

GONZALES COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
SEPTEMBER 30, 2020**



GONZALES COUNTY

COUNTY OFFICIALS

COUNTY JUDGE

PATRICK C. DAVIS

COUNTY COMMISSIONERS

PRECINCT 1

K.O. "DELL" WHIDDON

PRECINCT 2

DONNIE R. BRZOZOWSKI

PRECINCT 3

KEVIN T. LA FLEUR

PRECINCT 4

COLLIE BOATRIGHT

COUNTY ATTORNEY

PAUL WATKINS

COUNTY TREASURER

SHERYL BARBORAK

COUNTY AUDITOR

BECKY WESTON

TAX ASSESSOR-COLLECTOR

CRYSTAL CEDILLO

COUNTY CLERK

LONA ACKMAN

DISTRICT CLERK

JANICE SUTTON

SHERIFF

ROBERT YNCLAN

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

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Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and
Members of the Commissioners' Court
Gonzales County, Texas

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregated remaining fund information of Gonzales County, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules of changes and contributions for net pension liability and total other post-employment benefit liability as referred to 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 the Gonzales County's financial statements as a whole. The comparative and combining fund statements are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Armstrong, Vaughan & Associates, P.C.
March 17, 2021

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of Gonzales County’s annual financial report presents our discussion and analysis of the County’s financial performance during the fiscal year ended September 30, 2020. Please read it in conjunction with the County’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

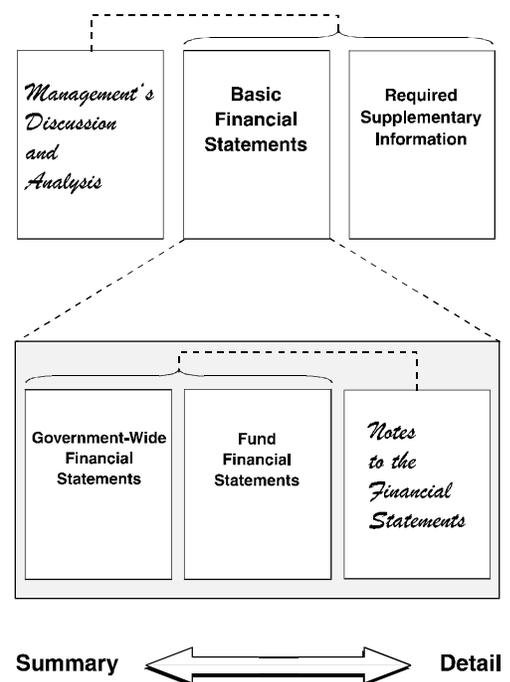
- The County’s total net position was \$29.0 million at September 30, 2020, an increase of \$1.7 million.
- During the year, the County’s governmental expenses were \$1.7 million less than the \$20.0 million generated in general and program revenues for governmental activities. The total cost of the County’s programs decreased 20% from the prior year.
- The general fund reported a fund balance this year of \$8.5 million, an increase of \$2.0 million. Property tax collections were better than anticipated, \$500 thousand in coronavirus relief funds were received, and expenditures were under budget \$1.1 million.
- The County made the final payment on the 2006 bond series and as of September 30, 2020 has no remaining bonds outstanding.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management’s discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County’s operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.

Figure A-1F, Required Components of the City’s Annual Financial Report



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2. Major Features of the County's Government-wide and Fund Financial Statements			
Fund Statements			
<i>Type of Statements</i>	Government-wide	Governmental Funds	Fiduciary Funds
<i>Scope</i>	Entire County's government (except fiduciary funds) and the County's component units	The activities of the County that are not proprietary or fiduciary	Activities the County handles for other individuals, organizations, or governments.
<i>Required financial statements</i>	• Statement of net position	• Balance Sheet	• Statement of Fiduciary Net Position
	• Statement of activities	• Statement of revenues, expenditures & changes in fund balances	• Statement of changes in Fiduciary Net Position.
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All additions and deductions during year, regardless of when cash is received or paid

Figure A-2 summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-Wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net position and how they have changed. Net position—the difference between the County's assets and liabilities—is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional non-financial factors such as changes in the County's tax base.
- The government-wide financial statements of the County include the *Governmental activities*. All of the County's basic services are included here, such as administration, public safety and public transportation. Property taxes, sales taxes and charges for services finance most of these activities.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net position. The County's combined net position was \$29.0 million at September 30, 2020. (See Table A-1).

Table A-1
County's Net Position

	Governmental Activities		Percentage Change
	2020	2019*	
<i>Assets:</i>			
Current Assets	\$ 20,268,375	\$ 19,122,719	6.0
Other Assets	16,418,666	15,360,840	6.9
<i>Total Assets</i>	<u>36,687,041</u>	<u>34,483,559</u>	6.4
<i>Deferred Outflows of Resources:</i>	<u>1,147,956</u>	<u>2,559,002</u>	(55.1)
<i>Liabilities:</i>			
Current Liabilities	1,080,034	969,142	11.4
Long-term Liabilities	7,093,865	8,735,877	(18.8)
<i>Total Liabilities</i>	<u>8,173,899</u>	<u>9,705,019</u>	(15.8)
<i>Deferred Inflows of Resources:</i>	<u>668,888</u>	<u>3,970</u>	16748.6
<i>Net Position:</i>			
Net Investment in Capital Assets	15,148,730	14,241,543	6.4
Restricted	1,661,377	10,482,739	(84.2)
Unrestricted	12,182,103	2,609,290	366.9
<i>Total Net Position</i>	<u>\$ 28,992,210</u>	<u>\$ 27,333,572</u>	6.1

*2019 has been amended for the results of a prior period adjustment.

The unrestricted net position represents resources available to fund the programs of the County next year.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Commissioners' Court establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

- *Fiduciary funds*—The County collects and holds funds for various other entities such as property taxes for other governments, vehicle registrations for the State and court settlements for minors. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County’s fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the County’s government-wide financial statements because they are not resources for the County to use on operations.

Governmental Activities

Table A-2 summarizes the changes in the County’s net position for 2020 and 2019 fiscal years.

	Governmental Activities		Percentage Change
	2020	2019*	
<i>Program Revenues:</i>			
Charges for Services	\$ 2,471,312	\$ 2,940,573	(16.0)
Operating Grants and Contributions	590,956	149,673	294.8
Capital Contributions	49,778	-	100.0
<i>General Revenues:</i>			
Taxes	16,160,021	15,946,816	1.3
Interest Earnings	413,941	242,525	70.7
Miscellaneous	305,710	583,043	(47.6)
TOTAL REVENUES	19,991,718	19,862,630	0.6
<i>Program Expenses:</i>			
Administration	2,767,602	3,892,412	(28.9)
Legal	679,600	767,788	(11.5)
Judicial	1,189,179	1,950,596	(39.0)
Finance	1,103,895	1,284,236	(14.0)
Facilities	842,129	2,311,744	(63.6)
Public Safety	5,966,647	6,916,871	(13.7)
Health	3,200	1,660	92.8
Conservation	153,510	183,049	(16.1)
Public Transportation	5,571,937	5,637,783	(1.2)
Interest	55,381	46,970	17.9
TOTAL EXPENSES	18,333,080	22,993,109	(20.3)
 Change in Net Position	 1,658,638	 (3,130,479)	 (153.0)
 Beginning Net Position	 27,333,572	 30,464,051	
Ending Net Position	<u>\$ 28,992,210</u>	<u>\$ 27,333,572</u>	

*2019 has been restated from a prior period adjustment.



CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of September 30, 2020, the County had invested \$29.9 million in a buildings and equipment. Several vehicles were purchased in 2020 as well as continue repairs to the Waelder Annex and Randle Rather Buildings. (See Table A-4.)

Table A-4
County's Capital Assets

	Governmental Activities		Total Percentage
	2020	2019*	Change
Buildings and Improvements	\$ 15,252,756	\$ 15,017,052	1.6
Vehicles and Equipment	14,150,597	12,201,888	16.0
Construction in Progress	<u>526,642</u>	<u>330,820</u>	59.2
Totals at Historical Cost	29,929,995	27,549,760	8.6
Accumulated Depreciation	<u>(13,810,182)</u>	<u>(12,188,919)</u>	13.3
Net Capital Assets	<u>\$ 16,119,813</u>	<u>\$ 15,360,841</u>	4.9

*2019 has been restated from a prior period adjustment.

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

Long Term Debt

As of September 30, 2020, the County had \$970 thousand in long term debt outstanding as shown in Table A-5. The County entered into new capital leases for road equipment during the year but made the last payment on the outstanding bonds. More detailed information about the County's debt is presented in the notes to the financial statements.

Table A-5
County's Long-Term Debt

	Governmental Activities		Total Percentage
	2020	2019	Change
Bonds	\$ -	\$ 235,000	(100.0)
Capital Leases	971,083	884,297	9.8
Total Long-Term Debt	<u>\$ 971,083</u>	<u>\$ 1,119,297</u>	(13.2)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Revenues from governmental fund types decreased 1% to \$19.8 million. The County experienced slight decreases in certain revenues related to covid (primarily court) but that was offset by strong property values and a coronavirus relief grant. Governmental expenditures decreased \$2.6 million to \$19.4 million. Additional contributions to the retirement plan were made in the prior year as well as significant building maintenance projects.

Budgetary Highlights

The County's actual expenditures in the General Fund were \$1.1 million less than final budgeted amounts and no departments were over budget. Revenues were higher than the budget by \$1.2 million, primarily from higher than expected property tax collections and a coronavirus relief grant. Fund balance increased \$2.0 million compared to a budgeted reduction in fund balance of \$409 thousand.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2020-2021 budget includes an increase in property tax rates from \$0.3809 to \$0.3839. The County has finished bond debt service, so all property taxes will be allocated to the General and Road Bridge funds. The County does not anticipate changes to County services or operations. However, the County is working with the General Land Office on a grant project that will construct new water wells and radio towers as well as a grant from Texas Department of Transportation for road improvements.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County at (830)-672-2327.

