

MAVERICK COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
September 30, 2021

Maverick County, Texas
Annual Financial Report
For the Fiscal Year Ended September 30, 2021

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Judge and Commissioner's Court
Maverick County, Texas

Report on the Financial Statements

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 Maverick County, Texas as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Maverick County, Texas' 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Maverick County Solid Waste Authority, which represent 55 percent, 54 percent, and 81 percent, respectively, of the assets, net position, and revenues of the Business-type activities of Maverick County, Texas. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Maverick County Solid Waste Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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 Maverick 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, the Employee Retirement System Information, and the OPEB system information on pages 4–12, 83-86 and 87-88 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Maverick County, Texas' basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2022, on our consideration of the Maverick County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Maverick County, Texas' 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 the Maverick County, Texas' internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "W Beyer".

BEYER & COMPANY
Certified Public Accountants
March 29, 2022

Management's Discussion and Analysis

As management of Maverick County, Texas, we offer readers of Maverick County, Texas' financial statements this narrative overview and analysis of the financial activities of Maverick County, Texas for the fiscal year ended September 30, 2021.

Financial Highlights

- . The assets of Maverick County, Texas, exceeded its liabilities at the close of the most recent fiscal year by \$24,947,243 (net position). Unrestricted net position was a minus \$8,023,246 at year's end.
- . The government's total net position increased by \$7,781,795. This increase is due to the following: An increase in Operating Grants and Contributions of \$7,543,985, Utility Capital Grants and Contributions of \$1,850,001, and careful budget management.
- . Maverick County, Texas' total restricted net position at September 30, 2021 is \$5,938,799 or 24%. There was a decrease of \$912,122 in the restricted net position. This decrease is the result of street construction.
- . Maverick County, Texas' total debt increased by \$14,378,775 (41.62 percent) during the current fiscal year. This increase is the result of three bond issuances of \$6,150,000, \$6,150,000, and \$675,000.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Maverick County, Texas' basic financial statements. Maverick County, Texas' basic financial statements comprises three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of Maverick County, Texas' finances, in a manner like a private-sector business.

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

The *statement for activities* presents information showing how the government'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 in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of Maverick County, Texas that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Maverick County, Texas include general government, public safety, highways and streets, sanitation, and culture and recreation. The business-type activities of Maverick County, Texas include Water System, airport, landfill, and commissary activity.

The government-wide financial statements include only Maverick County, Texas itself (known as the *primary government*.)

The government-wide financial statements can be found on pages 13-14 for 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. Maverick County, Texas, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All other funds of Maverick County, Texas 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 evaluating 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*.

Maverick County, Texas maintains 65 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road and Bridge Fund, the Debt Service Fund, the American Rescue Plan fund, the Certificate of Obligation Series 2020 and the C/T Series 2021 fund. The other 59 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Maverick County, Texas adopts an annual appropriated budget for its general fund, road and bridge fund, and debt service fund. A budgetary comparison statement has been provided for the general fund, road and bridge fund, and debt service fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on 15-22 of this report.

Proprietary funds: Maverick County, Texas maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Maverick County, Texas uses enterprise funds to account for its Water operations, airport, landfill, and commissary activity.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water operations, airport, landfill, and commissary activity, all of which are major funds of Maverick County, Texas. The basic proprietary fund financial statements can be found on pages 23-27 of this report.

Maverick County, Texas also has agency funds which are totaled on page 28.

Notes to the financial statements: The notes provided additional information that is essential to 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 29-82 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Maverick County, Texas' progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 83-88 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 89-104 of this report. The single audit section can be found on pages 105-118 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Maverick County, Texas, assets exceeded liabilities by \$24,947,243 at the close of the most recent fiscal year. A large portion of Maverick County, Texas' net position (101 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. Maverick County, Texas uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Maverick County, Texas' investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

MAVERICK COUNTY, TEXAS NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$28,615,113	\$14,481,395	\$6,061,648	\$5,214,340	\$34,676,761	\$19,695,735
Capital Assets:	19,722,744	16,490,840	17,785,837	16,636,716	37,508,581	33,127,556
Total Assets	48,337,857	30,972,235	23,847,485	21,851,056	72,185,342	52,823,291
Deferred Inflows of Resources	5,970,182	2,178,515	279,349	103,913	6,249,531	2,282,428
Long-Term Liabilities	43,790,179	29,756,252	5,136,732	4,791,884	48,926,911	34,548,136
Other Liabilities	4,902,677	1,633,936	(1,767,090)	738,109	3,135,587	2,372,045
Total Liabilities	48,692,856	31,390,188	3,369,642	5,529,993	52,062,498	36,920,181
Deferred Inflows of Resources	1,329,549	948,458	95,583	71,632	1,425,132	1,020,090
Invested in Capital Assets, Net of Related Debt	9,769,114	8,351,025	15,477,053	14,121,768	25,246,167	22,472,793
Restricted	7,724,322	5,028,677			7,724,322	5,028,677
Unrestricted	(13,207,802)	(12,567,598)	5,184,556	2,231,576	(8,023,246)	(10,336,022)
Total Net Position	\$4,285,634	\$812,104	\$20,661,609	\$16,353,344	\$24,947,243	\$17,165,448

An additional portion of Maverick County, Texas' net position (31 percent) represents resources that are subject to external restrictions on how they may be used. Unrestricted net position was a minus \$8,023,246 at year's end.

At the end of the current fiscal year and the prior year, Maverick County, Texas was able to report positive balances in all three categories of net position, both for the government, as well as for its separate governmental and business-type activities except for Unrestricted Net Position in the governmental activities. Unrestricted Net Position in the governmental activities was a minus \$11,422,279 in the current year and a minus \$12,567,598 in the prior year.

Maverick County, Texas' total restricted net position at September 30, 2021 is \$5,938,799 or 24%. There was an increase of \$910,122 in the restricted net position. This increase is the result of Capital Grants and Contributions.

The government's total net position increased by \$7,781,795. This increase is due to the following: An increase in Operating Grants and Contributions of \$7,543,985, Utility Capital Grants and Contributions of \$1,850,001, and careful budget management.

Governmental activities: Governmental activities increased Maverick County, Texas' net position by \$3,473,530, thereby accounting for 45 percent of the total growth in the net position of Maverick County, Texas. This increase is due to the following: An increase in Operating Grants and Contributions of \$7,543,985 and careful budget management.

**MAVERICK COUNTY, TEXAS
CHANGE IN NET POSITION**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	\$5,445,493	\$5,105,901	\$2,437,039	\$2,631,328	\$7,882,532	\$7,737,229
Operating Grants and Contributions	9,363,116	1,819,131			9,363,116	1,819,131
Capital Grants and Contributions	8,810	7,700	1,850,001	2,510,529	1,858,811	2,518,229
General Revenues:						
Maintenance and Operations Taxes	15,729,509	15,792,669			15,729,509	15,792,669
Sales Taxes	5,972,564	5,539,794			5,972,564	5,539,794
Other Taxes	66,885	41,752			66,885	41,752
Unrestricted Investment Earnings	42,670	9,998	4,787	5,472	47,457	15,470
Miscellaneous	1,122,087	736,305			1,122,087	736,305
Total Revenue	37,751,134	29,053,250	4,291,827	5,147,329	42,042,961	34,200,579
Expenses:						
General Administration	7,459,355	3,954,427			7,459,355	3,954,427
Legal	271,014	348,084			271,014	348,084
Judicial	2,761,555	2,831,487			2,761,555	2,831,487
Financial Administration	1,768,097	1,905,726			1,768,097	1,905,726
Public Facilities	392,324	395,205			392,324	395,205
Public Safety	7,749,627	8,289,465			7,749,627	8,289,465
Public Transportation	3,652,996	3,416,934			3,652,996	3,416,934
Culture and Recreation	733,108	715,421			733,108	715,421
Health and Welfare	3,157,699	1,699,956			3,157,699	1,699,956
Conservation - Agriculture	1,035,641	1,113,996			1,035,641	1,113,996
Interest and Fiscal Charges	1,580,499	1,520,557			1,580,499	1,520,557
Business-Type Activities			3,699,251	1,711,508	3,699,251	1,711,508
Total Expenses	30,561,915	26,191,258	3,699,251	1,711,508	34,261,166	27,902,766
Increase in Net Position Before Transfers and Special Items	7,189,219	2,861,992	592,576	3,435,821	7,781,795	6,297,813
Transfers	(3,715,689)	(460,634)	3,715,689	460,634	0	0
Increase in Net Position	3,473,530	2,401,358	4,308,265	3,896,455	7,781,795	6,297,813
Net Position at 09/30/2020 - Restated	812,104	(1,589,254)	16,353,344	12,456,889	17,165,448	10,867,635
Net Position at 09/30/2021	\$4,285,634	\$812,104	\$20,661,609	\$16,353,344	\$24,947,243	\$17,165,448

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Government Activities:				
General Administration	\$7,459,355	\$483,468	\$0	\$0
Legal	271,014	1,570	23,333	
Judicial	2,761,555	627,135	338,181	
Financial Administration	1,768,097	481,537		
Public Facilities	392,324			8,810
Public Safety	7,749,627	2,770,755	223,651	
Public Transportation	3,652,996	856,160	14,096	
Culture and Recreation	733,108			
Health and Welfare	3,157,699	224,868	8,763,855	
Conservation - Agriculture	1,035,641			
Interest and Fiscal Charges	1,580,499			
Total Government Activities	<u>\$30,561,915</u>	<u>\$5,445,493</u>	<u>\$9,363,116</u>	<u>\$8,810</u>

Revenues by Source - Governmental Activities

	REVENUES	%
Charges for Services	\$5,445,493	14%
Operating Grants and Contributions	9,363,116	25%
Capital Grants and Contributions	8,810	0%
Maintenance and Operations Taxes	15,729,509	42%
Sales Taxes	5,972,564	16%
Other Taxes	66,885	0%
Unrestricted Investment Earnings	42,670	0%
Miscellaneous	1,122,087	3%
	<u>\$37,751,134</u>	<u>100%</u>

Except as provided above, increases and/or decreases in expenses closely paralleled inflation and growth in the demand for services.

Business-type activities: Business-type activities increased Maverick County, Texas' net position by \$4,308,265, accounting for 55 percent of the total increase in the government's net position. Key elements of this increase are as follows: Utility Capital Grants and Contributions of \$1,850,001 and careful budget management.

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Capital Grants and Contributions
Primary Government			
Business-Type Activities:			
Water	\$623,641	\$445,107	\$1,850,001
MCSWA	2,975,244	1,985,632	
Airport	100,366	6,300	
Total Business-Type Activities	\$3,699,251	\$2,437,039	\$1,850,001

Revenues by Source - Business-Type Activities

	<u>REVENUES</u>	<u>%</u>
Charges for Services	\$2,437,039	56.78%
Capital Grants and Contributions	1,850,001	43.11%
Unrestricted Investment Earnings	4,787	0.11%
	<u>\$4,291,827</u>	<u>100%</u>

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Maverick County, Texas' governmental funds reported combined ending fund balances of \$20,812,159, an increase of \$10,862,822 in comparison with the prior year. *Unassigned fund balance* is \$5,242,314 or 25%. The remainder of fund balance of \$15,569,845 is restricted to indicate that it is not available for new spending because it has already been committed or non-spendable.

The general fund is the chief operating fund of Maverick County, Texas. At the end of the current fiscal year unassigned fund balance of the general fund was \$5,285,474, while total fund balance was \$5,285,474. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 26 percent of total general fund expenditures, while total fund balance represents 26 percent of that same amount.

The fund balance of Maverick County, Texas' general fund increased by \$3,041,886 during the current fiscal year. This increase is due to an increase in property taxes of \$1,757,100 and careful budget management.

At the end of the current fiscal year unassigned fund balance of the Road and Bridge fund was \$0, while total fund balance was \$469,287. As a measure of the Road and Bridge fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 0 percent of total Road and Bridge fund expenditures, while total fund balance represents 15 percent of that same amount.

The fund balance of Maverick County, Texas' Road and Bridge fund decreased by \$408,402 during the current fiscal year. This decrease is due to a reduction in transfers in of \$777,593.

At the end of the current fiscal year unassigned fund balance of the Debt Service fund was \$0, while total fund balance reached \$772,465. As a measure of the Debt Service fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 0 percent of total Debt Service fund expenditures, while total fund balance represents 21 percent of that same amount.

The fund balance of Maverick County, Texas' Debt Service fund decreased by \$290,720 during the current fiscal year. This increase is a result of debt service expenditures exceeding property tax revenues.

There is no comparison analysis for the American Rescue Plan Fund because 2021 was the first year of its existence and because it is a grant fund, and any comparison analysis would be impractical.

There is no comparison analysis for either the Certificate of Obligation Series 2020 fund or the C/T Series 2021 fund because 2021 was the first year of their existence and because these funds are capital projects funds, and any comparison analysis would be impractical.

Proprietary funds: Maverick County, Texas’ proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund amounted to \$390,214, those for the MCSWA Fund amounted to \$3,628,717, those for the Airport Fund amounted to \$1,118,539, and those for the Commissary Fund amounted to \$47,086. The total increase/(decrease) in net position was \$1,727,237 for the Water Fund, \$2,683,904 for the MCSWA Fund, (\$102,876) for the Airport Fund, and \$0 for the Commissary Fund.

