

**POTTER COUNTY, TEXAS**

**Annual Comprehensive  
Financial Report**

**For the Year Ended  
September 30, 2021**

POTTER COUNTY, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR YEAR ENDED SEPTEMBER 30, 2021

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## **INTRODUCTORY SECTION**



# *County of Potter*

*State of Texas*

900 S. Polk, Suite 716

Amarillo, Texas 79101-3412

**Jack Dossett**  
**County Auditor**  
**Auditor@co.potter.tx.us**

**806-349-4800**  
**Fax: 806-349-4808**

March 1, 2022

The Annual Comprehensive Financial Report of Potter County, Texas (the County) for the year ended September 30, 2021 is submitted herewith. This report is submitted in accordance with Section 114.025 of the Local Government Code.

This report consists of management's representations concerning the finances of Potter County, Texas. Management assumes full responsibility for both the accuracy of the data and the completeness and fairness of this report, including all disclosures. To provide a reasonable basis of making these representations, Potter County management has established a comprehensive internal control framework designed both to protect governmental assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements. The internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the reliability of financial reporting, the effectiveness and efficiency of operations, and compliance with existing law and regulations. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgements by management.

These financial statements and supplemental financial information have been audited by Doshier, Pickens & Francis, LLC, a firm of licensed certified public accountants engaged by the Potter County Commissioners' Court. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2021, are free of material misstatement. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended September 30, 2021 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Potter County was part of the broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements with special emphasis on internal controls and legal requirements involving administration of federal and state awards. These reports are available in the Other Supplemental Information sections of the financial report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis

(MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Potter County's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

Potter County, created in 1876 from Bexar District, was organized in 1887 and named for a Republic of Texas Leader, Robert Potter. The County consists of approximately 591,577 acres of mostly level plain, broken by the Canadian River and its tributaries. Potter County is located in the Texas Panhandle with the City of Amarillo as the county seat. Due to its strategic location, the County, along with Randall County to the South, has become a trade center for a five-state area. The County is traversed from east and west by Interstate Highway 40 and from north and south by U.S. 287/87 along with State Highway 136. Railroads and an international airport serve the County along with bus lines and other motor-freight carriers.

Potter County, operating as specified under the Constitution and statutes, is governed by a Commissioners' Court, which consists of the County Judge and four Commissioners, one from each of the four geographical precincts and elected for staggered four year terms. Commissioners' Court duties included setting the County ad valorem tax rate, approval of the budget, calling certain elections, approval and awarding contracts, issuance of bonds, and appointing or participating in the appointment of certain county officials and boards.

The County, as a political subdivision of the State of Texas provides services allowed, or implied, by the State Constitution or statutes. The County serves an estimated 2020 population of 118,525 and provides a full range of county services normally associated with a Texas county, including administration of general government, adult and juvenile justice programs, assistance to indigents, courts, elections, fire protections, jails, law enforcement, law library, and recording offices, as well as the construction and maintenance of roads, bridges and other infrastructure.

The annual budget serves as the foundation of Potter County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Judge, who serves as the Budget Officer. The County Judge uses these requests as the starting point for developing a proposed budget, with revenue estimates provided by the County Auditor. The appropriate budget is adopted by fund, then by department, then by the categories of salaries and benefits, travel, contract services, general operations, prisoner care, equipment/vehicle maintenance, building repairs/maintenance, special expense, juvenile services and other. The County's budgetary system is fully integrated with the accounting and financial system to allow for the matching of budget appropriations with actual expenditures, obligations, and encumbrances on a daily basis. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

All governmental funds are appropriated annually with the exception of the following funds: District Attorney Crime Victim and Sheriff's Commissary.

### **Local Economy**

Although Potter County's economy has greatly diversified, historically, major industries in the Amarillo area include grains, cattle, beef processing, natural gas, oil, helium and other petroleum by-products, refining operations and nuclear weapons processing. A significant portion of its economy is still based upon this important economic activity. In addition to these industries, today, our economy also includes food processing, defense industry, manufacturing, distribution, traffic and transportation, general retail, banking, criminal justice, medical facilities and higher education.

### **Long-term Financial Planning and Relevant Financial Policies**

The County has an important responsibility to the citizen of Potter County to carefully account for public funds and to plan for adequate funding of services. To meet this responsibility, policies and procedures are in place to

achieve responsible stewardship and full disclosure, such as compliance with Local Government Code 111.003 to maintain a balanced budget; a fund balance policy requiring 90 days of operating expenses held in reserve; a system of budgetary control using monitoring and encumbrances accounting to ensure budget compliance; a purchasing policy to ensure cost-effective purchasing; and an investment policy that ensures the safety of the County's funds.

### **Major Initiatives**

The County has contracted with architects Hellmuth, Obata & Kassabaum, Inc and general contractors Adolfson and Peterson Construction to build a new District Courts Building that will house our District Offices along with the Child Protection Services Court and Commissioner's Court. A records center is also included in the structure. Project completion is estimated for early 2023.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Potter County for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the twenty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not be possible without the efficient and dedicated services of the entire staff of the County Auditor's Office and the professional services provided by our independent auditors, Doshier, Pickens & Francis, LLC. I appreciate the commitment of County Auditor's Office for their extra efforts to produce timely and accurate records for Potter County. Credit also must be given to the District Judges, the Commissioners' Court and all the elected officials and department heads for their interest and support in planning and conducting the financial operations of Potter County in a responsible manner.

This financial report is designed to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report or requests for additional financial information should be addressed to the Potter County Auditor, 900 S Polk, Suite 716, Amarillo, Texas 79101 or emailed to [auditor@co.potter.tx.us](mailto:auditor@co.potter.tx.us).

Respectfully submitted,

Jack Dossett  
Potter County Auditor





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Potter County  
Texas**

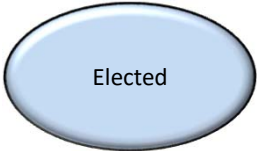
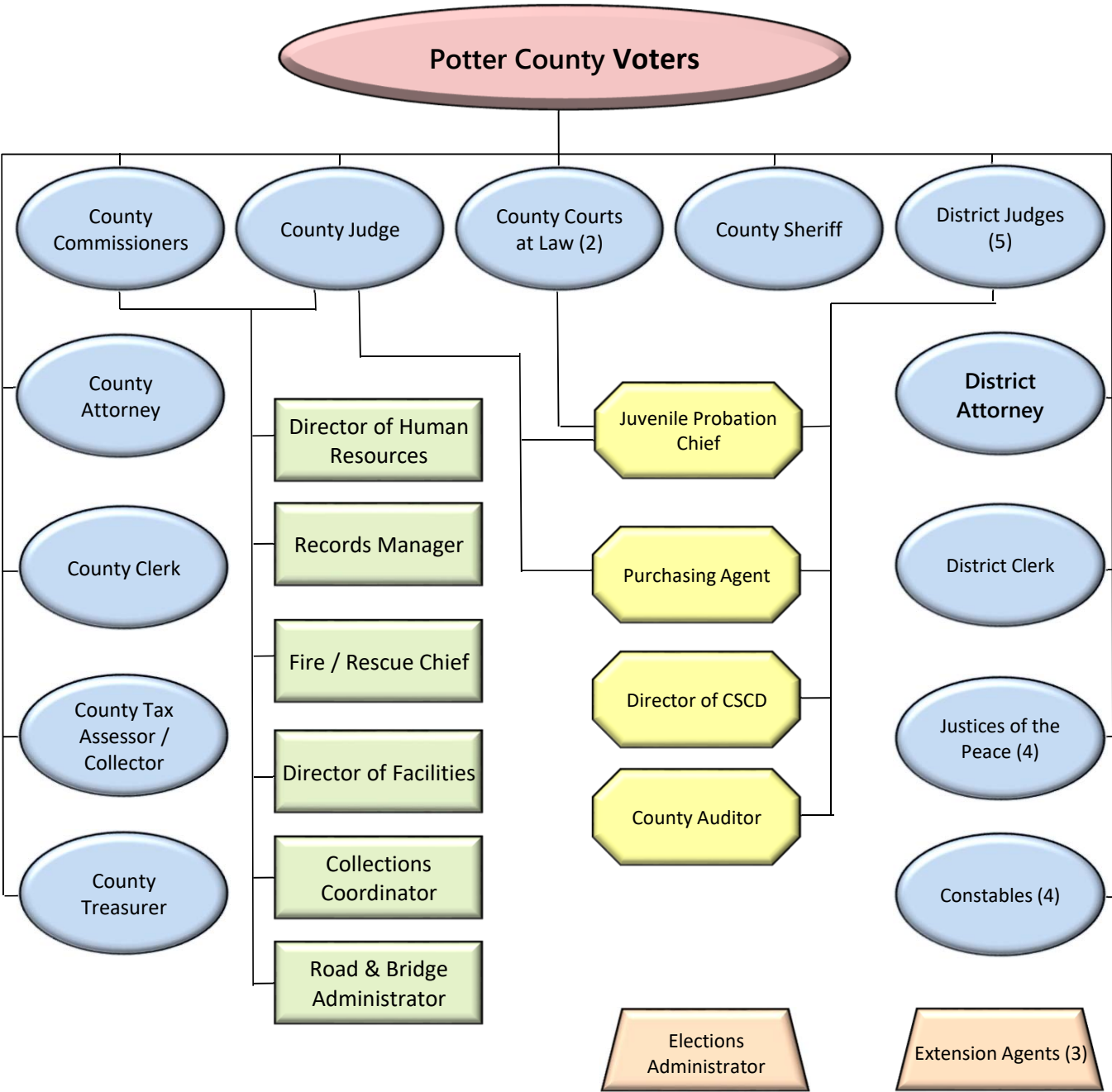
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# Potter County, Texas Organization Chart



**POTTER COUNTY, TEXAS  
PRINCIPAL COUNTY OFFICIALS  
SEPTEMBER 30, 2021**

Nancy Tanner	County Judge
H.R. Kelly	Commissioner, Precinct #1
Vacant	Commissioner, Precinct #2
John Coffee	Commissioner, Precinct #3
Alphonso Vaughn	Commissioner, Precinct #4
Dan Schaap	Judge, 47 <sup>th</sup> District Court
Douglas Woodburn	Judge, 108 <sup>th</sup> District Court
Titiana Frausto	Judge, 181 <sup>st</sup> District Court
Ana Estevez	Judge, 251 <sup>st</sup> District Court
Pamela C. Sirmon	Judge, 320 <sup>th</sup> District Court
Walt Weaver	Judge, County Court-at-Law #1
Matt Hand	Judge, County Court-at-Law #2
Randall Sims	District Attorney
Stephanie Menke	District Clerk
Scott Brumley	County Attorney
Julie Smith	County Clerk
Sherri Aylor	County Tax Assessor/Collector
Leann Jennings	County Treasurer
Brian Thomas	County Sheriff
Debbie Horn	Justice of the Peace, Precinct #1
Robert Taylor	Justice of the Peace, Precinct #2
Gary Jackson	Justice of the Peace, Precinct #3
Thomas Jones	Justice of the Peace, Precinct #4
Darryl Wertz	Constable, Precinct #1
Georgia Estrada	Constable, Precinct #2
Robert Parker	Constable, Precinct #3
Idella Jackson	Constable, Precinct #4
Jack Dossett	County Auditor
Chris Lonning	Purchasing Agent

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## **FINANCIAL SECTION**



To The Honorable County Judge and  
Commissioners Comprising the  
Commissioners' Court of  
Potter County, Texas

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Potter County, Texas, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Potter County, Texas's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Potter County, Texas, as of September 30, 2021, 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 (pages 3 – 11), budgetary comparison schedule for the General Fund; Schedule of Changes in Net Pension Liability and Related Ratios – TCDRS; Schedule of Employer Contributions – TCDRS; and Schedule of Changes in Total OPEB Liability and Related Ratios (pages 57 – 61) 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 Potter County, Texas's basic financial statements. The introductory section and statistical tables are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2022, on our consideration of Potter County, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Potter County, Texas's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Potter County, Texas's internal control over financial reporting and compliance.

*DOSHIER, PICKENS & FRANCIS, L.L.C.*

DOSHIER, PICKENS & FRANCIS, LLC

Amarillo, Texas

March 1, 2022

## Management's Discussion and Analysis

As management of Potter County, we offer readers of Potter County's financial statements this narrative overview and analysis of the financial activities of Potter County for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iv - vi of this report.

### Financial Highlights

- The assets and deferred outflows of resources of Potter County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$123.02 million (*net position*). Of this amount, \$25.23 million represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- Potter County's total net position increased \$19.7 million. Charges for services increased \$370 thousand, operating grants increased \$11.78 million and property taxes increased \$547 thousand. Interest on long-term debt decreased \$509.6 thousand and judicial expenditures increased by \$403.7 thousand.
- At the close of the current fiscal year, Potter County's governmental funds reported combined fund balances of \$108.88 million, an increase of \$2.64 million from the prior year. Approximately 26% of the fund balance (\$28.8 million) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$30.49 million or approximately 55.7% of total general fund expenditures.
- Potter County's total outstanding long-term bonded debt decreased by \$2.73 million during the current fiscal year.

### Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to Potter County's basic financial statements. Potter County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

The *statement of net position* presents financial information on all of Potter County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Potter County is improving or deteriorating.

The *statement of activities* presents information showing how Potter County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are



reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report functions of Potter County that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of Potter County include general government, judicial, public safety and correctional, health and human services, roads and bridges, and facilities.

The government-wide financial statements can be found on pages 12-14 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Potter County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Potter County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The basic governmental fund financial statements can be found on pages 15-18 of this report.

**Proprietary Funds.** Potter County maintains only one proprietary fund. An *internal service fund* is an accounting device used to accumulate and allocate costs internally among Potter County's various functions. Potter County uses an internal service fund to account for the management of its self-insured fund for employee health benefits.

The proprietary fund financial statements can be found on pages 19-21 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reported in the government-wide financial statements because the resources of those funds *are* not available to support Potter County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Potter County maintains one type of fiduciary funds. The *Agency funds* report resources held by Potter County in a custodial capacity for individuals, private organizations and other governments.

The fiduciary fund financial statements can be found on page 22-23 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-56 of this report.

**Other Information.** The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following notes to the financial statements. Combining and individual fund statements and schedules can be found beginning on page 57 of this report.

### Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of Potter County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$123.02 million at the close of the most recent fiscal year.

#### Potter County's Net Position (in thousands)

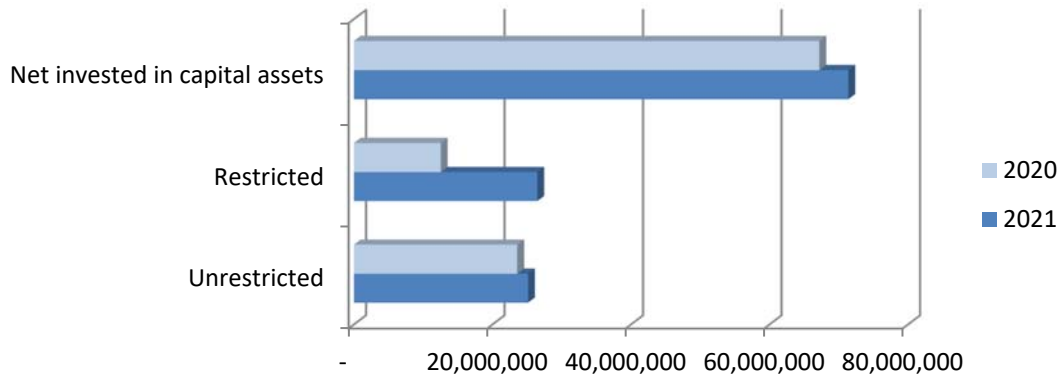
	Governmental Activities	
	2021	2020
Current and other assets	\$ 120,366	\$ 114,128
Capital assets	105,817	93,175
Total assets	\$ 226,184	\$ 207,303
Deferred Outflows-Pension and OPEB	\$ 14,184	\$ 4,891
Noncurrent liabilities outstanding	\$ 77,259	\$ 80,151
Net Pension Liability	20,914	14,397
Other liabilities	10,335	7,454
Total liabilities	\$ 108,508	\$ 102,002
Deferred Inflows-Pension and OPEB	\$ 8,839	\$ 6,873
Net position:		
Net investment in capital assets	\$ 71,393	\$ 67,199
Restricted	\$ 26,397	\$ 12,538
Unrestricted	\$ 25,230	\$ 23,582
Total net position	\$ 123,020	\$ 103,319

By far, the largest portion of Potter County's net position (58%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. Potter County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although Potter County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of Potter County's net position (21.46%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$25.23 million is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, Potter County is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

**Potter County Net Position  
September 30, 2020 and 2021**

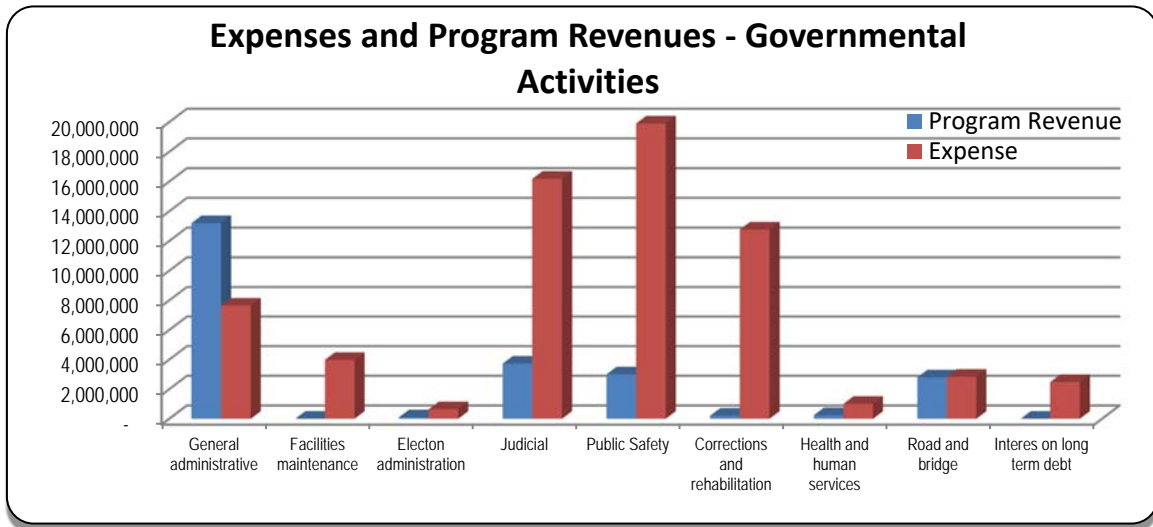


- Governmental Activities.** During the current fiscal year, net position for governmental activities increased \$19.7 million from the prior fiscal year for an ending balance of \$123.02 million. Charges for services increased \$370 thousand, operating grants increased \$11.78 million and property taxes increased \$547 thousand. Of the \$11.78 million in increased operating grants \$11.4 million is the first distribution of the federal ARPA Funding. Total expenses decreased \$1.1 million. Prior year's higher IT expense were driven the County's transition from an in-house IT department to contracted services. Total Information Technology expense decreased \$529 thousand. Debt services reductions also played a significant reduction in expense of \$454 thousand.

**Potter County's Changes in Net Position (in thousands)**

	<b>Governmental activities</b>	
	<b>2021</b>	<b>2020</b>
Charges for services	\$ 5,699	\$ 5,329
Operating grants and contributions	16,785	5,003
Capital grants and contributions	815	580
Property taxes	57,014	56,467
Other taxes	4,543	3,927
Other	2,122	3,319
Total revenues	86,978	74,627
General administrative	7,646	8,681
Facilities maintenance	3,976	3,920
Election administration	638	644
Judicial	16,185	15,781
Public safety	19,904	19,894
Corrections and rehabilitation	12,783	12,688
Health and human services	1,006	1,049
Road and bridge	2,837	2,905
Interest on long term debt	2,478	2,988
Total expenses	\$ 67,453	\$ 68,550
Increase (decrease) in net position	19,701	6,077
Net position – beginning	103,319	97,242
Prior period adjustment	0	0
Net position – ending	\$ 123,020	\$ 103,319

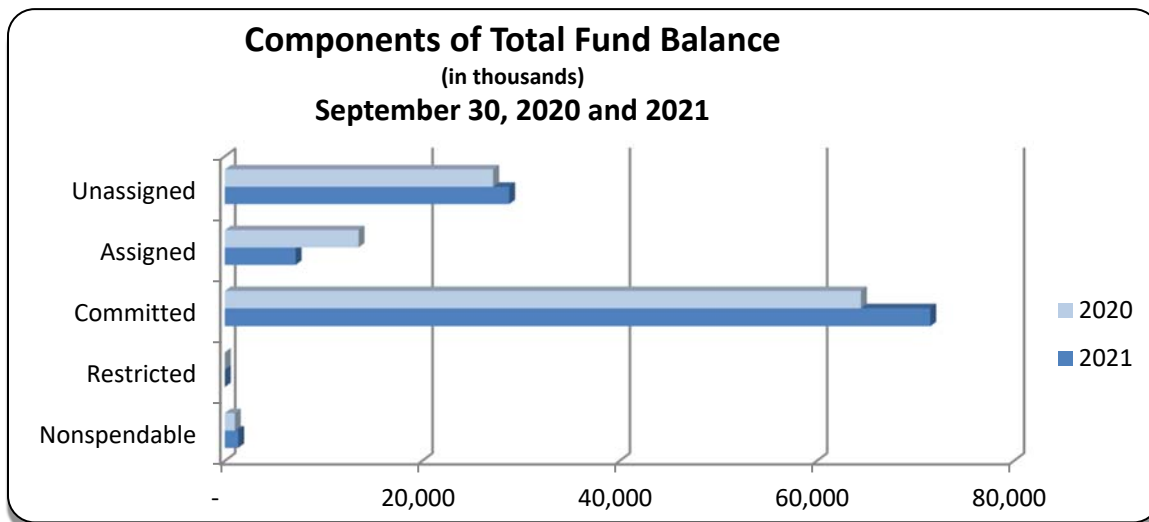
## Financial Analysis of Governmental Funds



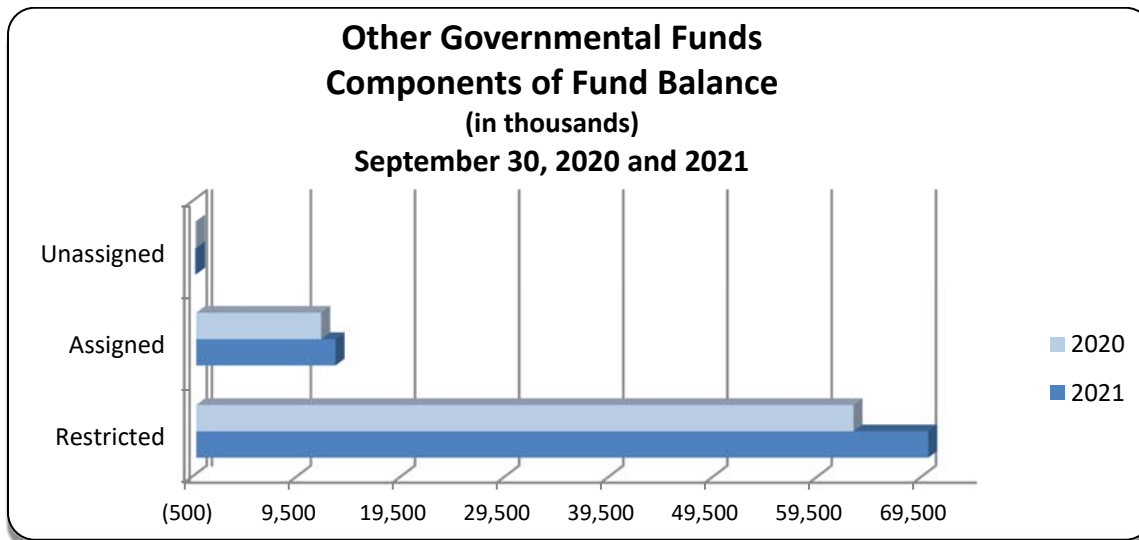
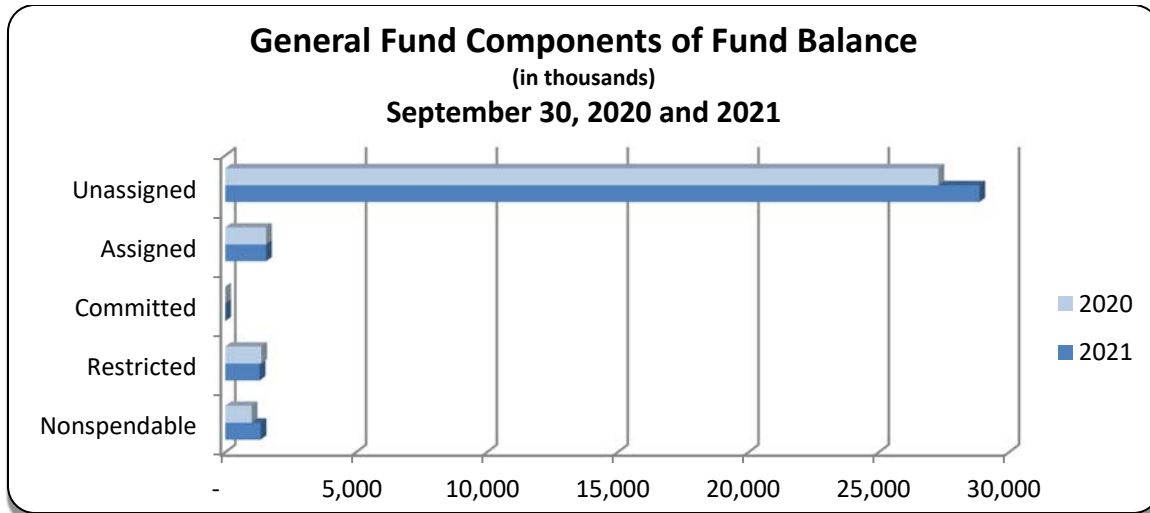
As noted earlier, Potter County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of Potter County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Potter County’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, Potter County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by Potter County’s Commissioners’ Court.

At September 30, 2021, Potter County’s governmental funds reported combined fund balances of \$108.9 million, an increase of \$2.6 million in comparison with the prior year. Approximately 26.4% of this amount (\$28.7 million) constitutes *unassigned fund balance*, which is available for spending at the government’s discretion. The remainder of the fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is 1) not in spendable form (\$1.4 million), 2) restricted for particular purposes (\$71.6 million), 3) committed for particular purposes (\$0), or 4) assigned for particular purposes (\$14.9 million).



The general fund is the chief operating fund of Potter County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$28.9 million, while total fund balance increased to \$33.1 million. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 52.7% of total general fund expenditures, while total fund balance represents approximately 60.5% of that same amount.