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government – Wide Financial Statements
- Fund Financial Statements:
 - Governmental Funds
 - Fiduciary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

GONZALES COUNTY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Governmental Activities
ASSETS	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 12,513,998
Certificates of Deposit	5,776,703
Ad Valorem Taxes Receivable (net)	1,389,622
Other Receivables (Net of Allowances)	534,619
Prepaid Expenses	53,433
<i>Total Current Assets</i>	20,268,375
 <i>Other Assets:</i>	
Notes Receivable	298,853
Capital Assets (Net)	16,119,813
<i>Total Other Assets</i>	16,418,666
TOTAL ASSETS	36,687,041
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Other Post Employment Benefit Outflows	112,479
Deferred Pension Related Outflows	1,035,477
TOTAL DEFERRED OUTFLOWS	\$ 1,147,956

See accompanying notes to basic financial statements.

GONZALES COUNTY
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2020

	Governmental Activities
LIABILITIES	
<i>Current Liabilities:</i>	
Accounts Payable	\$ 508,937
Accrued Wages	242,547
Unearned Revenue	5,902
Accrued Compensated Absences	127,277
Current Maturities of Long-term Debt	195,371
<i>Total Current Liabilities</i>	1,080,034
 <i>Long-term Liabilities:</i>	
Long-term Debt (Net of Current)	775,712
Accrued Compensated Absences	190,916
Total Other Post Employment Benefits Liability	961,981
Net Pension Liability	5,165,256
<i>Total Long-term Liabilities</i>	7,093,865
TOTAL LIABILITIES	8,173,899
 DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Related Inflows	567,817
Deferred Other Post Employment Benefits Inflows	101,071
TOTAL DEFERRED INFLOWS	668,888
 NET POSITION	
Net Investment in Capital Assets	15,148,730
Restricted for:	
Elections	30,569
Legal	121,511
Judicial	143,348
Public Safety	7,059
Records Management	560,789
Sheriff	88,066
Community Development	660,201
Other	49,834
Unrestricted	12,182,103
TOTAL NET POSITION	\$ 28,992,210

See accompanying notes to basic financial statements.

GONZALES COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions and Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
<i>Governmental Activities:</i>				
Administration	\$ 2,767,602	\$ 265,889	\$ 46,912	\$ 49,778
Legal	679,600	37,332	-	-
Judicial	1,189,179	801,156	6,528	-
Finance	1,103,895	480,764	-	-
Facilities	842,129	-	-	-
Public Safety	5,966,647	27,900	37,071	-
Health	3,200	30,038	500,445	-
Conservation	153,510	1,469	-	-
Public Transportation	5,571,937	826,764	-	-
Interest	55,381	-	-	-
Total Primary Government	\$ 18,333,080	\$ 2,471,312	\$ 590,956	\$ 49,778
General Revenues:				
Taxes				
Ad Valorem Taxes				
Sales Taxes				
Interest and Investment Earnings				
Miscellaneous				
Total General Revenues				
Change in Net Position				
Net Position at Beginning of Year				
Prior Period Adjustment				
Net Position at End of Year				

See accompanying notes to basic financial statements.

Net Revenue
(Expense) and
Change in
Net Position

Total

\$ (2,405,023)
(642,268)
(381,495)
(623,131)
(842,129)
(5,901,676)
527,283
(152,041)
(4,745,173)
(55,381)
(15,221,034)

13,836,875
2,323,146
413,941
305,710
16,879,672

1,658,638

37,874,855
(10,541,283)
\$ 28,992,210

GONZALES COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	Major Fund General Fund	Major Fund Road & Bridge
ASSETS		
Cash and Cash Equivalents	\$ 5,946,661	\$ 5,203,792
Certificates of Deposit	2,686,359	3,090,345
Ad Valorem Taxes Receivable (net)	1,389,622	-
Other Receivables	534,619	-
Notes Receivable	-	-
Prepaid Items	38,640	14,793
TOTAL ASSETS	\$ 10,595,901	\$ 8,308,930
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 507,916	\$ -
Accrued Wages	184,678	57,869
Unearned Revenue	5,902	-
<i>Total Liabilities</i>	698,496	57,869
<i>Deferred Inflows of Resources:</i>		
Unavailable Revenues - Property Taxes	1,389,622	-
<i>Fund Balances:</i>		
Nonspendable:		
Prepaid Items	38,640	14,793
Notes Receivable	-	-
Restricted for:		
Elections	-	-
Legal	-	-
Judicial	-	-
Public Safety	-	-
Records Management	-	-
Sheriff	22,301	-
Community Development	-	-
Other	-	-
Committed for:		
Road and Bridge Maintenance	-	8,236,268
Unassigned	8,446,842	-
<i>Total Fund Balances</i>	8,507,783	8,251,061
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,595,901	\$ 8,308,930

See accompanying notes to basic financial statements.

Other Nonmajor Funds	Total Governmental Funds
\$ 1,363,546	\$ 12,513,999
-	5,776,704
-	1,389,622
-	534,619
298,853	298,853
-	53,433
\$ 1,662,399	\$ 20,567,230

\$ 1,022	\$ 508,938
-	242,547
-	5,902
1,022	757,387

-	1,389,622
---	-----------

-	53,433
298,853	298,853
30,569	30,569
121,511	121,511
143,348	143,348
7,059	7,059
560,789	560,789
88,066	110,367
361,348	361,348
49,834	49,834
-	8,236,268
-	8,446,842
1,661,377	18,420,221

\$ 1,662,399	\$ 20,567,230
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GONZALES COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		\$ 18,420,221
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.		16,119,813
Long-term liabilities, including bonds and capital lease payables are not due and payable in the current period and, therefore are not reported in the governmental funds.		(971,083)
Net Pension Liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources and are not reported in governmental funds.		
Net Pension Liability	(5,165,256)	
Pension Related Deferred Outflows	1,035,477	
Pension Related Deferred Inflows	<u>(567,817)</u>	(4,697,596)
Other Post Employment Benefit (OPEB) Liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources and are not reported in governmental funds.		
Total Other OPEB Liability	(961,981)	
OPEB Related Deferred Outflows	112,479	
OPEB Related Deferred Inflows	<u>(101,071)</u>	(950,573)
Other liabilities are not due and payable in the current period, and therefore, not reported in the funds.		
Accrued Compensated Absences	<u>(318,193)</u>	(318,193)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recognized as revenue in the funds.		<u>1,389,621</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		<u>\$ 28,992,210</u>

See accompanying notes to basic financial statements.

GONZALES COUNTY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Major Fund</u> General Fund	<u>Major Fund</u> Road & Bridge
REVENUES		
Ad Valorem Taxes	\$ 9,611,474	\$ 4,113,814
Sales Taxes	2,323,146	-
Fines and Forfeitures	951,781	-
Charges for Services	560,036	-
Licenses, Permits, and Fees	111,849	744,996
Interest Income	114,911	120,084
Misc Income	125,297	45,950
Grants and Donations	564,369	5,093
TOTAL REVENUES	<u>14,362,863</u>	<u>5,029,937</u>
EXPENDITURES		
Current:		
Administration	2,458,769	-
Legal	615,050	-
Judicial	1,170,287	-
Finance	1,084,528	-
Facilities	673,323	-
Public Safety	5,608,091	-
Health	3,200	-
Conservation	147,408	-
Public Transportation	-	4,428,133
Capital Outlay	713,771	1,661,836
Debt Service:		
Principal	-	299,719
Interest	-	51,724
TOTAL EXPENDITURES	<u>12,474,427</u>	<u>6,441,412</u>
Excess (Deficiency) in Revenue Over (Under) Expenditures	1,888,436	(1,411,475)
OTHER FINANCING SOURCES (USES)		
Sale of Capital Assets	58,620	11,616
Proceeds from Equipment Lease	-	386,505
Transfers In (Out)	9,593	-
TOTAL OTHER FINANCING SOURCES	<u>68,213</u>	<u>398,121</u>
Net Change in Fund Balance	1,956,649	(1,013,354)
BEGINNING FUND BALANCE	6,300,287	9,264,415
Prior Period Adjustment	250,847	-
ENDING FUND BALANCE	<u>\$ 8,507,783</u>	<u>\$ 8,251,061</u>

See accompanying notes to basic financial statements.

<u>Other Nonmajor Funds</u>	<u>Total Governmental Funds</u>
\$ 173,308	\$ 13,898,596
-	2,323,146
60,733	1,012,514
99,425	659,461
-	856,845
5,635	240,630
-	171,247
113,024	682,486
<u>452,125</u>	<u>19,844,925</u>
104,358	2,563,127
41,999	657,049
52,815	1,223,102
-	1,084,528
-	673,323
28,845	5,636,936
4,340	7,540
-	147,408
-	4,428,133
-	2,375,607
235,000	534,719
4,876	56,600
<u>472,233</u>	<u>19,388,072</u>
(20,108)	456,853
-	70,236
-	386,505
(9,593)	-
<u>(9,593)</u>	<u>456,741</u>
(29,701)	913,594
1,225,818	16,790,520
465,260	716,107
<u>\$ 1,661,377</u>	<u>\$ 18,420,221</u>



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

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 913,594

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

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

Capital Outlay	2,380,235	
Depreciation Expense	<u>(1,621,263)</u>	758,972

The issuance of long-term debt (e.g. bonds and capital leases) provide current
financial resources of governmental funds, while the repayment of the
principal of long-term debt consumes the current financial resources of
governmental funds. Neither transaction, however has any effect on net
position. Also, governmental funds report interest expense and compensated
absences when they are due and payable, while the statement of activities
recognizes interest expense and compensated absences when incurred.

Principal Payments on Long-term Debt	534,719	
Change in Compensated Absences	(98,311)	
Change in Accrued Interest	1,219	
Proceeds from Equipment Leases	<u>(386,505)</u>	51,122

Governmental funds report required contributions to employee pensions as
expenditures. However, in the Statement of Activities the expense for the
pension is recorded based on the actuarially determined cost of the plan.