General Fund Budgetary Highlights

During the year there was a \$1,998,659 increase in appropriations between the original and final amended budget. The largest increases were in County Judge and Commissioners which increased by \$1,030,975 and Non-Departmental which increased by \$536,002. The primary reason for the increase in County Judge and Commissioners was due to an increase in contingencies which increased by \$808,250. The primary reason for the increase in Non-Departmental was due to an increase in property acquisition which increased by \$747,264.

Capital Asset and Debt Administration:

Capital assets: Maverick County, Texas’ investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$37,508,581 (net of cumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, and park facilities. The total increase in Maverick County, Texas’ investment in capital assets for the current fiscal year was 13 percent (a 20 percent increase for governmental activities and a 7 percent increase for business-type activities).

The Water Fund had a water expansion project during the 2021 year. There was also road improvement projects during the 2021 year.

**MAVERICK COUNTY, TEXAS
CAPITAL ASSETS (Net of Depreciation)**

	Governmental Activities:		Business-Type		Total	
	Activities		Activities		2021	2020
	2021	2020	2021	2020		
Land	\$4,151,953	\$4,151,953	\$71,209	\$71,209	\$4,223,162	\$4,223,162
Construction in Progress	2,438,486	2,202,254	6,324,043	4,474,042	8,762,529	6,676,296
Buildings	7,106,375	6,074,957	3,143,320	3,265,395	10,249,695	9,340,352
Machinery and Equipment	1,533,917	2,168,640	0	0	1,533,917	2,168,640
Infrastructure	4,408,801	1,793,253			4,408,801	1,793,253
Intangible	83,212	99,783			83,212	99,783
Water Rights			520,290	539,325	520,290	539,325
MCSWA			7,726,975	8,286,744	7,726,975	8,286,744
Total	\$19,722,744	\$16,490,840	\$17,785,837	\$16,636,715	\$37,508,581	\$33,127,555

Additional information on Maverick County, Texas’ capital assets can be found in note IV C on page 44 and 45 of this report.

Long-term debt: At the end of the current fiscal year, Maverick County, Texas had total bonded debt of \$39,252,677. Of this amount, \$39,252,677 comprises debt backed by the full faith and credit of the government.

	Beginning Balance	Additions	Reductions	Refunding		Ending Balance	Due Within One Year	Due After One Year
				Additions	Reductions			
<u>Governmental Activities:</u>								
General Obligation Bonds	\$23,310,000	\$12,975,000	\$2,335,000	\$16,190,000	\$14,885,000	\$35,255,000	\$2,783,000	\$32,472,000
Tax Notes	2,120,342		150,665			1,969,677	158,485	1,811,192
	<u>25,430,342</u>	<u>12,975,000</u>	<u>2,485,665</u>	<u>16,190,000</u>	<u>14,885,000</u>	<u>37,224,677</u>	<u>2,941,485</u>	<u>34,283,192</u>
<u>Business-Type Activities:</u>								
General Obligation Bonds	2,028,000					2,028,000	31,000	1,997,000
Grand Total	<u>\$27,458,342</u>	<u>\$12,975,000</u>	<u>\$2,485,665</u>	<u>\$16,190,000</u>	<u>\$14,885,000</u>	<u>\$39,252,677</u>	<u>\$2,972,485</u>	<u>\$36,280,192</u>

Maverick County, Texas' bonded debt increased by \$11,794,335 (43 percent) during the current fiscal year. This increase is the result of three bond issuances of \$6,150,000, \$6,150,000, and \$675,000.

Additional information on Maverick County, Texas' long-term debt can be found in note IV.F on pages 48-51 of this report.

Outlook

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the County. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Requests for Information

This financial report is designed to provide a general overview of Maverick County, Texas' 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 Maverick County Auditor, 370 N. Monroe St. Ste.1, Eagle Pass, TX 78852.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

MAVERICK COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
<i>ASSETS</i>			
Cash and Cash Equivalents	\$22,957,913	\$5,849,709	\$28,807,622
Receivables (net of allowance for uncollectibles)	5,657,200	211,939	5,869,139
Capital Assets Not Being Depreciated: (Incl: MCSWA)			
Land	4,151,953	380,128	4,532,081
Construction in Progress	2,438,486	6,324,043	8,762,529
Total Capital Assets Being Depreciated, Net			
Buildings	7,106,375	3,664,315	10,770,690
Machinery and Equipment	1,533,917	4,232,245	5,766,162
Infrastructure	4,408,801		4,408,801
Intangible	83,212		83,212
Water Rights		520,290	520,290
MCSWA		2,664,816	2,664,816
Total Assets	<u>\$48,337,857</u>	<u>\$23,847,485</u>	<u>\$72,185,342</u>
DEFERRED OUTFLOWS OF RESOURCES			
GASB 68			
Deferred Outflow of Resources-Contributions (after 12/31/20)	1,694,698	87,243	1,781,941
Differences between expected and actual experience	452,140	34,497	486,637
Changes of assumptions	2,138,506	146,406	2,284,912
GASB 75			
Differences between expected and actual experience	0	365	365
Changes of assumptions	141,088	10,838	151,926
Loss on Bond Refunding	1,543,750		1,543,750
Total Deferred Outflows of Resources	<u>5,970,182</u>	<u>279,349</u>	<u>6,249,531</u>
LIABILITIES:			
Accounts Payable	\$2,020,497	\$532,307	\$2,552,804
Due to Other Funds	2,396,374	(2,396,374)	0
Due to Others	0	56,790	56,790
Accrued Wages	390,147	35,540	425,687
Accrued Interest Payable	95,659	4,647	100,306
Noncurrent Liabilities:			
Due Within One Year	3,984,390	180,438	4,164,828
Due in More Than One Year	39,805,789	4,956,294	44,762,083
Total Liabilities	<u>48,692,856</u>	<u>3,369,642</u>	<u>52,062,498</u>
DEFERRED INFLOWS OF RESOURCES			
GASB 68			
Net difference between projected and actual earnings		89,227	89,227
Differences between expected and actual experience		4,292	4,292
GASB 75			
Net difference between projected and actual earnings	1,303,289	0	1,303,289
Differences between expected and actual experience	2,927	558	3,485
Changes of assumptions	23,333	1,506	24,839
Total Deferred Inflows of Resources	<u>1,329,549</u>	<u>95,583</u>	<u>1,425,132</u>
NET POSITION			
Invested in Capital Assets, Net of Related Debt	9,769,114	15,477,053	25,246,167
Restricted			
Construction	0		0
Debt Service	772,465		772,465
General Administration	424,443		424,443
Health and Welfare	4,579,765		4,579,765
Judicial	690,406		690,406
Public Safety - Sheriff	671,876		671,876
Public Transportation	505,532		505,532
Records Management	79,835		79,835
Unrestricted	(13,207,802)	5,184,556	(8,023,246)
Total Net Position	<u>\$4,285,634</u>	<u>\$20,661,609</u>	<u>\$24,947,243</u>

The accompanying notes are an integral part of this statement.

MAVERICK COUNTY, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Program Revenues				Governmental Activities	Business-Type Activities	Net (Expense) Revenue and Changes in Net Position	Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating					
			Grants and Contributions	Capital Grants and Contributions				
Primary government								
Government Activities:								
General Administration	\$7,459,355	\$483,468	\$0			(\$6,975,887)	(\$6,975,887)	
Legal	271,014	1,570	23,333			(246,111)	(246,111)	
Judicial	2,761,555	627,135	338,181			(1,796,239)	(1,796,239)	
Financial Administration	1,768,097	481,537				(1,286,560)	(1,286,560)	
Public Facilities	392,324			8,810		(383,514)	(383,514)	
Public Safety	7,749,627	2,770,755	223,651			(4,755,221)	(4,755,221)	
Public Transportation	3,652,996	856,160	14,096			(2,782,740)	(2,782,740)	
Culture and Recreation	733,108					(733,108)	(733,108)	
Health and Welfare	3,157,699	224,868	8,763,855			5,831,024	5,831,024	
Conservation - Agriculture	1,035,641					(1,035,641)	(1,035,641)	
Interest and Fiscal Charges	1,580,499					(1,580,499)	(1,580,499)	
Total Government Activities	<u>30,561,915</u>	<u>5,445,493</u>	<u>9,363,116</u>	<u>8,810</u>	<u>(15,744,496)</u>	<u>0</u>	<u>(15,744,496)</u>	
Business-Type Activities:								
Water	623,641	445,107		1,850,001		1,671,467	1,671,467	
MCSWA	2,975,244	1,985,632				(989,612)	(989,612)	
Airport	100,366	6,300				(94,066)	(94,066)	
Total Business-Type Activities:	<u>3,699,251</u>	<u>2,437,039</u>	<u>0</u>	<u>1,850,001</u>	<u>0</u>	<u>587,789</u>	<u>587,789</u>	
Total Primary Government	<u>\$34,261,166</u>	<u>\$7,882,532</u>	<u>\$9,363,116</u>	<u>\$1,858,811</u>	<u>(15,744,496)</u>	<u>587,789</u>	<u>(15,156,707)</u>	
General Revenues								
Property Taxes, Levies for General Purposes					15,729,509		15,729,509	
Sales Taxes					5,972,564		5,972,564	
Other Taxes					66,885		66,885	
Unrestricted Investment Earnings					42,670	4,787	47,457	
Miscellaneous					1,122,087		1,122,087	
Transfers					(3,715,689)	3,715,689	0	
Total General Revenues					<u>19,218,026</u>	<u>3,720,476</u>	<u>22,938,502</u>	
Change in Net Position					3,473,530	4,308,265	7,781,795	
Net Position - Beginning - Restated					812,104	16,353,344	17,165,448	
Net Position - Ending					<u>\$4,285,634</u>	<u>\$20,661,609</u>	<u>\$24,947,243</u>	

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

MAVERICK COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	General Fund	Road and Bridge Fund	Debt Service Fund	American Rescue Plan	Certificate of Obligation Series 2020	C/T Series 2021	Other Governmental Funds	Total Governmental Funds
<i>ASSETS</i>								
Cash and Cash Equivalents	\$7,454,229	\$760,612	\$772,465	\$3,034,529	\$3,484,646	\$4,542,978	\$2,908,454	\$22,957,913
Receivables (net of allowance for uncollectibles)	3,286,974	25	643,660				1,243,146	5,173,805
Due from Other Funds	71,077	91					2,914,690	2,985,858
Total Assets	<u>\$10,812,280</u>	<u>\$760,728</u>	<u>\$1,416,125</u>	<u>\$3,034,529</u>	<u>\$3,484,646</u>	<u>\$4,542,978</u>	<u>\$7,066,290</u>	<u>\$31,117,576</u>
<i>LIABILITIES AND FUND BALANCES:</i>								
<i>Liabilities</i>								
Accounts Payable	\$536,726	\$243,061		\$22,429	\$678,686		\$539,595	\$2,020,497
Due to Other Funds	2,820,490			37,418			2,524,324	5,382,232
Accrued Wages	300,709	48,380		4,637			36,421	390,147
Total Liabilities	<u>3,657,925</u>	<u>291,441</u>	<u>0</u>	<u>64,484</u>	<u>678,686</u>	<u>0</u>	<u>3,100,340</u>	<u>7,792,876</u>
<i>DEFERRED INFLOWS OF RESOURCES</i>								
Deferred Property Taxes	1,868,881		643,660					2,512,541
Total Deferred Inflows of Resources	<u>1,868,881</u>	<u>0</u>	<u>643,660</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,512,541</u>
<i>Fund Balances:</i>								
<i>Restricted</i>								
Construction					2,805,960	4,542,978	496,585	7,845,523
Debt Service			772,465					772,465
General Administration							424,443	424,443
Health and Welfare				2,970,045			1,609,720	4,579,765
Judicial							690,406	690,406
Public Safety - Sheriff							671,876	671,876
Public Transportation		469,287					36,245	505,532
Records Management							79,835	79,835
Unassigned	5,285,474						(43,160)	5,242,314
Total Fund Balance	<u>5,285,474</u>	<u>469,287</u>	<u>772,465</u>	<u>2,970,045</u>	<u>2,805,960</u>	<u>4,542,978</u>	<u>3,965,950</u>	<u>20,812,159</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$10,812,280</u>	<u>\$760,728</u>	<u>\$1,416,125</u>	<u>\$3,034,529</u>	<u>\$3,484,646</u>	<u>\$4,542,978</u>	<u>\$7,066,290</u>	<u>\$31,117,576</u>

The accompanying notes are an integral part of this statement.

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

Total Fund Balances - governmental funds balance sheet	\$20,812,159
Amounts reported for governmental activities in the statement of Net Position ("SNP") are different because:	
Capital assets used in governmental activities are not reported in the funds.	19,722,744
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	5,147,361
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectibles).	2,489,208
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(43,885,838)
Net Position of governmental activities - statement of Net Position	<u>\$4,285,634</u>

The accompanying notes are an integral part of this statement.