Potter County’s fund balance of the general fund increased by \$1.9 million during the fiscal year.

The District Courts Building fund, a major governmental fund, was established to account for proceeds from the 2019 sale of certificates of obligation issued to construct a new District Courts facility. The fund had expenditures of \$14.64 million during the fiscal year, capital funds transferred in of \$7.75million, leaving a fund balance of \$45.11 million.

**Proprietary Funds.** Potter County’s proprietary fund for employee health insurance provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the fund at the end of the year was \$3.48 million. The increase in net position was \$807 thousand.

## General Fund Budgetary Highlights

**Original budget compared to final budget.** During the year, there were multiple adjustments between budget categories, but there were no significant amendments changing the total budget.

**Final budget compared to actual results.** The most significant differences between estimated revenues and actual revenues were as follows:

Estimated Revenue source (in thousands)	Budgeted revenues	Actual revenues	Difference
American Rescue Plan	\$0	\$11,403	\$11,403
Sales Tax	2,634	3,822	1,188
Fine & Forfeitures	929	666	(263)

The American Rescue Plan Act (ARPA) of 2021 received the first of two equal distributions of funds. The ARPA funds are intended to respond to the COVID-19 public health emergency or COVID negative economic impacts. Funds are to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers. ARPA funds can also be used to provide government services to the extent of the reduction in revenue and to make necessary investments in water, sewer or broadband infrastructure.

A review of actual expenditures compared to the appropriations in the final budget yields significant variances in the following categories: salaries and fringe benefits are below budget by \$2.95 million. The variance is a result of the county budgeting at 100% employment rate, in addition to challenges the County is having hiring qualified associates for certain position. The judicial section (court appointed attorneys and visiting judges) was \$389 thousand under budget, and building operation costs had a remaining budget of \$618 thousand.

## Capital Assets and Debt Administration

**Capital assets.** Potter County's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$106 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, roads, and bridges.

### Potter County's Capital Assets (net of depreciation, in thousands)

	Governmental activities	
	2021	2020
Land	\$ 4,912	\$ 4,912
Buildings and improvements	62,027	61,492
Streets and bridges	11,397	11,257
Furniture and equipment	9,495	9,589
Construction in progress	17,986	5,925
Total	\$ 105,817	\$ 93,175

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

- Purchased Cyber Recovery server (\$109K)
- Purchased road equipment – Chip Spreader (\$302K), a Mack Dump Truck (\$145K) and a Trail King Sliding Lowboy (\$84K)

- Construction of a new fire station in the Bushland community was complete during the fiscal year (\$2.7M)
- Work continued on the new District Courts Building (\$14.6M)

Additional information on Potter County’s capital assets can be found in Note 7 on page 39 of this report.

**Long-term Debt.** At the end of our fiscal year, Potter County had total outstanding bonded debt of \$70,230,000. This amount is paid from ad valorem taxes.

**Potter County’s Outstanding Debt (in thousands)**

	Governmental activities	
	2021	2020
2017 Certificates of Obligation	\$ 17,805	\$ 18,740
2018 Tax Notes	\$ 2,800	\$ 3,700
2019 Certificates of Obligation	\$ 49,625	\$ 50,375
Total	\$ 70,230	\$ 72,815

Potter County’s total debt decreased by \$2.59 million during the current fiscal year. Potter County has an “AA-” rating from Standard & Poor’s for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of the assessed valuation of real property. The current debt limitation for Potter County is \$421.63 million which is significantly in excess of Potter County’s outstanding general obligation debt.

Additional information on Potter County’s long-term debt can be found in Note 10 on pages 42 of this report.

**Economic Factors and Next Year’s Budgets and Rates**

The following economic factors currently affect Potter County and were considered in developing the 2020-2022 fiscal year budget.

The unemployment rate for Potter County as of Sept 30, 2021 was 3.7%, which is a decrease from a rate of 5.4% a year ago. Potter County continues to remain below the National average of 4.6% and the State average of 4.9%

Growth in the taxable assessed value used to budget for fiscal year 2021 was \$229.9 million or 2.24% compared to fiscal year 2021.

Interest rates are expected to increase throughout fiscal year 2022.

On the expenditure side, increases are expected in health insurance premiums, as well as pension and other employee benefit costs. The County is expecting increases in food cost for inmates and additional fuel cost to continue to provide like services. Continuation of the construction of a new District Courts building will be the major project for 2022. Potter County continues to purchase an insurance policy with General Liability, Law Enforcement Liability, and Public Office Liability of \$2 million per occurrence and in aggregate with an additional Automobile Liability of \$2 million per occurrence.

At the end of the current fiscal year, the unassigned fund balance in the general fund was \$28.9 million.

## **Requests for Information**

This financial report is designed to provide a general overview of Potter County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Potter County Auditor's Office, 900 S. Polk, Suite 716, Amarillo, Texas 79101-3412.



## **BASIC FINANCIAL STATEMENTS**

**POTTER COUNTY, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 114,953,940
Receivables (net of allowances for uncollectible):	
Taxes	677,148
Accounts	2,544,792
Due from other governments	833,601
Prepaid items	<u>1,356,756</u>
Total current assets	<u>120,366,237</u>
Noncurrent assets:	
Capital assets:	
Land	4,911,954
Roads and bridges	39,494,019
Buildings and improvements	101,341,742
Furniture and equipment	24,188,469
Construction in progress	<u>17,986,168</u>
Total capital assets	187,922,352
Less accumulated depreciation	<u>(82,104,996)</u>
Total noncurrent assets	<u>105,817,356</u>
Total assets	<u>226,183,593</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension contributions	3,728,482
Pension economic/demographic losses	73,980
Pension assumption changes	9,636,724
Other post employment benefit assumption changes	<u>744,730</u>
Total deferred outflows of resources	<u>14,183,916</u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021**

Continuation	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 5,584,867
Accrued payroll	685,780
Unearned revenue	70,125
Due to other governments	123,627
Bonds payable, current	2,920,000
Capital lease payable, current	346,685
Compensated absences, current	206,300
Accrued interest	<u>398,005</u>
Total current liabilities	<u>10,335,389</u>
Noncurrent liabilities:	
Bonds payable and net issuance premiums	71,203,748
Capital lease payable	534,827
Compensated absences	1,857,056
Net pension liability	20,914,432
Total other post employment benefit liability	<u>3,662,527</u>
Total noncurrent liabilities	<u>98,172,590</u>
Total liabilities	<u>108,507,979</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension economic/demographic gains	595,551
Pension excess earnings	6,875,705
OPEB economic/demographic gains	748,832
OPEB assumption changes	<u>619,377</u>
Total deferred inflows of resources	<u>8,839,465</u>
<b>NET POSITION</b>	
Net investment in capital assets	71,393,230
Restricted for:	
Debt service	3,715,963
By enabling legislation for:	
Special projects	22,681,310
Unrestricted	<u>25,229,562</u>
Total net position	<u><u>\$ 123,020,065</u></u>

The notes to the financial statements are an integral part of this statement.

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**POTTER COUNTY, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
<b>Primary Government:</b>					
Governmental activities:					
Administrative	\$ 7,646,042	\$ 802,204	\$ 12,399,206	\$ -	\$ 5,555,368
Judicial	16,184,710	1,978,398	1,747,632	-	(12,458,680)
Elections	638,025	13,236	3,185	87,143	(534,461)
Public facilities	3,975,923	-	-	-	(3,975,923)
Public safety	19,903,713	851,020	2,168,367	-	(16,884,326)
Corrections and rehabilitation	12,783,308	-	210,722	-	(12,572,586)
Road and bridge	2,836,540	2,048,656	18,997	728,004	(40,883)
Health and human services	1,006,457	5,940	236,436	-	(764,081)
Interest on long-term debt	2,477,928	-	-	-	(2,477,928)
Total	<u>\$ 67,452,646</u>	<u>\$ 5,699,454</u>	<u>\$ 16,784,545</u>	<u>\$ 815,147</u>	<u>(44,153,500)</u>
General revenues:					
Taxes:					
					52,286,960
					4,727,217
					103,078
					617,336
					3,822,351
					202,786
					1,919,180
					175,822
					<u>63,854,730</u>
					19,701,230
					<u>103,318,835</u>
					<u>\$ 123,020,065</u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<b>General</b>	<b>District Courts Building</b>	<b>Capital Projects Fund</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 32,241,359	\$ 40,581,134	\$ 13,377,209
Taxes receivable, net	621,103	-	-
Due from other funds	136,759	7,750,000	-
Due from other governments	123,627	-	-
Other receivables	2,514,442	-	-
Prepaid items	1,356,756	-	-
Total assets	\$ 36,994,046	\$ 48,331,134	\$ 13,377,209
<b>LIABILITIES</b>			
Accounts payable	\$ 1,570,472	\$ 3,222,305	\$ 4,581
Due to other funds	16,081	-	7,750,000
Due to other governments	96,552	-	-
Accrued payroll	640,559	-	-
Unearned revenue	70,125	-	-
Total liabilities	2,393,789	3,222,305	7,754,581
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	449,953	-	-
Unavailable revenue-receivables	1,041,552	-	-
Total deferred inflows of resources	1,491,505	-	-
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid items	1,356,756	-	-
Restricted for:			
Debt service	-	-	-
Capital projects	-	45,108,829	-
Special projects	640,479	-	-
Administrative	-	-	-
Judicial	-	-	-
Elections	-	-	-
Public safety	-	-	-
Drug court programs	88,300	-	-
Preservation and restoration of county records	301,895	-	-
Law enforcement continuing education	10,844	-	-
Bail bond board	46,546	-	-
Victim assistance contributions	19,484	-	-
State criminal alien assistance program	147,314	-	-
Assigned to:			
Capital projects	1,561,580	-	5,622,628
Unassigned (deficit)	28,935,554	-	-
Total fund balances	33,108,752	45,108,829	5,622,628
Total liabilities, deferred inflows of resources, and fund balances	\$ 36,994,046	\$ 48,331,134	\$ 13,377,209

<b>American Rescue Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 11,408,712	\$ 13,662,604	\$ 111,271,018
-	56,045	677,148
-	55,641	7,942,400
-	709,974	833,601
-	30,350	2,544,792
-	-	1,356,756
<u>\$ 11,408,712</u>	<u>\$ 14,514,614</u>	<u>\$ 124,625,715</u>
\$ -	\$ 588,180	\$ 5,385,538
-	176,291	7,942,372
-	27,075	123,627
-	45,221	685,780
-	-	70,125
-	836,767	14,207,442
-	40,601	490,554
-	-	1,041,552
-	40,601	1,532,106
-	-	1,356,756
-	3,715,963	3,715,963
-	-	45,108,829
-	-	640,479
11,408,712	6,085,431	17,494,143
-	1,616,360	1,616,360
-	300,377	300,377
-	2,035,052	2,035,052
-	-	88,300
-	-	301,895
-	-	10,844
-	-	46,546
-	-	19,484
-	-	147,314
-	-	7,184,208
-	(115,937)	28,819,617
<u>11,408,712</u>	<u>13,637,246</u>	<u>108,886,167</u>
<u>\$ 11,408,712</u>	<u>\$ 14,514,614</u>	<u>\$ 124,625,715</u>

The notes to the financial statements are an integral part of this statement.

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**POTTER COUNTY, TEXAS**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

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

Total fund balance, governmental funds	\$	108,886,167
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		105,817,356
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		1,532,106
Long-term liabilities, including bonds payable, capital lease payable, accrued interest, net pension liability, total other post employment benefit liability, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		(102,043,580)
Pension and OPEB losses, deficit earnings, and assumption changes are shown as deferred outflows of resources in the government-wide financial statements:		
Pension economic/demographic losses		73,980
Pension assumption changes		9,636,724
OPEB assumption changes		744,730
Pension and OPEB gains and excess earnings are shown as deferred inflows of resources in the government-wide financial statements:		
Pension economic/demographic gains		(595,551)
Pension excess earnings		(6,875,705)
OPEB economic/demographic gains		(748,832)
OPEB assumption changes		(619,377)
Pension and OPEB contributions paid after the measurement date, December 31, 2020, and before September 30, 2021 are expensed in the governmental funds and shown as deferred outflows of resources in the government-wide financial statements:		
Pension contributions		3,728,482
The internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.		3,483,565
Net Position of Governmental Activities in the Statement of Net Position	\$	123,020,065

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>General</u>	<u>District Courts Building</u>	<u>Capital Projects Fund</u>
<b>REVENUES</b>			
Taxes	\$ 52,234,646	\$ -	\$ -
Sales and miscellaneous taxes	720,414	-	-
Licenses and fees	4,169,889	-	-
Fines and forfeitures	666,188	-	-
Intergovernmental	3,623,687	-	-
Interest	93,473	51,384	14,184
Miscellaneous	1,555,093	-	-
Total revenues	<u>63,063,390</u>	<u>51,384</u>	<u>14,184</u>
<b>EXPENDITURES</b>			
Current:			
Administrative	7,099,146	-	-
Judicial	15,670,773	-	-
Elections	584,296	-	-
Public facilities	2,477,718	-	86,602
Public safety	11,918,133	-	-
Corrections and rehabilitation	12,950,405	-	-
Road and bridge	2,265,821	-	-
Health and human services	1,038,111	-	-
Capital outlay	351,226	14,638,471	48,648
Debt service:			
Principal	391,965	-	-
Interest	-	-	-
Total expenditures	<u>54,747,594</u>	<u>14,638,471</u>	<u>135,250</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>8,315,796</u>	<u>(14,587,087)</u>	<u>(121,066)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of assets	180,417	-	-
Initiation of capital leases	122,473	-	-
Transfers in	-	7,750,000	1,500,000
Transfers out	(6,761,070)	-	(7,750,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(6,458,180)</u>	<u>7,750,000</u>	<u>(6,250,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,857,616	(6,837,087)	(6,371,066)
<b>FUND BALANCES - BEGINNING</b>	<u>31,251,136</u>	<u>51,945,916</u>	<u>11,993,694</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 33,108,752</u>	<u>\$ 45,108,829</u>	<u>\$ 5,622,628</u>

<b>American Rescue Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 4,717,164	\$ 56,951,810
-	3,822,351	4,542,765
-	717,673	4,887,562
-	-	666,188
11,403,244	2,055,412	17,082,343
5,468	32,192	196,701
-	392,333	1,947,426
<u>11,408,712</u>	<u>11,737,125</u>	<u>86,274,795</u>
-	368,092	7,467,238
-	232,385	15,903,158
-	176,549	760,845
-	-	2,564,320
-	7,135,239	19,053,372
-	-	12,950,405
-	-	2,265,821
-	-	1,038,111
-	1,315,584	16,353,929
-	2,585,000	2,976,965
-	2,638,974	2,638,974
<u>-</u>	<u>14,451,823</u>	<u>83,973,138</u>
<u>11,408,712</u>	<u>(2,714,698)</u>	<u>2,301,657</u>
-	40,000	220,417
-	-	122,473
-	5,261,070	14,511,070
-	-	(14,511,070)
<u>-</u>	<u>5,301,070</u>	<u>342,890</u>
11,408,712	2,586,372	2,644,547
-	11,050,874	106,241,620
<u>\$ 11,408,712</u>	<u>\$ 13,637,246</u>	<u>\$ 108,886,167</u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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

Net change in fund balances - total governmental funds	\$	2,644,547
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		12,169,747
The net effect of other transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net changes in fund balance.		472,754
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		207,909
Internal service fund is used to account for the health self-insurance program of the County. The net income of certain activities of internal service funds is reported with governmental activities.		807,311
The issuance of long term debt provides current financial resources to governmental funds, while repayment of long term debt principal consumes current financial resources of governmental funds. Governmental funds report the effect of premiums and discounts when debt is first issued; these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the differences in the treatment of long term debt.		3,002,961
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		<u>396,001</u>
Change in net position of governmental activities	\$	<u><u>19,701,230</u></u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
SEPTEMBER 30, 2021**

	<u>Governmental Activities Internal Service Fund</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 3,682,922
Total current assets /total assets	<u>\$ 3,682,922</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable - claims	\$ 199,329
Due to other funds	<u>28</u>
Total current liabilities/total liabilities	<u>199,357</u>
<b>NET POSITION</b>	
Unrestricted	<u>3,483,565</u>
Total liabilities and net position	<u>\$ 3,682,922</u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Governmental Activities Internal Service Fund</u>
<b>OPERATING REVENUES</b>	
Healthcare contributions	\$ <u>7,635,927</u>
Total operating revenues	<u>7,635,927</u>
<b>OPERATING EXPENSES</b>	
Operating expenses	<u>6,834,701</u>
Total operating expenses	<u>6,834,701</u>
<b>NET OPERATING INCOME (LOSS)</b>	801,226
<b>NON-OPERATING REVENUES</b>	
Interest	<u>6,085</u>
<b>CHANGE IN NET POSITION</b>	807,311
<b>TOTAL NET POSITION - BEGINNING</b>	<u>2,676,254</u>
<b>TOTAL NET POSITION - ENDING</b>	<u><u>\$ 3,483,565</u></u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Governmental Activities Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from internal services provided	\$ 7,638,174
Payments for claims	<u>(7,176,713)</u>
Net cash provided by operating activities	<u>461,461</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Changes in interfund receivables/payables	<u>28</u>
Net cash provided by noncapital financing activities	<u>28</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest from cash deposits	<u>6,085</u>
Net cash provided by investing activities	<u>6,085</u>
<b>NET INCREASE IN CASH</b>	467,574
<b>CASH, BEGINNING</b>	<u>3,215,348</u>
<b>CASH, ENDING</b>	<u><u>\$ 3,682,922</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Net operating income	\$ 801,226
Adjustments to reconcile net operating income to net cash flows from operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	2,247
Increase (decrease) in accounts payable	<u>(342,012)</u>
Net cash provided by operating activities	<u><u>\$ 461,461</u></u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2021**

	<b>ASSETS</b>	Custodial Funds
Cash and cash equivalents		\$ 7,536,421
Accounts receivable		<u>68,695</u>
Total assets		<u>7,605,116</u>
	<b>LIABILITIES</b>	
Accounts payable		365,854
Due to other governments		<u>2,598,823</u>
Total liabilities		<u>2,964,677</u>
	<b>NET POSITION</b>	
Restricted for: Individuals		<u>4,640,439</u>
Total net position		<u><u>\$ 4,640,439</u></u>

The notes to the financial statements are an integral part of this statement.



**POTTER COUNTY, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2021**

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Tax and fee collections for other governments	\$ 239,851,761
Receipt of amounts held for benefit of others	<u>3,729,407</u>
Total additions	<u>243,581,168</u>
<b>DEDUCTIONS</b>	
Payments of taxes and fees to other governments	239,640,025
Payments of amounts held for benefit of others	<u>2,623,559</u>
Total deductions	<u>242,263,584</u>
<b>NET INCREASE IN FIDUCIARY NET POSITION</b>	1,317,584
<b>NET POSITION - BEGINNING</b>	<u>3,322,855</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ 4,640,439</u></u>

The notes to the financial statements are an integral part of this statement.

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Potter County, Texas (the County) included in the accompanying basic financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County’s Basic Financial Statements.

**A. Financial Reporting Entity**

Potter County, Texas is a public corporation and political subdivision of the State of Texas. The Commissioners’ Court, which is made up of four commissioners and the County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general administration, tax and recording (e.g. tax collection), judicial (courts, juries, etc.), legal (district attorney, county attorney, etc.) public safety (sheriff, jail, etc.), transportation, facilities, and public service (e.g. rural fire protection and emergency management).

The County’s basic financial statements include the accounts of all its operations. The County evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the County’s reporting entity, as set forth in GASB Statement No. 14, as amended, “The Financial Reporting Entity,” include whether:

1. the organization is legally separate (can sue and be sued in its name)
2. the County holds the corporate powers of the organization
3. the County appoints a voting majority of the organization’s board
4. the County is able to impose its will on the organization
5. the organization has the potential to impose a financial benefit/burden on the County
6. there is fiscal dependency by the organization on the County
7. the exclusion of the organization would result in misleading or incomplete financial statements

The County also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the County to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14, as amended, requires inclusion of such an organization as a component unit when 1) the economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the County, its component units or its constituents; 2) the County or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) such economic resources are significant to the County.

Based on these criteria, the County has no component units. Additionally, the County is not a component unit of any other reporting entity as defined by the GASB Statement.

**B. Financial Statement Presentation, Measurement Focus and Basis of Accounting**

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-like activities*, which rely to a significant extent on fees and charges for support.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

**B. Financial Statement Presentation, Measurement Focus and Basis of Accounting – Continuation**

Likewise, the *primary government* is reported separately from certain legally separate *component unit* for which the primary government is financially accountable. The County has no business-like activities, except the internal service fund.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Fines and forfeitures are recognized when they have been assessed and adjudicated and earned. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Activities demonstrates the degree to which the direct expenses of the County’s programs are offset by those programs’ revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the program and 2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Taxes and other items not included among program revenue are reported instead as *general revenue*. In miscellaneous general revenues are non-program specific contributions including capital assets contributions.

Fiduciary funds are excluded in the government-wide presentation of the financial statements.

Fund-level Statements

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes and other revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on governmental long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Grant and entitlement revenues are also susceptible to accrual. These funds are accounted for on a spending “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

All proprietary funds, including internal service and fiduciary funds, including agency funds, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using an economic resources measurement focus. The agency funds are custodial in nature and involve no measurement of results of operations.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

**B. Financial Statement Presentation, Measurement Focus and Basis of Accounting – Continuation**

The accounts of the County are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

Funds are classified into three categories: Governmental, Proprietary and Fiduciary.

The County reports the following major governmental funds:

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

**District Courts Building** – The *District Courts Building Fund* accounts for the financial resources to be used for the acquisition and construction of the new District Courts Building, including demolition of the existing facility and parking.

**Capital Projects Fund** – The *Capital Projects Fund* accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

**American Rescue** – The *American Rescue Fund* accounts for funds received through the various federal agencies passed through the State of Texas. The pass-thru grant was used to reimburse the County for incurred costs as well as purchase qualified equipment related to the COVID-19 pandemic.

Additionally, the County reports the following governmental fund types:

**Special Revenue Funds** – *Special Revenue Funds* account for the proceeds of specific revenue sources (other than fiduciary funds) that are legally restricted to expenditures for specified purposes.

**Debt Service Funds** – The *Debt Service Funds* account for the accumulation and disbursement of resources associated with the County’s debt obligations. Property taxes and interest income provide the resources necessary to pay the annual principal and interest payments.

Proprietary Fund Types:

**Internal Service Fund** – The *Internal Service Fund* accounts for revenues and expenses related to services provided to parties inside the County. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. The internal service fund is used to account for the provision of health insurance to employees of the County. The general fund is contingently liable for liabilities of this fund. Because the principal users of the internal services are the County’s governmental activities, this fund type is included in the “Governmental Activities” column of the government-wide financial statements.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

**B. Financial Statement Presentation, Measurement Focus and Basis of Accounting – Continuation**

Fiduciary Fund Types:

**Custodial Funds** – *Custodial Funds* account for assets received by the governmental unit in its capacity as trustee or agent for the County, other governmental entities or individuals. The receipts and disbursements of such funds are governed by the terms of the statutes, ordinances, regulations or other authority.

The County's *Custodial Funds* consist of amounts collected by the individual County fee offices for state court costs, state vehicle registration fees, victim restitution payments, merchant hot check fees, inmate trust funds, and District and County Clerk trust beneficiaries.

All of the County's fiduciary funds are custodial funds and are reported in the agency fund financial statements. However, because their assets are held in a trustee or agent capacity and therefore not available to support County programs, these funds are not included in the government-wide statements.

**C. Deposits and Investments**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, government securities, money market funds, and the Texas Local Government Investment Pool. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

The County records investments at fair value in accordance with provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. All investment income is recognized as revenue in the appropriate fund's statement of revenues, expenditures and changes in fund balance. Deposit and Investment Risk Disclosures are in accordance with GASB Statement No. 40.

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

**D. Receivables and Payables**

All trade and property tax receivables are shown net of an allowance for uncollectible. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectible. The property tax receivable allowance is equal to 71 percent of outstanding property taxes at September 30, 2021.

Property taxes are levied on October 1 and attach as an enforceable lien on property as of January 1. Statements are mailed on October 1, or as soon thereafter as possible, and are due upon receipt. All unpaid taxes become delinquent if not paid before February 1 of the following year.

Payables consist of vendor obligations for goods and services and funds payable to others when the criteria for their release have been met.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

**E. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The County uses the consumption method to record its prepaid items which requires reporting these items as assets and deferring the recognition of expenditures until the period in which prepaid items are used or consumed. In the fund financial statements, they are offset by a designation of non-spendable fund balance which indicates they do not represent “available spendable resources”.

**F. Inter-fund Transactions**

During the course of normal operations, the County has many transactions between funds. The accompanying fund level financial statements reflect as transfers the resources provided and expenditures used to provide services, construct assets and meet employee health claims in excess of budgeted amounts. Inter-fund services provided and used are not eliminated in the government-wide presentation. The effect of all other inter-fund activity has been eliminated in the government-wide financial statements.

**G. Capital Assets**

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

Buildings, plant, equipment and infrastructure are depreciated using the straight-line method over the following useful lives:

Assets	Years
Infrastructure (roads and bridges)	15 – 50
Buildings and improvements	40
Vehicles	5 – 15
Furniture and equipment	5

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government reports the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Additionally, the government reports deferred amounts related to the pension plan and the other post-employment benefits reported in the government-wide statement of net position. These deferred amounts include pension and OPEB contributions, economic/demographic losses, assumption changes and deficient earnings.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental fund has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Additionally, the government reports deferred amounts related to the pension plan and the other post-employment benefits reported in the government-wide statement of net position. These deferred amounts include economic/demographic gains, excess earnings, and assumption changes.

**I. Compensated Absences**

A liability for unused vacation and comp time for all full-time employees is calculated and reported in the government-wide statements. For financial reporting, the following criteria must be met to be considered as compensated absences:

1. Leave or compensation is attributable to service already rendered
2. Leave or compensation is not contingent on a specific event (such as illness)

Per GASB Interpretation No. 6, liabilities for compensated absences are recognized in the fund financial statements to the extent the liabilities are expected to be expensed using available financial resources. Compensated absences are accrued as long-term debt in the government-wide statements.

Upon termination from the County's employment, an employee shall be entitled to payment for total accrued but unused days of vacation not accumulated beyond two years. Comp time earned, but not taken, is paid at termination. Sick leave accrues at one day per month with no maximum limit, but compensation is paid only for an illness-related absence. Unused sick leave is non-vesting and will not be paid on termination, thus vacation and comp time are the only accrued compensation liabilities recorded. Compensated absences will be liquidated through salary expenses in the funds which the employees are paid.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

**J. Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred. The County has no business-type activities, except the internal service fund.