This is the amount that the actuarially determined pension expense
exceeded contributions. (115,758)

Governmental funds report required contributions to Other Post Employment Benefits
(OPEB) as expenditures. However, in the Statement of Activities the expense for the
OPEB is recorded based on the actuarially determined cost of the plan.

This is the amount that the actuarially determined OPEB expense exceeded
contributions. (60,879)

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

111,587

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 1,658,638

See accompanying notes to basic financial statements.

GONZALES COUNTY
STATEMENT OF FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Custodial Funds</u>
ASSETS	
Cash and Cash Equivalents	<u>\$ 3,923,495</u>
TOTAL ASSETS	<u>3,923,495</u>
 NET POSITION	
Restricted for:	
Individuals, Organizations and other Governments	<u>3,923,495</u>
TOTAL NET POSITION	<u><u>\$ 3,923,495</u></u>

See accompanying notes to basic financial statements.

GONZALES COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Custodial Funds
ADDITIONS	
Ad Valorem Tax Collections for Other Governments	\$ 66,045,468
Condemnations Payments for Property Owners	1,681,860
Commissary Sales for Benefit of Inmates	29,836
Property Seizures	136,753
Inmate Deposits	263,387
Cash Bonds	99,060
Motor Vehicle Collections for the State	5,319,793
Interest Income	382
Court Settlements Held for Minors	27,809
Unclaimed Oil Lease Revenues	113,804
Excess Tax Sale Proceeds	83,341
TOTAL ADDITIONS	73,801,493
DEDUCTIONS	
Cash Bond Refunds and Forfeitures	71,245
Property Seizure Refunds and Forfeitures	76,981
Jail Commissary Purchases for Inmates	15,740
Refunds to Inmates	273,045
Oil Lease Distributions to Property Owners	2,453,755
Condemnation Disbursements to Property Owners	675,708
Excess Tax Payouts to Property Owners	69,122
Property Tax Distributions to Other Governments	66,045,468
Motor Vehicle Distributions to the State	5,276,699
Other Distributions	54,901
TOTAL DEDUCTIONS	75,012,664
Net Increase in Fiduciary Net Position	(1,211,171)
BEGINNING NET POSITION	
Prior Period Adjustment	-
	5,134,666
ENDING NET POSITION	\$ 3,923,495

See accompanying notes to basic financial statements.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Gonzales County (“County”) is a public corporation and political subdivision of the State of Texas. The County is governed by four elected Commissioners (divided into precincts) and the elected County Judge. The County provides the following services: general government (administration, judicial, legal, elections and financial administration), public safety (corrections, constables, and sheriff), public transportation (roads and bridges), health and conservation.

The financial statements of the County 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.

1. REPORTING ENTITY

Component Units

Component units are legally separate entities that are, in substance, part of the government’s operations; thus, data from these units, would be combined with data of the primary government. The County does not have any component units.

Related Organizations

The County does appoint the board members of the Gonzales County Emergency Services District and the Gonzales County Emergency Fire District. However, the County cannot impose its will on these districts and thus they do not meet the definition of component units. Separate financials can be obtained from the District websites gonzalesesd1ems.org and gonzalesfiredistrict.org.

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The **government-wide financial statements** include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the County. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues.

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

Separate **fund financial statements** are provided for governmental, proprietary and fiduciary funds. The General Fund, Debt Services Fund, Asset Replacement, Street Maintenance and Utility Fund meet the criteria as *major funds*.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

3. 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. This measurement focus is also used for the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue types which have been accrued consist of revenue from taxes, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as *program revenues* and *general revenues*. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants not restricted to specific programs, investment earnings, and other miscellaneous revenues.

Governmental fund level financial statements are reported using 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

The government reports the following major governmental funds:

General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property and sales taxes. Primary expenditures are for general administration, judicial, and public safety.

Road and Bridge Fund is used to account for property taxes and licenses committed to road and bridge maintenance in the County.

Fiduciary fund level financial statements are used to account resources held for others. The County's custodial funds holds property taxes for other governments, motor vehicle fees for the State and various other settlements.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash deposits and investments with a maturity date within three (3) months of the date acquired by the County. For the County, this includes investments in local government investment pools that are liquid and maintain a stable net asset value.

5. INVESTMENTS

State statutes authorize the County to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (e). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations.

The County reports investments (certificates of deposit) at amortized cost.

6. ACCOUNTS RECEIVABLE/REVENUE RECOGNITION

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1, 2019 and past due after January 31, 2020. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as unearned revenue in the fund statements. Receivables are shown net of an allowance for uncollectibles.

GONZALES COUNTY
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

7. PREPAID ITEMS

Payments made for goods and services in advance are recorded as prepaid items on the balance sheet.

8. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the fund statements.

9. CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the applicable governmental or business type activities column in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$5,000 or more and a useful life in excess of two years. Infrastructure assets include County-owned streets, water system, and sewer system. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The Costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest has not been capitalized during the construction period on property plant and equipment. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Estimated Life</u>
Buildings and Improvements	15-40 years
Vehicles and Equipment	5-15 years

10. COMPENSATED ABSENCES

Full-time employees earn sick and vacation leave at varying rates depending on length of service. Unused sick leave is not paid on termination and is not accrued in these financial statements. Vacation leave is paid on termination. In addition, employees earn holiday and comp time that may be accumulated and paid on termination. Accumulated, unused time off is accrued as incurred in the government-wide statements. However, it is recognized on the governmental fund statements when it is due and payable.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

11. UNAVAILABLE/UNEARNED REVENUE

Property tax revenues are recognized when they become both measurable and available in the fund statements. Available means when due, or past due, and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue not expected to be available for the current period are reflected as unavailable revenue (a deferred inflow of resources). Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

12. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period, while a deferred inflow of resources is an acquisition of net position. These items are presented in separate sections following assets (deferred outflows) or liabilities (deferred inflows) on the statement of net position.

13. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt (including capital leases) and other long-term obligations are reported as liabilities under governmental activities or proprietary fund type statement of net position. On new bond issues, bond premiums and discounts are deferred and amortized over the life of the discount. Bond issuance costs are expensed as incurred. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

14. PENSIONS

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

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

15. NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

16. FUND BALANCES

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable - Represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact.

Restricted - Represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed - Represents amounts that can only be used for a specific purpose by a resolution of Commissioners' Court. Committed amounts cannot be used for any other purpose unless Commissioners' Court removes those constraints through the same formal action.

Assigned - Represents amounts which the County intends to use for a specific purpose but do not meet the criteria of restricted or committed. The Commissioners' Court may delegate authority for assignments to other officials in the County.

Unassigned - Represents the residual balance that may be spent on any other purpose of the County.

When an expenditure is incurred for a purpose in which multiple classifications are available, the County considers restricted balances spent first, committed second and assigned third.

The County has established a minimum fund balance policy in the General fund of 18-25% of subsequent year's budgeted expenditures.

17. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

18. COMPARATIVE DATA/RECLASSIFICATIONS

Comparative data for the prior year (where provided) includes certain reclassifications to conform to the 2020 presentation. These reclassifications had no effect on the changes in fund balance/net position except as noted in the prior period adjustment note to the financial statements.

19. CHANGES IN ACCOUNTING PRINCIPLES

As of October 1, 2019, the County made three changes to accounting principles. First, the County changed from accruing one month of sales tax to two. This better matches the sales tax collection cycle in that merchants send September collections to the State in October, which is then remitted to the County in November. Second, the County Adopted Governmental Accounting Standards Board Statement 84 related to fiduciary activities. This standard adopted new reporting requirements in the fiduciary activities and defined new types of fiduciary funds. For the County, this necessitated a reevaluation of activities previously reported as fiduciary and added a statement of changes in fiduciary net position to the basic financial statements. Lastly, the County stopped accruing estimated fines as a receivable on the government-wide financial statements. These fines have a low collection rate and are not officially set until the offender appears before the court. These changes resulted in prior period adjustments as detailed later in the notes to the financial statements.

NOTE B -- DEPOSITS AND INVESTMENTS

1. Deposits

The County maintains deposits at one institution that provides a combination of pledged collateral and FDIC insurance to completely collateralize the County's deposits, including certificates.

2. Investments

As of September 30, 2020, the County's investments consisted of \$6,494,973 in Texpool, a AAAM rated local government investment pool. The investment is reported in cash and equivalents at \$1 per share, which approximates fair value.

In addition, the County has materially complied with the provisions of the Public Funds Investment Act, by investing in qualified vehicles, adopting an investment policy, naming an investment officer, and attending the required training.

GONZALES COUNTY
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2020

NOTE C -- PROPERTY TAX CALENDAR

The County's property tax is levied and becomes collectible each October 1 based on the assessed values listed as of the prior January 1, which is the date a lien attaches to all taxable property in the County. Assessed values are established by the Gonzales County Appraisal District at 100% of estimated market value. Assessed values are reduced by lawful exemptions to arrive at taxable values. A revaluation of all property is required to be completed every four (4) years. The total taxable value as of January 1, 2019, upon which the fiscal 2020 levy was based, was \$3.6 billion (i.e., market value less exemptions).

The County is permitted by the Constitution of the State of Texas to levy taxes up to \$0.80 per \$100 of taxable assessed valuation for all governmental purposes. Taxes for voter approved debt service are generally unlimited. The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt, for the year ended September 30, 2020, was \$0.3809 per \$100 of assessed value. Generally, the County may only increase the maintenance and operations tax levy 3.5% each year without first obtaining voter approval.