MAVERICK COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021

	General Fund	Road and Bridge Fund	Debt Service Fund	American Rescue Plan	Certificate of Obligation Series 2020	C/T Series 2021	Other Governmental Funds	Total Governmental Funds
<i>REVENUES</i>								
Taxes								
Property	\$12,320,161		\$3,527,294					\$15,847,455
Sales	3,040,134						2,932,430	5,972,564
Other	66,885							66,885
Intergovernmental	49,242	14,096		5,703,030			3,605,558	9,371,926
Licenses and Permits	273,535	815,505						1,089,040
Charges for Services	3,584,001	40,655					469,899	4,094,555
Fines and Forfeitures	191,667							191,667
Interest	208		1,808	1		710	39,943	42,670
Miscellaneous	940,230	8	0				181,849	1,122,087
Total Revenues	20,466,063	870,264	3,529,102	5,703,031	0	710	7,229,679	37,798,849
<i>EXPENDITURES</i>								
Current:								
General Administration	6,412,910				722,948	141,835	161,418	7,439,111
Legal	271,503							271,503
Judicial	2,402,847						361,134	2,763,981
Financial Administration	1,764,092							1,764,092
Public Facilities	398,506							398,506
Public Safety	6,961,272						365,718	7,326,990
Public Transportation		3,192,746					62,258	3,255,004
Culture and Recreation	668,838							668,838
Health and Welfare	610,747			562,225			1,931,413	3,104,385
Conservation - Agriculture	1,035,645							1,035,645
Capital Projects -								
Capital Outlay and Other					2,030,204	1,465,897	710,249	4,206,350
Debt Service								
Principal Retirement	150,665		2,660,668					2,811,333
Interest Retirement	46,216		1,103,384					1,149,600
Total Expenditures	20,723,241	3,192,746	3,764,052	562,225	2,753,152	1,607,732	3,592,190	36,195,338
Excess (Deficiency) of Revenues Over (Under)								
Expenditures	(257,178)	(2,322,482)	(234,950)	5,140,806	(2,753,152)	(1,607,022)	3,637,489	1,603,511
<i>OTHER FINANCING SOURCES (USES):</i>								
Debt Issuance Proceeds	675,000				6,150,000	6,150,000		12,975,000
Operating Transfers In	6,327,060	1,914,080	0				1,796,875	10,038,015
Operating Transfers Out	(3,702,996)	0	(55,770)	(2,170,761)	(590,888)		(7,233,289)	(13,753,704)
Total Other Financing Sources (Uses)	3,299,064	1,914,080	(55,770)	(2,170,761)	5,559,112	6,150,000	(5,436,414)	9,259,311
Net Changes in Fund Balances	3,041,886	(408,402)	(290,720)	2,970,045	2,805,960	4,542,978	(1,798,925)	10,862,822
Fund Balances - Beginning - Restated	2,243,588	877,689	1,063,185	0	0	0	5,764,875	9,949,337
Fund Balances - Ending	5,285,474	469,287	772,465	2,970,045	2,805,960	4,542,978	3,965,950	20,812,159

The accompanying notes are an integral part of this statement.

MAVERICK COUNTY, TEXAS
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 SEPTEMBER 30, 2021

Net Changes in Fund Balances - total governmental funds	\$10,862,822
Amounts reported for governmental activities in the statement of Net Position ("SNP") are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	3,231,904
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. This is the change in these amounts this year.	70,231
GASB 68	
Deferred Outflow of Resources-Contributions (after 12/31/19) - This is the change in these amounts this year.	34,583
Net difference between projected and actual earnings - This is the change in these amounts this year.	(426,396)
Differences between expected and actual experience - This is the change in these amounts this year.	523,705
Changes of assumptions - This is the change in these amounts this year.	2,069,183
GASB 75	
Differences between expected and actual experience - This is the change in these amounts this year.	(7,173)
Changes of assumptions - This is the change in these amounts this year.	53,757
Loss on Bond Refunding - This is the change in these amounts this year.	(118,750)
(Increase) decrease in Compensated Absences from beginning of period to end of period.	31,043
Premium on 2020A Bond Refunding. Net of amortization.	(338,686)
Capital Lease Issuance Proceeds	(12,975,000)
(Increase) decrease in Accrued Interest Payable from beginning of period to end of period.	26,537
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(117,946)
(Increase) decrease in Net Pension Liability from beginning of period to end of period.	(2,149,989)
(Increase) decrease in OPEB Payable from beginning of period to end of period.	(107,628)
Repayment of loan principal is an expenditure in the funds but not an expense in the SOA.	<u>2,811,333</u>
Change in Net Position of governmental activities - statement of activities	<u>\$3,473,530</u>

The accompanying notes are an integral part of this statement.

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<i>REVENUES</i>				
Taxes				
Property	\$11,635,937	\$11,635,937	\$12,320,161	\$684,224
Sales	2,700,000	2,700,000	3,040,134	340,134
Other	48,050	48,050	66,885	18,835
Intergovernmental	48,533	48,533	49,242	709
Licenses and Permits	260,000	260,000	273,535	13,535
Charges for Services	3,914,846	3,930,168	3,584,001	(346,167)
Fines and Forfeitures	290,508	290,508	191,667	(98,841)
Interest	100	100	208	108
Miscellaneous	349,312	495,114	939,378	444,264
Total Revenues	19,247,286	19,408,410	20,465,211	1,056,801
<i>EXPENDITURES</i>				
Current:				
General Administration				
Bank Fees	10,000	41,299	38,318	2,981
Code Enforcement	109,142	105,740	89,848	15,892
County Clerk	268,086	276,507	264,977	11,530
County Judge and Commissioners	1,013,938	2,044,913	2,020,540	24,373
Elections	326,966	342,288	276,456	65,832
Human Resources	112,811	119,284	116,171	3,113
IT Media Tech	39,409	39,409	15,496	23,913
Matching Funds	43,000	43,000	3,084	39,916
Non-Departmental	5,772,635	6,308,637	3,120,754	3,187,883
Planner	128,817	98,917	61,950	36,967
State Aid	276,402	288,818	287,675	1,143
Veterans Service	55,656	55,656	51,459	4,197
VFW Precinct No. 1	63,848	73,264	66,182	7,082
Legal				
County Attorney	325,275	325,918	271,503	54,415
Judicial				
293rd District	521,436	521,436	469,924	51,512
365th District	507,065	507,065	432,339	74,726
Collections Department	107,007	107,007	85,396	21,611
District Attorney	421,193	421,815	421,759	56
District Clerk	491,052	491,051	453,208	37,843
Justice of the Peace	557,474	563,463	540,221	23,242
Financial Administration				
County Auditor	616,023	639,630	598,473	41,157
County Treasurer	407,614	407,614	372,068	35,546
Information Department	361,512	337,904	281,684	56,220
Tax Assessor-Collector	675,023	664,948	511,867	153,081
Public Facilities				
Courthouse	543,772	551,149	398,506	152,643
Public Safety				
Code Enforcement	167,589	167,589	135,414	32,175
Constables	581,327	635,218	545,420	89,798
HIDTA - City of Eagle Pass	59,222	67,575	65,986	1,589
Jail	3,886,927	3,886,525	3,040,339	846,186
Sheriff	3,436,461	3,456,748	3,086,434	370,314
Vector Control	95,230	95,230	87,679	7,551

(continued)

(continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
Culture and Recreation				
Administrative Office	157,861	169,311	140,878	28,433
Community Center	174,060	174,130	120,410	53,720
Compt. Center - Pct. 1	97,601	105,603	92,383	13,220
Parks and Recreation	304,861	381,337	315,167	66,170
Health and Welfare				
Cemetery	223,025	333,664	319,595	14,069
Food Pantry	350,185	350,185	291,152	59,033
Conservation - Agriculture				
Agriculture Extension Service	87,249	87,249	63,822	23,427
Intergovernmental Agriculture Contract Service	1,120,232	1,208,549	971,823	236,726
Debt Service				
Principal Retirement	150,665	150,665	150,665	0
Interest Retirement	46,216	46,216	46,216	0
Total Expenditures	<u>24,693,867</u>	<u>26,692,526</u>	<u>20,723,241</u>	<u>5,969,285</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(5,446,581)</u>	<u>(7,284,116)</u>	<u>(258,030)</u>	<u>7,026,086</u>
OTHER FINANCING SOURCES (USES):				
Debt Issuance Proceeds	0	675,000	675,000	0
Operating Transfers In	2,842,262	6,673,302	6,327,060	(346,242)
Operating Transfers Out	<u>(3,336,263)</u>	<u>(6,004,766)</u>	<u>(3,702,144)</u>	<u>2,302,622</u>
Total Other Financing Sources (Uses)	<u>(494,001)</u>	<u>1,343,536</u>	<u>3,299,916</u>	<u>1,956,380</u>
Net Changes in Fund Balances	(5,940,582)	(5,940,580)	3,041,886	8,982,466
Fund Balances - Beginning - Restated	<u>2,243,588</u>	<u>2,243,588</u>	<u>2,243,588</u>	
Fund Balances - Ending	<u>(\$3,696,994)</u>	<u>(\$3,696,992)</u>	<u>\$5,285,474</u>	<u>\$8,982,466</u>

The accompanying notes are an integral part of this statement.

MAVERICK COUNTY, TEXAS
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$15,064	\$15,064	\$14,096	(\$968)
Licenses and Permits	840,000	840,000	815,505	(24,495)
Charges for Services	25,400	32,697	40,655	7,958
Miscellaneous	8,397	1,100	8	(1,092)
Total Revenues	<u>888,861</u>	<u>888,861</u>	<u>870,264</u>	<u>(18,597)</u>
EXPENDITURES				
Current				
Public Transportation				
Road and Bridge	3,729,473	3,886,714	3,192,746	693,968
Total Expenditures	<u>3,729,473</u>	<u>3,886,714</u>	<u>3,192,746</u>	<u>693,968</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,840,612)	(2,997,853)	(2,322,482)	675,371
OTHER FINANCING SOURCES (USES):				
Transfers In	2,166,409	2,329,920	1,914,080	(415,840)
Transfers Out	(5,977)	(2,577)		2,577
Total Other Financing Sources (Uses)	<u>2,160,432</u>	<u>2,327,343</u>	<u>1,914,080</u>	<u>(413,263)</u>
Net Changes in Fund Balances	(\$680,180)	(\$670,510)	(408,402)	\$262,108
Fund Balances - Beginning	<u>877,689</u>	<u>877,689</u>	<u>877,689</u>	
Fund Balances - Ending	<u>\$197,509</u>	<u>\$207,179</u>	<u>\$469,287</u>	<u>\$262,108</u>

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

MAVERICK COUNTY, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Property	\$3,271,716	\$3,271,716	\$3,527,294	\$255,578
Interest			1,808	1,808
Miscellaneous				0
Total Revenues	<u>3,271,716</u>	<u>3,271,716</u>	<u>3,529,102</u>	<u>257,386</u>
EXPENDITURES				
Debt Service				
Principal Retirement	2,066,855	2,660,668	2,660,668	0
Interest Retirement	<u>1,451,607</u>	<u>1,158,996</u>	<u>1,103,384</u>	<u>55,612</u>
Total Expenditures	<u>3,518,462</u>	<u>3,819,664</u>	<u>3,764,052</u>	<u>55,612</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(246,746)</u>	<u>(547,948)</u>	<u>(234,950)</u>	<u>312,998</u>
OTHER FINANCING SOURCES (USES):				
Transfers In		1,202		(1,202)
Transfers Out	<u>(300,000)</u>		<u>(55,770)</u>	<u>(55,770)</u>
Total Other Financing Sources (Uses)	<u>(300,000)</u>	<u>1,202</u>	<u>(55,770)</u>	<u>(56,972)</u>
Net Changes in Fund Balances	(546,746)	(546,746)	(290,720)	256,026
Fund Balances - Beginning	1,063,185	1,063,185	1,063,185	
Fund Balances - Ending	<u>\$516,439</u>	<u>\$516,439</u>	<u>\$772,465</u>	<u>\$256,026</u>

MAVERICK COUNTY, TEXAS
 COMBINING STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