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 withheld from the actual debt proceeds received are reported as debt service expenditures.

**K. Pensions and Other Post-Employment Benefits**

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

For purposes of measuring the other post-employment benefit (OPEB) asset or liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's Healthcare Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**L. Government-wide Net Position**

In the government-wide financial statements, equity is classified as net position and displayed in three categories.

**Net Investment in Capital Assets** – This amount 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.

**Restricted Net Position** – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments, enabling legislation, or constitutional provisions.

**Unrestricted Net Position** – This amount includes all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

Continued



**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

**M. Governmental Fund Balances**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for governmental funds can consist of the following:

**Non-spendable Fund Balance** – includes amounts that are (a) not in spendable forms, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

**Restricted Fund Balance** – includes amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource providers.

**Committed Fund Balance** – includes amounts that can only be established, modified, or rescinded by a formal action of the County’s highest level of decision-making authority, the Commissioners’ Court.

**Assigned Fund Balance** – includes amounts intended to be used by the County for specific purposes that are neither restricted nor committed. The Commissioners’ Court has the authority to determine and designate the purpose for fund balance to be assigned.

**Unassigned Fund Balance** – this classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

**N. Fund Balance Policies**

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

Committed fund balance amounts may be used for other purposes with appropriate action by the Commissioners’ Court to either modify or rescind a fund balance commitment. Commitments are typically done through adoption and amendment of the budget.

The County’s highest level of decision-making authority is the Commissioners’ Court. The Court has delegated the authority to assign fund balance amounts to the County Auditor and County Judge.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation**

**O. Funds Balances Restricted**

Restricted Fund Balances:

- 1) Administrative – management, preservation, restoration and technology requirements of public records, and vehicle inventory tax,
- 2) Judicial – maintenance of County Law Library and community educational programs, justice court technological enhancements, and disbursement of forfeited funds.
- 3) Elections – for contracted elections for various municipalities and schools as allowed by the Secretary of State.
- 4) Public safety – law enforcement grants, as well as disbursement of forfeited funds from the Sheriff’s office.
- 5) Bail Bonds – provide organization and training of the Bail Bond Board.

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds and capital lease payable	\$ (75,005,260)
Accrued interest payable	(398,005)
Net pension liability	(20,914,432)
Total other post employment benefit liability	(3,662,527)
Compensated absences	<u>(2,063,356)</u>
 Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	 <u><u>\$ (102,043,580)</u></u>

**Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities**

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 16,353,929
Depreciation expense	<u>(4,184,182)</u>
 Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	 <u><u>\$ 12,169,747</u></u> Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS –**  
Continuation

Another element of that reconciliation states, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net changes in fund balance.” The details of this difference are as follows:

Proceeds from disposal of assets	\$ (220,417)
Gain / (Loss) on disposal of assets	175,822
Donation of infrastructure assets	<u>517,349</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 472,754</u></u>

Another element of that reconciliation states, “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this are as follows:

Property tax	\$ 62,367
Fines and fees	173,790
Paving lien assessments	<u>(28,248)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 207,909</u></u>

Another element of that reconciliation states, “Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, the repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position.” Neither transaction, however, has any effect on net position. The details of this difference are as follows:

Debt Issued:	
Enterprise Fleet capital lease	\$ (122,473)
Repayment of principal	2,976,965
Amortization of bonds premium	<u>148,469</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 3,002,961</u></u>

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS –**  
Continuation

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Change in estimated liability for compensated absences	\$ (138,415)
Change in accrued interest	12,576
Change in net pension liability	(6,517,890)
Change in deferred outflows of resources - pension contributions	(90,259)
Change in deferred outflows of resources - pension economic/demographic losses	(34,202)
Change in deferred inflows of resources - pension economic/demographic gains	122,873
Change in deferred inflows of resources - pension excess earnings	(2,267,768)
Change in deferred outflows of resources - pension assumption changes	9,460,955
Change in total other post employment benefit liability	(286,851)
Change in deferred inflows of resources - OPEB economic/demographic gains	84,241
Change in deferred outflows of resources - OPEB assumption changes	(43,631)
Change in deferred inflows of resources - OPEB assumption changes	94,372
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 396,001

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with GAAP for the General Fund, District Courts Building, Capital Projects Fund, County Assistance District, Law Library, Courthouse Security, Justice Courts Building Security, County Clerk Records Management, Court Records Management, District Clerk Records Management, Justice Court Technology, County Clerk/District Clerk Technology, Auto Burglary and Theft Prevention, Law Enforcement Grants, Drug Court, Juvenile Probation, Series 2016 Certificates of Obligation, Series 2017 Tax Notes, and Series 2019 Certificates of Obligation. All annual appropriations lapse at fiscal year-end.

Prior to the beginning of the fiscal year, the County prepares a budget for the next succeeding fiscal year. The budget includes proposed expenditures and the means of financing them. Meetings of the Commissioners’ Court are held to discuss the proposed budget. These meetings are open to public discussion and require at least ten days’ notice of the meeting.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continuation**

The appropriated budget is prepared by fund and department on the category level. Transfers of appropriations between department, fund and category require the approval of the Commissioners' Court. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the category level. Supplemental budgetary appropriations in other funds were not considered material.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

**NOTE 4 – DEPOSITS AND INVESTMENTS**

The County's demand deposits are fully covered by collateral held in the County's name by the County's agents. The County's collateral agreements require the market value of securities held by its agents to exceed the total amount of cash and investments held at depository banks at all times.

A reconciliation of cash, as shown in the Governmental Funds, Internal Service Fund and Agency Funds Balance Sheets for the primary government is as follows:

Cash on hand - governmental funds	\$ 10,850
Carrying amount of bank deposits - governmental funds	42,155,575
Carrying amount of TexPool deposits - governmental funds	19,160,184
Carrying amount of Texas CLASS deposits - governmental funds	<u>49,944,409</u>
 Total governmental funds	 <u>111,271,018</u>
 Carrying amount of bank deposits - internal service funds	 3,649,451
Carrying amount of TexPool deposits - internal service funds	<u>33,471</u>
 Total internal service funds	 <u>3,682,922</u>
 Carrying amount of bank deposits - agency funds	 5,471,027
Carrying amount of TexPool deposits - agency funds	<u>2,065,394</u>
 Total agency funds	 <u>7,536,421</u>
 Total	 <u><u>\$ 122,490,361</u></u>

The County's investment policies are in accordance with the laws of the State of Texas. The policies identify authorized investments and investment terms, collateral requirements and safekeeping requirements for collateral.

***Interest Rate Risk***

In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to less than 365 days. The maximum allowable stated maturity of any individual investment owned by the County shall not exceed three years.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 4 – DEPOSITS AND INVESTMENTS – Continuation**

***Credit Risk***

The County is authorized by statute and by depository contract to invest in obligations of the United States of America, direct obligations of the State of Texas, obligations of state agencies, counties, cities, and other political subdivisions of any state having been rated not less than “A” or its equivalent, certificates of deposit issued by state and national banks that are guaranteed insured or secured by obligations described above having a market value of not less than 110% of the principal amount of the certificates, money market mutual funds regulated by the SEC with a dollar weighted average portfolio maturity of 90 days or less and eligible investment pools organized and operating in compliance with the Public Funds Investment Act that have been approved by the Commissioners’ Court.

As of September 30, 2021 the County had \$19,160,184 and \$49,944,409 invested with the Texas Treasury Safekeeping Trust Company (TexPool) and the Texas Cooperative Liquid Assets Securities System (Texas CLASS), respectively. The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code, provide for the creation of public funds investment pools, such as TexPool and Texas CLASS, through which political subdivisions and other entities may invest public funds.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure.

Texas CLASS is a local government pool emphasizing safety, liquidity, convenience, and competitive yields. Since 1966, Texas CLASS has provided Texas public entities a safe and competitive investment alternative. The pool is governed by a board of trustees, elected annually by its participants.

Both investment pools use amortized cost to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. TexPool and Texas CLASS do not place any limitations or restrictions such as notice periods or maximum transaction amounts, on withdrawals. Both pools have a credit rating of AAAM from Standard & Poor’s Financial Services. Local government investment pools in this rating category meet the highest standards for credit quality, conservative investment policies, and safety of principle. TexPool and Texas CLASS each invest in a quality portfolio of debt securities investments that are legally permissible for local governments in the state.

***Concentrations of Credit Risk***

The County’s investment policy does not limit investments in any one issuer except that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer.

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 5 – OTHER RECEIVABLES**

Receivables as of year-end for the County’s general, other major and non-major governmental and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Other Governmental	Internal Service Fund	Total
Receivables:				
Accounts	\$ 1,472,890	\$ 30,350	\$ -	\$ 1,503,240
Fines and fees	39,280,438	-	-	39,280,438
Paving liens	81,214	-	-	81,214
	<hr/>	<hr/>	<hr/>	<hr/>
Gross receivables	40,834,542	30,350	-	40,864,892
Less: allowance for uncollectible	38,320,100	-	-	38,320,100
	<hr/>	<hr/>	<hr/>	<hr/>
Net total accounts receivable, net	<u>\$ 2,514,442</u>	<u>\$ 30,350</u>	<u>\$ -</u>	<u>\$ 2,544,792</u>

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

**NOTE 6 – INTER-FUND BALANCES AND ACTIVITY**

	Inter-fund Transfers In	Inter-fund Transfers Out
General Fund	\$ -	\$ 6,761,070
Special Revenue Funds:		
Auto Burglary and Theft Prevention	61,580	-
Juvenile Probation	5,199,490	-
Capital Projects Funds:		
Capital Projects Fund	1,500,000	7,750,000
	<hr/>	<hr/>
	<u>\$ 14,511,070</u>	<u>\$ 14,511,070</u>

The General Fund transferred various amounts to the Auto Burglary and Theft Prevention, Juvenile Probation, and Capital Projects Funds for the purpose of funding current year operations in all three funds. The transfer to the Capital Projects Fund also served to build fund balance for future projects.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 6 – INTER-FUND BALANCES AND ACTIVITY – Continuation**

	Inter-fund Receivables	Inter-fund Payables
General Fund	\$ 136,759	\$ 16,081
Special Revenue Funds:		
County Assistance District	2,102	2,102
Law Library	4,970	-
Courthouse Security	4,384	-
Justice Courts Building Security	18	-
County Clerk Records Management	9,998	-
Election	-	40,629
Court Records Management	1,673	-
District Clerk Records Management	3,428	-
Justice Court Technology	767	-
County Clerk / District Clerk Technology	418	-
County Attorney Hot Check	735	3,869
County Attorney Forfeiture	301	301
District Attorney Hot Check	-	19
Auto Burglary and Theft Prevention	5,243	59,715
Sheriff Federal Forfeiture	21,579	2,085
Law Enforcement Grants	25	-
Sheriff Office Forfeiture	-	19,495
CARES Act - HAVA Grant	-	19,626
CARES Act - Sheriff Grants	-	28,450
Internal Service Fund	-	28
	\$ 7,942,400	\$ 7,942,400

In the fund financial statements, inter-fund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year.



**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 7 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 4,911,954	\$ -	\$ -	\$ -	\$ 4,911,954
Construction in progress	5,924,984	14,782,885	-	(2,721,701)	17,986,168
Total capital assets not being depreciated	<u>10,836,938</u>	<u>14,782,885</u>	<u>-</u>	<u>(2,721,701)</u>	<u>22,898,122</u>
Capital assets, being depreciated:					
Infrastructure (roads and bridges)	38,974,159	519,860	-	-	39,494,019
Buildings and improvements	98,590,041	30,000	-	2,721,701	101,341,742
Furniture and equipment	23,915,162	1,538,533	(1,265,226)	-	24,188,469
Total capital assets being depreciated	<u>161,479,362</u>	<u>2,088,393</u>	<u>(1,265,226)</u>	<u>2,721,701</u>	<u>165,024,230</u>
Less accumulated depreciation:					
Infrastructure (roads and bridges)	(27,716,750)	(380,189)	-	-	(28,096,939)
Buildings and improvements	(37,098,480)	(2,215,795)	-	-	(39,314,275)
Furniture and equipment	(14,326,215)	(1,588,198)	1,220,631	-	(14,693,782)
Total accumulated depreciation	<u>(79,141,445)</u>	<u>(4,184,182)</u>	<u>1,220,631</u>	<u>-</u>	<u>(82,104,996)</u>
Total capital assets, being depreciated, net	<u>82,337,917</u>	<u>(2,095,789)</u>	<u>(44,595)</u>	<u>2,721,701</u>	<u>82,919,234</u>
Governmental activities capital assets, net	<u>\$ 93,174,855</u>	<u>\$ 12,687,096</u>	<u>\$ (44,595)</u>	<u>\$ -</u>	<u>\$ 105,817,356</u>

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

Governmental activities:	
Administrative	\$ 397,650
Judicial	108,005
Elections	34,967
Public facilities	1,474,401
Public safety	1,562,931
Road and bridge	<u>606,228</u>
Total depreciation expense - governmental activities	<u>\$ 4,184,182</u>

The County has active construction projects as of September 30, 2021. The projects are as follows:

The County has begun the construction of a new District Courts Building. Costs spent to date on this project totaled \$17,986,168.

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 8 – LEASES**

**Operating Leases**

The County is committed under non-cancelable operating leases for software and equipment. Future minimum operating lease commitments are as follows:

Year Ending September 30,	
2022	\$ 365,273
2023	378,372
2024	378,372
Total Future Minimum Payments	\$ 1,122,017

Rent expenditures were \$339,074 for the year ended September 30, 2021.

**Capital Lease**

The County has entered into a capital lease with Enterprise Fleet Management for a county-wide commercial fleet. The obligations under capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 0%. The cost of the equipment financed by this capital lease obligation is \$1,133,078 and accumulated depreciation of \$384,641.

The County has entered into a capital lease with Dell Financial for servers and related equipment. The obligations under capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 0%. The cost of the equipment financed by this capital lease obligation is \$270,812 and accumulated depreciation of \$54,162.

Commitments under capitalized lease and asset purchase agreements provide for minimum future rental payments as of September 30, 2021, as follows:

Year Ending September 30,	
2022	\$ 346,685
2023	250,495
2024	171,515
2025	112,817
Total future minimum lease payments	881,512
Less amount representing interest	-
Future Minimum Payments	\$ 881,512

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 9 – GENERAL OBLIGATION AND CERTIFICATES OF OBLIGATION BONDS**

During the year ended September 30, 2016, the County issued \$21,470,000 of Certificates of Obligation, Series 2016 to provide resources for the purposes of paying contractual obligations incurred for constructing the Sheriff administrative, enforcement and maintenance facility. Principal payments on the Certificates of Obligation, Series 2016 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2036. Interest rates range from 1.25% to 3.00% on the Certificates of Obligation, Series 2016.

During the year ended September 30, 2017, the County issued \$5,625,000 of Tax Notes, Series 2017 to provide resources for the purposes of paying contractual obligations incurred for the purchase of equipment for an emergency radio system. Principal payments on the Certificates of Obligation, Series 2017 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2024. The interest rate is stated at 1.91% on the Tax Notes, Series 2017.

During the year ended September 30, 2019, the County issued \$50,375,000 of Certificates of Obligation, Series 2019 to provide resources for the purposes of paying contractual obligations incurred for constructing, and equipping the District Courts Building. Principal payments on the Certificates of Obligation, Series 2019 are made annually, each August 1 with interest payments made semi-annually, each February 1 and August 1 until maturity on August 1, 2049. Interest rates range from 3.25% to 5.00% on the Certificates of Obligation, Series 2019.

The annual requirements to amortize all debt outstanding as of September 30, 2021, are as follows:

Years Ending September 30,	Total	Certificates of Obligation Series 2016		Tax Notes Series 2017		Certificates of Obligation Series 2019	
		Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 5,478,605	\$ 955,000	\$ 519,825	\$ 915,000	\$ 44,742	\$ 1,050,000	\$ 1,994,038
2023	5,519,337	985,000	490,725	935,000	27,074	1,140,000	1,941,538
2024	5,069,336	1,015,000	460,725	950,000	9,073	750,000	1,884,538
2025	5,081,863	1,045,000	429,825	-	-	1,760,000	1,847,038
2026	4,296,988	1,080,000	397,950	-	-	1,060,000	1,759,038
2027-2031	21,819,513	5,895,000	1,477,125	-	-	6,525,000	7,922,388
2032-2036	21,810,608	6,830,000	524,550	-	-	8,035,000	6,421,058
2037-2041	14,454,438	-	-	-	-	9,680,000	4,774,438
2042-2046	14,457,163	-	-	-	-	11,605,000	2,852,163
2047-2049	8,670,000	-	-	-	-	8,020,000	650,000
<b>Total</b>	<b>\$ 106,657,851</b>	<b>\$ 17,805,000</b>	<b>\$ 4,300,725</b>	<b>\$ 2,800,000</b>	<b>\$ 80,889</b>	<b>\$ 49,625,000</b>	<b>\$ 32,046,237</b>

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 10 – LONG TERM DEBT**

Change in long-term debt is summarized below:

	Balance October 1, 2020	Additions	Retirements	Balance September 30, 2021	Due Within One Year
Certificates of Obligation, Series 2016	\$ 18,740,000	\$ -	\$ (935,000)	\$ 17,805,000	\$ 955,000
Tax Notes, Series 2017	3,700,000	-	(900,000)	2,800,000	915,000
Certificates of Obligation, Series 2019	50,375,000	-	(750,000)	49,625,000	1,050,000
Deferred issuance premiums	4,042,217	-	(148,469)	3,893,748	
Total bonds payable	76,857,217	-	(2,733,469)	74,123,748	2,920,000
Capital lease obligation	1,151,004	122,473	(391,965)	881,512	346,685
Estimated liability for compensated absences	1,924,941	1,472,566	(1,334,151)	2,063,356	206,300
Net pension liability	14,396,542	6,517,890	-	20,914,432	-
Total other post employment benefit liability	3,375,676	286,851	-	3,662,527	-
Total	<u>\$ 97,705,380</u>	<u>\$ 8,399,780</u>	<u>\$ (4,459,585)</u>	<u>\$ 101,645,575</u>	<u>\$ 3,472,985</u>

The County incurred interest expense of \$2,477,928 during the year ended September 30, 2021.

The liabilities for the net pension liability and other postemployment benefits will be liquidated by the General Fund.

**NOTE 11 – COMPENSATED ABSENCES**

The cost of the County’s liability for compensated absences is calculated at the end of the fiscal year based on the employee’s pay rate and the accumulated vacation hours earned but not taken. Typically, the General Fund has been used to liquidate the liability for compensated absences.

**NOTE 12 – RISK MANAGEMENT**

The County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, errors and omissions and personnel risks which relate to workers’ compensation. The County provides for the management of risks through a combination of self-insurance and traditional insurance. Amounts of coverage for the above types of risk have not been subject to a significant reduction in the past year. The amounts of settlements have not exceeded insurance coverage for the past three fiscal years.

**POTTER COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 13 – HEALTH INSURANCE**

The County has established the Health and Life Insurance Fund to account for its health and life program. The Plan accumulates resources to pay the insured healthcare costs for the County employees and their covered dependents and was established with the intent to provide appropriate healthcare insurance to employees and minimize total health insurance cost to the County.

The Plan activities are carried on and accounted for in the Health and Life Insurance Fund, an Internal Service Fund.

The County Contributed \$1,029 per month, per employee. Employees may authorize payroll withholding to pay for premium costs for dependent coverage.

The health insurance premiums are paid to the Health and Life Insurance Fund. These inter-fund transactions are treated as operating expenditures by the General Fund as it makes the aggregate premium payments. These premiums are treated as operating revenue by the Health and Life Insurance Fund as they are received or accrued.

A third-party Plan Administrator processes claims and pays bills weekly, gathers experience and cost data, and makes tentative premium calculation using the experience and cost factors it has developed. The administrative fees paid to the Plan Administrator and the services provided by the Administrator are provided by contractual agreement.

During the current year, the self-funded Health and Life Insurance Fund had stop-loss coverage in effect for all claims per individual exceeding \$125,000 and for an aggregate loss of \$6,960,496. This stop-loss insurance coverage is provided by Holmes, Murphy and Associates. Holmes Murphy and Associates is a commercial insurer licensed to do business in Texas in accordance with the Texas Insurance Code. The Plan purchases “15/12 month” insurance, re-insurance, and stop-loss insurance to provide protection for claims, or losses, arising in one insurance period that must be paid in the following insurance period. The provision for unpaid self-insurance health losses at year end is included in claims payable in the internal services fund. It is based upon actual prior claim cost experience and average time lags in settling such claims and actual claims paid after year end. There has been no significant reduction in insurance coverage from coverage in the prior year by major category of risk.

Changes in the Healthcare Insurance Fund’s claims liability were as follows:

<u>Balance 10/1/2019</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>Balance 9/30/2020</u>
<u>\$ 261,514</u>	<u>\$ 4,822,243</u>	<u>\$ 4,542,416</u>	<u>\$ 541,341</u>
<u>Balance 10/1/2020</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>Balance 9/30/2021</u>
<u>\$ 541,341</u>	<u>\$ 5,165,434</u>	<u>\$ 5,507,446</u>	<u>\$ 199,329</u>

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 14 – RETIREMENT PLAN**

*Plan Description*

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS in the aggregate issues a Comprehensive Annual Financial Report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 and is available at [www.tcdrs.org](http://www.tcdrs.org).

*Benefits Provided*

The Plan provisions are adopted by the governing body of the County (employer), within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the Plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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 that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financial monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

*Employees Covered by Benefit Terms*

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	399
Inactive employees entitled to but not yet receiving benefits	338
Active employees	581

*Contributions*

The County has elected the annually determined contribution rate (ADCR) Plan provisions of the TCDRS Act. The Plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually.

The County contributed using the actuarially determined rate of 15.45% for calendar year 2021, and 15.62% for calendar year 2020. The contribution rate payable by the employee members is 7.0% for fiscal year 2021 as adopted by the governing body of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 14 – RETIREMENT PLAN – Continuation**

*Net Pension Liability*

The County's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

The actuarial assumptions that determined the total pension liability as of December 31, 2020 were based on the results of an actuarial experience study for the period January 1, 2013 – December 31, 2016, except where required to be different by GASB 68. The economic assumptions were reviewed at the March 2021 TCDRS Board of Trustees meeting and revised assumptions were adopted. These revisions included reductions in the investment return, wage growth, and maximum payroll growth assumptions. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

**TCDRS system-wide economic assumptions:**

Real rate of return	5.00%
Inflation	2.50%
Long-term investment return	7.50%

The assumed long-term investment return of 7.5% is net after investment and administrative expenses. It is assumed returns will equal the nominal annual rate of 7.5% for calculating the actuarial accrued liability and the normal cost contribution rate for the retirement plan of each participating employer.

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.6% per year for a career employee.

**Employer-specific economic assumptions:**

Growth in membership	0.00%
Payroll growth for funding calculations	3.00%

The payroll growth assumption is for the aggregate covered payroll of an employer.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 14 – RETIREMENT PLAN** – Continuation

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 in detail at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumptions at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

Continued



**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 14 – RETIREMENT PLAN – Continuation**

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	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.25%
Global Equities	MSCI World (net) Index	2.50%	4.55%
International Equities - Developed	MSCI World Ex USA (net) Index	5.00%	4.25%
International Equities - Emerging	MSCI Emerging Markets (net) Index	6.00%	4.75%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.85%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	2.11%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.70%
Distressed Debt	Cambridge Associates Distressed Securities Index (3)	4.00%	5.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.45%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.10%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (4)	6.00%	4.90%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (5)	25.00%	7.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Funds of Funds Composite Index	6.00%	1.85%
Cash Equivalents	90-Day U.S. Treasury	2.00%	-0.70%

(1) Target asset allocation adopted at the March 2021 TCDRS Board Meeting.

(2) Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.0%, per Cliffwater's 2021 capital market assumptions.

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

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

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

*Discount Rate*

The discount rate used to measure the total pension liability was 8.10%. The discount rate is the single rate of return that, when applied to all projected benefit payments results in an actuarial present value of projected benefit payments equal to the total of the following:

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 14 – RETIREMENT PLAN – Continuation**

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

Therefore, if plan investments in a given future year are greater than projected benefit payments in that year and are invested such that they are expected to earn the long-term rate of return, the discount rate applied to projected benefit payments in that year should be the long-term expected rate of return on plan investments. If future years exist where this is not the case, then an index rate reflecting the yield on a 20-year, tax-exempt municipal bond should be used to discount the projected benefit payments for those years.

The determination of a future date when plan investments are not sufficient to pay projected benefit payments is often referred to as a depletion date projection. A depletion date projection compares projections of the pension plan's fiduciary net position to projected benefit payments and aims to determine a future date, if one exists, when the fiduciary net position is projected to be less than projected benefit payments. If an evaluation of the sufficiency of the projected fiduciary net position compared to projected benefit payments can be made with sufficient reliability without performing a depletion date projection, alternatives methods to determine sufficiency may be applied.

In order to determine the discount rate to be used by the employer we have used an alternative method to determine the sufficiency of the fiduciary net position in all future years. Our alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

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

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, we have used a discount rate of 7.60%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 14 – RETIREMENT PLAN – Continuation**

*Changes in the Net Pension Liability / (Asset)*

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2019	\$ 201,246,781	\$ 186,850,239	\$ 14,396,542
Changes for the year:			
Service cost	4,388,580	-	4,388,580
Interest on total pension liability (1)	16,261,798	-	16,261,798
Effect of plan changes (2)	-	-	-
Effect of economic/demographic gains or losses	(380,447)	-	(380,447)
Effect of assumptions changes or inputs	12,731,786	-	12,731,786
Refund of contributions	(434,643)	(434,643)	-
Benefit payments	(9,503,689)	(9,503,689)	-
Administrative expenses	-	(148,828)	148,828
Member contributions	-	2,298,439	(2,298,439)
Net investment income	-	19,297,680	(19,297,680)
Employer contributions	-	5,093,373	(5,093,373)
Other (3)	-	(56,837)	56,837
Balances as of December 31, 2020	<u>\$ 224,310,166</u>	<u>\$ 203,395,734</u>	<u>\$ 20,914,432</u>

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

(2) No plan changes valued.