NOTE D -- RECEIVABLES

Receivables for the County as of September 30, 2020 are as follows:

	General Fund
Ad Valorem Taxes	\$ 1,544,024
Sales and Mixed Beverage Tax	134,263
Coronavirus Relief Grant	400,356
Allowance for Doubtful Accounts	(154,402)
Total Other Receivables	\$ 1,924,241

NOTE E -- NOTES RECEIVABLE

The County, through the revolving loan fund, has provided loans to local businesses at favorable terms to spur community development. In 2020, the County refinanced one of the notes, but did not extend any new credit. The County has two notes outstanding that require monthly principal and interest payments at 1% and 1.25%. Future payments on these notes are as follows:

Year Ending	Principal	Interest	Total
September 30,			
2021	\$ 43,334	\$ 2,831	\$ 46,165
2022	33,846	2,384	36,230
2023	27,042	2,093	29,135
2024	27,314	1,821	29,135
2025	27,588	1,547	29,135
2026-2030	139,729	3,522	143,251
	\$ 298,853	\$ 14,198	\$ 313,051

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE F -- CAPITAL ASSETS

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

	Balance 10/1/19*	Additions	Disposals/ Transfers	Balance 9/30/2020
<i>Governmental Activities</i>				
Buildings and Improvements	\$ 15,017,052	\$ 69,258	\$ 166,446	\$ 15,252,756
Vehicles and Equipment	12,201,888	1,948,709	-	14,150,597
Construction in Progress	330,820	362,268	(166,446)	526,642
	27,549,760	2,380,235	-	29,929,995
Less Accumulated Depreciation				
Buildings and Improvements	(6,209,411)	(354,845)	-	(6,564,256)
Vehicles and Equipment	(5,979,508)	(1,266,418)	-	(7,245,926)
	(12,188,919)	(1,621,263)	-	(13,810,182)
Governmental Activities, Net	\$ 15,360,841	\$ 758,972	\$ -	\$ 16,119,813

*Beginning amounts were restated from a prior period adjustment
Land and Construction in Progress are not depreciated.

Depreciation expense was charged to the governmental functions as follows:

Administration	\$ 141,628
Legal	1,519
Judicial	175
Finance	1,530
Facilities	237,248
Public Safety	220,525
Conservation	5,745
Public Transportation	1,012,893
Total Depreciation Expense - Governmental Activities	\$ 1,621,263

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE G -- LONG-TERM DEBT

Changes in long-term debt were as follows:

	Balance 10/1/2019	Additions	Reductions	Balance 9/30/2020
<i>Governmental Activities:</i>				
Bonds Payable	\$ 235,000	\$ -	\$ (235,000)	\$ -
Capital Leases	884,297	386,505	(299,719)	971,083
Compensated Absences	219,882	186,264	(87,953)	318,193
Net Pension Liability	7,094,497	1,265,880	(3,195,121)	5,165,256
Total OPEB Liability	932,066	110,157	(80,242)	961,981
<i>Total Government</i>	<u>\$ 9,365,742</u>	<u>\$ 1,948,806</u>	<u>\$ (3,898,035)</u>	<u>\$ 7,416,513</u>

The General Fund and Road and Bridge Fund are generally charged with servicing these obligations.

NOTE H -- BONDS AND CAPITAL LEASES

	Balance 10/1/2019	Additions	Reductions	Balance 9/30/2020	Due Within One Year
<i>Governmental Activities:</i>					
Bond Series 2006	\$ 235,000	\$ -	\$ (235,000)	\$ -	\$ -
Capital Leases	884,297	386,505	(299,719)	971,083	195,371
<i>Total Government</i>	<u>\$ 1,119,297</u>	<u>\$ 386,505</u>	<u>\$ (534,719)</u>	<u>\$ 971,083</u>	<u>\$ 195,371</u>

The capital leases consist of various agreements with equipment manufacturers for heavy machinery for road maintenance. The leases require monthly or quarterly payments. These leases are serviced by the Road and Bridge Fund. Assets related to these leases are included in capital assets and as of September 30, 2020 these assets were reported with a cost of \$1,773,124 and accumulated depreciation of \$197,746.

Requirements for future minimum lease payments are as follows:

Year Ending September 30,	Future Minimum Payments
2021	\$ 236,178
2022	236,178
2023	236,178
2024	300,350
2025	53,124
2026	15,283
Total	1,077,291
Less: Amount Representing Interest	(106,208)
Net	<u>\$ 971,083</u>

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE I -- PENSION PLAN

Plan Description

The County participates as one of 800 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas County and District Retirement System (TCDRS). TCDRS is an agency created by the state of Texas and administered in accordance with the TCDRS Act as an agent multiple-employer retirement system for County and District employees in the State of Texas. The Board of Trustees of TCDRS is responsible for the administration and management of the system. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at PO Box 2034, Austin, Texas 78768-2034.

All eligible employees of the County are required to participate in TCDRS. The plan provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS. Members can retire at age 60 and above with 8 or more years of service or with 20 years regardless of age or when the sum of their age and years of service equals 75 or more. A member is vested after 8 years but must leave his accumulated contributions in the plan. Members who withdraw their personal contributions are not entitled to any amounts contributed by the 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 County within the actuarial constraints imposed by the TCDRS Act so the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute.

At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the District, within the options available in the state statutes governing TCDRS. At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the County-financed monetary credits with interest were used to purchase an annuity.

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

	<u>2019</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	92
Inactive Employees Entitled to but Not Yet Receiving Benefits	85
Active employees	<u>163</u>
	<u><u>340</u></u>

GONZALES COUNTY
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2020

NOTE I -- PENSION PLAN (Continued)

Contributions

The County has elected the annually determined contribution rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The actuarially determined rates were 15.35% and 15.89% for the calendar years of 2019 and 2020, respectively. The County chose to contribute more than the required amount.

The contribution rate payable by the employee members is 7% as adopted by the governing body of the District. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The County has adopted a matching rate of 250% with 110% prior service credits.

Actuarial Assumptions

The County's net pension liability (NPL) was measured as of December 31, 2019 and the total pension liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date. The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	9.3 Years
Asset Valuation Method	5 Year Smoothed Market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average including inflation
Investment Rate of Return	8.00%, net of administrative and investment expenses
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.

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. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE I -- PENSION PLAN (Continued)

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on April 2020 information for a 10-year time horizon. Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a long-term time horizon; the most recent analysis was performed in 2017. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 – December 31, 2016 for more details. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Geometric Real Rate of Return
U.S. Equities	14.5%	5.20%
Private Equity	20.0%	8.20%
Global Equity	2.5%	5.50%
International Developed Markets	7.0%	5.20%
International Emerging Markets	7.0%	5.70%
Investment Grade Bonds	3.0%	-0.20%
Strategic Credit	12.0%	3.14%
Direct Lending	11.0%	7.16%
Distressed Debt	4.0%	6.90%
REIT Equities	3.0%	4.50%
Master Limited Partnerships (MLPs)	2.0%	8.40%
Private Real Estate Partnerships	6.0%	5.50%
Hedge Funds	8.0%	2.30%
	<u>100%</u>	

The discount rate used to measure the Total Pension Liability (or asset) was 8.10%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability (or asset).

The following presents the net pension liability of the District, calculated using the discount rate of 8.10%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate 7.10%	Discount Rate 8.10%	Discount Rate 9.10%
Net Pension Liability (Asset)	\$ 9,294,777	\$ 5,165,256	\$ 1,709,649

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE I -- PENSION PLAN (Continued)

Changes in the Net Pension Liability

The below schedule presents the changes in the Net Pension Liability as of December 31, 2019:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2018	\$ 28,820,893	\$ 21,726,396	\$ 7,094,497
Changes for the year:			
Service Cost	1,265,880	-	1,265,880
Interest	2,387,337	-	2,387,337
Change of Benefit Terms	(94,940)	-	(94,940)
Difference Between Expected and Actual Experience	(62,566)	-	(62,566)
Changes of Assumptions	-	-	-
Refund of Contributions	(73,599)	(73,599)	-
Benefit Payments	(1,177,718)	(1,177,718)	-
Administrative Expense	-	(19,737)	19,737
Contributions - Employee	-	549,252	(549,252)
Net Investment Income	-	3,567,296	(3,567,296)
Contributions - Employer	-	1,304,437	(1,304,437)
Other Changes	-	23,704	(23,704)
Net Changes	2,244,394	4,173,635	(1,929,241)
Balance at December 31, 2019	\$ 31,065,287	\$ 25,900,031	\$ 5,165,256

Pension Plan Fiduciary Net Position

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

GONZALES COUNTY
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2020

NOTE I -- PENSION PLAN (Continued)

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

For the year ended September 30, 2020, the County recognized pension expense of \$1,387,058. Also as of September 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 45,149	\$ -
Changes in Actuarial Assumptions	30,582	-
Differences Between Projected and Actual Investment Earnings	-	567,817
Contributions Subsequent to the Measurement Date	959,746	-
	\$ 1,035,477	\$ 567,817

Deferred outflows of resources in the amount of \$959,746 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Plan Year ended December 31,	
2020	\$ (81,239)
2021	(124,160)
2022	69,988
2023	(356,675)
2024	-
Thereafter	-
	\$ (492,086)

NOTE J -- OTHER POST-EMPLOYMENT BENEFIT

Eligible retirees of the County may participate in the health insurance plan of the County at the County's cost. Eligible employees are those that attain age 59 with 18 years of service. Retired elected officials with 12 years of service and age 55 are also eligible. Benefits terminate at age 65. The benefits end when the retiree is medicare eligible.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE J -- OTHER POST-EMPLOYMENT BENEFIT (Continued)

Membership in the plan at December 31, 2019, the valuation and measurement date, consisted of:

	2019
Inactive Employees or Beneficiaries Currently Receiving Benefits	4
Inactive Employees Entitled to but Not Yet Receiving Benefits	0
Active employees	120
	124

This County does not maintain a separate trust for this plan and is not accumulating assets to service the other post-employment benefit. 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 employees attaining eligibility. 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. Significant methods and assumptions were as follows:

Actuarial Cost Method	Individual Entry-Age Normal
Inflation	2.50%
Salary Increases	0.50% to 5.0% not including inflation of 3.25%
Discount Rate	2.75%
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). For the OPEB valuation, the standard TCDRS retirement rates were adjusted to reflect the impact of the County's retiree medical plan design.
Mortality Rates	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%. Those rates are projected on a fully generational basis based on 110% of the ultimate rates of Scale MP-2014.
Health Care Trend Rates	Initial rate of 7% declining to 4.15% after 15 years.
Participation Rates	Assumed 100% of eligible retirees.