BUSINESS TYPE ACTIVITIES
 - ENTERPRISE FUNDS

	Water Current Year	Water Prior Year	MCSWA Current Year	MCSWA Prior Year	Airport Current Year	Airport Prior Year	Commissary Current Year	Commissary Prior Year	Totals Current Year
ASSETS									
Current Assets									
Cash and Cash Equivalents	\$455,056	\$433,516	\$4,176,612	\$2,693,523	\$1,128,815	\$1,231,494	\$89,226	\$44,217	\$5,849,709
Accounts Receivables (net of allowance for uncollectibles)	13,909	573,889	198,030	224,333				2,869	211,939
Due from Other Funds			2,400,000		8,810				2,408,810
Total Current Assets	468,965	1,007,405	6,774,642	2,917,856	1,137,625	1,231,494	89,226	47,086	8,470,458
Capital Assets									
Land	143	143	308,919	308,919	71,066	71,066			380,128
Landfill Cell One, Two, and Three			8,443,551	8,443,551					8,443,551
Buildings	4,749,646	4,749,646	520,995	502,395	133,337	133,337			5,403,978
Machinery and Equipment	1,304,892	1,304,892	4,232,245	4,190,789					5,537,137
Infrastructure			1,935,484	1,935,484	21,942	21,942			1,957,426
Landfill Permit			2,175,361	2,175,361					2,175,361
Water Rights	761,400	761,400							761,400
Construction in Progress	6,324,043	4,474,042							6,324,043
Total Capital Assets	13,140,124	11,290,123	17,616,555	17,556,499	226,345	226,345	0	0	30,983,024
Less Accumulated Depreciation/Amortization	(3,208,057)	(3,070,281)	(9,889,580)	(9,269,754)	(99,550)	(96,216)			(13,197,187)
Total Capital Assets (net of accumulated depreciation)	9,932,067	8,219,842	7,726,975	8,286,745	126,795	130,129	0	0	17,785,837
Total Noncurrent Assets	9,932,067	8,219,842	7,726,975	8,286,745	126,795	130,129	0	0	17,785,837
TOTAL ASSETS	\$10,401,032	\$9,227,247	\$14,501,617	\$11,204,601	\$1,264,420	\$1,361,623	\$89,226	\$47,086	\$26,256,295
DEFERRED OUTFLOWS OF RESOURCES									
GASB 68									
Deferred Outflow of Resources-Contributions (after 12/31/19)		24,952		54,196		7,937			0
Deferred Outflow of Resources-Contributions (after 12/31/20)	24,695		56,096		6,452				87,243
Differences between projected and actual experience									0
Differences between expected and actual experience	6,589		26,187	3,773	1,721				34,497
Changes of assumptions	31,162	1,042	107,103	3,432	8,141	331			146,406
GASB 75									
Differences between projected and actual experience						20			0
Differences between expected and actual experience		64	365	453					365
Change in assumptions or inputs	2,056	1,313	8,245	5,982	537	418			10,838
TOTAL DEFERRED OUTFLOWS OF RESOURCES	64,502	27,371	197,996	67,836	16,851	8,706	0	0	279,349

(continued)

(continued)

	Water Current Year	Water Prior Year	MCSWA Current Year	MCSWA Prior Year	Airport Current Year	Airport Prior Year	Commissary Current Year	Commissary Prior Year	Totals Current Year
AND OTHER CREDITS									
Liabilities									
Current Liabilities (Payable from Current Assets)									
Accounts Payable	\$8,284	\$579,602	\$514,788	\$107,174	\$9,235	\$1,111			\$532,307
Accrued Wages	8,661	4,415	24,885	22,451	1,994	1,689			35,540
Accrued Interest Payable	4,647								4,647
Due to Other Funds	12,436	268							12,436
Due to Others	14,650	10,900					42,140		56,790
Compensated Absences			5,970	4,722					5,970
Capital Lease Obligation			143,468	205,125					143,468
Compromise and Settlement Note Payable									0
Bonds, Notes, and Loans Payable - Current	31,000								31,000
Total Current Liabilities	79,678	595,185	689,111	339,472	11,229	2,800	42,140	0	822,158
Noncurrent Liabilities									
Compensated Absences			53,729	44,857					53,729
Capital Lease Obligation			137,316	281,823					137,316
Bonds Payable	1,997,000	2,028,000							1,997,000
Compromise and Settlement Note Payable									0
Net Pension Payable	64,944	40,821	223,208	114,987	16,967	11,823			305,119
Net OPEB Payable	10,596	9,312	34,731	29,483	2,768	2,962			48,095
Accrued Landfill Closure and Postclosure Care Costs			2,415,035	2,017,969					2,415,035
Total Noncurrent Liabilities	2,072,540	2,078,133	2,864,019	2,489,119	19,735	14,785	0	0	4,956,294
Total Liabilities	2,152,218	2,673,318	3,553,130	2,828,591	30,964	17,585	42,140	0	5,778,452
DEFERRED INFLOWS OF RESOURCES									
GASB 68									
Differences between expected and actual experience		1,076	4,292	7,316		342			4,292
Differences between projected and actual experience	18,992	13,180	65,273	43,415	4,962	4,192			89,227
GASB 75									
Differences between expected and actual experience	43		504	252	11				558
Differences between projected and actual experience									0
Change in assumptions or inputs			1,506	1,859					1,506
TOTAL DEFERRED INFLOWS OF RESOURCES	19,035	14,256	71,575	52,842	4,973	4,534	0	0	95,583
Net Position									
Invested in Capital Assets, Net of Related Debt	7,904,067	6,191,842	7,446,191	7,799,797	126,795	130,129	0	0	15,477,053
Unrestricted	390,214	375,202	3,628,717	591,207	1,118,539	1,218,081	47,086	47,086	5,184,556
Total Net Position	\$8,294,281	\$6,567,044	\$11,074,908	\$8,391,004	\$1,245,334	\$1,348,210	\$47,086	\$47,086	\$20,661,609

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

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

	Water Current Year	Water Prior Year	MCSWA Current Year	MCSWA Prior Year	Airport Current Year	Airport Prior Year	Commissary Current Year	Commissary Prior Year	Totals Current Year
OPERATING REVENUES:									
Charges for Services	\$443,040	\$609,471			\$6,300	\$5,094			\$449,340
Tipping Fee			1,983,186	1,897,736					1,983,186
Miscellaneous	2,067	864	2,446	118,163					4,513
Total Operating Revenues	445,107	610,335	1,985,632	2,015,899	6,300	5,094	0	0	2,437,039
OPERATING EXPENSES:									
Personal Services	255,453	263,955	950,723	918,545	75,454	88,134			1,281,630
Supplies	87,699	107,880	13,601	19,165	11,123	5,993			112,423
Other Services and Charges	82,296	154,454	978,288	741,667	10,455	9,829			1,071,039
Depreciation	137,776	137,776	619,826	682,972	3,334	3,333			760,936
Closure and Post Closure Care Costs (Recovery)			397,066	(1,449,463)					397,066
Total Operating Expenses	563,224	664,065	2,959,504	912,886	100,366	107,289	0	0	3,623,094
Operating Income (Loss)	(118,117)	(53,730)	(973,872)	1,103,013	(94,066)	(102,195)	0	0	(1,186,055)
NON-OPERATING REVENUES (EXPENSES):									
Interest Income			4,787	5,472					4,787
Grant Revenue	1,850,001	2,510,529							1,850,001
Interest and Fiscal Charges	(60,417)		(15,740)	(27,268)					(76,157)
Total Non-Operating Revenues (Expenses)	1,789,584	2,510,529	(10,953)	(21,796)	0	0	0	0	1,778,631
Income Before Transfers	1,671,467	2,456,799	(984,825)	1,081,217	(94,066)	(102,195)	0	0	592,576
Transfers In (Out) - Net	55,770	(303,270)	3,668,729	768,704	(8,810)	(4,800)			3,715,689
Change in Net Position	1,727,237	2,153,529	2,683,904	1,849,921	(102,876)	(106,995)	0	0	4,308,265
Total Net Position - Beginning - Restated	6,567,044	4,413,515	8,391,004	6,541,083	1,348,210	1,455,205	47,086	47,086	16,353,344
Total Net Position - Ending	\$8,294,281	\$6,567,044	\$11,074,908	\$8,391,004	\$1,245,334	\$1,348,210	\$47,086	\$47,086	\$20,661,609

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

MAVERICK COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

BUSINESS TYPE ACTIVITIES
- ENTERPRISE FUNDS

	Water Current Year	Water Prior Year	MCSWA Current Year	MCSWA Prior Year	Airport Current Year	Airport Prior Year	Commissary Current Year	Commissary Prior Year	Totals Current Year
Cash Flows from Operating Activities									
Receipts From Customers and Users	\$1,021,005	(\$5,329)	\$2,011,935	\$2,272,488	\$6,300	\$5,094	\$45,009	(\$23,200)	3,084,249
Payments to Suppliers	(736,666)	45,230	(2,984,275)	(2,611,129)	(22,264)	1,265,395	0	0	(3,743,205)
Payments to Employees	(258,152)	(242,867)	(936,127)	(844,389)	(77,905)	(81,557)	0	0	(1,272,184)
Net Cash Provided (Used) By Operating Activities	26,187	(202,966)	(1,908,467)	(1,183,030)	(93,869)	1,188,932	45,009	(23,200)	(1,931,140)
Cash Flows from Non-Capital and Related Financing Activities									
Transfers In (Out) - Net	55,770	(303,270)	3,668,729	768,704	(8,810)	(4,800)	0	0	3,715,689
Federal Grant and Contributions	1,850,001	2,510,529	0	0					1,850,001
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	1,905,771	2,207,259	3,668,729	768,704	(8,810)	(4,800)	0	0	5,565,690
Cash Flows from Capital and Related Financing Activities									
Payment of Revenue Bonds, Notes and Capital Leases			(206,164)	(289,953)					(206,164)
Amortization of City of Eagle Pass Liability	0	0		(96,336)	0	0	0	0	0
Proceeds from Capital Debt		1,369,000							0
Interest and Fiscal Charges	(60,417)		(15,740)	(27,268)					(76,157)
Acquisition of Capital Assets	(1,850,001)	(3,911,017)	(60,056)	(1,924,392)					(1,910,057)
Net Cash Provided (Used) By Capital and Related Financing Activities	(1,910,418)	(2,542,017)	(281,960)	(2,337,949)	0	0	0	0	(2,192,378)
Cash Flows from Investing Activities									
Interest Received	0	0	4,787	5,472	0	0	0	0	4,787
Net Cash Provided (Used) by Investment Activities	0	0	4,787	5,472	0	0	0	0	4,787
Net Increase (Decrease) in Cash Equivalents	21,540	(537,724)	1,483,089	(2,746,803)	(102,679)	1,184,132	45,009	(23,200)	1,446,959
Cash and Cash Equivalents at Beginning of Year	433,516	971,240	2,693,523	5,440,326	1,231,494	47,362	44,217	67,417	4,402,750
Cash and Cash Equivalents at End of Year	\$455,056	\$433,516	\$4,176,612	\$2,693,523	\$1,128,815	\$1,231,494	\$89,226	\$44,217	\$5,849,709
Unrestricted Assets:									
Cash and Cash Equivalents	\$455,056	\$433,516	\$4,176,612	\$2,693,523	\$1,128,815	\$1,231,494	\$89,226	\$44,217	5,849,709
Total	\$455,056	\$433,516	\$4,176,612	\$2,693,523	\$1,128,815	\$1,231,494	\$89,226	\$44,217	\$5,849,709

(continued)

(continued)

BUSINESS TYPE ACTIVITIES
- ENTERPRISE FUNDS

	Water Current Year	Water Prior Year	MCSWA Current Year	MCSWA Prior Year	Airport Current Year	Airport Prior Year	Commissary Current Year	Commissary Prior Year	Totals Current Year
Reconciliation of operating income to net cash provided (used) by operating activities:									
Operating Income (Loss)	(118,117)	(53,730)	(973,872)	1,103,013	(94,066)	(102,195)	0	0	(1,186,055)
Adjustments to Reconcile to Net Cash Flow									
Non-Cash Items Included in Net Income									
Depreciation	137,776	137,776	619,826	682,972	3,334	3,333	0	0	760,936
Closure and Post Closure Care Costs	0	0	397,066	(1,449,463)	0	0	0	0	397,066
Changes in Current Items									
Decrease (Increase) in Accounts Receivable	559,980	(555,860)	26,303	256,589	0	0	2,869	(2,869)	589,152
Decrease (Increase) in Due from Other Funds	0	0	(2,400,000)	0	(8,810)	1,280,929	0	0	(2,408,810)
Decrease (Increase) in Due from Others		0							0
GASB 68									
Decrease (Outcrease) Deferred Outflow of Res.-Contributions	257	(4,431)	(1,900)	2,413	1,485	(1,636)	0	0	(158)
Net difference between projected and actual earnings	5,812	45,583	21,858	146,706	770	14,141	0	0	28,440
Differences between expected and actual experience	(7,665)	1,818	(25,438)	5,909	(2,063)	570	0	0	(35,166)
Changes of assumptions	(30,120)	1,135	(103,671)	3,506	(7,810)	337	0	0	(141,601)
GASB 75									
Increase (Decrease) Deferred Inflow-									
Net difference between projected and actual earnings	0	69	0	(2,561)	20	1			20
Differences between expected and actual experience	107	(64)	340	(201)	11	0	0	0	458
Changes of assumptions	(743)	(854)	(2,616)	(3,166)	(119)	(277)			(3,478)
Increase (Decrease) in Accounts Payable	(571,318)	307,564	407,614	(1,850,297)	8,124	288	0	0	(155,580)
Increase (Decrease) in Accrued Wages	4,246	392	2,434	9,790	305	539	0	0	6,985
Increase (Decrease) in Accrued Interest Payable	4,647	0	0	0	0	0	0	0	4,647
Increase (Decrease) in Compensated Absences	0	0	10,120	2,116	0	0	0	0	10,120
Increase (Decrease) in Due to Other Funds	12,168	34	0	0	0	0	0	0	12,168
Increase (Decrease) in Due to Others	3,750	(59,838)	0	0	0	0	42,140	(20,331)	45,890
Increase (Decrease) in Net Pension Liability	24,123	(24,772)	108,221	(98,265)	5,144	(7,880)	0	0	137,488
Increase (Decrease) in Net OPEB Payable	1,284	2,212	5,248	7,909	(194)	782	0	0	6,338
Net Cash Provided (Used)									
By Operating Activities	26,187	(202,966)	(1,908,467)	(1,183,030)	(93,869)	1,188,932	45,009	(23,200)	(1,931,140)
Noncash Investing, Capital, and Financing Activities:									
Bond Proceeds	\$0	\$1,369,000		\$0	\$0	\$0	\$0	\$0	\$0
Grant Revenue	1,850,001	2,510,529	0	0	0	0	0	0	\$1,850,001
Total	\$1,850,001	\$3,879,529	\$0	\$0	\$0	\$0	\$0	\$0	\$1,850,001

Note: The above funds are all Enterprise Funds.

