5,947</u>	<u>59,434</u>	<u>83,994</u>	<u>46,653</u>	<u>1,493</u>
LIABILITIES					
Liabilities:					
Accounts payable	-	-	2,649	-	1,490
Accrued wages payable	-	743	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>743</u>	<u>2,649</u>	<u>-</u>	<u>1,490</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	5,947	58,691	81,345	46,653	3
Committed	-	-	-	-	-
Total fund balances	<u>5,947</u>	<u>58,691</u>	<u>81,345</u>	<u>46,653</u>	<u>3</u>
 Total liabilities, deferred inflows, and fund balances	 <u>\$ 5,947</u>	 <u>\$ 59,434</u>	 <u>\$ 83,994</u>	 <u>\$ 46,653</u>	 <u>\$ 1,493</u>

Special Revenue

Vital Archive Fee	Election Contracts	Court Initiated Guardianship	Youth Enrichment	County Grant	Debt Service	Capital Projects	Totals
\$ 13,675	\$ 68,489	\$ 47,851	\$ 87,956	\$ 255,652	\$ 510,166	\$ 49,830	\$ 4,404,361
-	-	-	-	-	-	-	2,639
-	-	-	-	12,776	-	-	98,938
402	-	970	9,132	-	10,776	4,729	105,198
-	-	-	-	-	-	-	107
<u>14,077</u>	<u>68,489</u>	<u>48,821</u>	<u>97,088</u>	<u>268,428</u>	<u>520,942</u>	<u>54,559</u>	<u>4,611,243</u>
-	-	-	-	33,587	-	144	70,732
-	-	-	-	-	-	-	56,755
-	-	-	-	144,713	-	-	144,713
-	-	-	-	<u>178,300</u>	-	<u>144</u>	<u>272,200</u>
-	-	-	-	-	-	-	107
14,077	68,489	48,821	97,088	90,128	520,942	54,415	2,488,876
-	-	-	-	-	-	-	1,850,060
<u>14,077</u>	<u>68,489</u>	<u>48,821</u>	<u>97,088</u>	<u>90,128</u>	<u>520,942</u>	<u>54,415</u>	<u>4,339,043</u>
<u>\$ 14,077</u>	<u>\$ 68,489</u>	<u>\$ 48,821</u>	<u>\$ 97,088</u>	<u>\$ 268,428</u>	<u>\$ 520,942</u>	<u>\$ 54,559</u>	<u>\$ 4,611,243</u>

HARRISON COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Special Revenue				
	Jury	Bail Bond Board	Drug Forfeitures	Permanent School Fund	Airport Maintenance
REVENUES					
Ad valorem taxes	\$ 210,017	\$ -	\$ -	\$ -	\$ 47,731
Licenses and permits	-	570	-	-	-
Intergovernmental	12,308	-	4,277	-	-
Charges for services	5,948	-	-	-	103,553
Fines and forfeitures	-	-	-	-	-
Investment earnings	2,737	474	24	1,164	3,400
Miscellaneous	9,124	-	-	2,200	1,523
Total revenues	<u>240,134</u>	<u>1,044</u>	<u>4,301</u>	<u>3,364</u>	<u>156,207</u>
EXPENDITURES					
Current expenditures:					
General administration	-	-	-	-	129,660
Judicial	206,314	-	-	-	-
Legal	-	-	-	-	-
Elections	-	-	-	-	-
Public safety	-	-	295	-	-
Public transportation	-	-	-	-	30,162
Capital outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Total expenditures	<u>206,314</u>	<u>-</u>	<u>295</u>	<u>-</u>	<u>159,822</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>33,820</u>	<u>1,044</u>	<u>4,006</u>	<u>3,364</u>	<u>(3,615)</u>
OTHER FINANCING SOURCES (USES)					
Sale of fixed assets	-	-	-	-	-
Capital lease issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	33,820	1,044	4,006	3,364	(3,615)
FUND BALANCE, BEGINNING	<u>48,636</u>	<u>224,674</u>	<u>9,082</u>	<u>114,293</u>	<u>258,957</u>
FUND BALANCE, ENDING	<u>\$ 82,456</u>	<u>\$ 225,718</u>	<u>\$ 13,088</u>	<u>\$ 117,657</u>	<u>\$ 255,342</u>