The TOL of the County's retiree insurance benefit is calculated using a discount rate of 2.75% and a health care cost trend rate of 7%, declining to 4.15% after 15 years. The following tables present the sensitivity of the TOL to a 1% swing in the discount rate and health care cost trend rate:

	1% Decrease	Healthcare Trend Rate	1% Increase
Total OPEB Liability	\$ 845,527	\$ 961,981	\$ 1,101,320
	Discount Rate 1.75%	Discount Rate 2.75%	Discount Rate 3.75%
Total OPEB Liability	\$ 1,039,056	\$ 961,981	\$ 889,440

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE J -- OTHER POSTEMPLOYMENT BENEFIT (Continued)

The County's Total OPEB Liability (TOL), based on the above actuarial factors, as of December 31, 2019, the measurement and actuarial valuation date, was calculated as follows:

	Total OPEB Liability
Balance at December 31, 2018	\$ 932,066
Changes for the year:	
Service Cost	75,259
Interest	34,898
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	(108,782)
Changes in Assumptions or Other Inputs	86,640
Benefit Payments	(58,100)
Net Changes	29,915
Balance at December 31, 2019	\$ 961,981

There is no separate trust maintained to fund this TOL. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75 to pay related benefits.

For the year ended September 30, 2020, the County recognized OPEB expense of \$107,837. In addition, the following deferred inflows and outflows were reported as of September 30, 2020 related to the benefit:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Actuarial Assumptions	\$ 77,631	\$ -
Changes in Experience	-	101,071
Contributions Subsequent to the Measurement Date	34,848	-
	\$ 112,479	\$ 101,071

Deferred outflows of resources in the amount of \$34,848 is related to OPEB benefits resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the total OPEB liability for the plan year ended December 31, 2020.

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE J -- OTHER POSTEMPLOYMENT BENEFIT (Continued)

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Plan Year ended December 31,	
2020	\$ (2,320)
2021	(2,320)
2022	(2,320)
2023	(2,320)
2024	(2,320)
Thereafter	(11,840)
	<u>\$ (23,440)</u>

NOTE K – TAX ABATEMENTS

The County provides tax abatements to incentivize development and provide economic growth in the County. As of September 30, 2020, the County had one such agreement. In exchange for improvements in the County of at least \$30 million and a 50% preference to local manufacturers/supplier, the County will rebate 75% of the incremental property tax revenue generated by the project for a term of 15 years (through November 2022). The project is expected to be conducted in three phases and each phase will receive the rebate for 10 years. During the year ended September 30, 2020 (the first year of the rebate), the County rebated \$38,287 in property taxes.

NOTE L -- RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The County contracts with the Texas Association of Counties Risk Management Pool (“Pool”) to provide insurance coverage for liability, property and casualty, auto liability and workers compensation. The Pool is a multi-employer group that provides for a combination of risk sharing among pool participants and stop loss coverage. Contributions are set annually by the provider. Liability by the County is generally limited to the contributed amounts for losses up to coverage limits.

NOTE M – INTERFUND TRANSFERS

The following transfers occurred during the year ending September 30, 2020:

From	To	Amount	Purpose
Nonmajor Governmental	General Fund	\$ 15,948	Closure of Debt Service Fund
General Fund	Nonmajor Governmental	6,355	Closure of Transportation Grant Fund
		<u>\$ 22,303</u>	

GONZALES COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2020

NOTE N -- LITIGATION

The County is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the County's liability in these cases, if decided adversely to the County, will not have a material effect on the County's financial position.

NOTE O -- PRIOR PERIOD ADJUSTMENT

The County has made changes to the September 30, 2019 financial statements for corrections and changes in accounting policies. These adjustments and their impact on each opinion unit are as follows:

	General Fund	Nonmajor Governmental	Fiduciary Activities	Governmental Activities
Beginning Fund Balance/Net Position, Previously Reported	\$ 6,300,287	\$ 1,225,818	\$ -	\$ 37,874,855
<i>Changes in Accounting Principles:</i>				
Adoption of GASB 84				
Activities Previously Reported in Agency Funds	-	147,592	-	147,592
Amounts Previously Reported as Liabilities in Agency Funds	-	-	5,134,666	-
Accrual of Additional Month of Sales Tax Remittances	263,017	-	-	263,017
Derecognition of Outstanding Fines	-	-	-	(1,473,658)
<i>Corrections:</i>				
Balance Amounts Owed Between Funds	(12,170)	-	-	(12,170)
Removal of Deferred Inflow for Notes Receivable	-	317,668	-	-
Overstated Deferred Outflows Related to Pensions	-	-	-	(309,771)
Overstated Capital Assets	-	-	-	(9,156,293)
Beginning Fund Balance/Net Position, Restated	<u>\$ 6,551,134</u>	<u>\$ 1,691,078</u>	<u>\$ 5,134,666</u>	<u>\$ 27,333,572</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Road and Bridge Fund
- Schedule of Changes - Net Pension Liability and Related Ratios
- Schedule of Contributions – Defined Benefit Pension Plan
- Schedule of Changes – Total Other Post-Employment Benefit Liability and Related Ratios

GONZALES COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budget Amounts		Actual	Variance
	Original	Final	Amounts	
REVENUES				
Ad Valorem Taxes	\$ 8,813,443	\$ 8,775,156	\$ 9,611,474	\$ 836,318
Sales Taxes	2,544,538	2,544,538	2,323,146	(221,392)
Fines and Forfeitures	1,118,986	1,118,986	951,781	(167,205)
Charges for Services	398,850	398,850	560,036	161,186
Licenses, Permits, and Fees	93,750	93,750	111,849	18,099
Interest Income	99,500	99,500	114,911	15,411
Misc Income	75,750	77,000	125,297	48,297
Grants and Donations	91,402	91,402	564,369	472,967
TOTAL REVENUES	<u>13,236,219</u>	<u>13,199,182</u>	<u>14,362,863</u>	<u>1,163,681</u>
EXPENDITURES				
<i>Current:</i>				
Administration				
County Judge	269,886	269,886	261,036	8,850
County Clerk	608,339	608,339	566,713	41,626
Veteran's Service	42,609	42,609	23,474	19,135
Nondepartmental	1,307,652	1,313,407	1,185,772	127,635
Elections	55,368	63,428	61,241	2,187
District Clerk	388,250	388,250	360,533	27,717
Legal - County Attorney	647,651	648,901	615,050	33,851
Judicial				
County Court	204,060	204,060	145,420	58,640
District Court	323,447	323,447	240,017	83,430
Justices of the Peace	804,876	809,147	784,850	24,297
Finance				
County Auditor	402,823	402,823	394,859	7,964
County Treasurer	99,115	99,115	95,461	3,654
Tax Assessor	632,283	641,584	594,208	47,376
Facilities - Courthouse	704,891	705,364	673,323	32,041
Public Safety				
Jail	2,424,065	2,486,151	2,227,110	259,041
Constables	380,207	380,207	357,313	22,894
DPS	94,247	94,247	90,934	3,313
County Sheriff	2,879,326	2,965,926	2,754,368	211,558
Code Enforcement	174,149	184,592	178,366	6,226
Health - Indigent Services	8,000	8,000	3,200	4,800
Conservation	157,680	157,680	147,408	10,272
Capital Outlay	752,800	810,696	713,771	96,925
TOTAL EXPENDITURES	<u>\$ 13,361,724</u>	<u>\$ 13,607,859</u>	<u>\$ 12,474,427</u>	<u>\$ 1,133,432</u>

GONZALES COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
 BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (125,505)	\$ (408,677)	\$ 1,888,436	\$ 2,297,113
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	-	58,620	58,620
Transfer In	-	-	9,593	9,593
TOTAL OTHER FINANCING SOURCES	-	-	68,213	68,213
NET CHANGE IN FUND BALANCE	(125,505)	(408,677)	1,956,649	2,365,326
BEGINNING FUND BALANCE	6,300,287	6,300,287	6,300,287	-
Prior Period Adjustment	-	-	250,847	250,847
ENDING FUND BALANCE	<u>\$ 6,174,782</u>	<u>\$ 5,891,610</u>	<u>\$ 8,507,783</u>	<u>\$ 2,616,173</u>

GONZALES COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL – ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budget Amounts		Actual Amounts	Variance
	Original	Final		
REVENUES				
Ad Valorem Taxes	\$ 3,800,000	\$ 3,800,000	\$ 4,113,814	\$ 313,814
Licenses, Permits, and Fees	770,582	770,582	744,996	(25,586)
Interest Income	174,000	174,000	120,084	(53,916)
Misc Income	160,000	160,000	45,950	(114,050)
Grants and Donations	-	-	5,093	5,093
TOTAL REVENUES	<u>4,904,582</u>	<u>4,904,582</u>	<u>5,029,937</u>	<u>125,355</u>
EXPENDITURES				
<i>Current:</i>				
Public Transportation				
Precinct 1	1,394,675	1,365,817	1,207,786	158,031
Precinct 2	1,371,279	1,327,394	1,197,028	130,366
Precinct 3	1,094,808	1,075,463	1,041,237	34,226
Precinct 4	1,135,930	1,138,930	982,082	156,848
<i>Capital Outlay:</i>				
Precinct 1	78,323	387,041	383,389	3,652
Precinct 2	12,277	369,402	360,625	8,777
Precinct 3	149,008	368,831	368,828	3
Precinct 4	117,000	563,034	548,994	14,040
<i>Debt Service:</i>				
Principal	299,719	299,719	299,719	-
Interest	51,724	51,724	51,724	-
TOTAL EXPENDITURES	<u>5,704,743</u>	<u>6,947,355</u>	<u>6,441,412</u>	<u>505,943</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(800,161)	(2,042,773)	(1,411,475)	631,298
OTHER FINANCING SOURCES (OFS)				
Proceeds from Sale of Capital Assets	-	-	11,616	11,616
Proceeds from Equipment Leases	-	386,505	386,505	-
TOTAL OFS	<u>-</u>	<u>386,505</u>	<u>398,121</u>	<u>11,616</u>
NET CHANGE IN FUND BALANCE	(800,161)	(1,656,268)	(1,013,354)	642,914
BEGINNING FUND BALANCE	<u>9,264,415</u>	<u>9,264,415</u>	<u>9,264,415</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 8,464,254</u>	<u>\$ 7,608,147</u>	<u>\$ 8,251,061</u>	<u>\$ 642,914</u>

GONZALES COUNTY
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
SEPTEMBER 30, 2020

Budgetary Information – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The County maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provision embodied in the annual appropriated budget approved by Commissioners’ Court and as such is a good management control device. The following are the funds which have legally adopted annual budgets: General Fund, Debt Service Fund and Road and Bridge Fund.