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

MAVERICK COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 SEPTEMBER 30, 2021

	Agency Funds
ASSETS	
Cash and Cash Equivalents	<u>\$10,730,812</u>
Total Assets	<u><u>\$10,730,812</u></u>
LIABILITIES	
Due to Others	<u>\$10,730,812</u>
Total Liabilities	<u><u>\$10,730,812</u></u>

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

Note: The Agency funds were the only fiduciary fund type of the County in the 2021 year.

MAVERICK COUNTY, TEXAS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Agency Funds
ADDITIONS	
Contributions:	
Contributions from others	<u>\$2,383,716</u>
Total Contributions	<u>2,383,716</u>
Investment Earnings:	
Interest Received	
Total Investment Earnings	<u>0</u>
Less Investment Expense	
Net Investment Earnings	<u>0</u>
TOTAL ADDITIONS	<u><u>2,383,716</u></u>
DEDUCTIONS	
Distributions to other governments and Others	
Distributions to others	
Total Deductions	<u>0</u>
Change in Net Position	2,383,716
Net Position-Beginning	8,347,096
Net Position-Ending	<u><u>\$10,730,812</u></u>

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

Maverick County, Texas
Notes to the Financial Statements
September 30, 2021

I. Summary of significant accounting policies

A. Reporting entity/ Basis of Accounting/Measurement Focus

Maverick County operates under a County Judge – Commissioners’ Court type of government and provides the following services throughout the County: public safety (fire, ambulance, and law enforcement), public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services. The accounting policies of Maverick County, Texas, (the County) conform to generally accepted accounting principles. The County also applies all relevant Government Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant policies.

The accounts of the County are organized 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

B. Government-wide financial statements

The County’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the County accompanied by a total column. Fiduciary activities of the County are not included in these statements.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the County’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

C. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The County has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues and charges for services. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The government reports the following major governmental funds:

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

The road and bridge fund administer property tax and motor vehicle license monies for the maintenance of the county’s roads and bridges.

The debt service fund is used to service the County’s bonds and notes payable.

The American Rescue Plan Fund is used to administer federal grant monies for the benefit of Maverick County.

The Certificate of Obligation Series 2020 fund and the C/T Series 2021 fund are used to administer bond proceeds for various County construction projects.

D. Proprietary fund financial statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the nonmajor funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

The government reports the following major proprietary funds:

The Water Utility Fund accounts for the operation of the County's water utility.

The Maverick County Solid Waste accounts for the landfill operations of the County and is accounted for using the accrual basis of accounting.

The Airport Fund operates the County Airport.

The Commissary Fund manages the Commissary for the Jail Inmates.

E. Fiduciary Funds

Agency Funds - These funds are established to account for assets held by the County as an agent for individuals, private organizations, other governments and other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operations.

F. Blended Component Units

In 2019, the County implemented GASB Statement No. 80, *Blending Requirements for Certain Component Units- An Amendment of GASB Statements No. 14*. Using the criteria of GASB Statement No. 80 as outlined below, potential component units were evaluated for inclusion in, or exclusion from, the reporting entity, whether the organizations were financially accountable or not, and were further evaluated for financial statement presentation. It was determined that all component units of the County continued to be blended as though they are part of the County.

GASB Statement No. 80 This Statement establishes an additional blending requirement for the financial statement presentation of component units. This Statement applies to all state and local governments. This Statement applies to component units that are organized as not-for profit corporations in which the primary government is the sole corporate member. This Statement does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. This Statement amends Statement No. 14, *The Financial Reporting Entity*, paragraph 53, and Implementation Guide No. 2015-1, Question 4.30.1.

A component unit should be included in the reporting entity financial statements using the blending method if the component unit is organized as a not-for-profit corporation in which the primary government is the sole corporate member,¹ as identified in the component unit's articles of incorporation or bylaws, and the component unit is included in the financial reporting entity pursuant to the provisions in paragraphs 21–37 of Statement 14, as amended.

Predicated upon the application of the criteria outlined above, the following is a brief overview of component units included in the reporting entity.

These financial statements include two blended component units, the Child Welfare Board and the *Maverick County Solid Waste Authority, Inc.* (MCSWA), and a brief description is presented below:

MCSWA

On August 10, 2009 the Maverick County Commissioners' Court approved creation of MCSWA (a Texas non-profit corporation) for the purpose of operating the County's type I landfill. This corporation was formed pursuant to the Texas Transportation Code which authorizes the corporation to assist and act on behalf of Maverick County to accomplish any governmental purpose of Maverick County. The bylaws of the corporation call for Maverick County Commissioners' Court appointment and approval of the corporation's five-member Board of Directors. The MCSWA was formed on August 25, 2009 and commenced its operations on October 7, 2009. MCSWA will assume the operation of the County's landfill, which began operations on October 1, 2010. The MCSWA is a major enterprise fund.

Child Welfare Board

The governing board is appointed by the County. Funding for the board is provided by the State of Texas through the County; the County is fiscally and legally accountable to the state for the activities of the board. The Child Welfare Board is reported in the nonmajor special revenue funds.

G. Non-Profit Corporations

Certain organizations established in accordance with state laws promote business development and issue industrial development bonds. These organizations include: *Maverick County Development Corporation and Maverick County Industrial Development Corporation*. Bonds issued by these organizations do not constitute indebtedness to the County and are secured solely by the organizations or individuals on whose behalf the bonds are issued. These organizations are not included in the County's reporting entity.

H. Interlocal Agreements

Maverick County Solid Waste Authority

During the fiscal year, the Solid Waste Authority entered into an Interlocal Governmental Agreement with the County whereby the Solid Waste Authority agreed to pledge monetary funds from tipping fees and the County has agreed to accept the monetary funds pledged by the Solid Waste Authority.

Per terms of the agreement, the Solid Waste Authority agreed to transfer \$1,990,365 during the year.

I. Assets, liabilities, and net assets or equity

1. Deposits and investments

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

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as fair value of the pool shares.

For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

2. Receivables and payables

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

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 1 percent of current outstanding property taxes at September 30, 2021, and 10 percent of delinquent outstanding property taxes at September 30, 2021. Property is appraised and a lien on such property becomes enforceable as of January 1, subject to certain procedures for rendition, appraisal, appraisal review and judicial review. Traditionally, property taxes are levied October 1, of the year in which assessed or as soon thereafter as practicable. Taxes are due and payable when levied since that is when the County bills the taxpayers. The County begins to collect the taxes as soon as the taxpayers are billed.

3. Inventories and prepaid items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

4. Restricted assets

Maverick County had no restricted assets at September 30, 2021.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years.

As the government constructs or acquires additional capital assets each period, they are capitalized and reported at acquisition value. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the government values these capital assets at the estimated fair value of the item at the date of its donation.

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The Water Fund had a water expansion project during the 2021 year. There was also had road improvement projects during the 2021 year.

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	40
Public Domain infrastructure	40
System infrastructure	40
Vehicles	5
Office equipment	5
Computer equipment	5

6. Compensated absences

It is the government's policy to permit employees to accumulate earned but unused vacation, comp. time, and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay and comp. time is accrued when incurred in the government-wide, governmental funds and proprietary financial statements.

7. 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. Fund equity

As of September 30, 2021, fund balances of the governmental funds are classified as follows:

Restricted — amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Unassigned— all other spendable amounts.

As of September 30, 2021, fund balances are composed of the following:

Fund Balances:	
Restricted	
Construction	\$7,845,523
Debt Service	772,465
General Administration	424,443
Health and Welfare	4,579,765
Judicial	690,406
Public Safety - Sheriff	671,876
Public Transportation	505,532
Records Management	79,835
Unassigned	<u>5,242,314</u>
Total Fund Balance	<u>\$20,812,159</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is 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, as needed, unless Commissioners' Court or the finance committee has provided otherwise in its commitment or assignment actions. In fiscal year 2011, the Commissioners' Court adopted a minimum fund balance policy for the General Fund. The policy requires the unassigned fund balance at fiscal year-end to be at least equal to 25 percent of the subsequent year's budgeted General Fund expenditures.

9. Comparative data/reclassifications

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

10. 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 has two items that qualify for reporting in this category. They are deferred under GASB 68 and GASB 75.

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 government has two items that qualify for reporting in this category. They are deferred under GASB 68 and GASB 75.

The County reports unearned revenue on its fund financial statements. Unearned revenues arise when potential revenue does not meet both the “measureable” and “available” criteria for recognition in the current period (fund financial statements). Unearned revenues also arise when resources are unearned by the County and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures (fund financial statements and government-wide financial statements). In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the applicable financial statement and revenue is recognized. Pursuant to GASB 65 we have included deferred ad valorem taxes as deferred inflows in the fund financial statements.

11. Net position flow assumption

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

II. Reconciliation of government-wide and fund financial statements

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

The governmental fund balance sheet includes reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that 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 \$43,885,838 difference are as follows:

Tax Notes Payable	\$1,969,677
Bonds Payable	35,255,000
Premium on 2020A Bond Refunding	338,686
Capital Lease Payable	357,770
Compensated Absences	685,135
Accrued Interest Payable	95,659
Net Pension Liability	4,456,754
Net OPEB Payable	727,157
	<u>\$43,885,838</u>

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "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." The details of this \$19,722,744 difference are as follows:

Capital assets not being depreciated	\$6,590,439
Capital assets being depreciated	31,084,690
Depreciation expense	(17,952,385)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in Net Position of governmental activities	<u>\$19,722,744</u>

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectibles.") The details of this \$2,489,208 difference are as follows:

Property Taxes Receivable	\$2,692,852
Allowance for Doubtful Accounts	<u>(203,644)</u>
Net	<u><u>\$2,489,208</u></u>

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "Justice's of the Peace fines and fees receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectibles") and amounts deferred pursuant to GASB 68 and GASB 75. The details of this \$5,147,361 difference are as follows:

Fines Receivable	\$2,804,865
Allowance for Doubtful Accounts	(2,321,470)
GASB 68	
Deferred Outflow of Resources-Contributions (after 12/31/20)	1,694,698
Net difference between projected and actual earnings	(1,303,289)
Differences between expected and actual experience	452,140
Changes of assumptions	2,138,506
GASB 75	
Differences between expected and actual experience	(2,927)
Changes of assumptions	141,088
Loss on Bond Refunding	<u>1,543,750</u>
Net	<u><u>\$5,147,361</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, 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 funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that 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. The details of this \$3,231,904 difference are as follows:

Capital Outlay - Additions - Not Being Depreciated	\$2,349,332
Capital Outlay - Additions - Being Depreciated (Net)	2,157,610
Capital Outlay - Deletions	0
Depreciation Expense	(1,275,038)
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	<u><u>\$3,231,904</u></u>

III. Stewardship, compliance, and accountability

A. Budgetary information

The original budget is adopted by the Commissioners' Court and filed with the County Clerk. Amendments are made during the year on approval by the Commissioners' Court.

The final amended budget is used in this report.

The budget should not be exceeded in any expenditure category under State law. Unused appropriations lapse at the end of each year. The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by the Commissioners' Court, the County Auditor prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to the Commissioners' Court. The Commissioners' Court invites various department heads to appear for a hearing concerning the departments' budget requests. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the County Auditor's estimate of revenues and available cash. The final budget can be legally amended by the Commissioners' Court to whatever extent the Court desires as long as the amended figures do not exceed the County Auditor's estimate of revenues and available cash. When the Budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control for each legally adopted annual operating budget is the line item. Budgets were adopted in conformity with generally accepted accounting principles (GAAP). A budget for the 2021 fiscal year was adopted for the General Fund, the Road and Bridge fund, and the Debt Service fund.

B. Excess of expenditures over appropriations

For the year ended September 30, 2021, expenditures did not exceed appropriations in any fund.

C. Deficit fund equity

The County had no deficit fund balances as of September 30, 2021, except for the following: the Stone Garden 2009 fund - \$44,157 and the DA Border Prosecution - \$8,339. These deficits are expected to be liquidated by future resources of these funds.