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

*Sensitivity of the Net Pension Liability / (Asset) to Changes in the Discount Rate*

The following presents the net pension liability of the County, calculated using the discount rate of 8.10%, as well as what the County's net pension liability / (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 253,656,819	\$ 224,310,166	\$ 199,760,385
Fiduciary net position	203,395,734	203,395,734	203,395,734
Net pension liability / (asset)	<u>\$ 50,261,085</u>	<u>\$ 20,914,432</u>	<u>\$ (3,635,349)</u>

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS financial report.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 14 – RETIREMENT PLAN – Continuation**

*Pension Expense / (Income)*

	January 1, 2020 to December 31, 2020
Service cost	\$ 4,388,580
Interest on total pension liability (1)	16,261,798
Effect of plan changes	-
Administrative expenses	148,828
Member contributions	(2,298,439)
Expected investment return net of investment expenses	(15,025,576)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(469,118)
Recognition of assumption changes or inputs	3,270,831
Recognition of investment gains or losses	(2,004,336)
Other (2)	56,837
Pension expense / (income)	\$ 4,329,405

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

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

*Deferred Inflows / Outflows of Resources*

As of September 30, 2021, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 595,551	\$ 73,980
Changes of assumptions	-	9,636,724
Net difference between projected and actual earnings	6,875,705	-
Contributions made subsequent to measurement date	N/A	3,728,482

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:	
2021	\$ 870,071
2022	2,700,754
2023	(476,957)
2024	(854,420)
2025	-
Thereafter	-

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 15 – POSTEMPLOYMENT DEFINED BENEFIT GROUP TERM LIFE INSURANCE PLAN**

*Plan Description*

Potter County, Texas participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by the Texas County & District Retirement System (TCDRS). This plan is referred to as the Group Term Life Fund (GLTF). This optional plan provides group term life insurance coverage to current eligible employees.

The Group Term Life Fund (GTLF) is a separate trust administered by the TCDRS board of trustees. TCDRS issues a public available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for the GTLF. This report is available at [www.tcdrs.org](http://www.tcdrs.org). TCDRS' CAFR may also be obtained by writing to the Texas County & District System, P.O. Box 2034, Austin, TX 78768-2034, or by calling 800-823-7782.

*Funding Policy*

Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. Potter County, Texas contributions to the GTLF for the year ended September 30, 2021, 2020 and 2019 was \$47,626, \$49,638 and \$46,513, respectively, which equaled the contractually required contributions.

**NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

*Plan Description*

The County provides other post-employment benefits (OPEB) to all of its full-time employees through a single-employer defined benefit OPEB plan. The Plan provides that an employee who meets the retirement eligibility requirements of the Texas County and District Retirement System, and who leaves the employ of the County may, upon retirement, elect to remain on the County's health care plan, as well as to continue existing spouse and dependent coverage. Coverage ceases for the member, the spouse and dependents upon the member becoming eligible for Medicare at age 65.

*Benefits Provided*

An employee who meets the retirement eligibility requirements of the Texas County and District Retirement System (TCDRS), and who leaves the employment of Potter County after 20 years of service, or at age 60 with eight (8) years of service, or when the retirees age plus years of service equals 75 is eligible to continue health care coverage when they retire from Potter County. The eligible retiring employee may also continue the existing coverage for spouses and dependents. The retiree pays 100% of the total monthly premium prescribed in the current health plan for active employees and dependents. Premiums are determined annually by estimating the amount needed to cover projected claims. Eligible retirees and their spouse and/or dependents covered by the Potter County Health Care group receive the same health and dental care benefits as active employees, as described in the current health manual.

Continued

**POTTER COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation**

*Employees Covered by Benefit Terms*

The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	0
Active employees	488

*Total OPEB Liability*

The County’s total OPEB liability was measured as of September 30, 2021, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The total OPEB liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Individual Entry-Age Normal
Discount rate	2.19% as of September 30, 2021
Inflation	2.50%
Salary increases	0.50% to 5.00%, not including wage inflation of 3.25%
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2016 as conducted for the Texas County and District Retirement System (TCDRS)
Mortality	For healthy retirees, the gender-district 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 7.00% declining to an ultimate rate of 4.15% after 15 years
Participation Rates	15% for eligible retirees

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation**

*Discount Rate*

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 2.19% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). The discount rate was 2.41% as of the prior measurement date.

*Changes in the Total OPEB Liability*

	Changes in Total OPEB Liability
Balances as of September 30, 2020	\$ 3,375,676
Changes for the year:	
Service cost	250,533
Interest on total OPEB liability	83,149
Changes of benefit terms	-
Difference between expected and actual experience	(16,986)
Changes in assumption	71,704
Benefit payments	(101,549)
Balances as of September 30, 2021	\$ 3,662,527

Changes of assumptions reflect updated claims, trends, mortality tables, and discount rate from the October 1, 2019 valuation.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan’s total OPEB liability, calculated using a discounted rate of 2.41%, as well as what the plan’s total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease 1.19%	Current Discount Rate 2.19%	1% Increase 3.19%
Total OPEB liability	\$ 4,004,929	\$ 3,662,527	\$ 3,348,567

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation**

*Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption*

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan’s total OPEB liability, calculated using the assumed trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	\$ 3,164,505	\$ 3,662,527	\$ 4,271,706

*OPEB Expense / (Income)*

	October 1, 2020 to September 30, 2021
Service cost	\$ 250,533
Interest on total OPEB liability	83,149
Current period benefit changes	-
OPEB Plan administrative expense	-
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of economic/demographic gains or losses	5,601
Recognition of assumption changes or inputs	(85,865)
OPEB expense / (income)	\$ 253,418

*Deferred Inflows / Outflows of Resources*

As of September 30, 2021, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 748,832	\$ -
Changes of assumptions	619,377	744,730

Continued



**POTTER COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continuation**

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended September 30:	
2022	\$ (80,264)
2023	(80,264)
2024	(80,264)
2025	(77,324)
2026	(50,843)
Thereafter	(254,520)

**NOTE 17 – TAX ABATEMENT AGREEMENTS**

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Bell Helicopter Textron, Inc. The Company is to construct a “qualified facility” on an approximate 20 acre parcel of land within the Reinvestment Zone No. 8 as established by the City of Amarillo, Texas. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1, 2014.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Coca-Cola Refreshments USA, Inc. The Company is to operate and renovate a premises on an approximate 9.76 acres within the Reinvestment Zone No. 7 as established by the City of Amarillo, Texas. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1, 2016.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Gestamp Wind Steel US, Inc. The Company is to operate and renovate a premises on an approximate 48 acres within the Reinvestment Zone No. 7 as established by the City of Amarillo, Texas. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1, 2017.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Bovina Burger, LLC. The Company is to construct a “qualified facility” on an approximate 17 acre parcel of land within the Reinvestment Zone No. 10 as established by the City of Amarillo, Texas. The County will abate 100% of the ad valorem taxes on this development for a period of ten years beginning on January 1 of the first tax year for which the company file an approved abatement application with the Appraisal District.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Panhandle Pure, LLC. The Company is to operate and renovate a premises on an approximate 5 acre parcel of land within the Texas Enterprise Zone as established by the City of Amarillo, Texas. The County will abate 90% of the ad valorem taxes on this development for a period of nine years beginning on January 1 of the first tax year for which the company file an approved abatement application with the Appraisal District.

Continued

**POTTER COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 17 – TAX ABATEMENT AGREEMENTS – Continuation**

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Parkwest Corporate Center, Ltd. The Company is to operate and renovate a premises within the Reinvestment Zone No. 11 as established by the City of Amarillo, Texas. The County will abate 60% of the ad valorem taxes on this development for a period of six years beginning on January 1 of the first tax year for which the company file an approved abatement application with the Appraisal District.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Amazon.com Services, LLC. The Company is to construct a minimum 1,000,000 square foot distribution facility within the Reinvestment Zone No. 12 as established by the City of Amarillo, Texas. The County will abate 50% of the ad valorem taxes on this development for a period of five years beginning on January 1 of the first tax year for which the company file an approved abatement application with the Appraisal District.

The County has entered into a tax abatement agreement which is authorized and governed by the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code with Encompass Health Rehabilitation Hospital of Amarillo, LLC. The Company is to operate and renovate a premises on an approximate 7 acre parcel of land within the Reinvestment Zone No. 14 as established by the City of Amarillo, Texas. The County will abate 60% of the ad valorem taxes on this development for a period of six years beginning on January 1 of the first tax year for which the company file an approved abatement application with the Appraisal District.

Chapter 312 of the Texas Tax Code allows for the designation of tax reinvestment zones and the negotiation of tax abatement agreements with applicants. These abatement agreements authorize the Potter-Randall County Appraisal District to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. Property taxes abated by Potter County under this program, in accordance with the above agreements, were \$753,397 for the year ended September 30, 2021.

**NOTE 18 – COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS**

The County is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the management of the County the outcome of these lawsuits will not have a material adverse effect on the accompanying basic financial statements and accordingly, no provision for losses has been recorded.

The County participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at September 30, 2021, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**

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**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 52,111,782	\$ 52,111,782	\$ 52,234,646	\$ 122,864
Sales and miscellaneous taxes	925,000	925,000	720,414	(204,586)
Licenses and fees	3,969,200	3,969,200	4,169,889	200,689
Fines and forfeitures	929,000	929,000	666,188	(262,812)
Intergovernmental	2,351,250	3,402,533	3,623,687	221,154
Interest	275,000	275,000	93,473	(181,527)
Miscellaneous	1,121,850	1,122,650	1,555,093	432,443
Total revenues	<u>61,683,082</u>	<u>62,735,165</u>	<u>63,063,390</u>	<u>328,225</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	8,728,361	8,793,880	7,099,146	1,694,734
Judicial	17,772,424	17,803,887	15,670,773	2,133,114
Elections	567,011	674,353	584,296	90,057
Public facilities	2,961,038	2,996,372	2,477,718	518,654
Public safety	12,522,051	12,605,813	11,918,133	687,680
Corrections and rehabilitation	13,480,476	13,707,375	12,950,405	756,970
Road and bridge	2,806,620	2,765,759	2,265,821	499,938
Health and human services	1,111,227	1,117,191	1,038,111	79,080
Capital outlay	95,315	95,315	351,226	(255,911)
Debt service:				
Principal	357,633	357,633	391,965	(34,332)
Total expenditures	<u>60,402,156</u>	<u>60,917,578</u>	<u>54,747,594</u>	<u>6,169,984</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,280,926</u>	<u>1,817,587</u>	<u>8,315,796</u>	<u>6,498,209</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of assets	-	-	180,417	180,417
Initiation of capital leases	-	-	122,473	122,473
Transfers out	(5,200,000)	(5,200,000)	(6,761,070)	(1,561,070)
Total other financing sources (uses)	<u>(5,200,000)</u>	<u>(5,200,000)</u>	<u>(6,458,180)</u>	<u>(1,258,180)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,919,074)	(3,382,413)	1,857,616	5,240,029
<b>FUND BALANCES - BEGINNING</b>	<u>31,251,136</u>	<u>31,251,136</u>	<u>31,251,136</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 27,332,062</u>	<u>\$ 27,868,723</u>	<u>\$ 33,108,752</u>	<u>\$ 5,240,029</u>

**POTTER COUNTY, TEXAS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**Last 10 Years (will ultimately be displayed as available)**

	Year Ended December 31,			
	2020	2019	2018	2017
<b>Total Pension Liability:</b>				
Service cost	\$ 4,388,580	\$ 4,184,777	\$ 4,231,120	\$ 4,273,814
Interest on total pension liability	16,261,798	15,436,690	14,703,036	13,871,195
Effect of plan changes	-	-	-	-
Effect of assumption changes or inputs	12,731,786	-	-	439,421
Effect of economic/demographic (gains) or losses	(380,448)	99,437	(775,543)	71,577
Benefit payments/refunds of contributions	(9,938,331)	(9,545,684)	(8,582,682)	(8,113,787)
Net change in total pension liability	23,063,385	10,175,220	9,575,931	10,542,220
Total pension liability, beginning	201,246,781	191,071,561	181,495,630	170,953,410
Total pension liability, ending (a)	<u>\$ 224,310,166</u>	<u>\$ 201,246,781</u>	<u>\$ 191,071,561</u>	<u>\$ 181,495,630</u>
<b>Fiduciary Net Position:</b>				
Employer contributions	\$ 5,093,373	\$ 4,826,681	\$ 4,625,757	\$ 4,318,705
Member contributions	2,298,439	2,286,269	2,190,217	2,109,629
Investment income net of investment expenses	19,297,680	26,729,739	(3,146,419)	21,585,568
Benefit payments/refunds of contributions	(9,938,332)	(9,545,684)	(8,582,682)	(8,113,787)
Administrative expenses	(148,828)	(142,387)	(130,724)	(111,613)
Other	(56,837)	(57,261)	(35,776)	(23,400)
Net change in fiduciary net position	16,545,495	24,097,357	(5,079,627)	19,765,102
Fiduciary net position, beginning	186,850,239	162,752,882	167,832,509	148,067,407
Fiduciary net position, ending (b)	<u>\$ 203,395,734</u>	<u>\$ 186,850,239</u>	<u>\$ 162,752,882</u>	<u>\$ 167,832,509</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 20,914,432</u>	<u>\$ 14,396,542</u>	<u>\$ 28,318,679</u>	<u>\$ 13,663,121</u>
Fiduciary net position as a % of total pension liability	90.68%	92.85%	85.18%	92.47%
Pensionable covered payroll	\$ 32,608,141	\$ 32,634,836	\$ 31,288,811	\$ 30,137,563
Net pension liability as a % of covered payroll	64.14%	44.11%	90.51%	45.34%

Year Ended December 31,					
2016	2015	2014	2013	2012	2011
\$ 4,352,352	\$ 4,127,523	\$ 4,108,621	\$ N/A	\$ N/A	\$ N/A
13,037,017	12,402,512	11,669,923	N/A	N/A	N/A
-	(728,256)	-	N/A	N/A	N/A
-	1,583,826	-	N/A	N/A	N/A
(1,265,495)	(1,704,163)	(268,856)	N/A	N/A	N/A
(7,822,670)	(7,265,790)	(6,536,622)	N/A	N/A	N/A
8,301,204	8,415,652	8,973,066	N/A	N/A	N/A
162,652,206	154,236,554	145,263,488	N/A	N/A	N/A
<u>\$ 170,953,410</u>	<u>\$ 162,652,206</u>	<u>\$ 154,236,554</u>	<u>\$ N/A</u>	<u>\$ N/A</u>	<u>\$ N/A</u>
\$ 4,074,113	\$ 3,944,278	\$ 3,899,238	\$ N/A	\$ N/A	\$ N/A
2,068,086	2,009,470	1,984,119	N/A	N/A	N/A
10,342,613	(641,974)	9,074,869	N/A	N/A	N/A
(7,822,670)	(7,265,790)	(6,536,622)	N/A	N/A	N/A
(112,476)	(101,332)	(106,048)	N/A	N/A	N/A
(361,045)	143,195	29,017	N/A	N/A	N/A
8,188,621	(1,912,153)	8,344,573	N/A	N/A	N/A
139,878,786	141,790,759	133,446,186	N/A	N/A	N/A
<u>\$ 148,067,407</u>	<u>\$ 139,878,606</u>	<u>\$ 141,790,759</u>	<u>\$ N/A</u>	<u>\$ N/A</u>	<u>\$ N/A</u>
<u>\$ 22,886,003</u>	<u>\$ 22,773,600</u>	<u>\$ 12,445,795</u>	<u>\$ N/A</u>	<u>\$ N/A</u>	<u>\$ N/A</u>
86.61%	86.00%	91.93%	N/A	N/A	N/A
\$ 29,544,082	\$ 28,706,709	\$ 28,296,592	\$ N/A	\$ N/A	\$ N/A
77.46%	79.33%	43.98%	N/A	N/A	N/A

**POTTER COUNTY, TEXAS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**Last 10 Fiscal Years (will ultimately be displayed)**

Year Ending September 30:	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ 3,899,238	\$ 3,899,238	\$ -	\$ 28,296,592	13.8%
2016	3,944,278	3,944,278	-	28,706,709	13.7%
2017	4,074,113	4,074,113	-	29,544,082	13.8%
2018	4,318,705	4,318,705	-	30,137,563	14.3%
2019	4,813,538	4,813,538	-	32,551,378	14.8%
2020	5,030,180	5,030,180	-	32,638,696	15.4%
2021	5,003,406	5,003,406	-	32,294,692	15.5%



**POTTER COUNTY, TEXAS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**Last 10 Fiscal Years (will ultimately be displayed)**

**Notes to Schedule:**

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20.0 years (based on contribution rate calculated in 12/31/2020 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary increases	Varies by age and service. 4.6% average over career including inflation
Investment rate of return	7.50%, net of administrative and investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule 2016: No changes in plan provisions were reflected in the Schedule 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule 2019: No changes in plan provisions were reflected in the Schedule 2020: No changes in plan provisions were reflected in the Schedule

**POTTER COUNTY, TEXAS**  
**POTTER COUNTY HEALTHCARE PLAN**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**Last 10 Years (will ultimately be displayed as available)**

	Year Ended September 30,			
	2021	2020	2019	2018
<b>Total OPEB Liability:</b>				
Service cost	\$ 250,533	\$ 318,294	\$ 181,073	\$ 196,351
Interest on total OPEB liability	83,149	119,444	148,114	129,989
Changes in benefit terms	-	-	-	-
Difference between expected and actual experience of the total OPEB liability	(16,986)	(710,159)	(249,198)	-
Changes in assumptions	71,704	(634,535)	1,004,351	(232,428)
Benefit payments	(101,549)	(97,183)	(132,327)	(81,049)
Net change in total OPEB liability	286,851	(1,004,139)	952,013	12,863
Total OPEB liability, beginning	3,375,676	4,379,815	3,427,802	3,414,939
Total OPEB liability, ending	<u>\$ 3,662,527</u>	<u>\$ 3,375,676</u>	<u>\$ 4,379,815</u>	<u>\$ 3,427,802</u>
Covered employee payroll	\$ 29,400,554	\$ 29,348,897	\$ 24,802,020	\$ 25,795,275
Total OPEB liability as a % of covered employee payroll	12.46%	11.50%	17.66%	13.29%

**Notes to Schedule:**

Changes of assumptions reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

September 30, 2021	2.19 %
September 30, 2020	2.41 %
September 30, 2019	2.66 %
September 30, 2018	3.31 %
September 30, 2017	3.81 %

**OTHER SUPPLEMENTARY INFORMATION**

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 52,111,782	\$ 52,111,782	\$ 52,234,646	\$ 122,864
Miscellaneous taxes	925,000	925,000	720,414	(204,586)
Licenses and fees	3,969,200	3,969,200	4,169,889	200,689
Fines and forfeitures	929,000	929,000	666,188	(262,812)
Intergovernmental	2,351,250	3,402,533	3,623,687	221,154
Interest	275,000	275,000	93,473	(181,527)
Miscellaneous	1,121,850	1,122,650	1,555,093	432,443
Total revenues	<u>61,683,082</u>	<u>62,735,165</u>	<u>63,063,390</u>	<u>328,225</u>
<b>EXPENDITURES</b>				
<b>ADMINISTRATIVE</b>				
County Judge				
Salaries and fringe benefits	249,225	249,225	248,024	1,201
Travel and uniforms	3,000	3,000	469	2,531
General operations	4,900	4,900	2,560	2,340
Equipment/vehicle maintenance	1,000	1,000	560	440
Total County Judge	<u>258,125</u>	<u>258,125</u>	<u>251,613</u>	<u>6,512</u>
Commissioners' Court				
Salaries and fringe benefits	257,282	257,282	236,437	20,845
Travel and uniforms	12,000	12,000	1,197	10,803
General operations	4,700	4,700	2,533	2,167
Total Commissioners' Court	<u>273,982</u>	<u>273,982</u>	<u>240,167</u>	<u>33,815</u>
Human resources				
Salaries and fringe benefits	367,243	367,243	346,291	20,952
Travel and uniforms	3,000	3,000	-	3,000
Contract services	3,331	3,331	-	3,331
General operations	4,560	4,560	3,948	612
Equipment/vehicle maintenance	3,500	3,500	2,183	1,317
Total Human resources	<u>381,634</u>	<u>381,634</u>	<u>352,422</u>	<u>29,212</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>ADMINISTRATIVE</b>				
Information technology				
Contract services	\$ 1,452,733	\$ 1,481,312	\$ 1,453,394	\$ 27,918
General operations	404,247	443,212	338,799	104,413
Equipment/vehicle maintenance	650	650	282	368
Total Information technology	<u>1,857,630</u>	<u>1,925,174</u>	<u>1,792,475</u>	<u>132,699</u>
Information and records management				
Salaries and fringe benefits	542,703	542,703	390,832	151,871
Travel and uniforms	4,000	4,000	397	3,603
Contract services	6,000	6,000	4,065	1,935
General operations	25,400	25,400	3,504	21,896
Equipment/vehicle maintenance	2,000	2,000	238	1,762
Total Information and records management	<u>580,103</u>	<u>580,103</u>	<u>399,036</u>	<u>181,067</u>
General administrative				
Salaries and fringe benefits	10,000	10,000	2,681	7,319
Contract services	582,750	582,750	581,253	1,497
General operations	1,244,565	1,263,065	376,099	886,966
Equipment/vehicle maintenance	230,000	209,475	152,947	56,528
Total General administrative	<u>2,067,315</u>	<u>2,065,290</u>	<u>1,112,980</u>	<u>952,310</u>
County Auditor				
Salaries and fringe benefits	587,548	587,548	582,882	4,666
Travel and uniforms	10,000	10,000	799	9,201
Contract services	160,300	160,300	158,234	2,066
General operations	7,500	7,500	4,662	2,838
Equipment/vehicle maintenance	1,800	1,800	1,370	430
Total County Auditor	<u>767,148</u>	<u>767,148</u>	<u>747,947</u>	<u>19,201</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>ADMINISTRATIVE</b>				
County Treasurer				
Salaries and fringe benefits	\$ 244,559	\$ 244,559	\$ 243,340	\$ 1,219
Travel and uniforms	5,000	5,000	2,727	2,273
General operations	9,250	9,250	6,374	2,876
Equipment/vehicle maintenance	2,200	2,200	1,433	767
Total County Treasurer	261,009	261,009	253,874	7,135
Purchasing Agent				
Salaries and fringe benefits	478,744	478,744	354,086	124,658
Travel and uniforms	15,000	15,000	2,344	12,656
General operations	12,800	12,800	5,216	7,584
Equipment/vehicle maintenance	4,500	4,500	2,397	2,103
Total Purchasing Agent	521,044	521,044	371,543	149,501
Collections				
Salaries and fringe benefits	212,936	212,936	191,153	21,783
Travel and uniforms	2,000	2,000	-	2,000
Contract services	3,745	3,745	-	3,745
General operations	17,190	17,190	9,016	8,174
Equipment/vehicle maintenance	1,500	1,500	410	1,090
Total Collections	237,371	237,371	200,579	36,792
Tax Assessor/Collector				
Salaries and fringe benefits	1,359,500	1,359,500	1,230,031	129,469
Travel and uniforms	8,000	8,000	5,191	2,809
Contract services	65,000	65,000	61,217	3,783
General operations	86,300	86,300	77,364	8,936
Equipment/vehicle maintenance	4,200	4,200	2,707	1,493
Total Tax Assessor/Collector	1,523,000	1,523,000	1,376,510	146,490
Total Administrative	8,728,361	8,793,880	7,099,146	1,694,734

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
County Clerk				
Salaries and fringe benefits	\$ 1,019,561	\$ 1,019,561	\$ 966,103	\$ 53,458
Travel and uniforms	6,000	6,000	2,640	3,360
Contract services	207,283	207,283	110,695	96,588
General operations	34,600	36,874	20,464	16,410
Equipment/vehicle maintenance	5,000	5,000	3,876	1,124
Total County Clerk	1,272,444	1,274,718	1,103,778	170,940
District Clerk				
Salaries and fringe benefits	1,302,333	1,302,333	1,177,350	124,983
Travel and uniforms	9,000	9,000	2,409	6,591
Contract services	211,525	211,525	162,852	48,673
General operations	53,900	53,900	38,778	15,122
Equipment/vehicle maintenance	12,000	12,000	9,427	2,573
Total District Clerk	1,588,758	1,588,758	1,390,816	197,942
Court of appeals				
Salaries and fringe benefits	10,333	10,333	10,321	12
Total Court of appeals	10,333	10,333	10,321	12
Specialty court				
Salaries and fringe benefits	40,120	40,120	22,536	17,584
Travel and uniforms	1,200	1,200	-	1,200
Contract services	-	3,640	3,640	-
General operations	500	500	-	500
Total Specialty court	41,820	45,460	26,176	19,284
47th District Court				
Salaries and fringe benefits	365,874	365,874	338,661	27,213
Travel and uniforms	11,250	11,250	1,986	9,264
General operations	11,200	11,200	4,795	6,405
Equipment/vehicle maintenance	1,500	1,500	294	1,206
Total 47th District Court	389,824	389,824	345,736	44,088

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
108th District Court				
Salaries and fringe benefits	\$ 365,874	\$ 365,874	\$ 348,527	\$ 17,347
Travel and uniforms	11,250	11,250	1,927	9,323
General operations	11,200	11,200	8,884	2,316
Equipment/vehicle maintenance	1,500	1,500	1,034	466
Total 108th District Court	<u>389,824</u>	<u>389,824</u>	<u>360,372</u>	<u>29,452</u>
181st District Court				
Salaries and fringe benefits	365,874	370,711	370,710	1
Travel and uniforms	11,250	6,413	3,298	3,115
General operations	11,200	11,200	9,444	1,756
Equipment/vehicle maintenance	1,500	1,500	342	1,158
Total 181st District Court	<u>389,824</u>	<u>389,824</u>	<u>383,794</u>	<u>6,030</u>
251st District Court				
Salaries and fringe benefits	365,874	365,874	346,756	19,118
Travel and uniforms	11,250	11,250	1,324	9,926
General operations	11,200	11,200	4,651	6,549
Equipment/vehicle maintenance	1,500	1,500	343	1,157
Total 251st District Court	<u>389,824</u>	<u>389,824</u>	<u>353,074</u>	<u>36,750</u>
320th District Court				
Salaries and fringe benefits	365,874	365,874	346,578	19,296
Travel and uniforms	11,250	11,250	2,609	8,641
General operations	11,200	11,200	9,669	1,531
Equipment/vehicle maintenance	1,500	1,500	370	1,130
Total 320th District Court	<u>389,824</u>	<u>389,824</u>	<u>359,226</u>	<u>30,598</u>
Associate judge - Child support				
General operations	<u>1,500</u>	<u>1,500</u>	<u>493</u>	<u>1,007</u>
Total Associate judge - Child support	<u>1,500</u>	<u>1,500</u>	<u>493</u>	<u>1,007</u>