Budgetary preparation and control is exercised at the department level. Actual expenditures may not legally exceed appropriations at the fund level.

The County does not use encumbrances.

GONZALES COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES - NET PENSION LIABILITY AND RELATED RATIOS
LAST SIX PLAN (CALENDAR) YEARS

	Total Pension Liability		
	2014	2015	2016
Service Cost	\$ 743,601	\$ 857,720	\$ 976,508
Interest (on the Total Pension Liability)	1,294,712	1,401,918	1,507,148
Changes of Benefit Terms	-	(138,275)	-
Change of Assumptions	-	188,450	-
Difference between Expected and Actual Experience	(80,324)	(272,441)	76,858
Benefit Payments, Including Refunds of Employee Contributions	(693,130)	(737,771)	(807,317)
Net Change in Total Pension Liability	1,264,859	1,299,601	1,753,197
Total Pension Liability - Beginning	15,959,360	17,224,219	18,523,820
Total Pension Liability - Ending	<u>\$ 17,224,219</u>	<u>\$ 18,523,820</u>	<u>\$ 20,277,017</u>
	Plan Fiduciary Net Position		
	2014	2015	2016
Contributions - Employer	\$ 968,268	\$ 961,758	\$ 1,028,452
Contributions - Employee	413,741	458,249	490,058
Net Investment Income	912,845	(73,671)	1,152,169
Benefit Payments, Including Refunds of Employee Contributions	(693,130)	(737,771)	(807,317)
Administrative Expense	(10,918)	(10,993)	(12,548)
Other	(76,139)	36,147	97,321
Net Change	1,514,667	633,719	1,948,135
Beginning Plan Fiduciary Net Position	13,386,669	14,901,336	15,535,055
Ending Plan Fiduciary Net Position	<u>\$ 14,901,336</u>	<u>\$ 15,535,055</u>	<u>\$ 17,483,190</u>
Net Pension Liability - Ending	\$ 2,322,883	\$ 2,988,765	\$ 2,793,827
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.51%	83.87%	86.22%
Covered Payroll	\$ 5,910,589	\$ 6,546,416	\$ 7,000,833
Net Pension Liability as a Percentage of Covered Payroll	39.30%	45.65%	39.91%

Information for this schedule is being accumulated prospectively until a rolling ten year period is available.

Total Pension Liability		
2017	2018	2019
\$ 990,850	\$ 1,129,030	\$ 1,265,880
1,682,545	1,973,009	2,387,337
1,690,735	2,969,418	(94,940)
76,452	-	-
65,142	84,408	(62,566)
<u>(1,011,109)</u>	<u>(1,106,606)</u>	<u>(1,251,318)</u>
3,494,615	5,049,259	2,244,393
20,277,017	23,771,632	28,820,891
<u>\$ 23,771,632</u>	<u>\$ 28,820,891</u>	<u>\$ 31,065,284</u>

Plan Fiduciary Net Position		
2017	2018	2019
\$ 1,486,847	\$ 1,619,911	\$ 1,304,437
517,897	533,652	549,252
2,567,918	(380,351)	3,567,296
(1,011,109)	(1,106,606)	(1,251,318)
(13,995)	(17,451)	(19,737)
13,184	33,307	23,704
<u>3,560,742</u>	<u>682,462</u>	<u>4,173,634</u>
17,483,190	21,043,932	21,726,394
<u>\$ 21,043,932</u>	<u>\$ 21,726,394</u>	<u>\$ 25,900,028</u>

\$ 2,727,700	\$ 7,094,497	\$ 5,165,256
--------------	--------------	--------------

88.53%	75.38%	83.37%
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\$ 7,398,525	\$ 7,623,603	\$ 7,846,463
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36.87%	93.06%	65.83%
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GONZALES COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS – PENSION PLAN
LAST TEN YEARS

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	\$ 1,262,920	\$ 1,269,518	\$ (6,598)	\$ 8,016,470	15.8%
2019*	1,204,437	1,304,437	(100,000)	7,846,463	16.6%
2018*	1,109,234	1,619,911	(510,677)	8,623,603	18.8%
2017*	845,651	1,486,847	(641,196)	7,398,525	20.1%
2016*	830,999	1,028,452	(197,453)	7,000,833	14.7%
2015*	840,560	961,758	(121,198)	6,546,416	14.7%
2014*	868,268	968,268	(100,000)	5,910,589	16.4%
2013*	717,705	817,720	(100,015)	4,885,673	16.7%
2012*	514,476	614,477	(100,001)	4,237,857	14.5%
2011*	377,943	383,579	(5,636)	4,024,955	9.5%

*These years are reported on a calendar year basis

Notes to Schedule of Contributions

Changes in Benefit Terms:

2017: New annuity purchase rates for benefits earned after 2017.

2018: Current service matching rate was increased to 235% and a flat 2% COLA.

2019: Current service matching rate was increased to 250% and a flat 2% COLA.

Changes in Assumptions:

2015: New inflation, mortality and other assumptions

2017: New mortality assumptions

GONZALES COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES – TOTAL OTHER POST-EMPLOYMENT BENEFIT LIABILITY AND
 RELATED RATIOS
 RETIREE INSURANCE
 LAST THREE CALENDAR (PLAN) YEARS

	Total OPEB Liability		
	2017	2018	2019
Service Cost	\$ 65,297	\$ 73,199	\$ 75,259
Interest	33,606	30,883	34,898
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual Experience	-	(4,436)	(108,782)
Changes in Assumptions or Other Inputs	31,349	(27,275)	86,640
Benefit Payments	<u>(92,944)</u>	<u>(73,483)</u>	<u>(58,100)</u>
Net Change in Total Pension Liability	37,308	(1,112)	29,915
Total OPEB Liability - Beginning	895,870	933,178	932,066
Total OPEB Liability - Ending	<u>\$ 933,178</u>	<u>\$ 932,066</u>	<u>\$ 961,981</u>
 Covered Payroll	 \$ 6,921,726	 \$ 6,343,791	 \$ 7,039,189
 Total OPEB Liability as a Percentage of Covered Payroll	 13.48%	 14.69%	 13.67%

Notes to Schedule

Changes in Benefit Terms: None

Changes in Assumptions:

2019: Healthcare trend rate modified

2018: Healthcare trend rate modified

Trust:

No assets are accumulated in a trust that meets the criteria
 in paragraph 4 of Statement No. 75 to pay related benefits.

Information for this schedule is being accumulated prospectively until a rolling ten year period is available.



SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Combining Statements – Nonmajor Funds
- Comparative Statements – General Fund
- Comparative Statements – Road and Bridge Fund

GONZALES COUNTY
 COMBINING BALANCE SHEET – NONMAJOR FUNDS
 SEPTEMBER 30, 2020

	Special Revenue			
	Truancy Prevention	Probate	Law Library	Election Fund
ASSETS				
Cash and Cash Equivalents	\$ 4,815	\$ 1,127	\$ 96,937	\$ 3,102
Notes Receivable	-	-	-	-
TOTAL ASSETS	\$ 4,815	\$ 1,127	\$ 96,937	\$ 3,102
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
<i>Total Liabilities</i>	-	-	-	-
<i>Fund Balances:</i>				
Nonspendable:				
Notes Receivable	-	-	-	-
Restricted for:				
Elections	-	-	-	3,102
Legal	-	-	96,937	-
Judicial	-	1,127	-	-
Public Safety	4,815	-	-	-
Records Management	-	-	-	-
Sheriff	-	-	-	-
Community Development	-	-	-	-
Other Purposes	-	-	-	-
<i>Total Fund Balances</i>	4,815	1,127	96,937	3,102
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,815	\$ 1,127	\$ 96,937	\$ 3,102

Special Revenue

Attorney Hot Check	County Clerk Records	District Clerk Records	Mediation	Records Management	Digital Records
\$ 1,422	\$ 434,567	\$ 21,248	\$ 48,040	\$ 8,792	\$ 11,992
-	-	-	-	-	-
<u>\$ 1,422</u>	<u>\$ 434,567</u>	<u>\$ 21,248</u>	<u>\$ 48,040</u>	<u>\$ 8,792</u>	<u>\$ 11,992</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,422	-	-	-	-	-
-	-	-	48,040	-	-
-	-	-	-	-	-
-	434,567	21,248	-	8,792	11,992
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,422</u>	<u>434,567</u>	<u>21,248</u>	<u>48,040</u>	<u>8,792</u>	<u>11,992</u>
<u>\$ 1,422</u>	<u>\$ 434,567</u>	<u>\$ 21,248</u>	<u>\$ 48,040</u>	<u>\$ 8,792</u>	<u>\$ 11,992</u>