IV. Detailed notes on all funds

A. Deposits and investments

Legal and Contractual Provisions Governing Deposits and Investments:

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

Policies Governing Deposits and Investments:

In compliance with the Public Funds Investment Act, the County has adopted a deposit and investment policy.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does have a deposit policy for custodial credit risk. As of September 30, 2021, the government's depository bank balance of \$28,265,362 with IBC Bank was not exposed to custodial credit risk because it was fully insured and collateralized with securities held by the pledging financial institution's trust department or agent, in the government's name. The fair market value of the securities pledged is \$49,583,110 and the FDIC coverage is \$250,000. As of September 30, 2021, the government's depository bank balance of \$11,667,888 with Falcon Bank was not exposed to custodial credit risk because it was fully insured and collateralized with securities held by the pledging financial institution's trust department or agent, in the government's name. The fair market value of the securities pledged is \$11,710,254 and the FDIC coverage is \$250,000.

The total book amount of cash was \$39,538,434 at September 30, 2021.

B. Receivables

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

	General	Road and Bridge	Debt Service	Other Governmental Funds	Water	MCSWA	Total
<u>Receivables</u>							
Taxes	\$1,993,513		\$699,339				\$2,692,852
Accounts	252,888			77,654	13,909	198,030	542,481
Fines	2,804,865						2,804,865
Sales Tax	529,871						529,871
Intergovernmental				1,165,492			1,165,492
Other	658,667	25					658,692
Gross Receivables	6,239,804	25	699,339	1,243,146	13,909	198,030	8,394,253
Less: Allowance for Uncollectibles	2,469,435	0	55,679				2,525,114
Net Total Receivables	<u>\$3,770,369</u>	<u>\$25</u>	<u>\$643,660</u>	<u>\$1,243,146</u>	<u>\$13,909</u>	<u>\$198,030</u>	<u>\$5,869,139</u>

C. Capital assets

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

Governmental Activities:	Beginning			Ending
Capital assets not being depreciated:	Balances	Increases	Decreases	Balances
Land	\$4,151,953			\$4,151,953
Construction in Progress	2,202,254	2,349,332	2,113,100	2,438,486
Total capital assets not being depreciated:	<u>6,354,207</u>	<u>2,349,332</u>	<u>2,113,100</u>	<u>6,590,439</u>

Capital assets being depreciated:				
Building and Improvements	10,835,746	1,301,907		12,137,653
Machinery and Equipment	11,474,502	226,061	306,037	11,394,526
Infrastructure	4,526,601	2,729,691		7,256,292
Intangible	283,168	13,051		296,219
Total capital assets being depreciated:	<u>27,120,017</u>	<u>4,270,710</u>	<u>306,037</u>	<u>31,084,690</u>

Less: Accumulated Depreciation for:				
Building and Improvements	4,760,789	270,489		5,031,278
Machinery and Equipment	9,305,862	860,784	306,037	9,860,609
Infrastructure	2,733,348	114,143		2,847,491
Intangible	183,385	29,622		213,007
Total Accumulated Depreciation	<u>16,983,384</u>	<u>1,275,038</u>	<u>306,037</u>	<u>17,952,385</u>
Total Capital Assets Depreciated, Net	<u>10,136,633</u>	<u>2,995,672</u>	<u>0</u>	<u>13,132,305</u>
Governmental Activities capital assets, Net	<u>\$16,490,840</u>	<u>\$5,345,004</u>	<u>\$2,113,100</u>	<u>\$19,722,744</u>

Business-type Activities:	Beginning			Ending
Capital assets not being depreciated:	Balances	Increases	Decreases	Balances
Land	\$380,128	\$0	\$0	\$380,128
Construction in Progress	4,474,042	1,850,001	0	6,324,043
Total capital assets not being depreciated:	<u>4,854,170</u>	<u>1,850,001</u>	<u>0</u>	<u>6,704,171</u>

Capital assets being depreciated:				
Building and Improvements	5,385,378	18,600	0	5,403,978
Landfill Cell One and Two	8,443,551	0	0	8,443,551
Machinery and Equipment	5,495,681	41,456	0	5,537,137
Infrastructure	1,935,484	0	0	1,935,484
Landfill Permit	2,175,360	1	0	2,175,361
Water Rights	761,400	0	0	761,400
Total capital assets being depreciated:	<u>24,196,854</u>	<u>60,057</u>	<u>0</u>	<u>24,256,911</u>

Less: Accumulated Depreciation for:				
Building and Improvements	1,617,588	122,075	0	1,739,663
Machinery and Equipment	1,304,892	0	0	1,304,892
Water Rights	222,075	19,035	0	241,110
MCSWA	9,269,754	619,826	0	9,889,580
Total Accumulated Depreciation	<u>12,414,309</u>	<u>760,936</u>	<u>0</u>	<u>13,175,245</u>
Total Capital Assets Depreciated, Net	<u>11,782,545</u>	<u>(700,879)</u>	<u>0</u>	<u>11,081,666</u>
Business-type Activities capital assets, Net	<u>\$16,636,715</u>	<u>\$1,149,122</u>	<u>\$0</u>	<u>\$17,785,837</u>

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

Governmental Activities	
General Administration	\$55,314
Judicial	20,025
Financial Administration	46,360
Public Facilities	91,336
Public Safety	448,659
Public Transportation	499,829
Culture and Recreation	65,295
Health and Welfare	48,220
Total Depreciation Expense - Governmental Activities	<u>\$1,275,038</u>
Business-Type Activities	
Water	\$137,776
MCSWA	619,826
Airport	3,334
Total Depreciation Expense - Business-Type Activities	<u>\$760,936</u>

Construction commitments:

The Water Fund had a water expansion project during the 2021 year. There was also road improvement projects during the 2021 year.

Interfund receivables, payables, and transfers

The composition of interfund balances as of September 30, 2021, is as follows:

Due to/from other funds:

DUE TO	DUE FROM				TOTAL
	General Fund	American Rescue Plan	Landfill Waste/Criminal Detention Ctr. Fund	Other Governmental Funds	
General Fund				\$58,641	\$58,641
Road and Bridge Fund				91	91
Landfill Waste/Criminal Detention Ctr. Fund	2,400,000				2,400,000
MCSWA Fund			2,400,000		2,400,000
Other Governmental Funds	420,490	37,418		65,592	523,500
TOTALS	<u>\$2,820,490</u>	<u>\$37,418</u>	<u>\$2,400,000</u>	<u>\$124,324</u>	<u>\$5,382,232</u>

DUE TO	DUE FROM		TOTAL
	Water Fund	Other Governmental Funds	
General Fund	\$12,436		\$12,436
Airport Fund		(8,810)	(8,810)
TOTALS	<u>\$12,436</u>	<u>(\$8,810)</u>	<u>\$3,626</u>

The above amounts are not expected to be paid within the year.

The amounts due from the general fund, the water fund, and the road and bridge fund to the various respective funds were for operating expenses.

Transfers:

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, and 3) to provide operating capital to the general fund.

In the year ended September 30, 2021, the government made the following recurring transfers:

TRANSFER OUT	TRANSFER IN			TOTAL
	General Fund	Road and Bridge Fund	Other Governmental Funds	
General Fund		\$1,914,080	\$1,788,916	\$3,702,996
American Rescue Plan	2,170,761			2,170,761
Certificate of Obligation 2020	590,888			590,888
Other Governmental Funds	1,452,320		7,959	1,460,279
TOTALS	\$4,213,969	\$1,914,080	\$1,796,875	\$7,924,924

TRANSFER OUT	TRANSFER IN			TOTAL
	General Fund	Debt Service Fund	MCSWA Fund	
Landfill Waste/Criminal Detention Ctr. Fund			\$5,773,010	\$5,773,010
Airport Fund	(8,810)			(8,810)
Utility Fund		55,770		55,770
MCSWA Fund	(2,104,281)			(2,104,281)
TOTALS	(\$2,113,091)	\$55,770	\$5,773,010	\$3,715,689

The transfers into the general fund and the MCSWA fund are for operations.

D. Leases

Operating Leases

The government leases equipment under non-cancellable operating leases. Total costs for such leases were \$5,220 for the year ended September 30, 2021. The future minimum lease payments for these leases are as follows:

Year Ending Sep. 30	<u>Amount</u>
2022	\$ 5,220
2023	5,220
2024	5,220
2025	2,610
2026	<u>0</u>
Total	<u>\$18,270</u>

Rent expenditures were \$25,008 for the year ended September 30, 2021. Rental income was \$160,440 for the year ended September 30, 2021.

E. Long-term debt

Certificates of Obligation Bonds

The government issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation bonds have been issued for governmental activities.

The County had a refunding whereby Series 2016 was partially refunded (\$14,885,000) with Series 2020A bonds (\$16,190,000). The loss on the refunding was \$1,305,000 but the present value savings from the refunding is estimated to be \$2,561,545.

Certificates of Obligation bonds currently outstanding are as follows:

PURPOSE	RATE	ORIGINAL AMOUNTS	CURRENT AMOUNTS	SERIES	MATURITY DATE	COVENANTS	SECURITY
Governmental activities	7.00%	\$18,690,000	\$1,685,000	2016	2034	Sinking Fund	Ad Valorem Tax
Governmental activities	3.82%	2,845,000	1,780,000	2019A	2024	Sinking Fund	Ad Valorem Tax and Utility Fees
Governmental activities	4.50%	4,100,000	3,110,000	2019	2026	Sinking Fund	Ad Valorem Tax
Governmental activities	2.58-5%	\$16,190,000	\$15,955,000	2020A	2034	Sinking Fund	Ad Valorem Tax
Governmental activities	1.99%	6,150,000	5,900,000	2020	2030	Sinking Fund	Ad Valorem Tax
Governmental activities	1.89%	6,150,000	6,150,000	2021	2036	Sinking Fund	Ad Valorem Tax
Governmental activities	2.19%	675,000	675,000	2021	2033	Sinking Fund	Ad Valorem Tax
Business-type activities	2.75%	2,028,000	2,028,000	FEMA 2019	2059	Sinking Fund	Ad Valorem Tax and Utility Fees
			<u>\$37,283,000</u>				

Annual debt service requirements to maturity for bonds are as follows:

Year Ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	\$2,783,000	\$1,175,609	\$31,000	\$55,340
2023	2,926,000	1,032,452	32,000	54,474
2024	3,037,000	905,783	33,000	53,581
2025	2,529,000	794,790	34,000	52,659
2026	2,630,000	690,920	35,000	51,710
2027-2031	14,033,000	2,067,758	185,000	243,699
2032-2036	7,317,000	322,694	215,000	216,197
2037-2041			245,000	184,678
2042-2046			281,000	148,539
2047-2051			322,000	107,134
2052-2056			370,000	59,639
2057-2059			245,000	10,161
TOTALS	<u>\$35,255,000</u>	<u>\$6,990,006</u>	<u>\$2,028,000</u>	<u>\$1,237,811</u>

Capital Leases

The Solid Waste Authority had two lease purchase agreements for the acquisition of machinery and equipment. Lease principal payments for the fiscal year ended September 30, 2021, totaled \$206,164. The effective interest rate was 3.2% for the first lease and 4.55% for the second lease. Total cost of the assets acquired under these two capital leases is \$1,445,881 with accumulated depreciation of \$808,621.

In 2021, Maverick County entered into a lease purchase agreement for the acquisition of various equipment. The effective interest rate is 5.05% for the lease. Total cost of the asset acquired under this capital leases is \$798,290 with accumulated depreciation of \$638,632. The security for the equipment is the equipment financed.

In 2021, Maverick County entered into a lease purchase agreement for the acquisition of two Peterbilt Trucks. The effective interest rate is 5.05% for the lease. Total cost of the asset acquired under this capital leases is \$287,151 with accumulated depreciation of \$229,721. The security for the equipment is the equipment financed.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021, were as follows:

YEAR	Governmental	Business-Type	Total
	Activities	Activities	
	Amount	Amount	Amount
2022	\$496,726	\$153,820	\$650,546
2023		141,002	141,002
Total Minimum Lease Payments	496,726	294,822	791,548
Less: Amount Representing Interest	138,956	14,038	152,994
Present Value of Net Minimum Lease Payments	\$357,770	\$280,784	\$638,554

Closure and Post Closure Costs

The Solid Waste Authority at year-end operated two active cells and one inactive cell at the landfill site. State and federal laws and regulations require the Solid Waste Authority to place a cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years (30) after closure. The Solid Waste Authority accounts for and discloses closure and post closure care costs in accordance with GASB Statement No. 18 *Accounting for Municipal Solid Waste Landfill Closure and Post closure Care Cost* (the "Statement").

The Statement requires, among other matters: (1) that the liability for closure and post closure care costs be estimated based on applicable federal, state or local regulations that were in existence as of the date of the Statements of Net Position

(2) that the cost estimates be reevaluated and adjusted on an annual basis for changes due to inflation or deflation, or for changes due to advancements in technology (3) that a portion of these estimated closure and post closure costs be recognized in each operating period that the landfill is active, based on the amount of waste received during the period (included in the capacity used to date), even though the majority of the costs will not be paid until after the landfill cells are closed, and (4) that changes in the estimated costs for closure and post closure care which will occur after the landfill stops accepting waste be recognized entirely in the period of the change.