Special Revenue

Tax Collector VIT	Justice Technology	Law Library	Juvenile Services	Records Management	Security	District Attorney Special	District Court Technology
\$ -	\$ -	\$ -	\$ 1,073,950	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	29,673	-	-	22,500	-
20,594	14,865	36,837	353,841	353,662	38,597	13,640	6,097
-	-	-	-	-	-	3,882	-
784	2,776	611	12,118	6,329	198	1,053	106
-	1,058	-	-	-	-	-	-
<u>21,378</u>	<u>18,699</u>	<u>37,448</u>	<u>1,469,582</u>	<u>359,991</u>	<u>38,795</u>	<u>41,075</u>	<u>6,203</u>
6,177	20,850	5,600	-	83,850	-	-	-
-	-	34,750	-	16,292	88,876	-	-
-	-	-	-	-	-	42,859	-
-	-	-	-	-	-	-	-
-	9,846	-	1,105,498	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	28,512	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>6,177</u>	<u>30,696</u>	<u>40,350</u>	<u>1,134,010</u>	<u>100,142</u>	<u>88,876</u>	<u>42,859</u>	<u>-</u>
<u>15,201</u>	<u>(11,997)</u>	<u>(2,902)</u>	<u>335,572</u>	<u>259,849</u>	<u>(50,081)</u>	<u>(1,784)</u>	<u>6,203</u>
-	-	-	3,000	-	-	-	-
-	-	-	28,512	-	-	-	-
-	-	-	-	-	60,000	-	-
-	-	-	<u>31,512</u>	-	<u>60,000</u>	-	-
15,201	(11,997)	(2,902)	367,084	259,849	9,919	(1,784)	6,203
<u>117,896</u>	<u>228,625</u>	<u>70,879</u>	<u>552,936</u>	<u>587,735</u>	<u>102,939</u>	<u>207,991</u>	<u>47,609</u>
<u>\$ 133,097</u>	<u>\$ 216,628</u>	<u>\$ 67,977</u>	<u>\$ 920,020</u>	<u>\$ 847,584</u>	<u>\$ 112,858</u>	<u>\$ 206,207</u>	<u>\$ 53,812</u>

HARRISON COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Special Revenue				
	County Court Technology	Case Manager	District Clerk Preservation	County Clerk Preservation	6th Court of Appeal
REVENUES					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	1,246	16,192	4,100	5,185	-
Fines and forfeitures	-	-	-	-	-
Investment earnings	11	126	173	91	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>1,257</u>	<u>16,318</u>	<u>4,273</u>	<u>5,276</u>	<u>-</u>
EXPENDITURES					
Current expenditures:					
General administration	-	-	-	-	-
Judicial	-	19,608	2,649	-	-
Legal	-	-	-	-	-
Elections	-	-	-	-	-
Public safety	-	-	-	-	-
Public transportation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Total expenditures	<u>-</u>	<u>19,608</u>	<u>2,649</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,257</u>	<u>(3,290)</u>	<u>1,624</u>	<u>5,276</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Sale of fixed assets	-	-	-	-	-
Capital lease issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1,257	(3,290)	1,624	5,276	-
FUND BALANCE, BEGINNING	<u>4,690</u>	<u>61,981</u>	<u>79,721</u>	<u>41,377</u>	<u>3</u>
FUND BALANCE, ENDING	<u>\$ 5,947</u>	<u>\$ 58,691</u>	<u>\$ 81,345</u>	<u>\$ 46,653</u>	<u>\$ 3</u>