Continued



**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
Associate judge - Child abuse				
Salaries and fringe benefits	\$ 16,231	\$ 46,231	\$ 38,204	\$ 8,027
General operations	2,000	2,000	525	1,475
Total Associate judge - Child abuse	18,231	48,231	38,729	9,502
County Court-at-Law #1				
Salaries and fringe benefits	557,797	557,797	539,008	18,789
Travel and uniforms	9,650	9,650	3,936	5,714
General operations	7,500	7,500	5,216	2,284
Equipment/vehicle maintenance	600	600	326	274
Total County Court-at-Law #1	575,547	575,547	548,486	27,061
County Court-at-Law #2				
Salaries and fringe benefits	557,797	557,797	538,897	18,900
Travel and uniforms	9,650	9,650	3,538	6,112
General operations	7,500	7,500	4,068	3,432
Equipment/vehicle maintenance	600	600	318	282
Total County Court-at-Law #2	575,547	575,547	546,821	28,726
Justice of the Peace, Precinct #1				
Salaries and fringe benefits	291,548	291,548	271,971	19,577
Travel and uniforms	3,500	3,500	986	2,514
Contract services	17,000	17,000	15,516	1,484
General operations	11,760	11,760	11,211	549
Equipment/vehicle maintenance	1,300	1,300	1,218	82
Total Justice of the Peace Precinct #1	325,108	325,108	300,902	24,206

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
Justice of the Peace, Precinct #2				
Salaries and fringe benefits	\$ 234,163	\$ 234,163	\$ 220,725	\$ 13,438
Travel and uniforms	3,500	3,500	2,598	902
Contract services	17,000	17,000	15,516	1,484
General operations	9,070	9,835	6,828	3,007
Equipment/vehicle maintenance	1,300	1,300	525	775
Total Justice of the Peace Precinct #2	265,033	265,798	246,192	19,606
Justice of the Peace, Precinct #3				
Salaries and fringe benefits	296,466	296,466	282,310	14,156
Travel and uniforms	3,500	3,500	2,579	921
Contract services	17,000	17,000	15,516	1,484
General operations	13,230	13,230	10,966	2,264
Equipment/vehicle maintenance	2,500	2,500	808	1,692
Total Justice of the Peace Precinct #3	332,696	332,696	312,179	20,517
Justice of the Peace, Precinct #4				
Salaries and fringe benefits	234,155	234,155	220,601	13,554
Travel and uniforms	3,500	3,092	2,553	539
Contract services	17,000	17,000	15,516	1,484
General operations	8,730	8,925	8,925	-
Equipment/vehicle maintenance	1,300	1,513	1,513	-
Total Justice of the Peace Precinct #4	264,685	264,685	249,108	15,577
Jury				
Salaries and fringe benefits	203,348	203,348	168,223	35,125
Travel and uniforms	2,500	2,500	-	2,500
Contract services	117,050	117,050	50,970	66,080
General operations	43,500	42,590	23,110	19,480
Equipment/vehicle maintenance	4,000	4,910	4,910	-
Total Jury	370,398	370,398	247,213	123,185

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>JUDICIAL</b>				
County Attorney				
Salaries and fringe benefits	\$ 2,616,927	\$ 2,630,963	\$ 2,467,780	\$ 163,183
Travel and uniforms	20,000	20,625	8,653	11,972
Contract services	30,700	30,700	27,301	3,399
General operations	38,880	42,065	42,065	-
Equipment/vehicle maintenance	11,500	11,500	10,721	779
Total County Attorney	<u>2,718,007</u>	<u>2,735,853</u>	<u>2,556,520</u>	<u>179,333</u>
District Attorney				
Salaries and fringe benefits	3,605,475	3,611,475	3,346,913	264,562
Travel and uniforms	32,000	32,938	21,672	11,266
Contract services	62,000	62,000	32,553	29,447
General operations	64,220	64,220	49,511	14,709
Equipment/vehicle maintenance	14,500	14,500	9,563	4,937
Total District Attorney	<u>3,778,195</u>	<u>3,785,133</u>	<u>3,460,212</u>	<u>324,921</u>
Bail Bond Board Administration				
Travel and uniforms	1,500	1,500	-	1,500
General operations	500	500	-	500
Total Bail Bond Board Administration	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
General judicial				
Contract services	3,044,000	3,014,000	2,550,163	463,837
General operations	639,002	639,002	280,462	358,540
Total General judicial	<u>3,683,002</u>	<u>3,653,002</u>	<u>2,830,625</u>	<u>822,377</u>
Total Judicial	<u>17,772,424</u>	<u>17,803,887</u>	<u>15,670,773</u>	<u>2,133,114</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>ELECTIONS</b>				
Election administration				
Salaries and fringe benefits	\$ 404,861	\$ 481,458	\$ 403,526	\$ 77,932
Travel and uniforms	6,000	6,000	3,875	2,125
Contract services	80,000	131,555	131,306	249
General operations	73,750	47,588	37,915	9,673
Equipment/vehicle maintenance	2,400	7,752	7,674	78
Total Elections administration	<u>567,011</u>	<u>674,353</u>	<u>584,296</u>	<u>90,057</u>
Total Elections	<u>567,011</u>	<u>674,353</u>	<u>584,296</u>	<u>90,057</u>
<b>PUBLIC FACILITIES</b>				
Facilities maintenance				
Salaries and fringe benefits	1,596,701	1,596,701	1,526,631	70,070
Travel and uniforms	16,500	16,500	176	16,324
General operations	73,345	73,345	47,452	25,893
Equipment/vehicle maintenance	20,880	20,880	15,281	5,599
Total Facilities maintenance	<u>1,707,426</u>	<u>1,707,426</u>	<u>1,589,540</u>	<u>117,886</u>
Courthouse				
General operations	<u>245,200</u>	<u>259,700</u>	<u>142,693</u>	<u>117,007</u>
Total Courthouse	<u>245,200</u>	<u>259,700</u>	<u>142,693</u>	<u>117,007</u>
Courts building				
General operations	<u>290,235</u>	<u>290,235</u>	<u>200,532</u>	<u>89,703</u>
Total Courts building	<u>290,235</u>	<u>290,235</u>	<u>200,532</u>	<u>89,703</u>
Library building				
General operations	<u>10,100</u>	<u>10,100</u>	<u>8,446</u>	<u>1,654</u>
Total Library building	<u>10,100</u>	<u>10,100</u>	<u>8,446</u>	<u>1,654</u>
Extension service building				
General operations	<u>23,450</u>	<u>23,450</u>	<u>13,414</u>	<u>10,036</u>
Total Extension service building	<u>23,450</u>	<u>23,450</u>	<u>13,414</u>	<u>10,036</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>PUBLIC FACILITIES</b>				
Santa Fe building				
General operations	\$ 425,689	\$ 417,029	\$ 291,760	\$ 125,269
Total Santa Fe building	425,689	417,029	291,760	125,269
Baseball stadium				
General operations	6,000	6,000	573	5,427
Total Baseball stadium	6,000	6,000	573	5,427
JP #3 office				
General operations	14,700	14,700	13,910	790
Total JP #3 office	14,700	14,700	13,910	790
Bowie Annex				
General operations	73,000	73,000	37,087	35,913
Total Bowie Annex	73,000	73,000	37,087	35,913
West 6th Street Annex				
General operations	-	3,796	3,796	-
Total West 6th Street Annex	-	3,796	3,796	-
Law Enforcement Center				
General operations	113,038	128,038	117,369	10,669
Total Law Enforcement Center	113,038	128,038	117,369	10,669
Vehicle maintenance garage				
General operations	22,000	30,514	30,514	-
Total Vehicle maintenance garage	22,000	30,514	30,514	-

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>PUBLIC FACILITIES</b>				
Fire Station #3				
General operations	\$ 30,200	\$ 32,384	\$ 28,084	\$ 4,300
Total Fire Station #3	30,200	32,384	28,084	4,300
Total Public Facilities	2,961,038	2,996,372	2,477,718	518,654
<b>PUBLIC SAFETY</b>				
Forensic science lab				
Contract services	509,500	509,500	392,097	117,403
Total Forensic science lab	509,500	509,500	392,097	117,403
Constable, Precinct #1				
Salaries and fringe benefits	81,542	81,542	81,002	540
Travel and uniforms	4,000	6,775	745	6,030
Contract services	1,250	1,250	1,199	51
General operations	9,055	9,055	8,412	643
Equipment/vehicle maintenance	4,000	4,000	2,658	1,342
Total Constable, Precinct #1	99,847	102,622	94,016	8,606
Constable, Precinct #2				
Salaries and fringe benefits	81,542	81,542	80,676	866
Travel and uniforms	4,000	6,448	5,217	1,231
Contract services	1,250	1,250	1,199	51
General operations	4,130	4,130	2,034	2,096
Equipment/vehicle maintenance	4,000	4,000	1,439	2,561
Total Constable, Precinct #2	94,922	97,370	90,565	6,805
Constable, Precinct #3				
Salaries and fringe benefits	81,542	81,542	79,295	2,247
Travel and uniforms	4,000	7,509	2,639	4,870
Contract services	1,250	1,250	1,199	51
General operations	9,980	9,580	8,772	808
Equipment/vehicle maintenance	4,000	4,400	4,382	18
Total Constable, Precinct #3	100,772	104,281	96,287	7,994

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>PUBLIC SAFETY</b>				
Constable, Precinct #4				
Salaries and fringe benefits	\$ 81,542	\$ 81,542	\$ 80,936	\$ 606
Travel and uniforms	4,000	5,328	2,582	2,746
Contract services	1,250	1,250	1,199	51
General operations	4,130	4,130	2,258	1,872
Equipment/vehicle maintenance	10,100	10,100	8,682	1,418
Total Constable, Precinct #4	101,022	102,350	95,657	6,693
Sheriff				
Salaries and fringe benefits	8,445,816	8,445,816	8,183,324	262,492
Travel and uniforms	120,000	130,894	121,590	9,304
Contract services	243,700	243,700	222,391	21,309
General operations	162,470	164,323	135,412	28,911
Equipment/vehicle maintenance	332,000	332,000	290,693	41,307
Total Sheriff	9,303,986	9,316,733	8,953,410	363,323
Public services				
General operations	1,325,413	1,325,413	1,285,157	40,256
Total Public services	1,325,413	1,325,413	1,285,157	40,256
Fire / rescue department				
Salaries and fringe benefits	366,499	366,499	324,399	42,100
Travel and uniforms	66,000	76,448	73,733	2,715
Contract services	35,000	35,000	8,918	26,082
General operations	166,080	206,220	164,743	41,477
Equipment/vehicle maintenance	295,750	306,117	292,628	13,489
Building maintenance	57,260	57,260	46,523	10,737
Total Fire / rescue department	986,589	1,047,544	910,944	136,600
Total Public Safety	12,522,051	12,605,813	11,918,133	687,680

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>CORRECTIONS AND REHABILITATION</b>				
Detention center				
Salaries and fringe benefits	\$ 11,008,616	\$ 11,060,616	\$ 10,442,976	\$ 617,640
Contract services	45,250	45,250	32,645	12,605
General operations	1,670,144	1,817,731	1,725,471	92,260
Equipment/vehicle maintenance	37,500	37,500	21,797	15,703
Building maintenance	533,000	556,888	556,888	-
Total Detention center	<u>13,294,510</u>	<u>13,517,985</u>	<u>12,779,777</u>	<u>738,208</u>
Community Supervision and Corrections				
General operations	13,000	16,424	10,468	5,956
Equipment/vehicle maintenance	15,000	15,000	11,056	3,944
Total Community Supervision and Corrections	<u>28,000</u>	<u>31,424</u>	<u>21,524</u>	<u>9,900</u>
Court Supervised Release Program				
Salaries and fringe benefits	146,966	146,966	145,278	1,688
Travel and uniforms	4,000	4,000	252	3,748
General operations	4,000	4,000	3,482	518
Equipment/vehicle maintenance	3,000	3,000	92	2,908
Total Court Supervised Release Program	<u>157,966</u>	<u>157,966</u>	<u>149,104</u>	<u>8,862</u>
Total Corrections and Rehabilitation	<u>13,480,476</u>	<u>13,707,375</u>	<u>12,950,405</u>	<u>756,970</u>

Continued



**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>ROAD AND BRIDGE</b>				
Road and Bridge				
Salaries and fringe benefits	\$ 1,564,436	\$ 1,564,436	\$ 1,468,100	\$ 96,336
Travel and uniforms	15,700	15,700	13,347	2,353
Contract services	27,557	27,557	15,871	11,686
General operations	814,186	773,325	456,113	317,212
Equipment/vehicle maintenance	301,560	300,819	228,468	72,351
Building maintenance	83,181	83,922	83,922	-
Total Road and Bridge	<u>2,806,620</u>	<u>2,765,759</u>	<u>2,265,821</u>	<u>499,938</u>
Total Road and Bridge	<u>2,806,620</u>	<u>2,765,759</u>	<u>2,265,821</u>	<u>499,938</u>
<b>HEALTH AND HUMAN SERVICES</b>				
Mental health - community service				
Salaries and fringe benefits	76,844	76,844	74,990	1,854
Travel and uniforms	2,000	2,000	-	2,000
Contract services	7,500	7,500	6,845	655
General operations	500	500	428	72
Total Mental health - community service	<u>86,844</u>	<u>86,844</u>	<u>82,263</u>	<u>4,581</u>
Mental health and specialty service				
Salaries and fringe benefits	88,370	88,370	87,859	511
Travel and uniforms	1,500	1,500	1,025	475
General operations	500	500	342	158
Equipment/vehicle maintenance	-	-	-	-
Total Mental health and specialty service	<u>90,370</u>	<u>90,370</u>	<u>89,226</u>	<u>1,144</u>
County extension services				
Salaries and fringe benefits	222,063	222,063	199,692	22,371
Travel and uniforms	10,500	10,500	6,163	4,337
General operations	16,390	16,390	15,461	929
Equipment/vehicle maintenance	19,000	19,000	8,944	10,056
Total County extension services	<u>267,953</u>	<u>267,953</u>	<u>230,260</u>	<u>37,693</u>

Continued

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>HEALTH AND HUMAN SERVICES</b>				
Family crime unit				
Salaries and fringe benefits	\$ 356,941	\$ 362,905	\$ 337,967	\$ 24,938
Travel and uniforms	600	600	-	600
General operations	4,900	4,900	4,343	557
Total Family crime unit	<u>362,441</u>	<u>368,405</u>	<u>342,310</u>	<u>26,095</u>
Victim Assistance - VOCA				
Salaries and fringe benefits	227,199	227,199	226,282	917
Travel and uniforms	4,000	1,315	-	1,315
Contract services	-	2,685	2,685	-
General operations	1,440	1,440	1,440	-
Total VOCA	<u>232,639</u>	<u>232,639</u>	<u>230,407</u>	<u>2,232</u>
Victim Assistance - VLCG				
Salaries and fringe benefits	68,980	68,980	63,645	5,335
Travel and uniforms	2,000	2,000	-	2,000
Total VLCG	<u>70,980</u>	<u>70,980</u>	<u>63,645</u>	<u>7,335</u>
Total Health and Human Services	<u>1,111,227</u>	<u>1,117,191</u>	<u>1,038,111</u>	<u>79,080</u>
<b>CAPITAL OUTLAY</b>	<u>95,315</u>	<u>95,315</u>	<u>351,226</u>	<u>(255,911)</u>
<b>DEBT SERVICE</b>				
Principal	<u>357,633</u>	<u>357,633</u>	<u>391,965</u>	<u>(34,332)</u>
Total expenditures	<u>60,402,156</u>	<u>60,917,578</u>	<u>54,747,594</u>	<u>6,169,984</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,280,926</u>	<u>1,817,587</u>	<u>8,315,796</u>	<u>6,498,209</u>

Continued

**POTTER COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of assets	\$ -	\$ -	\$ 180,417	\$ 180,417
Initiation of capital leases	-	-	122,473	122,473
Transfers out	<u>(5,200,000)</u>	<u>(5,200,000)</u>	<u>(6,761,070)</u>	<u>(1,561,070)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(5,200,000)</u>	<u>(5,200,000)</u>	<u>(6,458,180)</u>	<u>(1,258,180)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,919,074)	(3,382,413)	1,857,616	5,240,029
<b>FUND BALANCES - BEGINNING</b>	<u>31,251,136</u>	<u>31,251,136</u>	<u>31,251,136</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 27,332,062</u>	<u>\$ 27,868,723</u>	<u>\$ 33,108,752</u>	<u>\$ 5,240,029</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DISTRICT COURTS BUILDING**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Interest	\$ 15,000	\$ 15,000	\$ 51,384	\$ 36,384
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>51,384</u>	<u>36,384</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	8,000,000	8,000,000	-	8,000,000
Capital outlay	<u>50,900,000</u>	<u>50,900,000</u>	<u>14,638,471</u>	<u>36,261,529</u>
Total expenditures	<u>58,900,000</u>	<u>58,900,000</u>	<u>14,638,471</u>	<u>44,261,529</u>
<b>NET CHANGE IN FUND BALANCES</b>	(58,885,000)	(58,885,000)	(6,837,087)	52,047,913
<b>FUND BALANCES - BEGINNING</b>	<u>51,945,916</u>	<u>51,945,916</u>	<u>51,945,916</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ (6,939,084)</u></u>	<u><u>\$ (6,939,084)</u></u>	<u><u>\$ 45,108,829</u></u>	<u><u>\$ 52,047,913</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Interest	\$ 50,000	\$ 50,000	\$ 14,184	\$ (35,816)
Total revenues	50,000	50,000	14,184	(35,816)
<b>EXPENDITURES</b>				
Current:				
Public facilities	1,385,000	1,431,640	86,602	1,345,038
Capital outlay	750,000	703,360	48,648	654,712
Total expenditures	2,135,000	2,135,000	135,250	1,999,750
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,085,000)</u>	<u>(2,085,000)</u>	<u>(121,066)</u>	<u>1,963,934</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,500,000	1,500,000
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>(6,250,000)</u>	<u>(6,250,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,085,000)	(2,085,000)	(6,371,066)	(4,286,066)
<b>FUND BALANCES - BEGINNING</b>	<u>11,993,694</u>	<u>11,993,694</u>	<u>11,993,694</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 9,908,694</u>	<u>\$ 9,908,694</u>	<u>\$ 5,622,628</u>	<u>\$ (4,286,066)</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**BUDGET TO ACTUAL**  
**PROPRIETARY - INTERNAL SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>OPERATING REVENUES</b>				
Healthcare contributions	\$ 7,722,000	\$ 7,722,000	\$ 7,635,927	\$ (86,073)
Total operating revenues	<u>7,722,000</u>	<u>7,722,000</u>	<u>7,635,927</u>	<u>(86,073)</u>
<b>OPERATING EXPENSES</b>				
Operating expenses	<u>7,192,000</u>	<u>7,192,000</u>	<u>6,834,701</u>	<u>357,299</u>
<b>NET OPERATING INCOME / (LOSS)</b>	530,000	530,000	801,226	271,226
<b>NON-OPERATING REVENUES</b>				
Interest	<u>5,000</u>	<u>5,000</u>	<u>6,085</u>	<u>1,085</u>
<b>CHANGE IN NET POSITION</b>	535,000	535,000	807,311	272,311
<b>TOTAL NET POSITION - BEGINNING</b>	<u>2,676,254</u>	<u>2,676,254</u>	<u>2,676,254</u>	<u>-</u>
<b>TOTAL NET POSITION - ENDING</b>	<u>\$ 3,211,254</u>	<u>\$ 3,211,254</u>	<u>\$ 3,483,565</u>	<u>\$ 272,311</u>

**COMBINING AND INDIVIDUAL NONMAJOR  
FUND STATEMENTS AND SCHEDULES**

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

**County Assistance District** – The County Assistance District Fund accounts for the 2% sales and use tax collected from the unincorporated areas of Potter County. The revenue is restricted to be used to providing firefighting, fire prevention, and rescue operations in the same unincorporated areas of the County.

**Vehicle Inventory Tax Interest** – The Vehicle Inventory Tax Interest Fund accounts for revenue derived from interest earned on tax deposits for which the Tax A/C may utilize for office expenditures.

**Law Library** – The Law Library Fund accounts for statutory fees collected in civil cases filed in County and District Courts. These fees are dedicated by law to provide and maintain a County Law Library.

**Courthouse Security** – The Courthouse Security Fund accounts for statutory filing fees collected by the District and County Clerks which are dedicated by law to maintain the security of the Courthouse.

**Justice Courts Building Security** – The Justice Courts Building Security Fund accounts for statutory filing fees collected by the District and County Clerks which are dedicated by law to maintain the security of the Justice Courts Building.

**County Clerk Records Management** – The County Clerk Records Management Fund accounts for revenue from fees collected by the Clerk on court cases. The revenue is to be used for specific records management projects of the office.

**Election** – The Election Fund accounts for revenues from local political parties, funds received from the Help Americans Vote Act and transfers from the General Fund. The revenues are to be used to pay only those expenses related to elections.

**Voter Registration Fund** – The Voter Registration Fund accounts for the allocation from State of Texas. The revenues are to be used to pay only those expenses related to voter registration.

**Court Records Management** – The Court Records Management Fund accounts for statutory fees collected by the District and County Clerks dedicated by law to maintain County records.

**District Clerk Records Management** – The District Clerk Records Management Fund accounts for revenues from fees collected by the District Clerk on Court cases. The revenue is to be used for specific records management projects of the office.

**Justice Court Technology** – The Justice Court Technology Funds account for money charged to a defendant convicted of a misdemeanor in a justice court. It is designated for the purpose of financing the purchase of technological enhancements for a justice court.

**County Clerk / District Clerk Technology** – The County Clerk / District Clerk Technology Fund accounts for revenues derived from the fees charged to a defendant convicted of a criminal offense in a county court, statutory court, or a district court. The revenues are restricted by law to be used for continuing education or enhancements regarding technology.

**County Attorney Hot Check** – The County Attorney Hot Check Fund accounts for funds received from hot check fees collected by the County Attorney to statutorily supplement the cost of the County Attorney's office.



**County Attorney Forfeiture** – The County Attorney Forfeiture Fund accounts for seized funds that have been released to the County Attorney through a judgement in Court. Proceeds are to be used for the benefit of the County Attorney’s office, to be used solely for the official purpose of that office after a budget for the expenditure of the proceeds has been submitted to the Commissioners’ Court.

**County Attorney Federal Forfeiture** – The County Attorney Federal Forfeiture Fund accounts for the assets received through the Federal Equitable Sharing program through the United States Department of the Treasury. The funds are to be used according to the guidelines set forth by the Treasury Department in their “Guide to Equitable Sharing for Foreign Countries, Federal, State and Local Law Enforcement Agencies.”

**County Attorney Pre-Trial Diversion** – The County Attorney Pre-Trial Diversion Fund is used by the County Attorney to account for fees collected for application to a pre-trial intervention program. The fees support the cost to administer the program.

**District Attorney Hot Check** – The District Attorney Hot Check Fund accounts for funds received from hot check fees collected by the Criminal District Attorney to statutorily supplement the cost of the District Attorney’s office.

**District Attorney Payroll** – The District Attorney Payroll Fund accounts for funds received from the State of Texas to supplement the salaries of the personnel serving within the Criminal District Attorney’s office.

**DA Forfeiture Release** – The DA Forfeiture Release Fund accounts for seized funds that have been released to the District Attorney through a judgement in Court. Proceeds are to be used for the benefit of the District Attorney’s office, to be used solely for the official purpose of that office after a budget for the expenditure of the proceeds has been submitted to the Commissioners’ Court.

**District Attorney Crime Victim** – The District Attorney Crime Victim Fund accounts for donations received by the County. The donations are restricted to be used solely for victim assistance programs.

**DA Federal Forfeiture** – The DA Federal Forfeiture Fund accounts for the assets received through the Federal Equitable Sharing program through the United States Department of the Treasury. The funds are to be used according to the guidelines set forth by the Treasury Department in their “Guide to Equitable Sharing for Foreign Countries, Federal, State and Local Law Enforcement Agencies.”

**Auto Burglary and Theft Prevention** – The Auto Burglary and Theft Prevention Fund accounts for State grants received from the Auto Burglary and Theft Prevention Authority to participate in a statewide collaborative network to combat motor vehicle burglary and theft and to fund education campaigns to inform automobile owners of methods or preventing automobile burglary or theft.

**Sheriff Federal Forfeiture** – The Sheriff Federal Forfeiture Fund accounts for the assets received through the Federal Equitable Sharing program through the United States Department of the Treasury. The funds are to be used according to the guidelines set forth by the Treasury Department in their “Guide to Equitable Sharing for Foreign Countries, Federal, State and Local Law Enforcement Agencies.”

**Law Enforcement Grants** – The Law Enforcement Grants Fund accounts for federal funds received by the Sheriff to be used to enhance operations for specific projects approved by the Bureau of Justice Administration and other granting agencies.

**Sheriff Office Forfeiture** – The Sheriff Office Forfeiture Fund accounts for seized funds that have been released to the Sheriff through a judgement in Court. Proceeds are to be used for the benefit of the Sheriff’s office, to be used solely for the official purpose of that office after a budget for the expenditure of the proceeds has been submitted to the Commissioners’ Court.

**Sheriff Office Commissary** – The Sheriff Office Commissary Fund accounts for inmate purchases of food, toiletry items or other supplies. Revenue generated from this fund may be used to purchase items for the benefit of the inmate population.

**Drug Court** – The Drug Court Fund accounts for the fees assessed for certain intoxication and drug convictions. The funds are to be used exclusively for the development and maintenance of drug court programs operated within the County.

**DA Pre-Trial Diversion Fund** – The DA Pre-Trial Diversion Fund is used by the District Attorney to account for fees collected for application to a pre-trial intervention program. The fees support the cost to administer the program.

**Juvenile Probation Department** – The Juvenile Probation Department Fund accounts for grants received from the Texas Juvenile Probation Commission in addition to operating transfers from the General Fund for the purpose of providing juvenile probation services.

**CARES Act – HAVA and Sheriff Grants** – The CARES Act HAVA and Sheriff Grant Funds accounts for grants received through various federal agencies passed through the State of Texas. The pass-thru grants were used to reimburse the County for incurred costs as well as purchased qualified equipment related to the COVID-19 pandemic.

#### **DEBT SERVICE FUNDS**

The Debt Service Funds accounts for the accumulation and disbursement of resources associated with the County's debt obligations. Property taxes and interest income provide the resources necessary to pay the annual principal and interest payments.