In addition to operating expenses related to current activities of the landfill, an expense (recovery) provision and related liability are being recognized based on the landfill capacity used as of each statement of net position date. The Solid Waste Authority estimates a total combined cost for the closure and post closure of Cells 1, 2 and 3 to be \$4,843,001. These future closure and post closure care costs will be paid only near or after the date the landfill no longer accepts waste. The \$2,415,035 reported as accrued landfill closure and post closure care costs at September 30, 2021, represents the cumulative amount reported to date based on the use of 49.87% of the estimated capacity of the landfill. The addition of the Solid Waste Authority’s Cell 3 has increased the capacity of the landfill to 2,762,765 cubic yards. The increased capacity generated a closure and post closure care cost of \$397,066 for the year ended September 30, 2021. The Solid Waste Authority estimates the useful life as of September 30, 2021, to be approximately 6 years. The estimated total current cost of the accrued landfill closure and post closure care is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of September 30, 2021. However, the actual cost of closure and post closure care may change due to inflation, changes in technology, or changes in landfill laws and regulations. The above estimated capacity usage is based on a study conducted by SCS Engineers and presented in a report dated November 29, 2020.

Texas Commission on Environmental Quality (TCEQ) Financial Assurance

The Solid Waste Authority is required under the provision of the Administrative Code to provide financial assurance to the Texas Commission on Environmental Quality (TCEQ), formerly known as the Texas Natural Resource Conservation Commission, related to the closure of municipal solid waste operations including, but not limited to, storage, collection, handling, transportation, processing, and disposal of municipal solid waste. As such, financial assurance is required to ensure that funds are available, when needed, to meet costs associated with the closure of the County’s landfill. The Solid Waste Authority pledged to the TCEQ an Insurance Performance Bond effective on March 25, 2021 in the amount of \$4,901,117.

Tax Notes Payable

Tax Notes, Series 2019, Issued June 24, 2019, Interest Rate: 2%, Maturity Year: 2034, Amount Issued: \$2,310,317, Amount Outstanding: \$2,120,342. The security for the Tax Notes is Ad Valorem Taxes.

Annual debt service requirements to maturity for the notes are as follows:

Year Ending	Governmental Activities	
	Principal	Interest
September 30,		
2022	\$158,484	\$38,396
2023	161,678	35,203
2024	164,936	31,945
2025	168,259	28,621
2026	171,650	25,231
2027-2031	911,547	72,858
2032-2034	227,090	3,648
TOTALS	\$1,963,644	\$235,902

The annual requirements for the above general long-term debt outstanding at September 30, 2021 are as follows:

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Refunding		Ending Balance	Due Within One Year	Due After One Year
				Additions	Reductions			
<u>Governmental Activities:</u>								
General Obligation Bonds	\$23,310,000	\$12,975,000	\$2,335,000	\$16,190,000	\$14,885,000	\$35,255,000	\$2,783,000	\$32,472,000
Bond Issuance Premium		364,739	26,053			338,686		338,686
Tax Notes	2,120,342		150,665			1,969,677	158,485	1,811,192
Total Bonds Payable	25,430,342	13,339,739	2,511,718	16,190,000	14,885,000	37,563,363	2,941,485	34,621,878
Capital Lease Payable	683,438		325,668			357,770	357,770	0
Net Pension Liability	2,306,765	4,456,754	2,306,765			4,456,754		4,456,754
Net OPEB Payable	619,529	727,157	619,529			727,157		727,157
Compensated Absences	716,178	685,135	716,178			685,135	685,135	0
Total Governmental Activities	29,756,252	19,208,785	6,479,858	16,190,000	14,885,000	43,790,179	3,984,390	39,805,789
<u>Business-Type Activities:</u>								
General Obligation Bonds	2,028,000					2,028,000	31,000	1,997,000
Capital Lease Obligation	486,948		206,164			280,784	143,468	137,316
Compensated Absences	49,579	59,699	49,579			59,699	5,970	53,729
Net Pension Liability	167,631	305,119	167,631			305,119		305,119
Net OPEB Payable	41,757	48,095	41,757			48,095		48,095
Accrued Landfill Closure and Postclosure Care Costs	2,017,969	397,066				2,415,035		2,415,035
Total Business-Type Activities	4,791,884	809,979	465,131	0	0	5,136,732	180,438	4,956,294
Grand Total	\$34,548,136	\$20,018,764	\$6,944,989	\$16,190,000	\$14,885,000	\$48,926,911	\$4,164,828	\$44,762,083

The government-wide statement of net assets includes \$4,164,828 as "noncurrent liabilities, due within one year".

Note: Compensated absences are considered to be short term liabilities with the exception of \$5,970 or 10% in the MCSWA fund in the Business-Type Activities. The governmental activities bonds, capital leases, and compensated absences are serviced by the general fund. The Business-type activities bonds, capital leases, and compensated absences are serviced by the both the water fund.

V. Other information

A. Risk management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Claim liabilities are estimated considering the effects of inflation, recent claim settlement trends (including frequency and amounts of payouts) and other economic and social factors (including the effects of specific, incremental claim adjustment expense, salvage and subrogation).

	Year ended <u>09/30/21</u>	Year ended <u>09/30/20</u>
Unpaid Claims, Beginning of Fiscal Year	\$ -0-	\$ -0-
Incurred Claims (including IBNRs)		
Claim Payments	<u>-0-</u>	<u>-0-</u>
Unpaid Claims, End of Fiscal Year	<u>\$ -0-</u>	<u>\$ -0-</u>

1. General Liability Insurance

The County is insured for general, police officers and automobile liability.

The County pays an annual premium to La Vernia Insurance for auto vehicle insurance coverage. The agreement with La Vernia provides that La Vernia will be self-sustaining through member premiums and will reinsure through commercial companies for claims of combined single limits of \$1,000,000 for each insurance event. The County anticipates no contingent losses.

The County continues to carry commercial fidelity bonds for elected officials and for management.

2. Property and Casualty Insurance

Property, casualty, mobile equipment insurance is provided by Texas Political Subdivision.

3. Workers' Compensation Insurance

The County insures against workers' compensation claims through Texas Political Subdivision.

4. Group Health and Life Insurance

The County maintains a self-funded stop/loss health insurance plan for active employees and their eligible dependents. The stop/loss amounts for the year 2021 were \$50,000 per individual and \$1,885,703 aggregate. The stop/loss amounts for the year 2021 are \$50,000 per individual and \$2,930,931 aggregate. Costs are recorded in the fund from which the employees' compensation is paid.

5. Unemployment Compensation Insurance

The County insures for unemployment compensation claims through an agreement with the Texas Workforce Commission (TWC).

B. Related party transaction

David Saucedo, the County Judge and Ignacio Saucedo, the Sheriff Grant Administrator are brothers. Ignacio Saucedo also serves on the board of TPS, which provides health insurance and workers compensation for the County.

Rosy Cantu, Commissioner Precinct 2 is the mother of Denise Cantu, a Landfill Board Member, and Martin Cantu, a Sheriff's Deputy.

Rito Valdez III, the County Treasurer, is related to Rito Valdez II and Aaron Valdez who own the Memorial Funeral Home. The amount paid by the County was \$5,526.00 for FYE 2021.

Sonia Junfin, County Auditor, is also related to and part owner of the Memorial Funeral Home. -see above

Gerardo Morales, Commissioner Precinct 1 has a brother, Humberto Morales that owns a Tortilleria that sells to the Nutrition Center. The amount paid by the County was \$801.00 for FYE 2021.

There were no amounts due to or from either party as of September 30, 2021.

C. Subsequent Events

On December 21, 2021, the County approved the resolution for Operation Lone Star Grant #4376302 to be submitted and operated for the 2022 Fiscal year and thereafter.

D. Contingent liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial. The County was not a defendant on September 30, 2021.

E. Prior Period Adjustments

The County has determined that certain transactions were recorded incorrectly in a prior year.

The County had a prior period adjustment whereby governmental activities were increased by \$113,125. The restatement was a result of the beginning Construction in Progress being understated by \$113,125.

The County also had a prior period adjustment whereby business-type activities were decreased by \$11,322 and governmental activities and the Funds were decreased by \$10,989. The restatements were a result of various immaterial items.

These restatements had a corresponding effect on the beginning net position.

	Net Position, as Previously Reported	Construction in Progress Adjustment	Various Other	Net Position As Restated
Governmental Activities:				
Net Position	\$709,968	\$113,125	(\$10,989)	\$812,104
Total Governmental Activities	<u>\$709,968</u>	<u>\$113,125</u>	<u>(\$10,989)</u>	<u>\$812,104</u>

	Net Position, as Previously Reported	Various Other	Net Position As Restated
Business-Type Activities:			
Net Position	\$16,364,666	(\$11,322)	\$16,353,344
Total Business-Type Activities	<u>\$16,364,666</u>	<u>(\$11,322)</u>	<u>\$16,353,344</u>

	Fund Balance as Previously Reported	Various Other	Fund Balance as Restated
Governmental Funds:			
Fund Balance	\$9,960,326	(\$10,989)	\$9,949,337
Total Governmental Funds	<u>\$9,960,326</u>	<u>(\$10,989)</u>	<u>\$9,949,337</u>

F. Summary of TCDRS Funding Policy

Net Pension Liability / (Asset)	Net Pension Liability / (Asset)	
	December 31, 2019	December 31, 2020
Total pension liability	\$42,006,974	\$49,100,947
Fiduciary net position	39,523,446	44,338,945
Net pension liability/(asset)	2,483,528	4,762,003
Fiduciary net position as a % of total pension liability	94.09%	90.30%
Pensionable covered payroll	\$11,900,605	\$13,573,546
Net Pension liability as a % of covered payroll	20.87%	35.08%

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Note: Rounding differences may exist above or in other tables in this report.

Discount Rate

Discount rate	8.10%	7.60%
Long-term expected rate of return, net of investment expense	8.10%	7.60%
Municipal bond rate	Does not apply	Does not apply

Other Key Actuarial Assumptions

All 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 TCRDS 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.

See Appendix B of this report (Actuarial Methods and Assumptions Used for GASB Calculations) for a listing of key assumptions used in the calculation of the total pension liability and other GASB 68 metrics.

See Appendix C (Actuarial Methods and Assumptions Used for Funding Valuation) of this report for a full description of the actuarial assumptions used in the funding valuation.

	Beginning Date	Ending Date
Valuation date	December 31, 2019	December 31, 2020
Measurement date	December 31, 2019	December 31, 2020
Employer's fiscal year	October 1, 2020	September 30, 2021

Projection of Fiduciary Net Position

Calendar Year Ending	Projected Beginning Fiduciary Net Position (a)	Projected Total Contributions (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (a)+(b)-(c)- (d)+(e)
2021	\$44,338,945	\$2,572,439	\$2,802,383	\$44,339	\$3,359,528	\$47,424,189
2022	47,424,189	2,636,792	2,289,770	47,424	3,615,415	51,339,201
2023	51,339,201	2,541,196	2,433,040	51,339	3,903,899	55,299,917
2024	55,299,917	2,469,250	2,595,600	55,300	4,196,017	59,314,284
2025	59,314,284	2,414,426	2,728,839	59,314	4,493,944	63,434,501
2026	63,434,501	2,356,558	2,904,738	63,435	4,798,206	67,621,093
2027	67,621,093	2,297,531	3,122,765	67,621	5,105,896	71,834,134
2028	71,834,134	2,250,492	3,326,322	71,834	5,416,581	76,103,051
2029	76,103,051	2,204,264	3,594,236	76,103	5,729,141	80,366,117
2030	80,366,117	2,159,364	3,859,023	80,366	6,041,423	84,627,515
2031	84,627,515	2,115,871	4,123,563	84,628	6,353,639	88,888,834
2032	88,888,834	2,070,563	4,419,328	88,889	6,664,617	93,115,797
2033	93,115,797	2,030,332	4,762,073	93,116	6,971,422	97,262,362
2034	97,262,362	1,993,005	5,135,692	97,262	7,271,076	101,293,488
2035	101,293,488	1,957,225	5,444,651	101,293	7,564,431	105,269,199
2036	105,269,199	1,926,127	5,757,583	105,269	7,853,603	109,186,077
2037	109,186,077	1,893,034	6,093,731	109,186	8,137,365	113,013,558
2038	113,013,558	1,860,876	6,486,016	113,014	8,412,277	116,687,682
2039	116,687,682	1,831,216	6,870,092	116,688	8,675,940	120,208,059
2040	120,208,059	1,800,947	7,233,997	120,208	8,928,653	123,583,453
2041	123,583,453	1,768,584	7,577,549	123,583	9,171,033	126,821,937
2042	126,821,937	815,115	7,878,450	126,822	9,370,244	129,002,025
2043	129,002,025	751,432	8,249,353	129,002	9,519,638	130,894,739
2044	130,894,739	684,019	8,591,961	130,895	9,648,118	132,504,020
2045	132,504,020	628,648	8,898,115	132,504	9,756,877	133,858,927
2046	133,858,927	572,908	9,228,136	133,859	9,845,409	134,915,248
2047	134,915,248	520,437	9,475,060	134,915	9,914,481	135,740,191
2048	135,740,191	469,471	9,845,087	135,740	9,961,441	136,190,275
2049	136,190,275	420,806	10,138,630	136,190	9,982,865	136,319,126
2050	136,319,126	376,027	10,365,596	136,319	9,982,515	136,175,753
2051	136,175,753	334,617	10,638,358	136,176	9,959,904	135,695,741
2052	135,695,741	293,503	10,778,877	135,696	9,916,666	134,991,336
2053	134,991,336	256,563	10,952,654	134,991	9,855,297	134,015,551
2054	134,015,551	223,204	11,098,046	134,016	9,774,505	132,781,198
2055	132,781,198	192,769	11,154,146	132,781	9,677,512	131,364,552
2056	131,364,552	165,946	11,169,573	131,365	9,568,324	129,797,884
2057	129,797,884	142,625	11,139,554	129,798	9,449,566	128,120,723
2058	128,120,723	121,947	11,171,173	128,121	9,320,213	126,263,589