Special Revenue

Vital Archive Fees	Election Contracts	Court Initiated Guardianship	Youth Enrichment	County Grant	Debt Service	Capital Projects	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 525,042	\$ 262,521	\$ 2,119,261
-	-	-	-	-	-	-	570
-	5,703	-	-	395,876	-	-	470,337
4,155	1,900	5,560	93,479	-	-	-	1,079,451
-	-	-	-	-	-	-	3,882
24	140	95	181	493	5,908	6,816	45,832
-	-	-	-	-	-	-	13,905
<u>4,179</u>	<u>7,743</u>	<u>5,655</u>	<u>93,660</u>	<u>396,369</u>	<u>530,950</u>	<u>269,337</u>	<u>3,733,238</u>
-	-	-	95,300	237,910	401	425,372	1,005,120
-	-	-	-	-	-	-	368,489
-	-	-	-	18,619	-	-	61,478
-	2,142	-	-	12,462	-	-	14,604
-	-	-	-	113,774	-	-	1,229,413
-	-	-	-	-	-	-	30,162
-	-	-	-	-	-	-	28,512
-	-	-	-	-	473,497	-	473,497
-	-	-	-	-	39,827	-	39,827
-	<u>2,142</u>	-	<u>95,300</u>	<u>382,765</u>	<u>513,725</u>	<u>425,372</u>	<u>3,251,102</u>
<u>4,179</u>	<u>5,601</u>	<u>5,655</u>	<u>(1,640)</u>	<u>13,604</u>	<u>17,225</u>	<u>(156,035)</u>	<u>482,136</u>
-	-	-	-	-	-	-	3,000
-	-	-	-	-	-	-	28,512
-	-	-	-	-	-	-	60,000
-	-	-	-	-	-	-	91,512
4,179	5,601	5,655	(1,640)	13,604	17,225	(156,035)	573,648
<u>9,898</u>	<u>62,888</u>	<u>43,166</u>	<u>98,728</u>	<u>76,524</u>	<u>503,717</u>	<u>210,450</u>	<u>3,765,395</u>
\$ <u>14,077</u>	\$ <u>68,489</u>	\$ <u>48,821</u>	\$ <u>97,088</u>	\$ <u>90,128</u>	\$ <u>520,942</u>	\$ <u>54,415</u>	\$ <u>4,339,043</u>

HARRISON COUNTY, TEXAS

COMBINING STATEMENT OF ASSETS AND LIABILITIES

AGENCY FUNDS

SEPTEMBER 30, 2020

	<u>County Treasurer</u>	<u>County Clerk</u>	<u>District Attorney</u>	<u>District Clerk</u>	<u>Justices of the Peace</u>
ASSETS					
Cash and cash equivalents	\$ 120,631	\$ 595,362	\$ 151,779	\$ 3,692,140	\$ 130,656
Investments	<u>-</u>	<u>236,110</u>	<u>-</u>	<u>901,068</u>	<u>-</u>
Total assets	<u>120,631</u>	<u>831,472</u>	<u>151,779</u>	<u>4,593,208</u>	<u>130,656</u>
LIABILITIES					
Accounts payable	-	2,184	151,773	2,603	274
Due to other governments	120,631	8,079	-	146,130	48,940
Due to other funds	-	91,480	6	33,394	77,442
Unearned revenue	-	-	-	-	-
Court ordered funds	-	729,729	-	3,510,013	4,000
Court ordered trust and prisoner funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>901,068</u>	<u>-</u>
Total liabilities	<u>\$ 120,631</u>	<u>\$ 831,472</u>	<u>\$ 151,779</u>	<u>\$ 4,593,208</u>	<u>\$ 130,656</u>

<u>Juvenile Center</u>	<u>Sheriff</u>	<u>Assessor- Collector</u>	<u>Fines Collection</u>	<u>Cafeteria Plan</u>	<u>Adult Probation</u>	<u>Totals</u>
\$ 561	\$ 652,616	\$ 1,288,306	\$ 39,636	\$ 37,747	\$ 824,375	\$ 7,533,809
<u>-</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,287,178</u>
<u>561</u>	<u>652,616</u>	<u>1,438,306</u>	<u>39,636</u>	<u>37,747</u>	<u>824,375</u>	<u>8,820,987</u>
-	50	54,370	172	37,747	-	249,173
-	1,245	839,843	8,140	-	-	1,173,008
561	1,380	287,301	31,324	-	-	522,888
-	402,819	256,792	-	-	-	659,611
-	-	-	-	-	824,375	5,068,117
<u>-</u>	<u>247,122</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,148,190</u>
\$ <u>561</u>	\$ <u>652,616</u>	\$ <u>1,438,306</u>	\$ <u>39,636</u>	\$ <u>37,747</u>	\$ <u>824,375</u>	\$ <u>8,820,987</u>

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