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<b>Special Revenue</b>							
	<b>County Assistance District</b>	<b>Vehicle Inventory Tax Interest</b>	<b>Law Library</b>	<b>Courthouse Security</b>	<b>Justice Courts Building Security</b>	<b>County Clerk Records Management</b>	<b>Election</b>	<b>Voter Registration</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 4,655,386	\$ 156,644	\$ 191,031	\$ 135,537	\$ 47,542	\$ 317,814	\$ 333,645	\$ 7,361
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	2,102	-	4,970	4,384	18	9,998	-	-
Receivable from other governments	691,961	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 5,349,449</b>	<b>\$ 156,644</b>	<b>\$ 196,001</b>	<b>\$ 139,921</b>	<b>\$ 47,560</b>	<b>\$ 327,812</b>	<b>\$ 333,645</b>	<b>\$ 7,361</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 1,010	\$ -	\$ 1,389	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	2,102	-	-	-	-	-	40,629	-
Due to other governments	-	-	-	-	-	-	-	-
Accrued payroll	2,102	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>5,214</b>	<b>-</b>	<b>1,389</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,629</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	5,344,235	156,644	-	-	-	327,812	-	-
Judicial	-	-	194,612	-	-	-	-	-
Elections	-	-	-	-	-	-	293,016	7,361
Public safety	-	-	-	139,921	47,560	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>5,344,235</b>	<b>156,644</b>	<b>194,612</b>	<b>139,921</b>	<b>47,560</b>	<b>327,812</b>	<b>293,016</b>	<b>7,361</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 5,349,449</b>	<b>\$ 156,644</b>	<b>\$ 196,001</b>	<b>\$ 139,921</b>	<b>\$ 47,560</b>	<b>\$ 327,812</b>	<b>\$ 333,645</b>	<b>\$ 7,361</b>

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

Continuation

	<b>Special Revenue</b>							
	<b>Court Records Management</b>	<b>District Clerk Records Management</b>	<b>Justice Court Technology</b>	<b>County Clerk / District Clerk Technology</b>	<b>County Attorney Hot Check</b>	<b>County Attorney Forfeiture</b>	<b>County Attorney Federal Forfeiture</b>	<b>County Attorney Pretrial Diversion Fund</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 42,029	\$ 212,461	\$ 168,486	\$ 51,097	\$ 34,459	\$ 196,115	\$ 84,578	\$ 55,691
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	1,673	3,428	767	418	735	301	-	-
Receivable from other governments	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	500
<b>Total assets</b>	<b><u>\$ 43,702</u></b>	<b><u>\$ 215,889</u></b>	<b><u>\$ 169,253</u></b>	<b><u>\$ 51,515</u></b>	<b><u>\$ 35,194</u></b>	<b><u>\$ 196,416</u></b>	<b><u>\$ 84,578</u></b>	<b><u>\$ 56,191</u></b>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ 2,851	\$ 297	\$ -	\$ 55	\$ 810	-	\$ -
Due to other funds	-	-	-	-	3,869	301	-	-
Due to other governments	-	-	-	-	-	-	-	-
Accrued payroll	-	-	-	-	735	301	-	471
<b>Total liabilities</b>	<b><u>-</u></b>	<b><u>2,851</u></b>	<b><u>297</u></b>	<b><u>-</u></b>	<b><u>4,659</u></b>	<b><u>1,412</u></b>	<b><u>-</u></b>	<b><u>471</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES</b>								
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	43,702	213,038	-	-	-	-	-	-
Judicial	-	-	168,956	51,515	30,535	195,004	84,578	55,720
Elections	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b><u>43,702</u></b>	<b><u>213,038</u></b>	<b><u>168,956</u></b>	<b><u>51,515</u></b>	<b><u>30,535</u></b>	<b><u>195,004</u></b>	<b><u>84,578</u></b>	<b><u>55,720</u></b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b><u>\$ 43,702</u></b>	<b><u>\$ 215,889</u></b>	<b><u>\$ 169,253</u></b>	<b><u>\$ 51,515</u></b>	<b><u>\$ 35,194</u></b>	<b><u>\$ 196,416</u></b>	<b><u>\$ 84,578</u></b>	<b><u>\$ 56,191</u></b>

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

Continuation

	<b>Special Revenue</b>							
	<b>District Attorney Hot Check</b>	<b>District Attorney Payroll</b>	<b>DA Forfeiture Release</b>	<b>District Attorney Crime Victim</b>	<b>DA Federal Forfeiture</b>	<b>Auto Burglary and Theft Prevention</b>	<b>Sheriff Federal Forfeiture</b>	<b>Law Enforcement Grants</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 114,405	\$ 419	\$ 625,647	\$ 44,516	\$ 47,096	\$ -	\$ 194,923	\$ 13,740
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	5,243	21,579	25
Receivable from other governments	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	1,344	2,085	-
<b>Total assets</b>	<b>\$ 114,405</b>	<b>\$ 419</b>	<b>\$ 625,647</b>	<b>\$ 44,516</b>	<b>\$ 47,096</b>	<b>\$ 6,587</b>	<b>\$ 218,587</b>	<b>\$ 13,765</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 34	\$ -	\$ 83	\$ -	\$ -	\$ 11,855	\$ -	\$ 1,463
Due to other funds	19	-	-	-	-	59,715	2,085	-
Due to other governments	-	-	-	-	-	-	-	-
Accrued payroll	-	405	1,911	-	-	5,243	-	-
<b>Total liabilities</b>	<b>53</b>	<b>405</b>	<b>1,994</b>	<b>-</b>	<b>-</b>	<b>76,813</b>	<b>2,085</b>	<b>1,463</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	-	-	-	-	-	-	-	-
Judicial	114,352	14	623,653	44,516	47,096	-	-	-
Elections	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	216,502	12,302
Unassigned (deficit)	-	-	-	-	-	(70,226)	-	-
<b>Total fund balances</b>	<b>114,352</b>	<b>14</b>	<b>623,653</b>	<b>44,516</b>	<b>47,096</b>	<b>(70,226)</b>	<b>216,502</b>	<b>12,302</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 114,405</b>	<b>\$ 419</b>	<b>\$ 625,647</b>	<b>\$ 44,516</b>	<b>\$ 47,096</b>	<b>\$ 6,587</b>	<b>\$ 218,587</b>	<b>\$ 13,765</b>

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

Continuation

	<u>Special Revenue</u>							
	<u>Sheriff Office Forfeiture</u>	<u>Sheriff Office Commissary</u>	<u>Drug Court</u>	<u>DA Pretrial Diversion Fund</u>	<u>Juvenile Probation</u>	<u>CARES Act - HAVA Grant</u>	<u>CARES Act - Sheriff Grants</u>	<u>Total</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 169,688	\$ 245,613	\$ -	\$ 4,909	\$ 1,764,838	\$ 61,933	\$ -	\$ 9,977,603
Taxes receivable, net	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	55,641
Receivable from other governments	-	-	18,013	-	-	-	-	709,974
Other receivables	-	-	-	900	10,003	-	-	14,832
Total assets	<u>\$ 169,688</u>	<u>\$ 245,613</u>	<u>\$ 18,013</u>	<u>\$ 5,809</u>	<u>\$ 1,774,841</u>	<u>\$ 61,933</u>	<u>\$ -</u>	<u>\$ 10,758,050</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 6,845	\$ 16,853	\$ 24,146	\$ -	\$ 510,921	\$ -	\$ 9,568	\$ 588,180
Due to other funds	19,495	-	-	-	-	19,626	28,450	176,291
Due to other governments	-	-	-	-	27,075	-	-	27,075
Accrued payroll	-	-	1,560	-	32,493	-	-	45,221
Total liabilities	<u>26,340</u>	<u>16,853</u>	<u>25,706</u>	<u>-</u>	<u>570,489</u>	<u>19,626</u>	<u>38,018</u>	<u>836,767</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>								
Restricted for:								
Debt service	-	-	-	-	-	-	-	-
Administrative	-	-	-	-	-	-	-	6,085,431
Judicial	-	-	-	5,809	-	-	-	1,616,360
Elections	-	-	-	-	-	-	-	300,377
Public safety	143,348	228,760	-	-	1,204,352	42,307	-	2,035,052
Unassigned (deficit)	-	-	(7,693)	-	-	-	(38,018)	(115,937)
Total fund balances	<u>143,348</u>	<u>228,760</u>	<u>(7,693)</u>	<u>5,809</u>	<u>1,204,352</u>	<u>42,307</u>	<u>(38,018)</u>	<u>9,921,283</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 169,688</u>	<u>\$ 245,613</u>	<u>\$ 18,013</u>	<u>\$ 5,809</u>	<u>\$ 1,774,841</u>	<u>\$ 61,933</u>	<u>\$ -</u>	<u>\$ 10,758,050</u>

Continued

Continued

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

Continuation

	<u>Debt Service</u>				<b>Total Non-major Governmental Funds</b>
	<b>Series 2016 Certificates of Obligation</b>	<b>Series 2017 Tax Notes</b>	<b>Series 2019 Certificates of Obligation</b>	<b>Total</b>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,549,965	\$ 349,924	\$ 785,112	\$ 3,685,001	\$ 13,662,604
Taxes receivable, net	6,154	12,832	37,059	56,045	56,045
Due from other funds	-	-	-	-	55,641
Receivable from other governments	-	-	-	-	709,974
Other receivables	1,704	3,553	10,261	15,518	30,350
	<u>2,557,823</u>	<u>366,309</u>	<u>832,432</u>	<u>3,756,564</u>	<u>14,514,614</u>
Total assets	<u>\$ 2,557,823</u>	<u>\$ 366,309</u>	<u>\$ 832,432</u>	<u>\$ 3,756,564</u>	<u>\$ 14,514,614</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 588,180
Due to other funds	-	-	-	-	176,291
Due to other governments	-	-	-	-	27,075
Accrued payroll	-	-	-	-	45,221
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>836,767</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>836,767</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	4,458	9,296	26,847	40,601	40,601
	<u>4,458</u>	<u>9,296</u>	<u>26,847</u>	<u>40,601</u>	<u>40,601</u>
Total deferred inflows of resources	<u>4,458</u>	<u>9,296</u>	<u>26,847</u>	<u>40,601</u>	<u>40,601</u>
<b>FUND BALANCES</b>					
Restricted for:					
Debt service	2,553,365	357,013	805,585	3,715,963	3,715,963
Administrative	-	-	-	-	6,085,431
Judicial	-	-	-	-	1,616,360
Elections	-	-	-	-	300,377
Public safety	-	-	-	-	2,035,052
Unassigned (deficit)	-	-	-	-	(115,937)
	<u>2,553,365</u>	<u>357,013</u>	<u>805,585</u>	<u>3,715,963</u>	<u>13,637,246</u>
Total fund balances	<u>2,553,365</u>	<u>357,013</u>	<u>805,585</u>	<u>3,715,963</u>	<u>13,637,246</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,557,823</u>	<u>\$ 366,309</u>	<u>\$ 832,432</u>	<u>\$ 3,756,564</u>	<u>\$ 14,514,614</u>

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Special Revenue</b>							
	<b>County Assistance District</b>	<b>Vehicle Inventory Tax Interest</b>	<b>Law Library</b>	<b>Courthouse Security</b>	<b>Justice Courts Building Security</b>	<b>County Clerk Records Management</b>	<b>Election</b>	<b>Voter Registration</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax	3,822,351	-	-	-	-	-	-	-
Licenses and fees	-	-	56,355	48,725	250	111,273	13,236	-
Intergovernmental	-	-	-	-	-	-	-	3,185
Interest	7,122	6,541	643	263	111	707	530	20
Miscellaneous	-	-	-	-	-	7,764	129,904	-
Total revenues	<u>3,829,473</u>	<u>6,541</u>	<u>56,998</u>	<u>48,988</u>	<u>361</u>	<u>119,744</u>	<u>143,670</u>	<u>3,205</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	138,951	-	-	-	-	223,341	-	-
Judicial	-	-	12,086	-	-	-	-	-
Elections	-	-	-	-	-	-	65,643	6,112
Public safety	-	-	-	6,540	-	-	-	-
Capital outlay	1,185,922	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>1,324,873</u>	<u>-</u>	<u>12,086</u>	<u>6,540</u>	<u>-</u>	<u>223,341</u>	<u>65,643</u>	<u>6,112</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,504,600</u>	<u>6,541</u>	<u>44,912</u>	<u>42,448</u>	<u>361</u>	<u>(103,597)</u>	<u>78,027</u>	<u>(2,907)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of assets	40,000	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,544,600	6,541	44,912	42,448	361	(103,597)	78,027	(2,907)
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>2,799,635</u>	<u>150,103</u>	<u>149,700</u>	<u>97,473</u>	<u>47,199</u>	<u>431,409</u>	<u>214,989</u>	<u>10,268</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 5,344,235</u>	<u>\$ 156,644</u>	<u>\$ 194,612</u>	<u>\$ 139,921</u>	<u>\$ 47,560</u>	<u>\$ 327,812</u>	<u>\$ 293,016</u>	<u>\$ 7,361</u>

Continued



**POTTER COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation

	<b>Special Revenue</b>							
	<b>Court Records Management</b>	<b>District Clerk Records Management</b>	<b>Justice Court Technology</b>	<b>County Clerk / District Clerk Technology</b>	<b>County Attorney Hot Check</b>	<b>County Attorney Forfeiture</b>	<b>County Attorney Federal Forfeiture</b>	<b>County Attorney Pretrial Diversion Fund</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-	-	-	-	-
Licenses and fees	21,400	34,800	9,863	3,684	14,388	-	-	33,750
Intergovernmental	-	-	-	-	-	-	9,285	-
Interest	71	396	394	115	-	493	233	108
Miscellaneous	-	-	-	-	-	1,853	-	-
Total revenues	<u>21,471</u>	<u>35,196</u>	<u>10,257</u>	<u>3,799</u>	<u>14,388</u>	<u>2,346</u>	<u>9,518</u>	<u>33,858</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	-	-	-	-	-	-	-	-
Judicial	-	58,524	5,367	-	35,180	25,590	12,881	22,657
Elections	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	66,061	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>58,524</u>	<u>5,367</u>	<u>-</u>	<u>35,180</u>	<u>25,590</u>	<u>78,942</u>	<u>22,657</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>21,471</u>	<u>(23,328)</u>	<u>4,890</u>	<u>3,799</u>	<u>(20,792)</u>	<u>(23,244)</u>	<u>(69,424)</u>	<u>11,201</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	21,471	(23,328)	4,890	3,799	(20,792)	(23,244)	(69,424)	11,201
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>22,231</u>	<u>236,366</u>	<u>164,066</u>	<u>47,716</u>	<u>51,327</u>	<u>218,248</u>	<u>154,002</u>	<u>44,519</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 43,702</u>	<u>\$ 213,038</u>	<u>\$ 168,956</u>	<u>\$ 51,515</u>	<u>\$ 30,535</u>	<u>\$ 195,004</u>	<u>\$ 84,578</u>	<u>\$ 55,720</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation

	<b>Special Revenue</b>							
	<b>District Attorney Hot Check</b>	<b>District Attorney Payroll</b>	<b>DA Forfeiture Release</b>	<b>District Attorney Crime Victim</b>	<b>DA Federal Forfeiture</b>	<b>Auto Burglary and Theft Prevention</b>	<b>Sheriff Federal Forfeiture</b>	<b>Law Enforcement Grants</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-	-	-	-	-
Licenses and fees	75	-	-	-	-	28,087	-	-
Intergovernmental	-	15,000	-	-	-	351,032	12,985	50,647
Interest	-	-	403	89	83	-	352	78
Miscellaneous	-	-	8,898	-	8,767	12,000	70,349	-
Total revenues	<u>75</u>	<u>15,000</u>	<u>9,301</u>	<u>89</u>	<u>8,850</u>	<u>391,119</u>	<u>83,686</u>	<u>50,725</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	-	-	-	-	-	-	-	-
Judicial	2,129	21,216	31,888	-	4,867	-	-	-
Elections	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	431,046	33,910	88,861
Capital outlay	-	-	-	-	-	-	-	5,290
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>2,129</u>	<u>21,216</u>	<u>31,888</u>	<u>-</u>	<u>4,867</u>	<u>431,046</u>	<u>33,910</u>	<u>94,151</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,054)</u>	<u>(6,216)</u>	<u>(22,587)</u>	<u>89</u>	<u>3,983</u>	<u>(39,927)</u>	<u>49,776</u>	<u>(43,426)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	61,580	-	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,580</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(2,054)</u>	<u>(6,216)</u>	<u>(22,587)</u>	<u>89</u>	<u>3,983</u>	<u>21,653</u>	<u>49,776</u>	<u>(43,426)</u>
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>116,406</u>	<u>6,230</u>	<u>646,240</u>	<u>44,427</u>	<u>43,113</u>	<u>(91,879)</u>	<u>166,726</u>	<u>55,728</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 114,352</u>	<u>\$ 14</u>	<u>\$ 623,653</u>	<u>\$ 44,516</u>	<u>\$ 47,096</u>	<u>\$ (70,226)</u>	<u>\$ 216,502</u>	<u>\$ 12,302</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation

	<b>Special Revenue</b>							
	<b>Sheriff Office Forfeiture</b>	<b>Sheriff Office Commissary</b>	<b>Drug Court</b>	<b>DA Pretrial Diversion Fund</b>	<b>Juvenile Probation</b>	<b>CARES Act - HAVA Grant</b>	<b>CARES Act - Sheriff Grants</b>	<b>Total</b>
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-	-	-	-	3,822,351
Licenses and fees	-	338,932	-	2,250	605	-	-	717,673
Intergovernmental	-	-	95,733	-	1,509,015	-	8,530	2,055,412
Interest	249	435	-	10	3,447	265	-	23,158
Miscellaneous	101,843	861	-	-	861	-	-	343,100
Total revenues	<u>102,092</u>	<u>340,228</u>	<u>95,733</u>	<u>2,260</u>	<u>1,513,928</u>	<u>265</u>	<u>8,530</u>	<u>6,961,694</u>
<b>EXPENDITURES</b>								
Current:								
Administrative	-	-	-	-	-	-	-	362,292
Judicial	-	-	-	-	-	-	-	232,385
Elections	-	-	-	-	-	104,794	-	176,549
Public safety	42,001	294,160	95,623	-	6,104,280	-	38,818	7,135,239
Capital outlay	-	-	-	-	58,311	-	-	1,315,584
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>42,001</u>	<u>294,160</u>	<u>95,623</u>	<u>-</u>	<u>6,162,591</u>	<u>104,794</u>	<u>38,818</u>	<u>9,222,049</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>60,091</u>	<u>46,068</u>	<u>110</u>	<u>2,260</u>	<u>(4,648,663)</u>	<u>(104,529)</u>	<u>(30,288)</u>	<u>(2,260,355)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of assets	-	-	-	-	-	-	-	40,000
Transfers in	-	-	-	-	5,199,490	-	-	5,261,070
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,199,490</u>	<u>-</u>	<u>-</u>	<u>5,301,070</u>
<b>NET CHANGE IN FUND BALANCES</b>	60,091	46,068	110	2,260	550,827	(104,529)	(30,288)	3,040,715
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	83,257	182,692	(7,803)	3,549	653,525	146,836	(7,730)	6,880,568
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u>\$ 143,348</u>	<u>\$ 228,760</u>	<u>\$ (7,693)</u>	<u>\$ 5,809</u>	<u>\$ 1,204,352</u>	<u>\$ 42,307</u>	<u>\$ (38,018)</u>	<u>\$ 9,921,283</u>

Continued

**POTTER COUNTY, TEXAS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Continuation

	<u>Debt Service</u>				<b>Total Non-major Governmental Funds</b>
	<b>Series 2016 Certificates of Obligation</b>	<b>Series 2017 Tax Notes</b>	<b>Series 2019 Certificates of Obligation</b>	<b>Total</b>	
<b>REVENUES</b>					
Taxes	\$ 517,689	\$ 1,082,212	\$ 3,117,263	\$ 4,717,164	\$ 4,717,164
Sales and miscellaneous taxes	-	-	-	-	3,822,351
Licenses and fees	-	-	-	-	717,673
Intergovernmental	-	-	-	-	2,055,412
Interest	9,034	-	-	9,034	32,192
Miscellaneous	5,406	11,272	32,555	49,233	392,333
Total revenues	<u>532,129</u>	<u>1,093,484</u>	<u>3,149,818</u>	<u>4,775,431</u>	<u>11,737,125</u>
<b>EXPENDITURES</b>					
Current:					
Administrative	2,900	-	2,900	5,800	368,092
Judicial	-	-	-	-	232,385
Elections	-	-	-	-	176,549
Public safety	-	-	-	-	7,135,239
Capital outlay	-	-	-	-	1,315,584
Debt service:					
Principal	935,000	900,000	750,000	2,585,000	2,585,000
Interest	545,838	61,598	2,031,538	2,638,974	2,638,974
Total expenditures	<u>1,483,738</u>	<u>961,598</u>	<u>2,784,438</u>	<u>5,229,774</u>	<u>14,451,823</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(951,609)</u>	<u>131,886</u>	<u>365,380</u>	<u>(454,343)</u>	<u>(2,714,698)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from sale of assets	-	-	-	-	40,000
Transfers in	-	-	-	-	5,261,070
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,301,070</u>
<b>NET CHANGE IN FUND BALANCES</b>	(951,609)	131,886	365,380	(454,343)	2,586,372
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	3,504,974	225,127	440,205	4,170,306	11,050,874
<b>FUND BALANCES - ENDING</b>	<u>\$ 2,553,365</u>	<u>\$ 357,013</u>	<u>\$ 805,585</u>	<u>\$ 3,715,963</u>	<u>\$ 13,637,246</u>

**POTTER COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
COUNTY ASSISTANCE DISTRICT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Sales tax	\$ 2,600,000	\$ 2,634,300	\$ 3,822,351	\$ 1,188,051
Interest	5,000	5,000	7,122	2,122
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	<u>2,606,000</u>	<u>2,640,300</u>	<u>3,829,473</u>	<u>1,189,173</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	134,277	272,344	138,951	133,393
Capital outlay	2,038,000	3,376,173	1,185,922	2,190,251
Total expenditures	<u>2,172,277</u>	<u>3,648,517</u>	<u>1,324,873</u>	<u>2,323,644</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>433,723</u>	<u>(1,008,217)</u>	<u>2,504,600</u>	<u>3,512,817</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of assets	-	-	40,000	40,000
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>40,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	433,723	(1,008,217)	2,544,600	3,552,817
<b>FUND BALANCES - BEGINNING</b>	<u>2,799,635</u>	<u>2,799,635</u>	<u>2,799,635</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 3,233,358</u></u>	<u><u>\$ 1,791,418</u></u>	<u><u>\$ 5,344,235</u></u>	<u><u>\$ 3,552,817</u></u>

**POTTER COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
LAW LIBRARY  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 70,000	\$ 70,000	\$ 56,355	\$ (13,645)
Interest	600	600	643	43
Total revenues	<u>70,600</u>	<u>70,600</u>	<u>56,998</u>	<u>(13,602)</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>70,000</u>	<u>70,000</u>	<u>12,086</u>	<u>57,914</u>
Total expenditures	<u>70,000</u>	<u>70,000</u>	<u>12,086</u>	<u>57,914</u>
<b>NET CHANGE IN FUND BALANCES</b>	600	600	44,912	44,312
<b>FUND BALANCES - BEGINNING</b>	<u>149,700</u>	<u>149,700</u>	<u>149,700</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 150,300</u></u>	<u><u>\$ 150,300</u></u>	<u><u>\$ 194,612</u></u>	<u><u>\$ 44,312</u></u>

**POTTER COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
COURTHOUSE SECURITY  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 40,000	\$ 40,000	\$ 48,725	\$ 8,725
Interest	200	200	263	63
Total revenues	<u>40,200</u>	<u>40,200</u>	<u>48,988</u>	<u>8,788</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>35,000</u>	<u>59,000</u>	<u>6,540</u>	<u>52,460</u>
Total expenditures	<u>35,000</u>	<u>59,000</u>	<u>6,540</u>	<u>52,460</u>
<b>NET CHANGE IN FUND BALANCES</b>	5,200	(18,800)	42,448	61,248
<b>FUND BALANCES - BEGINNING</b>	<u>97,473</u>	<u>97,473</u>	<u>97,473</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 102,673</u></u>	<u><u>\$ 78,673</u></u>	<u><u>\$ 139,921</u></u>	<u><u>\$ 61,248</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUSTICE COURTS BUILDING SECURITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 1,200	\$ 1,200	\$ 250	\$ (950)
Interest	200	200	111	(89)
Total revenues	<u>1,400</u>	<u>1,400</u>	<u>361</u>	<u>(1,039)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	10,000	10,000	-	10,000
Capital outlay	5,000	5,000	-	5,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	(13,600)	(13,600)	361	13,961
<b>FUND BALANCES - BEGINNING</b>	<u>47,199</u>	<u>47,199</u>	<u>47,199</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 33,599</u></u>	<u><u>\$ 33,599</u></u>	<u><u>\$ 47,560</u></u>	<u><u>\$ 13,961</u></u>



**POTTER COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
COUNTY CLERK RECORDS MANAGEMENT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 90,000	\$ 90,000	\$ 111,273	\$ 21,273
Interest	1,000	1,000	707	(293)
Miscellaneous	15,000	15,000	7,764	(7,236)
Total revenues	<u>106,000</u>	<u>106,000</u>	<u>119,744</u>	<u>13,744</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	<u>105,000</u>	<u>107,800</u>	<u>223,341</u>	<u>(115,541)</u>
Total expenditures	<u>105,000</u>	<u>107,800</u>	<u>223,341</u>	<u>(115,541)</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,000	(1,800)	(103,597)	(101,797)
<b>FUND BALANCES - BEGINNING</b>	<u>431,409</u>	<u>431,409</u>	<u>431,409</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 432,409</u></u>	<u><u>\$ 429,609</u></u>	<u><u>\$ 327,812</u></u>	<u><u>\$ (101,797)</u></u>