GONZALES COUNTY
 COMBINING BALANCE SHEET – NONMAJOR FUNDS (CONTINUED)
 SEPTEMBER 30, 2020

	Special Revenue			
	Family Protection	Child Abuse	HAVA	Parks and Wildlife
ASSETS				
Cash and Cash Equivalents	\$ 744	\$ 1,500	\$ 27,467	\$ 1,129
Notes Receivable	-	-	-	-
TOTAL ASSETS	\$ 744	\$ 1,500	\$ 27,467	\$ 1,129
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
<i>Total Liabilities</i>	-	-	-	-
<i>Fund Balances:</i>				
Nonspendable:				
Notes Receivable	-	-	-	-
Restricted for:				
Elections	-	-	27,467	-
Legal	-	-	-	-
Judicial	-	-	-	-
Public Safety	744	1,500	-	-
Records Management	-	-	-	-
Sheriff	-	-	-	-
Community Development	-	-	-	-
Other Purposes	-	-	-	1,129
<i>Total Fund Balances</i>	744	1,500	27,467	1,129
TOTAL LIABILITIES AND FUND BALANCES	\$ 744	\$ 1,500	\$ 27,467	\$ 1,129

Special Revenue

Supplemental Guardianship Fee	Vital Statistics	Judge's Supplement	Courthouse Security	Justice Building Security	Specialty Court
\$ 18,560	\$ 16,195	\$ 6,083	\$ 7,087	\$ 32,373	\$ 846
-	-	-	-	-	-
<u>\$ 18,560</u>	<u>\$ 16,195</u>	<u>\$ 6,083</u>	<u>\$ 7,087</u>	<u>\$ 32,373</u>	<u>\$ 846</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,560	-	-	7,087	32,373	846
-	-	-	-	-	-
-	16,195	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	6,083	-	-	-
<u>18,560</u>	<u>16,195</u>	<u>6,083</u>	<u>7,087</u>	<u>32,373</u>	<u>846</u>
<u>\$ 18,560</u>	<u>\$ 16,195</u>	<u>\$ 6,083</u>	<u>\$ 7,087</u>	<u>\$ 32,373</u>	<u>\$ 846</u>

GONZALES COUNTY
 COMBINING BALANCE SHEET – NONMAJOR FUNDS (CONTINUED)
 SEPTEMBER 30, 2020

	Special Revenue			
	County Records Management	GLO CDBG Grant	Court Reporter	Justice Court Technology
ASSETS				
Cash and Cash Equivalents	\$ 67,995	\$ -	\$ 7,678	\$ 18,539
Notes Receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 67,995</u>	<u>\$ -</u>	<u>\$ 7,678</u>	<u>\$ 18,539</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>				
Nonspendable:				
Notes Receivable	-	-	-	-
Restricted for:				
Elections	-	-	-	-
Legal	-	-	-	-
Judicial	-	-	7,678	18,539
Public Safety	-	-	-	-
Records Management	67,995	-	-	-
Sheriff	-	-	-	-
Community Development	-	-	-	-
Other Purposes	-	-	-	-
<i>Total Fund Balances</i>	<u>67,995</u>	<u>-</u>	<u>7,678</u>	<u>18,539</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 67,995</u>	<u>\$ -</u>	<u>\$ 7,678</u>	<u>\$ 18,539</u>

Special Revenues

Court Technology	Appelant Judicial	Sheriff Revenues	SCAAP Grant	Indigent Health	Attorney Forfeiture
\$ 7,643	\$ 1,455	\$ 88,066	\$ 26,551	\$ 17,071	\$ 23,152
-	-	-	-	-	-
<u>\$ 7,643</u>	<u>\$ 1,455</u>	<u>\$ 88,066</u>	<u>\$ 26,551</u>	<u>\$ 17,071</u>	<u>\$ 23,152</u>
-	-	-	1,000	-	-
-	-	-	<u>1,000</u>	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	23,152
7,643	1,455	-	-	-	-
-	-	-	-	-	-
-	-	88,066	-	-	-
-	-	-	-	-	-
-	-	-	25,551	17,071	-
<u>7,643</u>	<u>1,455</u>	<u>88,066</u>	<u>25,551</u>	<u>17,071</u>	<u>23,152</u>
<u>\$ 7,643</u>	<u>\$ 1,455</u>	<u>\$ 88,066</u>	<u>\$ 26,551</u>	<u>\$ 17,071</u>	<u>\$ 23,152</u>

GONZALES COUNTY
 COMBINING BALANCE SHEET – NONMAJOR FUNDS (CONTINUED)
 SEPTEMBER 30, 2020

	Special Revenue		
	Revolving Loan	Transportation Grant	Total Special Revenue
ASSETS			
Cash and Cash Equivalents	\$ 361,370	\$ -	\$ 1,363,546
Notes Receivable	298,853	-	298,853
TOTAL ASSETS	\$ 660,223	\$ -	\$ 1,662,399
LIABILITIES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ 22	\$ -	\$ 1,022
<i>Total Liabilities</i>	22	-	1,022
<i>Fund Balances:</i>			
Nonspendable:			
Notes Receivable	298,853	-	298,853
Restricted for:			
Elections	-	-	30,569
Legal	-	-	121,511
Judicial	-	-	143,348
Public Safety	-	-	7,059
Records Management	-	-	560,789
Sheriff	-	-	88,066
Community Development	361,348	-	361,348
Other Purposes	-	-	49,834
<i>Total Fund Balances</i>	660,201	-	1,661,377
TOTAL LIABILITIES AND FUND BALANCES	\$ 660,223	\$ -	\$ 1,662,399

<u>Debt Service</u>	<u>Total Nonmajor Funds</u>
\$ -	\$ 1,363,546
-	298,853
<u>\$ -</u>	<u>\$ 1,662,399</u>

<u>\$ -</u>	<u>\$ 1,022</u>
-	1,022

-	298,853
-	30,569
-	121,511
-	143,348
-	7,059
-	560,789
-	88,066
-	361,348
-	49,834
<u>-</u>	<u>1,661,377</u>
<u>\$ -</u>	<u>\$ 1,662,399</u>

GONZALES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE – NONMAJOR FUNDS
 SEPTEMBER 30, 2020

	Special Revenue			
	Truancy Prevention	Probate	Law Library	Election Fund
REVENUES				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Charges for Services	-	269	10,188	23,990
Interest Income	-	-	-	-
Grants and Donations	4,815	-	-	-
TOTAL REVENUES	4,815	269	10,188	23,990
EXPENDITURES				
Current:				
Administration	-	506	-	20,888
Legal	-	-	5,656	-
Judicial	-	-	-	-
Public Safety	-	-	-	-
Health	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	-	506	5,656	20,888
Excess (Deficiency) in Revenue Over (Under) Expenditures	4,815	(237)	4,532	3,102
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	-	-	-
Net Change in Fund Balance	4,815	(237)	4,532	3,102
BEGINNING FUND BALANCE	-	1,364	92,405	-
Prior Period Adjustment	-	-	-	-
ENDING FUND BALANCE	\$ 4,815	\$ 1,127	\$ 96,937	\$ 3,102

Special Revenue

Attorney Hot Check	County Clerk Records	District Clerk Records	Mediation	Records Management	Digital Records
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
905	44,704	2,938	2,911	323	3,311
-	-	-	-	-	-
-	-	-	-	-	-
<u>905</u>	<u>44,704</u>	<u>2,938</u>	<u>2,911</u>	<u>323</u>	<u>3,311</u>
-	9,116	-	-	-	9,986
1,015	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,015</u>	<u>9,116</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,986</u>
(110)	35,588	2,938	2,911	323	(6,675)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(110)	35,588	2,938	2,911	323	(6,675)
-	398,979	18,310	45,129	8,469	18,667
1,532	-	-	-	-	-
<u>\$ 1,422</u>	<u>\$ 434,567</u>	<u>\$ 21,248</u>	<u>\$ 48,040</u>	<u>\$ 8,792</u>	<u>\$ 11,992</u>

GONZALES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE – NONMAJOR FUNDS (CONTINUED)
 SEPTEMBER 30, 2020

	Special Revenue			
	Family Protection	Child Abuse	HAVA	Parks and Wildlife
REVENUES				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	1,469
Charges for Services	839	-	-	-
Interest Income	-	-	-	-
Grants and Donations	-	200	20,639	-
TOTAL REVENUES	<u>839</u>	<u>200</u>	<u>20,639</u>	<u>1,469</u>
EXPENDITURES				
Current:				
Administration	-	-	9,736	-
Legal	-	-	-	-
Judicial	-	-	-	-
Public Safety	-	-	-	-
Health	4,000	-	-	340
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	<u>4,000</u>	<u>-</u>	<u>9,736</u>	<u>340</u>
Excess (Deficiency) in Revenue Over (Under) Expenditures	(3,161)	200	10,903	1,129
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	-	-	-
Net Change in Fund Balance	(3,161)	200	10,903	1,129
BEGINNING FUND BALANCE	3,905	1,300	16,564	-
Prior Period Adjustment	-	-	-	-
ENDING FUND BALANCE	<u>\$ 744</u>	<u>\$ 1,500</u>	<u>\$ 27,467</u>	<u>\$ 1,129</u>

Special Revenue

Supplemental Guardianship Fee	Vital Statistics	Judge's Supplement	Courthouse Security	Justice Building Security	Specialty Court
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	14,876	2,609	846
-	1,361	-	-	-	-
-	-	-	-	-	-
1,820	-	1,074	-	-	-
<u>1,820</u>	<u>1,361</u>	<u>1,074</u>	<u>14,876</u>	<u>2,609</u>	<u>846</u>
-	-	1,948	-	-	-
-	-	-	-	-	-
-	-	-	13,282	10,282	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>1,948</u>	<u>13,282</u>	<u>10,282</u>	<u>-</u>
1,820	1,361	(874)	1,594	(7,673)	846
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,820	1,361	(874)	1,594	(7,673)	846
16,740	14,834	6,957	5,493	40,046	-
-	-	-	-	-	-
<u>\$ 18,560</u>	<u>\$ 16,195</u>	<u>\$ 6,083</u>	<u>\$ 7,087</u>	<u>\$ 32,373</u>	<u>\$ 846</u>