**POTTER COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
COURT RECORDS MANAGEMENT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 26,000	\$ 26,000	\$ 21,400	\$ (4,600)
Interest	200	200	71	(129)
Total revenues	<u>26,200</u>	<u>26,200</u>	<u>21,471</u>	<u>(4,729)</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>12,000</u>
Total expenditures	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>12,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	14,200	14,200	21,471	7,271
<b>FUND BALANCES - BEGINNING</b>	<u>22,231</u>	<u>22,231</u>	<u>22,231</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 36,431</u></u>	<u><u>\$ 36,431</u></u>	<u><u>\$ 43,702</u></u>	<u><u>\$ 7,271</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DISTRICT CLERK RECORDS MANAGEMENT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 33,000	\$ 33,000	\$ 34,800	\$ 1,800
Interest	750	750	396	(354)
Total revenues	<u>33,750</u>	<u>33,750</u>	<u>35,196</u>	<u>1,446</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>56,655</u>	<u>56,655</u>	<u>58,524</u>	<u>(1,869)</u>
Total expenditures	<u>56,655</u>	<u>56,655</u>	<u>58,524</u>	<u>(1,869)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(22,905)	(22,905)	(23,328)	(423)
<b>FUND BALANCES - BEGINNING</b>	<u>236,366</u>	<u>236,366</u>	<u>236,366</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 213,461</u></u>	<u><u>\$ 213,461</u></u>	<u><u>\$ 213,038</u></u>	<u><u>\$ (423)</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUSTICE COURT TECHNOLOGY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 10,000	\$ 10,000	\$ 9,863	\$ (137)
Interest	400	400	394	(6)
Total revenues	<u>10,400</u>	<u>10,400</u>	<u>10,257</u>	<u>(143)</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>57,000</u>	<u>57,000</u>	<u>5,367</u>	<u>51,633</u>
Total expenditures	<u>57,000</u>	<u>57,000</u>	<u>5,367</u>	<u>51,633</u>
<b>NET CHANGE IN FUND BALANCES</b>	(46,600)	(46,600)	4,890	51,490
<b>FUND BALANCES - BEGINNING</b>	<u>164,066</u>	<u>164,066</u>	<u>164,066</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 117,466</u></u>	<u><u>\$ 117,466</u></u>	<u><u>\$ 168,956</u></u>	<u><u>\$ 51,490</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY CLERK / DISTRICT CLERK TECHNOLOGY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 2,700	\$ 2,700	\$ 3,684	\$ 984
Interest	100	100	115	15
Total revenues	<u>2,800</u>	<u>2,800</u>	<u>3,799</u>	<u>999</u>
<b>EXPENDITURES</b>				
Current:				
Judicial	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Total expenditures	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,200)	(3,200)	3,799	6,999
<b>FUND BALANCES - BEGINNING</b>	<u>47,716</u>	<u>47,716</u>	<u>47,716</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 44,516</u></u>	<u><u>\$ 44,516</u></u>	<u><u>\$ 51,515</u></u>	<u><u>\$ 6,999</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**AUTO BURGLARY AND THEFT PREVENTION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ 15,000	\$ 15,000	\$ 28,087	\$ 13,087
Intergovernmental	347,960	347,960	351,032	3,072
Miscellaneous	12,000	12,000	12,000	-
Total revenues	<u>374,960</u>	<u>374,960</u>	<u>391,119</u>	<u>16,159</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	426,535	426,535	431,046	(4,511)
Total expenditures	<u>426,535</u>	<u>426,535</u>	<u>431,046</u>	<u>(4,511)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(51,575)</u>	<u>(51,575)</u>	<u>(39,927)</u>	<u>11,648</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	61,580	61,580
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<u>-</u>	<u>-</u>	<u>61,580</u>	<u>61,580</u>
<b>NET CHANGE IN FUND BALANCES</b>	(51,575)	(51,575)	21,653	73,228
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>(91,879)</u>	<u>(91,879)</u>	<u>(91,879)</u>	<u>-</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u><u>\$ (143,454)</u></u>	<u><u>\$ (143,454)</u></u>	<u><u>\$ (70,226)</u></u>	<u><u>\$ 73,228</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**LAW ENFORCEMENT GRANTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 50,647	\$ 50,647	\$ -
Interest	-	-	78	78
Total revenues	-	50,647	50,725	78
<b>EXPENDITURES</b>				
Current:				
Public safety	-	80,675	88,861	(8,186)
Capital outlay	-	25,700	5,290	20,410
Total expenditures	-	106,375	94,151	12,224
<b>NET CHANGE IN FUND BALANCES</b>	-	(55,728)	(43,426)	12,302
<b>FUND BALANCES - BEGINNING</b>	55,728	55,728	55,728	-
<b>FUND BALANCES - ENDING</b>	<u>\$ 55,728</u>	<u>\$ -</u>	<u>\$ 12,302</u>	<u>\$ 12,302</u>

**POTTER COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DRUG COURT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 100,478	\$ 100,478	\$ 95,733	\$ (4,745)
Total revenues	<u>100,478</u>	<u>100,478</u>	<u>95,733</u>	<u>(4,745)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>100,478</u>	<u>100,478</u>	<u>95,623</u>	<u>4,855</u>
Total expenditures	<u>100,478</u>	<u>100,478</u>	<u>95,623</u>	<u>4,855</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	110	110
<b>FUND BALANCES - BEGINNING (DEFICIT)</b>	<u>(7,803)</u>	<u>(7,803)</u>	<u>(7,803)</u>	<u>-</u>
<b>FUND BALANCES - ENDING (DEFICIT)</b>	<u><u>\$ (7,803)</u></u>	<u><u>\$ (7,803)</u></u>	<u><u>\$ (7,693)</u></u>	<u><u>\$ 110</u></u>



**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUVENILE PROBATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and fees	\$ -	\$ -	\$ 605	\$ 605
Intergovernmental	1,081,960	1,081,960	1,509,015	427,055
Interest	-	-	3,447	3,447
Miscellaneous	-	-	861	861
<b>Total revenues</b>	<b>1,081,960</b>	<b>1,081,960</b>	<b>1,513,928</b>	<b>431,968</b>
<b>EXPENDITURES</b>				
Current:				
Public safety	6,323,139	6,323,139	6,104,280	218,859
Capital outlay	58,311	58,311	58,311	-
<b>Total expenditures</b>	<b>6,381,450</b>	<b>6,381,450</b>	<b>6,162,591</b>	<b>218,859</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(5,299,490)</b>	<b>(5,299,490)</b>	<b>(4,648,663)</b>	<b>650,827</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,299,490	5,299,490	5,199,490	(100,000)
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<b>5,299,490</b>	<b>5,299,490</b>	<b>5,199,490</b>	<b>(100,000)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>550,827</b>	<b>550,827</b>
<b>FUND BALANCES - BEGINNING</b>	<b>653,525</b>	<b>653,525</b>	<b>653,525</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 653,525</b>	<b>\$ 653,525</b>	<b>\$ 1,204,352</b>	<b>\$ 550,827</b>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SERIES 2016 CERTIFICATES OF OBLIGATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 461,850	\$ 461,850	\$ 517,689	\$ 55,839
Interest	20,000	20,000	9,034	(10,966)
Miscellaneous	-	-	5,406	5,406
	<u>481,850</u>	<u>481,850</u>	<u>532,129</u>	<u>50,279</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
Administrative	1,000	1,000	2,900	(1,900)
Debt service:				
Principal	545,850	935,013	935,000	13
Interest	935,000	545,837	545,838	(1)
	<u>1,481,850</u>	<u>1,481,850</u>	<u>1,483,738</u>	<u>(1,888)</u>
Total expenditures				
<b>NET CHANGE IN FUND BALANCES</b>	(1,000,000)	(1,000,000)	(951,609)	48,391
<b>FUND BALANCES - BEGINNING</b>	<u>3,504,974</u>	<u>3,504,974</u>	<u>3,504,974</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 2,504,974</u>	<u>\$ 2,504,974</u>	<u>\$ 2,553,365</u>	<u>\$ 48,391</u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SERIES 2017 TAX NOTES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 963,075	\$ 963,075	\$ 1,082,212	\$ 119,137
Miscellaneous	-	-	11,272	11,272
Total revenues	<u>963,075</u>	<u>963,075</u>	<u>1,093,484</u>	<u>130,409</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	1,000	1,000	-	1,000
Debt service:				
Principal	62,075	900,000	900,000	-
Interest	900,000	62,075	61,598	477
Total expenditures	<u>963,075</u>	<u>963,075</u>	<u>961,598</u>	<u>1,477</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	131,886	131,886
<b>FUND BALANCES - BEGINNING</b>	<u>225,127</u>	<u>225,127</u>	<u>225,127</u>	-
<b>FUND BALANCES - ENDING</b>	<u><u>\$ 225,127</u></u>	<u><u>\$ 225,127</u></u>	<u><u>\$ 357,013</u></u>	<u><u>\$ 131,886</u></u>

**POTTER COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SERIES 2019 CERTIFICATES OF OBLIGATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 2,781,537	\$ 2,781,537	\$ 3,117,263	\$ 335,726
Interest	1,000	1,000	-	(1,000)
Miscellaneous	-	-	32,555	32,555
	<u>2,782,537</u>	<u>2,782,537</u>	<u>3,149,818</u>	<u>367,281</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
Administrative	1,000	1,000	2,900	(1,900)
Debt service:				
Principal	750,000	750,000	750,000	-
Interest	2,031,537	2,031,537	2,031,538	(1)
	<u>2,782,537</u>	<u>2,782,537</u>	<u>2,784,438</u>	<u>(1,901)</u>
Total expenditures				
<b>NET CHANGE IN FUND BALANCES</b>	-	-	365,380	365,380
<b>FUND BALANCES - BEGINNING</b>	<u>440,205</u>	<u>440,205</u>	<u>440,205</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 440,205</u>	<u>\$ 440,205</u>	<u>\$ 805,585</u>	<u>\$ 365,380</u>

## FIDUCIARY FUNDS

### AGENCY FUNDS

The Agency Funds account for assets received in the capacity of trustee or agent for the County, other governmental entity or individual.

**State and County Collections** – The State and County Collections Fund accounts for fees of office collected by the various Officials to be remitted to the State and County.

**Tax Assessor Collector** – The Tax Assessor Collector Fund accounts for money collected by the Tax Assessor Collector and remitted to various taxing jurisdictions.

**Bail Security Fund** – The Bail Security Fund accounts for bail securities being held by the Bail Bond Board.

**State Court Costs** – The State Court Costs Fund accounts for courts costs collected by the various courts to be remitted to the State of Texas and other agencies.

**District Registry Fund** – The District Registry Fund accounts for registry funds held by the District Clerk.

**County Registry Fund** – The County Registry Fund accounts for registry funds held by the County Clerk.

**County Attorney Restitution** – The County Attorney Restitution Fund accounts for fund being held by the County Attorney for restitution to victims.

**District Attorney Restitution** – The District Attorney Restitution Fund accounts for fund being held by the District Attorney for restitution to victims.

**District Attorney Seizure** – The District Attorney Seizure Fund accounts for seized assets collected by the District Attorney

**Detention Center Trust Fund** – The Detention Center Trust Fund accounts for the money of inmates held in the Potter County Jail.

**Detention Center Bond Fund** – The Detention Center Bond Fund accounts for the money received from cash bonds.

**Unclaimed Property** – The Unclaimed Property Fund accounts for outstanding checks from offices that are older than one year.

**POTTER COUNTY, TEXAS  
COMBINING BALANCE SHEET  
CUSTODIAL FUNDS  
SEPTEMBER 30, 2021**

	<u>State and County Collections</u>	<u>Tax Assessor/ Collector</u>	<u>Bail Security Fund</u>	<u>State Court Costs</u>	<u>District Registry Fund</u>	<u>County Registry Fund</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 319,624	\$ 2,284,724	\$ 59,740	\$ 155,675	\$ 3,847,798	\$ 210,048
Accounts receivable	<u>2,923</u>	<u>225</u>	<u>-</u>	<u>65,547</u>	<u>-</u>	<u>-</u>
Total assets	<u>322,547</u>	<u>2,284,949</u>	<u>59,740</u>	<u>221,222</u>	<u>3,847,798</u>	<u>210,048</u>
<b>LIABILITIES</b>						
Accounts payable	23,814	-	-	206,081	-	-
Due to other governments	<u>298,733</u>	<u>2,284,949</u>	<u>-</u>	<u>15,141</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>322,547</u>	<u>2,284,949</u>	<u>-</u>	<u>221,222</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>						
Restricted for:						
Individuals	<u>-</u>	<u>-</u>	<u>59,740</u>	<u>-</u>	<u>3,847,798</u>	<u>210,048</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,740</u>	<u>\$ -</u>	<u>\$ 3,847,798</u>	<u>\$ 210,048</u>

<u>County Attorney Restitution</u>	<u>District Attorney Restitution</u>	<u>District Attorney Seizure</u>	<u>Detention Center Trust Fund</u>	<u>Detention Center Bond Fund</u>	<u>Unclaimed Property</u>	<u>Total</u>
\$ 14,034	\$ 13,067	\$ 135,959	\$ 205,762	\$ 26,500	\$ 263,490	\$ 7,536,421
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,695</u>
<u>14,034</u>	<u>13,067</u>	<u>135,959</u>	<u>205,762</u>	<u>26,500</u>	<u>263,490</u>	<u>7,605,116</u>
-	-	135,959	-	-	-	365,854
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,598,823</u>
-	-	135,959	-	-	-	2,964,677
<u>-</u>	<u>-</u>	<u>135,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,964,677</u>
<u>14,034</u>	<u>13,067</u>	<u>-</u>	<u>205,762</u>	<u>26,500</u>	<u>263,490</u>	<u>4,640,439</u>
<u>\$ 14,034</u>	<u>\$ 13,067</u>	<u>\$ -</u>	<u>\$ 205,762</u>	<u>\$ 26,500</u>	<u>\$ 263,490</u>	<u>\$ 4,640,439</u>

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
<b>STATE &amp; COUNTY COLLECTIONS</b>				
Assets				
Cash and cash equivalents	\$ 316,641	\$ 3,663,197	\$ 3,660,214	\$ 319,624
Accounts receivable	180	8,226	5,483	2,923
Total assets	<u>316,821</u>	<u>3,671,423</u>	<u>3,665,697</u>	<u>322,547</u>
Liabilities				
Accounts payable	16,069	254,442	246,697	23,814
Due to other governments	300,752	298,733	300,752	298,733
Total liabilities	<u>\$ 316,821</u>	<u>\$ 553,175</u>	<u>\$ 547,449</u>	<u>\$ 322,547</u>
<b>TAX ASSESSOR/COLLECTOR</b>				
Assets				
Cash and cash equivalents	\$ 2,101,977	\$ 237,975,260	\$ 237,792,513	\$ 2,284,724
Accounts receivable	225	-	-	225
Total assets	<u>2,102,202</u>	<u>237,975,260</u>	<u>237,792,513</u>	<u>2,284,949</u>
Liabilities				
Due to other governments	2,102,202	237,975,260	237,792,513	2,284,949
Total liabilities	<u>\$ 2,102,202</u>	<u>\$ 237,975,260</u>	<u>\$ 237,792,513</u>	<u>\$ 2,284,949</u>
<b>BAIL SECURITY FUND</b>				
Assets				
Cash and cash equivalents	\$ 39,537	\$ 20,203	\$ -	\$ 59,740
Total assets	<u>39,537</u>	<u>20,203</u>	<u>-</u>	<u>59,740</u>
Net Position				
Restricted for:				
Individuals	39,537	20,203	-	59,740
Total net position	<u>\$ 39,537</u>	<u>\$ 20,203</u>	<u>\$ -</u>	<u>\$ 59,740</u>

Continued



**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Continuation				
<b>STATE COURT COSTS</b>				
Assets				
Cash and cash equivalents	\$ 128,335	\$ 804,985	\$ 777,645	\$ 155,675
Accounts receivable	61,148	65,547	61,148	65,547
Total assets	<u>189,483</u>	<u>870,532</u>	<u>838,793</u>	<u>221,222</u>
Liabilities				
Accounts payable	2,090	934,964	730,973	206,081
Due to other governments	187,393	14,401	186,653	15,141
Total liabilities	<u>\$ 189,483</u>	<u>\$ 949,365</u>	<u>\$ 917,626</u>	<u>\$ 221,222</u>
<b>DISTRICT REGISTRY FUND</b>				
Assets				
Cash and cash equivalents	\$ 2,630,909	\$ 2,581,937	\$ 1,365,048	\$ 3,847,798
Total assets	<u>2,630,909</u>	<u>2,581,937</u>	<u>1,365,048</u>	<u>3,847,798</u>
Net Position				
Restricted for:				
Individuals	<u>2,630,909</u>	<u>2,581,937</u>	<u>1,365,048</u>	<u>3,847,798</u>
Total net position	<u>\$ 2,630,909</u>	<u>\$ 2,581,937</u>	<u>\$ 1,365,048</u>	<u>\$ 3,847,798</u>
<b>COUNTY REGISTRY FUND</b>				
Assets				
Cash and cash equivalents	\$ 260,505	\$ 63,365	\$ 113,822	\$ 210,048
Total assets	<u>260,505</u>	<u>63,365</u>	<u>113,822</u>	<u>210,048</u>
Net Position				
Restricted for:				
Individuals	<u>260,505</u>	<u>63,365</u>	<u>113,822</u>	<u>210,048</u>
Total net position	<u>\$ 260,505</u>	<u>\$ 63,365</u>	<u>\$ 113,822</u>	<u>\$ 210,048</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Continuation				
<b>COUNTY ATTORNEY RESTITUTION</b>				
Assets				
Cash and cash equivalents	\$ 58,631	\$ 85,714	\$ 130,311	\$ 14,034
Total assets	<u>58,631</u>	<u>85,714</u>	<u>130,311</u>	<u>14,034</u>
Net Position				
Restricted for:				
Individuals	<u>58,631</u>	<u>85,714</u>	<u>130,311</u>	<u>14,034</u>
Total net position	<u>\$ 58,631</u>	<u>\$ 85,714</u>	<u>\$ 130,311</u>	<u>\$ 14,034</u>
<b>DISTRICT ATTORNEY RESTITUTION</b>				
Assets				
Cash and cash equivalents	\$ 13,067	\$ 4,126	\$ 4,126	\$ 13,067
Total assets	<u>13,067</u>	<u>4,126</u>	<u>4,126</u>	<u>13,067</u>
Net Position				
Restricted for:				
Individuals	<u>13,067</u>	<u>4,126</u>	<u>4,126</u>	<u>13,067</u>
Total net position	<u>\$ 13,067</u>	<u>\$ 4,126</u>	<u>\$ 4,126</u>	<u>\$ 13,067</u>
<b>DISTRICT ATTORNEY SEIZURE</b>				
Assets				
Cash and cash equivalents	\$ 62,720	\$ 126,619	\$ 53,380	\$ 135,959
Total assets	<u>62,720</u>	<u>126,619</u>	<u>53,380</u>	<u>135,959</u>
Liabilities				
Accounts payable	<u>62,720</u>	<u>176,452</u>	<u>103,213</u>	<u>135,959</u>
Total liabilities	<u>\$ 62,720</u>	<u>\$ 176,452</u>	<u>\$ 103,213</u>	<u>\$ 135,959</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Continuation				
<b>DETENTION CENTER TRUST FUND</b>				
Assets				
Cash and cash equivalents	\$ 55,882	\$ 1,081,091	\$ 931,211	\$ 205,762
Total assets	<u>55,882</u>	<u>1,081,091</u>	<u>931,211</u>	<u>205,762</u>
Net Position				
Restricted for:				
Individuals	<u>55,882</u>	<u>1,081,091</u>	<u>931,211</u>	<u>205,762</u>
Total net position	<u>\$ 55,882</u>	<u>\$ 1,081,091</u>	<u>\$ 931,211</u>	<u>\$ 205,762</u>
<b>DETENTION CENTER BOND FUND</b>				
Assets				
Cash and cash equivalents	\$ 10,000	\$ 53,500	\$ 37,000	\$ 26,500
Total assets	<u>10,000</u>	<u>53,500</u>	<u>37,000</u>	<u>26,500</u>
Net Position				
Restricted for:				
Individuals	<u>10,000</u>	<u>53,500</u>	<u>37,000</u>	<u>26,500</u>
Total net position	<u>\$ 10,000</u>	<u>\$ 53,500</u>	<u>\$ 37,000</u>	<u>\$ 26,500</u>
<b>UNCLAIMED PROPERTY</b>				
Assets				
Cash and cash equivalents	\$ 253,246	\$ 12,075	\$ 1,831	\$ 263,490
Accounts receivable	<u>1,078</u>	<u>-</u>	<u>1,078</u>	<u>-</u>
Total assets	<u>254,324</u>	<u>12,075</u>	<u>2,909</u>	<u>263,490</u>
Net Position				
Restricted for:				
Individuals	<u>254,324</u>	<u>11,654</u>	<u>2,488</u>	<u>263,490</u>
Total net position	<u>\$ 254,324</u>	<u>\$ 11,654</u>	<u>\$ 2,488</u>	<u>\$ 263,490</u>

Continued

**POTTER COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Continuation				
<b>TOTALS - ALL CUSTODIAL FUNDS</b>				
Assets				
Cash and cash equivalents	\$ 5,931,450	\$ 246,472,072	\$ 244,867,101	\$ 7,536,421
Accounts receivable	62,631	73,773	67,709	68,695
Total assets	<u>5,994,081</u>	<u>246,545,845</u>	<u>244,934,810</u>	<u>7,605,116</u>
Liabilities				
Accounts payable	80,879	1,365,858	1,080,883	365,854
Due to other governments	2,590,347	238,288,394	238,279,918	2,598,823
Total liabilities	<u>2,671,226</u>	<u>239,654,252</u>	<u>239,360,801</u>	<u>2,964,677</u>
Net Position				
Restricted for:				
Individuals	<u>3,322,855</u>	<u>3,901,590</u>	<u>2,584,006</u>	<u>4,640,439</u>
Total net position	<u>\$ 3,322,855</u>	<u>\$ 3,901,590</u>	<u>\$ 2,584,006</u>	<u>\$ 4,640,439</u>

**STATISTICAL SECTION  
(UNAUDITED)**

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**POTTER COUNTY, TEXAS  
STATISTICAL SECTION  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

This part of the Potter County, Texas' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> <i>These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	<b>113-116</b>
<b>Revenue Capacity</b> <i>These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	<b>117-120</b>
<b>Debt Capacity</b> <i>These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	<b>121-124</b>
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	<b>125-126</b>
<b>Operating Information</b> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	<b>127-129</b>

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**POTTER COUNTY, TEXAS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)  
(amounts expressed in thousands)**

Table 1

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental activities										
Net investment in capital assets	\$ 63,177	\$ 61,999	\$ 65,492	\$ 66,473	\$ 68,307	\$ 67,559	\$ 64,693	\$ 63,816	\$ 67,199	\$ 71,393
Restricted	2,178	2,759	3,226	4,038	3,915	3,906	5,739	13,307	12,538	26,397
Unrestricted	<u>22,080</u>	<u>25,101</u>	<u>27,409</u>	<u>19,228</u>	<u>19,494</u>	<u>20,180</u>	<u>19,791</u>	<u>20,119</u>	<u>23,582</u>	<u>25,230</u>
Total governmental activities net position	<u>\$ 87,435</u>	<u>\$ 89,859</u>	<u>\$ 96,127</u>	<u>\$ 89,739</u>	<u>\$ 91,716</u>	<u>\$ 91,645</u>	<u>\$ 90,223</u>	<u>\$ 97,242</u>	<u>\$ 103,319</u>	<u>\$ 123,020</u>



**POTTER COUNTY, TEXAS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)  
(amounts expressed in thousands)**

Table 2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental activities:										
Administrative	\$ 6,237	\$ 5,843	\$ 6,966	\$ 6,666	\$ 7,264	\$ 7,885	\$ 7,344	\$ 7,947	\$ 8,681	\$ 7,646
Judicial	13,705	13,432	14,145	14,607	15,209	16,951	16,512	17,325	15,781	16,185
Elections	333	343	400	445	486	685	823	523	644	638
Public facilities	3,107	3,891	3,941	3,743	4,580	4,298	4,086	4,141	3,920	3,976
Public safety	7,804	8,675	9,130	8,806	11,528	10,816	16,500	19,598	19,894	19,904
Corrections and rehabilitation	12,919	12,971	13,994	13,765	15,061	15,739	15,693	13,102	12,688	12,783
Road and bridge	3,790	3,413	3,876	3,303	2,570	2,531	2,753	2,867	2,905	2,837
Health and human services	752	746	799	758	636	661	735	1,019	1,049	1,006
Interest on long-term debt	564	139	86	58	570	470	652	1,184	2,988	2,478
Total governmental activities expenses	49,211	49,453	53,337	52,151	57,904	60,036	65,098	67,706	68,550	67,453
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
Administrative	856	1,014	1,677	1,028	2,091	1,519	899	646	537	802
Judicial	3,579	3,734	3,785	3,623	3,585	3,255	3,165	2,373	1,930	1,978
Elections	-	-	1	-	-	1	-	9	4	13
Public safety	892	814	793	810	721	726	926	968	810	851
Corrections and rehabilitation	37	75	109	432	356	256	403	-	-	-
Road and bridge	1,915	1,990	2,094	2,110	2,111	2,050	2,035	2,043	2,043	2,049
Health and human services	10	18	14	21	21	21	57	6	5	6
Operating grants and contributions	1,680	1,458	1,848	1,662	3,094	2,307	3,141	4,496	5,003	16,785
Capital grants and contributions	3,266	581	5,539	10	231	62	-	1,673	580	815
Total governmental activities program revenues	12,235	9,684	15,860	9,696	12,210	10,197	10,626	12,214	10,912	23,299
Net (expense) revenue	(36,976)	(39,769)	(37,477)	(42,455)	(45,694)	(49,839)	(54,472)	(55,492)	(57,638)	(44,154)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes, levied for general purposes	38,072	38,770	40,524	41,868	44,378	45,341	46,490	49,799	52,426	52,287
Property taxes, levied for debt service	2,309	2,199	2,091	2,166	2,163	2,906	4,542	2,725	4,041	4,727
Payments in lieu of taxes	-	-	-	-	-	-	-	99	102	103
Mixed beverage taxes	388	436	556	594	611	598	656	688	488	617
Sales and other taxes	213	240	236	228	236	270	184	2,978	3,339	3,823
Investment earnings	89	89	76	91	283	653	1,046	2,290	1,440	203
Gain on disposal of assets	-	90	28	-	-	-	-	-	-	176
Miscellaneous	-	368	235	60	-	-	-	2,089	1,879	1,919
Total governmental activities	41,071	42,192	43,746	45,007	47,671	49,768	52,918	60,668	63,715	63,855
<b>Change in Net Position</b>										
Governmental activities										
	\$ 4,095	\$ 2,423	\$ 6,269	\$ 2,552	\$ 1,977	\$ (71)	\$ (1,554)	\$ 5,176	\$ 6,077	\$ 19,701

**POTTER COUNTY, TEXAS**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

Table 3

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Non-spendable	\$ 52	\$ 53	\$ 23	\$ 17	\$ 521	\$ 1,030	\$ 1,014	\$ 1,078	\$ 1,011	\$ 1,357
Restricted	308	353	656	864	813	578	1,335	1,405	1,380	1,320
Committed	2,000	2,700	3,000	3,000	2,098	2,098	1,548	-	-	-
Assigned	-	-	-	-	-	-	-	1,548	1,562	1,562
Unassigned	14,022	14,496	14,102	13,237	16,397	17,999	20,831	23,633	27,298	28,870
Total General Fund	<u>16,382</u>	<u>17,602</u>	<u>17,781</u>	<u>17,118</u>	<u>19,829</u>	<u>21,705</u>	<u>24,728</u>	<u>27,664</u>	<u>31,251</u>	<u>33,109</u>
All other governmental funds										
Restricted										
Debt Service Fund	1,031	1,284	1,518	1,753	2,014	2,123	2,464	2,891	4,170	3,716
Special Revenue Funds	20	206	382	518	415	543	1,846	9,011	6,988	21,446
Capital Projects Funds	-	-	-	-	19,544	9,757	2,418	56,324	51,946	45,109
Assigned										
Special Revenue Funds	3,098	3,352	3,522	3,351	3,735	3,409	3,459	-	-	-
Capital Projects Funds	3,219	5,060	7,680	9,223	7,854	9,544	9,101	10,560	11,993	5,623
Unassigned	-	(3)	-	(34)	(207)	(24)	(13)	(116)	(107)	(116)
Total all other governmental funds	<u>\$ 7,368</u>	<u>\$ 9,902</u>	<u>\$ 13,102</u>	<u>\$ 14,811</u>	<u>\$ 33,355</u>	<u>\$ 25,352</u>	<u>\$ 19,275</u>	<u>\$ 78,670</u>	<u>\$ 74,990</u>	<u>\$ 75,778</u>

**POTTER COUNTY, TEXAS**  
**CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

Table 4

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Taxes	\$ 40,803	\$ 41,540	\$ 43,249	\$ 44,666	\$ 47,172	\$ 48,854	\$ 53,043	\$ 52,803	\$ 56,568	\$ 56,952
Licenses and fees	4,922	5,145	5,278	5,350	5,094	4,773	5,080	4,997	4,674	4,888
Fines and forfeitures	1,216	1,232	1,217	1,211	1,142	1,005	1,008	984	742	666
Intergovernmental	3,315	2,292	2,117	2,022	3,315	2,752	3,350	4,496	5,002	17,082
Interest	87	87	74	88	277	643	1,029	2,268	1,419	197
Sales and miscellaneous taxes	-	-	-	-	-	-	-	3,766	3,928	4,543
Miscellaneous	1,286	1,624	2,185	1,399	2,848	1,903	1,487	1,949	1,911	1,947
<b>Total revenues</b>	<b>51,629</b>	<b>51,920</b>	<b>54,120</b>	<b>54,736</b>	<b>59,848</b>	<b>59,930</b>	<b>64,997</b>	<b>71,263</b>	<b>74,244</b>	<b>86,275</b>
<b>Expenditures</b>										
Administrative	5,266	5,470	6,468	6,224	6,575	6,555	6,553	7,439	8,753	7,467
Judicial	13,369	13,307	13,882	14,556	14,645	15,696	15,888	15,971	15,250	15,903
Elections	327	342	388	449	474	544	492	483	620	761
Public facilities	2,063	2,593	2,387	2,463	3,241	2,722	2,609	2,424	2,461	2,564
Public safety	7,501	8,005	8,317	8,365	10,365	9,531	11,736	18,162	19,068	19,053
Corrections and rehabilitation	12,480	12,735	13,628	13,678	14,620	14,671	15,252	12,474	12,588	12,951
Road and Bridge	1,906	1,966	1,974	1,968	2,020	1,990	2,216	2,322	2,315	2,266
Health and human services	735	744	788	765	621	615	675	982	1,048	1,038
Capital outlay	7,398	1,052	1,038	3,253	5,595	16,487	8,852	1,886	7,353	16,354
Debt Service										
Principal	1,650	1,710	1,705	1,820	1,860	1,900	2,150	1,864	2,031	2,977
Interest	392	245	162	115	78	970	731	673	3,352	2,639
Bond issuance cost	-	-	-	-	375	-	-	221	-	-
<b>Total expenditures</b>	<b>53,087</b>	<b>48,169</b>	<b>50,737</b>	<b>53,656</b>	<b>60,469</b>	<b>71,681</b>	<b>67,154</b>	<b>64,901</b>	<b>74,839</b>	<b>83,973</b>
Excess of revenues over (under) expenditures	(1,458)	3,751	3,383	1,080	(621)	(11,751)	(2,157)	6,362	(595)	2,302
<b>Other financing sources (uses)</b>										
Transfers in	3,627	2,456	5,251	3,600	2,494	2,098	2,139	7,383	7,873	6,761
Transfers out	(3,627)	(2,456)	(5,251)	(3,600)	(2,494)	(2,098)	(2,389)	(7,383)	(7,873)	(6,761)
Proceeds from sale of assets	-	-	-	-	-	-	-	33	95	220
Issuance of debt	-	-	-	-	21,875	5,625	-	50,375	408	123
Bond premiums	306	-	-	-	-	-	-	3,846	-	-
Refunded bond issued	7,220	-	-	-	-	-	-	-	-	-
Payment to refunded bonds escrow agent	(8,048)	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(522)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,875</b>	<b>5,625</b>	<b>(250)</b>	<b>54,254</b>	<b>503</b>	<b>343</b>
<b>Net change in fund balances</b>	<b>\$ (1,980)</b>	<b>\$ 3,751</b>	<b>\$ 3,383</b>	<b>\$ 1,080</b>	<b>\$ 21,254</b>	<b>\$ (6,126)</b>	<b>\$ (2,407)</b>	<b>\$ 60,616</b>	<b>\$ (92)</b>	<b>\$ 2,645</b>
Debt Service as a percentage of noncapital expenditures	4.47%	4.15%	3.76%	3.84%	3.53%	5.20%	4.94%	4.03%	7.98%	8.31%

**POTTER COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT & ALL OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

Table 5

Fiscal Year	Roll Year	Operations Rate Potter County	Debt Rate Potter County	Total Direct Rate Potter County	City of Amarillo	Amarillo Independent School District	Amarillo Junior College District
<b>TAX RATES/\$100 ASSESSED VALUATION</b>							
2012	2011	0.59713	0.03637	0.63350	0.32009	1.17000	0.18938
2013	2012	0.59327	0.03380	0.62707	0.32009	1.17000	0.18938
2014	2013	0.60272	0.03130	0.63402	0.34009	1.18900	0.19950
2015	2014	0.60270	0.03132	0.63402	0.34509	1.18900	0.20750
2016	2015	0.63306	0.03096	0.66402	0.35072	1.18900	0.20750
2017	2016	0.62393	0.04009	0.66402	0.35072	1.18900	0.20750
2018	2017	0.62773	0.04227	0.67000	0.36364	1.18900	0.20750
2019	2018	0.64998	0.03502	0.68500	0.36838	1.23900	0.20750
2020	2019	0.65099	0.05001	0.70100	0.38851	1.16900	0.22790
2021	2020	0.63303	0.05712	0.69015	0.39681	1.15540	0.22790

Source: Potter County Tax Office, Potter Randall Appraisal District

Note: Overlapping rates are those that apply to property owners within Potter County. Not all overlapping rates apply to all county property owners; for example, although the county property tax rates apply to all county property owners, the City of Amarillo rates apply only to those whose property is located within the city's geographic boundaries.

Fiscal Year	Roll Year	Bushland Independent School District	Highland Park Independent School District	River Road Independent School District	Village of Bishop Hills	Underground Water Preservation Districts
<b>TAX RATES/\$100 ASSESSED VALUATION</b>						
2012	2011	1.26960	1.17289	1.35000	0.08000	0.01641
2013	2012	1.26960	1.16744	1.35000	0.08000	0.01641
2014	2013	1.29440	1.16750	1.35000	0.08000	0.01658
2015	2014	1.29000	1.16190	1.35000	0.08000	0.01604
2016	2015	1.26804	1.16190	1.35000	0.08000	0.01593
2017	2016	1.25433	1.16190	1.35000	0.08000	0.01652
2018	2017	1.23777	1.16190	1.35000	0.08000	0.01595
2019	2018	1.23371	1.18590	1.35000	0.08000	0.01576
2020	2019	1.16371	1.10330	1.27650	0.08000	0.01590
2021	2020	1.16010	1.09740	1.26280	0.08000	0.01020

**POTTER COUNTY, TEXAS**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands)

Table 6

Fiscal Year	Roll Year	Real Property Value		Personal Property Value		Total Value		Total Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
		Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual		
2012	2011	\$ 6,499,571	\$ 6,754,319	\$ 1,626,148	\$ 1,625,163	\$ 8,125,719	\$ 8,379,482	0.63350	96.97%
2013	2012	6,647,265	6,893,284	1,687,907	1,687,907	8,335,172	8,581,191	0.62707	97.13%
2014	2013	6,690,462	6,935,556	1,631,586	1,631,586	8,322,048	8,567,142	0.63402	97.14%
2015	2014	6,921,060	7,172,364	1,727,791	1,727,791	8,648,851	8,900,155	0.63402	97.18%
2016	2015	7,107,807	7,357,630	1,752,275	1,752,275	8,860,082	9,109,905	0.66402	97.26%
2017	2016	7,192,330	7,449,131	1,848,664	1,848,664	9,040,994	9,297,795	0.66402	97.24%
2018	2017	7,564,639	7,841,179	1,917,145	1,917,145	9,481,784	9,758,324	0.67000	97.17%
2019	2018	7,863,970	8,126,646	1,943,631	1,943,631	9,807,601	10,070,277	0.68500	97.39%
2020	2019	8,279,646	8,608,172	1,986,271	1,986,271	10,265,917	10,594,443	0.70100	96.90%
2021	2020	7,841,714	8,102,421	2,654,122	2,654,122	10,495,836	10,756,543	0.69015	97.58%

Source: Potter Randall Appraisal District

Note: Direct tax rates are per \$100 of assessed value.

**POTTER COUNTY, TEXAS  
PRINCIPAL TAXPAYERS  
CURRENT AND NINE YEARS AGO  
SEPTEMBER 30, 2021**

Table 7

Taxpayer	Type of Business	2020 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2011 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Southwestern Public Service (Xcel)	Electric Utility	\$ 491,659,024	1	6.27%	\$ 230,036,281	1	3.63%
BNSF Railway Company	Railroad	153,797,547	2	1.96%	86,610,878	4	1.37%
Bell Helicopter Textron	Osprey Production	146,522,778	3	1.87%			
BSA Hospital LLC	Healthcare	124,705,055	4	1.59%			
Tyson Fresh Meats Inc.	Meat Packing	84,943,161	5	1.08%	86,932,557	3	1.37%
Atmos Energy/Wes-Tex Division	Utility	61,916,020	6	0.79%			
Northwest Texas Healthcare (UHS)	Healthcare	59,227,819	7	0.76%	83,704,348	5	1.32%
Asarco LLC	Copper Refinery	54,196,695	8	0.69%	91,382,290	2	1.44%
Bell Textron Inc	Osprey Production	48,621,549	9	0.62%			
	Electronic Transmission						
Oncor NTU (FKA Sharyland)	Line	437,633,710	10	0.56%	60,722,582	7	0.98%
Pioneer Natural Resources (USA)	Natural Gas Utility				71,344,548	6	1.13%
Ben E. Keith Company	Food Distribution				49,022,476	8	0.77%
Wal Mart Real Estate	Retailer				48,543,096	9	0.77%
Amarillo Economic Development Corp.	Commercial/Economic Development				36,855,099	10	0.58%
		<u>\$ 1,663,223,358</u>		<u>16.19%</u>	<u>\$ 845,154,155</u>		<u>13.36%</u>

Source: Potter Randall Appraisal District

**POTTER COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN TAX ROLL YEARS**

Table 8

Fiscal Year	Roll Year	Original Tax Levy	Adjustments	Adjusted Tax Levy	Collected in the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
					Collected Amount	Percent of Original Levy Collected		Total Collections	Percent of Adjusted Levy Collected
2012	2011	\$ 39,788,918	-	\$ 39,788,918	\$ 39,101,638	98.27%	\$ 615,451	\$ 39,721,128	99.83%
2013	2012	40,409,642	-	40,409,642	39,698,578	98.24%	632,030	40,328,578	99.80%
2014	2013	42,066,200	-	42,066,200	41,545,818	98.76%	438,620	41,977,210	99.79%
2015	2014	43,446,569	-	43,446,569	42,961,582	98.88%	393,671	43,347,090	99.77%
2016	2015	46,009,549	-	46,009,549	45,445,342	98.77%	459,236	45,898,691	99.76%
2017	2016	47,820,877	-	47,820,877	47,232,286	98.77%	443,620	47,680,888	99.71%
2018	2017	50,535,016	-	50,535,016	49,853,961	98.65%	479,505	50,325,699	99.59%
2019	2018	53,148,726	-	53,148,726	52,523,561	98.82%	26,893	52,796,115	99.34%
2020	2019	56,460,173	-	56,460,173	55,452,872	98.22%	418,563	55,452,872	98.22%
2021	2020	57,083,843	-	57,083,843	56,384,956	98.78%	-	56,384,956	98.78%

Source: Potter County Tax Office



**POTTER COUNTY, TEXAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST 10 FISCAL YEARS  
SEPTEMBER 30, 2021**

Table 9

	GOVERNMENTAL ACTIVITIES				Total Primary Government	Percentage of Property Value (1)	Percentage of Personal Income (2)	\$ Per Capita (2)
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Capital Lease				
2012	\$ 10,407,628	\$ -	\$ -	\$ -	\$ 10,407,628	0.12%	0.24%	85
2013	8,616,985	-	-	-	8,616,985	0.10%	0.20%	71
2014	6,845,324	-	-	-	6,845,324	0.08%	0.14%	56
2015	4,970,254	-	-	-	4,970,254	0.06%	0.10%	41
2016	3,030,221	21,887,782	-	-	24,918,003	0.27%	0.47%	204
2017	1,100,211	21,840,412	5,625,000	-	28,565,623	0.31%	0.55%	237
2018	-	20,922,350	5,450,000	-	26,372,350	0.27%	0.50%	220
2019	-	74,225,686	4,585,000	601,063	79,411,749	0.79%	1.47%	676
2020	-	73,157,217	3,700,000	1,151,004	78,008,221	0.74%	1.33%	658
2021	-	71,323,748	2,800,000	881,512	75,005,260	0.70%	1.25%	636

Note:

(1) Property values are found in Table 6

(2) Personal income and population are found in Table 13

**POTTER COUNTY, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
SEPTEMBER 30, 2021**

Table 10

Taxable assessed value	\$ 8,432,599,251
Debt limit (5% of taxable assessed value)	\$ 421,629,963
Debt applicable to limit:	
Total bonded debt	74,123,748
Less: amount set aside for repayment of debt	<u>(3,685,002)</u>
Net Indebtedness subject to debt limit	<u>70,438,746</u>
Net debt contracting margin	\$ 351,191,217
Percentage of net debt contraction margin available	<u>83.29 %</u>
Percentage of net debt contracting power exhausted	<u>16.71 %</u>

Last Ten Years			
Fiscal Year	Constitutional Debt Limit	Net Outstanding Indebtedness September 30	Percentage of Net Debt Contracting Margin Available
2012	316,787,646	9,038,778	97.15%
2013	324,502,416	7,076,480	97.82%
2014	334,013,008	5,152,339	98.46%
2015	344,960,488	3,081,511	99.11%
2016	350,204,733	22,431,045	93.59%
2017	364,014,349	26,141,654	92.82%
2018	382,306,235	23,612,723	93.82%
2019	394,422,001	76,007,756	80.73%
2020	410,395,226	76,857,217	81.27%
2021	421,629,963	74,123,748	82.42%

**POTTER COUNTY, TEXAS**  
**RATIO OF GENERAL BONDED DEBT OUTSTANDING**  
**TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**

Table 11

<u>Fiscal Year</u>	<u>Roll Year</u>	<u>Population</u>	<u>Assessed Value (in Thousands)</u>	<u>Gross Bonded Debt</u>	<u>Less Debt Service Funds</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2012	2011	122,335	\$ 8,379,482	\$ 10,407,628	\$ 1,031,222	\$ 9,376,406	1.119%	\$ 77
2013	2012	122,146	8,581,191	8,616,985	1,283,520	7,333,465	0.855%	60
2014	2013	121,627	8,567,142	6,845,324	1,517,693	5,327,631	0.622%	44
2015	2014	121,857	8,900,155	4,970,254	1,753,489	3,216,765	0.361%	26
2016	2015	122,082	9,109,905	24,918,003	2,013,955	22,904,048	2.514%	188
2017	2016	120,346	9,297,795	28,565,623	2,122,859	26,442,764	2.844%	220
2018	2017	119,648	9,758,324	26,372,350	2,464,218	23,908,132	2.450%	200
2019	2018	117,415	10,070,277	78,810,686	2,802,930	76,007,756	7.548%	647
2020	2019	118,525	10,594,443	76,857,217	4,170,306	72,686,911	6.861%	613
2021	2020	117,875	10,756,543	74,123,748	3,722,468	70,401,280	6.545%	597

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

**POTTER COUNTY, TEXAS  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
SEPTEMBER 30, 2021**

Table 12

<u>Governmental Unit</u>	<u>Gross Debt</u>	<u>Estimated Percent Applicable</u>	<u>Potter County Share of Debt</u>
Direct:			
Potter County, Texas	\$ 74,123,748	100.00%	<u>\$ 74,123,748</u>
Overlapping:			
Amarillo Independent School District	223,388,586	51.51%	115,067,461
Amarillo College District	65,105,727	45.94%	29,909,571
River Road Independent School District	8,203,736	100.00%	8,203,736
Highland Park Independent School District	17,345,000	100.00%	17,345,000
Bushland Independent School District	2,828,540	87.32%	2,469,881
City of Amarillo	195,872,446	45.81%	<u>89,729,168</u>
			<u>262,724,816</u>
Total Direct and Overlapping Debt			<u><u>\$ 336,848,564</u></u>

Source: Potter County Auditor's Office

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Percentages were calculated by determining the portion of the county's total taxable value that is within the entities' boundaries and dividing it by the County's total taxable assessed valuation.

**POTTER COUNTY, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Table 13

Fiscal Year	Population	Personal Income (In Thousands)	Per Capita Income	Unemployment Rate
2012	122,335	\$ 4,248,586	\$ 34,707	5.30%
2013	122,146	4,344,796	35,712	5.00%
2014	121,627	4,950,949	40,706	4.10%
2015	121,857	5,158,694	42,334	3.20%
2016	122,082	5,341,958	43,749	3.30%
2017	120,346	5,220,203	43,249	2.90%
2018	119,648	5,257,978	43,945	2.70%
2019	117,415	5,411,245	46,086	2.70%
2020	118,525	5,866,750	49,498	5.00%
2021	117,875	* 6,022,234 *	51,090	3.20%

Source: Texas Workforce Commission Tracer

\* - Estimates for 2021 are based on the average growth of the previous 5 years.

**POTTER COUNTY, TEXAS  
PRINCIPAL EMPLOYERS  
CURRENT AND NINE YEARS AGO**

Table 14

Employer	2021			Employer	2012		
	Employees	Rank	Percentage of County Employment		Employees	Rank	Percentage of County Employment
Amarillo ISD	5,364	1	4.16%	Amarillo ISD	4,298	1	3.23%
Tyson Foods	4,400	2	3.42%	Tyson Foods	3,700	2	2.78%
CNS Pantex	3,203	3	2.49%	BWXT Pantex	3,233	3	2.43%
Baptist St. Anthony's Health Care System	3,200	4	2.48%	Baptist St. Anthony's Health Care System	2,330	4	1.75%
Northwest Texas Healthcare System	1,860	5	1.44%	City of Amarillo	2,045	5	1.54%
City of Amarillo	1,439	6	1.12%	Northwest Texas Healthcare System	1,393	6	1.05%
United Superarkets (all Amarillo stores)	1,604	7	1.24%	Bell Helicopter Textron Inc.	1,270	7	0.96%
Walmart Supercenters (4 locations)	1,359	8	1.05%	Texas Department of Criminal Justice	1,246	8	0.94%
Amarillo VA Health Care System	1,215	9	0.94%	Western National Life Insurance Company	1,002	9	0.75%
Affiliated Foods/TriState Baking/Plains Dairy	1,205	10	0.94%	Xcel Energy	1,002	10	0.75%
	<u>24,849</u>		<u>19.3%</u>		<u>21,519</u>		<u>16.2%</u>

Source: Amarillo Chamber of Commerce

**POTTER COUNTY, TEXAS**  
**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/ACTIVITY**  
**LAST TEN FISCAL YEARS**

Table 15

Activity	Full-time Equivalent Employees as of September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>GENERAL FUND</b>										
General Administrative	64.5	63.8	64.3	66.8	67.8	69.0	68.0	67.0	59.0	59.0
Facilities Maintenance	26.0	27.0	27.0	27.0	28.0	28.0	29.0	28.0	25.0	25.0
Elections Administration	4.5	4.5	4.5	4.5	4.5	4.5	5.0	5.0	5.0	5.0
Judicial	144.0	145.5	143.5	147.0	150.5	149.5	151.5	149.0	148.0	146.0
Public Safety	86.5	87.0	89.0	89.0	89.0	89.0	100.0	104.0	104.0	109.0
Corrections and Rehabilitation	123.0	125.0	128.0	131.0	130.0	130.0	138.0	139.0	145.0	146.0
Health and Human Services	11.0	11.0	12.0	11.0	11.0	11.0	14.0	15.0	15.0	15.0
Road & Bridge	26.0	26.0	26.0	26.0	26.0	26.0	25.0	25.0	25.0	25.0
<b>TOTAL GENERAL FUND</b>	<b>485.5</b>	<b>489.8</b>	<b>494.3</b>	<b>502.3</b>	<b>506.8</b>	<b>507.0</b>	<b>530.5</b>	<b>532.0</b>	<b>526.0</b>	<b>530.0</b>
<b>OTHER GOVERNMENTAL FUNDS</b>										
Judicial	10.5	10.5	7.5	10.0	8.0	4.0	4.0	2.0	1.0	1.0
Public Safety	5.0	5.0	6.0	6.0	10.0	10.0	3.0	3.0	5.0	5.0
Corrections and Rehabilitation	22.0	22.0	22.0	22.0	22.0	23.5	24.0	24.0	24.0	24.0
<b>TOTAL OTHER GOVERNMENTAL FUNDS</b>	<b>37.5</b>	<b>37.5</b>	<b>35.5</b>	<b>38.0</b>	<b>40.0</b>	<b>37.5</b>	<b>31.0</b>	<b>29.0</b>	<b>30.0</b>	<b>30.0</b>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>523.0</b>	<b>527.3</b>	<b>529.8</b>	<b>540.3</b>	<b>546.8</b>	<b>544.5</b>	<b>561.5</b>	<b>561.0</b>	<b>556.0</b>	<b>560.0</b>

Source: Potter County employee records

**POTTER COUNTY, TEXAS  
OPERATING INDICATORS BY FUNCTION/ACTIVITY  
LAST TEN FISCAL YEARS**

Table 16

Activity	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
<b>Tax Office</b>										
Auto titles issued	30,820	32,260	31,956	31,122	31,307	29,818	29,912	29,255	28,904	29,668
Auto registrations	102,890	103,780	104,742	108,774	102,417	104,397	105,106	104,311	102,311	105,412
<b>County Clerk</b>										
Marriage license applications	1,606	1,476	1,529	1,540	1,501	1,429	1,273	1,174	1,034	1,131
Real property documents filed	20,315	21,359	19,822	18,617	19,517	22,300	19,092	17,643	17,063	20,072
<b>Elections Administration</b>										
Registered voters	52,296	51,003	52,747	54,120	54,999	54,024	53,219	55,640	55,085	55,296
<b>Administration of Justice</b>										
<b>District Court Level</b>										
Civil cases filed	3,412	3,426	3,472	3,981	3,212	3,953	3,825	2,328	2,480	2,901
Civil case dispositions	3,578	3,259	3,477	3,229	3,420	2,971	4,154	2,393	2,484	3,209
Criminal cases filed	2,111	2,202	2,385	2,019	2,165	2,243	1,808	2,162	3,252	2,357
Criminal case dispositions	2,371	2,151	2,449	2,212	1,987	2,161	1,996	2,178	3,005	1,283
<b>County Court Level</b>										
Civil cases filed	1,070	922	1,065	977	805	834	981	1,063	881	793
Civil case dispositions	1,134	876	1,080	870	776	722	875	1,071	769	743
Criminal cases filed	3,319	3,011	2,342	2,816	2,556	2,231	2,201	1,470	1,889	1,955
Criminal case dispositions	3,339	3,200	3,189	2,597	2,793	1,991	2,069	1,926	833	1,009
<b>Justice of the Peace court level</b>										
Civil cases filed	2,045	2,117	2,032	2,291	2,517	2,386	2,526	2,592	2,235	2,097
Civil case dispositions	2,324	2,058	1,962	2,063	1,842	2,045	2,341	2,023	2,815	2,863
Criminal cases filed	8,316	8,038	9,209	6,954	5,716	4,588	5,379	5,347	5,916	3,771
Criminal case dispositions	8,508	8,374	7,680	9,617	5,249	7,244	4,874	4,902	5,216	3,220
<b>Public Safety &amp; Correctional</b>										
<b>Sheriff</b>										
Average Daily Jail Population	471	491	501	477	495	527	555	518	504	446
Average Daily Prisoner Cost	\$ 52.72	\$ 52.55	\$ 57.05	\$ 60.32	\$ 60.15	\$ 57.69	\$ 58.56	\$ 66.70	\$ 69.99	\$ 71.91

Sources: Potter County Offices, TxDOT and the Office of Court Administration



**POTTER COUNTY, TEXAS  
CAPITAL ASSET STATISTICS BY FUNCTION/ACTIVITY  
LAST TEN FISCAL YEARS**

Table 17

<u>Activity</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Government										
Office Buildings / Courthouses	7	7	7	7	7	7	7	7	7	7
Public Safety & Correctional										
Constables										
Patrol vehicles	2	4	4	4	4	4	4	4	4	4
Sheriff										
Enforcement vehicles	41	43	43	46	46	46	48	48	48	48
Corrections vehicles	11	10	10	8	8	8	8	8	8	8
Fire / Rescue										
Fire Stations	7	7	7	7	7	7	7	7	7	7
Transportation										
County Roads (miles)	282.6	287.86	291.56	291.56	291.37	291.37	291.37	301.46	301.46	301.46
Bridges	2	2	2	2	2	2	2	2	2	2

Source: Various County departments and County fixed asset reports

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## **COMPLIANCE**



To The Honorable County Judge and  
Commissioners Comprising the  
Commissioners' Court of  
Potter County, Texas

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Potter County, Texas, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Potter County, Texas' basic financial statements, and have issued our report thereon dated March 1, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Potter County, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Potter County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Potter County, Texas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Potter County, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC

Amarillo, Texas

March 1, 2022