GONZALES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE – NONMAJOR FUNDS (CONTINUED)
 SEPTEMBER 30, 2020

	Special Revenue			
	County Records Management	GLO CDBG Grant	Court Reporter	Justice Court Technology
REVENUES				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	14,293
Charges for Services	4,888	-	2,798	-
Interest Income	-	-	-	-
Grants and Donations	-	49,778	-	-
TOTAL REVENUES	<u>4,888</u>	<u>49,778</u>	<u>2,798</u>	<u>14,293</u>
EXPENDITURES				
Current:				
Administration	-	49,778	-	-
Legal	-	-	-	-
Judicial	-	-	976	8,809
Public Safety	-	-	-	-
Health	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>49,778</u>	<u>976</u>	<u>8,809</u>
Excess (Deficiency) in Revenue Over (Under) Expenditures	4,888	-	1,822	5,484
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	4,888	-	1,822	5,484
BEGINNING FUND BALANCE	63,107	-	5,856	13,055
Prior Period Adjustment	-	-	-	-
ENDING FUND BALANCE	<u>\$ 67,995</u>	<u>\$ -</u>	<u>\$ 7,678</u>	<u>\$ 18,539</u>

Special Revenues

Court Technology	Appellant Judicial	Sheriff Revenues	SCAAP Grant	Indigent Health	Attorney Forfeiture
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
675	1,454	-	-	-	24,511
-	-	-	-	-	-
-	-	968	-	154	-
-	-	3,852	30,846	-	-
<u>675</u>	<u>1,454</u>	<u>4,820</u>	<u>30,846</u>	<u>154</u>	<u>24,511</u>
-	-	-	-	-	-
-	-	-	-	-	35,328
-	2,960	-	16,506	-	-
-	-	28,845	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>2,960</u>	<u>28,845</u>	<u>16,506</u>	<u>-</u>	<u>35,328</u>
675	(1,506)	(24,025)	14,340	154	(10,817)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
675	(1,506)	(24,025)	14,340	154	(10,817)
6,968	2,961	-	11,211	16,917	-
-	-	112,091	-	-	33,969
<u>\$ 7,643</u>	<u>\$ 1,455</u>	<u>\$ 88,066</u>	<u>\$ 25,551</u>	<u>\$ 17,071</u>	<u>\$ 23,152</u>

GONZALES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE – NONMAJOR FUNDS (CONTINUED)
 SEPTEMBER 30, 2020

	Special Revenue		
	Revolving Loan	Transportation Grant	Total Special Revenue
REVENUES			
Ad Valorem Taxes	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	60,733
Charges for Services	-	-	99,425
Interest Income	3,947	-	5,069
Grants and Donations	-	-	113,024
TOTAL REVENUES	3,947	-	278,251
EXPENDITURES			
Current:			
Administration	2,400	-	104,358
Legal	-	-	41,999
Judicial	-	-	52,815
Public Safety	-	-	28,845
Health	-	-	4,340
Debt Service:			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	2,400	-	232,357
Excess (Deficiency) in Revenue Over (Under) Expenditures	1,547	-	45,894
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	-	6,355	6,355
Net Change in Fund Balance	1,547	6,355	52,249
BEGINNING FUND BALANCE	340,986	(6,355)	1,143,868
Prior Period Adjustment	317,668	-	465,260
ENDING FUND BALANCE	\$ 660,201	\$ -	\$ 1,661,377

<u>Debt Service</u>	<u>Total Nonmajor Funds</u>
\$ 173,308	\$ 173,308
-	60,733
-	99,425
566	5,635
-	113,024
173,874	452,125
-	104,358
-	41,999
-	52,815
-	28,845
-	4,340
235,000	235,000
4,876	4,876
239,876	472,233
(66,002)	(20,108)
(15,948)	(9,593)
(81,950)	(29,701)
81,950	1,225,818
-	465,260
\$ -	\$ 1,661,377

GONZALES COUNTY
 COMPARATIVE BALANCE SHEETS
 GENERAL FUND
 SEPTEMBER 30, 2020 AND 2019

	2020	2019*
ASSETS		
Cash and Cash Equivalents	\$ 5,946,661	\$ 5,613,566
Certificates of Deposit	2,686,359	1,642,925
Ad Valorem Taxes Receivable (net)	1,389,622	1,278,034
Other Receivables	534,619	260,613
Due From Other Funds	-	1,733
Prepaid Items	38,640	38,640
TOTAL ASSETS	\$ 10,595,901	\$ 8,835,511
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 507,916	\$ 812,876
Accrued Wages	184,678	169,991
Unearned Revenue	5,902	18,476
<i>Total Liabilities</i>	698,496	1,001,343
 <i>Deferred Inflows of Resources</i>		
Unavailable Property Tax Revenues	1,389,622	1,283,034
 <i>Fund Balances:</i>		
Nonspendable:		
Prepaid Items	38,640	38,640
Restricted for:		
Sheriff	22,301	22,301
Unassigned	8,446,842	6,490,193
<i>Total Fund Balance</i>	8,507,783	6,551,134
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,595,901	\$ 8,835,511

*2019 has been restated to reflect the results of a prior period adjustment.

GONZALES COUNTY
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 GENERAL FUND
 FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019*
REVENUES		
Ad Valorem Taxes	\$ 9,611,474	\$ 9,559,113
Sales Taxes	2,323,146	2,536,766
Fines and Forfeitures	951,781	1,378,315
Charges for Services	560,036	412,168
Licenses, Permits, and Fees	111,849	101,578
Interest Income	114,911	108,820
Misc Income	125,297	363,902
Grants and Donations	564,369	99,292
TOTAL REVENUES	14,362,863	14,559,954
EXPENDITURES		
<i>Current:</i>		
Administration	2,458,769	3,385,181
Legal	615,050	620,665
Judicial	1,170,287	1,193,779
Finance	1,084,528	1,066,689
Facilities	673,323	623,999
Public Safety	5,608,091	5,515,943
Health	3,200	1,660
Conservation	147,408	149,919
Capital Outlay	713,771	2,093,708
TOTAL EXPENDITURES	12,474,427	14,651,543
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,888,436	(91,589)
OTHER FINANCING SOURCES (USES)		
Proceeds from the Sale of Assets	58,620	-
Transfers In	9,593	(163)
TOTAL OTHER FINANCING SOURCES (USES)	68,213	(163)
NET CHANGE IN FUND BALANCE	1,956,649	(91,752)
BEGINNING FUND BALANCE	6,551,134	6,642,886
ENDING FUND BALANCE	\$ 8,507,783	\$ 6,551,134

*2019 has been restated to reflect the results of a prior period adjustment.



GONZALES COUNTY
 COMPARATIVE BALANCE SHEETS
 ROAD AND BRIDGE FUND
 SEPTEMBER 30, 2020 AND 2019

	2020	2019
ASSETS		
Cash and Cash Equivalents	\$ 5,203,792	\$ 7,535,005
Certificates of Deposit	3,090,345	1,743,024
Due from Other Funds	-	18,802
Prepaid Items	14,793	14,793
 TOTAL ASSETS	 \$ 8,308,930	 \$ 9,311,624
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
<i>Liabilities:</i>		
Accrued Wages	\$ 57,869	\$ 47,209
<i>Total Liabilities</i>	57,869	47,209
 <i>Fund Balances:</i>		
Nonspendable:		
Prepaid Items	14,793	14,793
Committed for:		
Road and Bridge Maintenance		
Precinct 1	2,092,093	1,990,190
Precinct 2	2,022,929	2,037,305
Precinct 3	2,082,802	2,343,144
Precinct 4	2,038,444	2,878,983
<i>Total Fund Balance</i>	8,251,061	9,264,415
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	 \$ 8,308,930	 \$ 9,311,624

GONZALES COUNTY
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND
 BALANCE – ROAD AND BRIDGE FUND
 FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>Precinct 1</u>	<u>Precinct 2</u>	<u>Precinct 3</u>	<u>Precinct 4</u>
REVENUES				
Ad Valorem Taxes	\$ 1,550,591	\$ 1,219,904	\$ 889,621	\$ 453,698
Licenses, Permits, and Fees	191,912	189,212	180,161	183,711
Interest Income	30,524	25,754	31,262	32,544
Misc Income	12,068	11,798	11,042	11,042
Grants and Donations	-	5,093	-	-
TOTAL REVENUES	1,785,095	1,451,761	1,112,086	680,995
EXPENDITURES				
<i>Current:</i>				
Public Transportation	1,207,786	1,197,028	1,041,237	982,082
Capital Outlay	383,389	360,625	368,828	548,994
Debt Service:				
Principal	167,227	85,068	47,424	-
Interest	20,451	21,755	9,518	-
TOTAL EXPENDITURES	1,778,853	1,664,476	1,467,007	1,531,076
EXCESS (DEFICIENCY) OF REVENUS OVER (UNDER) EXPENDITURES	6,242	(212,715)	(354,921)	(850,081)
OTHER FINANCING SOURCES (OFS)				
Sale of Capital Assets	1,800	-	273	9,543
Proceeds from Equipment Lease	93,860	198,340	94,305	-
TOTAL OFS	95,660	198,340	94,578	9,543
NET CHANGE IN FUND BALANCE	\$ 101,902	\$ (14,375)	\$ (260,343)	\$ (840,538)
BEGINNING FUND BALANCE				
ENDING FUND BALANCE				

Fund Totals	
<u>2020</u>	<u>2019</u>
\$ 4,113,814	\$ 4,121,110
744,996	877,291
120,084	129,048
45,950	119,849
5,093	-
<u>5,029,937</u>	<u>5,247,298</u>
4,428,133	4,686,807
1,661,836	1,566,936
299,719	548,876
51,724	33,663
<u>6,441,412</u>	<u>6,836,282</u>
(1,411,475)	(1,588,984)
11,616	193
386,505	1,206,424
<u>398,121</u>	<u>1,206,617</u>
(1,013,354)	(382,367)
9,264,415	9,646,782
<u>\$ 8,251,061</u>	<u>\$ 9,264,415</u>