2059	126,263,589	102,646	11,107,422	126,264	9,180,798	124,313,347
2060	124,313,347	85,882	11,022,151	124,313	9,035,208	122,287,974
2061	122,287,974	70,288	10,882,619	122,288	8,885,979	120,239,334
2062	120,239,334	58,399	10,691,326	120,239	8,737,051	118,223,218
2063	118,223,218	46,429	10,481,843	118,223	8,591,270	116,260,851
2064	116,260,851	36,371	10,240,797	116,261	8,450,820	114,390,983
2065	114,390,983	28,629	9,964,277	114,391	8,318,806	112,659,750
2066	112,659,750	21,360	9,682,667	112,660	8,197,531	111,083,314
2067	111,083,314	16,623	9,359,641	111,083	8,089,654	109,718,867
2068	109,718,867	12,255	9,033,667	109,719	7,998,004	108,585,741
2069	108,585,741	8,788	8,693,127	108,586	7,924,503	107,717,320
2070	107,717,320	6,800	8,330,306	107,717	7,871,996	107,158,093
2071	107,158,093	5,070	7,964,263	107,158	7,843,106	106,934,848
2072	106,934,848	3,662	7,595,184	106,935	7,839,864	107,076,254
2073	107,076,254	1,871	7,239,044	107,076	7,863,824	107,595,830
2074	107,595,830	1,094	6,866,709	107,596	7,917,153	108,539,772
2075	108,539,772	437	6,496,682	108,540	8,002,636	109,937,624
2076	109,937,624	177	6,122,554	109,938	8,122,768	111,828,077
2077	111,828,077	0	5,752,868	111,828	8,280,156	114,243,537
2078	114,243,537	0	5,385,462	114,244	8,477,347	117,221,179
2079	117,221,179	0	5,025,328	117,221	8,716,971	120,795,600
2080	120,795,600	0	4,672,959	120,796	9,001,638	125,003,484
2081	125,003,484	0	4,329,079	125,003	9,334,109	129,883,510
2082	129,883,510	0	3,994,208	129,884	9,717,301	135,476,719
2083	135,476,719	0	3,669,166	135,477	10,154,302	141,826,378
2084	141,826,378	0	3,354,437	141,826	10,648,379	148,978,494
2085	148,978,494	0	3,050,481	148,978	11,203,012	156,982,047
2086	156,982,047	0	2,758,017	156,982	11,821,894	165,888,942
2087	165,888,942	0	2,477,709	165,889	12,508,942	175,754,286
2088	175,754,286	0	2,210,548	175,754	13,268,307	186,636,290
2089	186,636,290	0	1,957,434	186,636	14,104,375	198,596,595
2090	198,596,595	0	1,719,228	198,597	15,021,798	211,700,569
2091	211,700,569	0	1,496,897	211,701	16,025,505	226,017,477
2092	226,017,477	0	1,291,382	226,017	17,120,723	241,620,801
2093	241,620,801	0	1,103,354	241,621	18,313,008	258,588,834
2094	258,588,834	0	932,959	258,589	19,608,302	277,005,588
2095	277,005,588	0	780,048	277,006	21,012,992	296,961,526
2096	296,961,526	0	644,226	296,962	22,533,966	318,554,305
2097	318,554,305	0	525,029	318,554	24,178,658	341,889,380
2098	341,889,380	0	421,811	341,889	25,955,104	367,080,783
2099	367,080,783	0	333,686	367,081	27,871,998	394,252,014
2100	394,252,014	0	259,572	394,252	29,938,763	423,536,953

Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a) - (b)
Balances as of December 31, 2019	\$42,006,974	\$39,523,446	\$2,483,528
Changes of the year:			
Service cost	1,627,941		1,627,941
Interest on total pension liability	3,464,648		3,464,648
Effect of plan changes	0		0
Effect of economic/demographic gains or losses	711,915		711,915
Effect of assumptions changes or inputs	3,046,634		3,046,634
Refund of contributions	(121,199)	(121,199)	0
Benefit payments	(1,635,966)	(1,635,966)	0
Administrative expenses		(32,444)	32,444
Member contributions		950,148	(950,148)
Net investment income		4,084,544	(4,084,544)
Employer contributions		1,544,670	(1,544,670)
Other	0	25,745	(25,745)
Balances as of December 31, 2020	\$49,100,947	\$44,338,945	\$4,762,003

Sensitivity Analysis

The following presents the net pension liability of the employer, calculated using the discount rate of 7.60%, as well as what the Maverick County net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$56,407,871	\$49,100,947	\$43,075,022
Fiduciary net position	44,338,945	44,338,945	44,338,945
Net pension liability/(asset)	\$12,068,926	\$4,762,003	(\$1,263,923)

Pension Expense / (Income)

Pension Expense / (Income)	<u>January 1, 2020 to December 31, 2020</u>
Service cost	\$1,627,941
Interest on total pension liability	3,464,648
Effect of plan changes	0
Administrative expenses	32,444
Member contributions	(950,148)
Expected investment return net of investment expenses	(3,230,426)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	152,281
Recognition of assumption changes or inputs	835,788
Recognition of investment gains or losses	(399,245)
Other	(25,745)
Pension expense	<u>\$1,507,538</u>

As of December 31, 2020, the deferred inflows and outflows of resources are as follows:

Deferred Inflows/Outflows of Resources	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$91,575	\$574,683
Changes of assumptions	0	2,284,975
Net difference between projected and actual earnings	1,392,553	0
Contributions made subsequent to measurement date	N/A	Employer determined

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 ending December 31:	
2021	\$495,727
2022	844,037
2023	206,588
2024	(170,822)
2025	0
Thereafter	0

Schedule of Deferred Inflows and Outflows of Resources

Expense / (Income) Calculation				Balances of Deferred Inflows and Outflows as of 12/31/2020	
Original Amount	Date Established	Original Recognition Period	Amount Recognized for 2018	Inflows	Outflows
(a)	(b)	(c)	(a) / (c)		
Investment (gains) or losses					
(\$854,118)	12/31/2020	5.0	(\$170,824)	\$683,294	\$0
(2,811,107)	12/31/2019	5.0	(562,221)	1,686,665	0
3,416,160	12/31/2018	5.0	683,232	0	1,366,464
(1,945,282)	12/31/2017	5.0	(389,056)	389,058	0
198,116	12/31/2016	5.0	39,624	0	0
Economic/demographic (gains) or losses					
711,915	12/31/2020	4.0	177,979	0	533,936
(183,149)	12/31/2019	4.0	(45,787)	91,575	0
162,991	12/31/2018	4.0	40,748	0	40,747
(82,633)	12/31/2017	4.0	(20,659)	0	0
Assumption changes or inputs					
3,046,634	12/31/2020	4.0	761,659	0	2,284,975
0	12/31/2019	4.0	0	0	0
0	12/31/2018	4.0	0	0	0
296,516	12/31/2017	4.0	74,129	0	0

Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31							2013 - 2010
	2020	2019	2018	2017	2016	2015	2014	
Total Pension Liability								
Service cost	\$1,627,941	\$1,455,382	\$1,287,251	\$1,322,517	\$1,355,260	\$1,510,500	\$1,543,919	N/A
Interest on total pension liability	3,464,648	3,134,902	2,898,449	2,684,791	2,455,239	2,357,675	2,170,666	N/A
Effect of plan changes	0	1,225,723	0	0	0	-301,064	0	N/A
Effect of assumption changes or inputs	3046634	0	0	296,516	0	303,058	0	N/A
Effect of economic/demographic (gains) or losses	711,915	-183,149	162,991	-82,633	-121,441	-1,054,153	82,964	N/A
Benefit payments/refunds of contributions	<u>(1,757,165)</u>	<u>(1,712,646)</u>	<u>(1,487,055)</u>	<u>1,606,940</u>	<u>(1,422,968)</u>	<u>(1,641,645)</u>	<u>(1,311,566)</u>	<u>N/A</u>
Net change in total pension liability	7,093,974	3,920,211	2,861,636	2,614,251	2,266,090	1,174,371	2,485,983	<u>N/A</u>
Total pension liability, beginning	<u>42,006,974</u>	<u>38,086,762</u>	<u>35,225,126</u>	<u>32,610,875</u>	<u>30,344,785</u>	<u>29,170,414</u>	<u>26,684,432</u>	<u>N/A</u>
Total pension liability, ending (a)	<u>\$49,100,947</u>	<u>\$42,006,974</u>	<u>\$38,086,762</u>	<u>\$35,225,126</u>	<u>\$32,610,875</u>	<u>\$30,344,785</u>	<u>\$29,170,414</u>	<u>N/A</u>
Fiduciary Net Position								
Employer contributions	\$1,544,670	\$1,143,648	\$1,094,044	\$952,080	\$858,985	\$965,176	\$1,166,148	N/A
Member contributions	950,148	714,036	667,779	614,245	596,941	667,172	711,066	N/A
Investment income net of investment expenses	4,084,544	5,557,196	-634,369	4,365,798	2,054,541	-500,733	1,733,967	N/A
Benefit payments/refunds of contributions	(1,757,165)	(1,712,646)	(1,487,055)	(1,606,940)	(1,422,968)	(1,641,645)	(1,311,566)	N/A
Administrative expenses	(32,444)	(30,118)	(27,181)	(22,755)	(22,360)	(20,188)	(20,913)	N/A
Other	<u>25,745</u>	<u>10,472</u>	<u>11,623</u>	<u>-759</u>	<u>85,979</u>	<u>31,275</u>	<u>36,492</u>	<u>N/A</u>
Net change in fiduciary net position	4,815,499	5,682,587	-375,159	4,301,669	2,151,116	-498,942	2,315,193	N/A
Fiduciary net position, beginning	<u>39,523,446</u>	<u>33,840,859</u>	<u>34,216,018</u>	<u>29,914,349</u>	<u>27,763,233</u>	<u>28,262,175</u>	<u>25,946,981</u>	<u>N/A</u>
Fiduciary net position, ending (b)	<u>\$44,338,945</u>	<u>\$39,523,446</u>	<u>\$33,840,859</u>	<u>\$34,216,018</u>	<u>\$29,914,349</u>	<u>\$27,763,233</u>	<u>\$28,262,175</u>	<u>N/A</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$4,762,002</u>	<u>\$2,483,528</u>	<u>\$4,245,903</u>	<u>\$1,009,108</u>	<u>\$2,696,526</u>	<u>\$2,581,552</u>	<u>\$908,239</u>	<u>N/A</u>
Fiduciary net position as a % of total pension liability	90.30%	94.09%	88.85%	97.14%	91.73%	91.49%	96.89%	N/A
Pensionable covered payroll	\$13,573,546	\$11,900,605	\$11,129,647	\$10,237,419	\$9,949,012	\$11,119,540	\$11,851,093	N/A
Net pension liability/(asset) as % of covered payroll	35.08%	20.87%	38.15%	9.86%	27.10%	23.22%	7.66%	N/A

Schedule of Employer Contributions

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2011	\$818,693	\$818,693	\$0	\$10,974,032	7.5%
2012	857,707	857,707	0	9,363,609	9.2%
2013	892,836	892,836	0	9,408,177	9.5%
2014	1,166,148	1,166,148	0	11,851,093	98.8%
2015	965,176	965,176	0	11,119,540	8.7%
2016	857,605	858,985	(1,380)	9,949,012	8.6%
2017	952,080	952,080	0	10,237,419	9.3%
2018	1,094,044	1,094,044	0	11,129,647	9.8%
2019	1,143,648	1,143,648	0	11,900,605	9.6%
2020	1,544,670	1,544,670	0	13,573,546	11.4%

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 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: Employer contributions reflect that the member contribution rate was increased to 7%

Appendix A - GASB 68 Plan Description for Maverick County

A description of the pension plan pursuant to Paragraph 40 of GASB Statement No. 68 is as follows:

- a. Maverick County participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.
- b. A brief description of benefit terms:
 - 1) All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
 - 2) The plan provides retirement, disability and survivor benefits.
 - 3) TCDRS is a savings-based plan. For the county's plan, 7% of each employee's pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 250%) and is then converted to an annuity.
 - 4) There are no automatic COLAs. Each year, the county may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation.
 - 5) Benefit terms are established under the TCDRS Act. They may be amended as of Jan. 1 each year, but must remain in conformity with the Act.
- c. Membership information is shown in the chart below.
- d. The county's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Maverick County contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the county and are currently 7%. Contributions to the pension plan from the county for 2020 are shown in the Schedule of Employer Contributions.
- e. The most recent comprehensive annual financial report for TCDRS can be found at the following link, www.tcdrs.org.

Membership Information

Members	Dec. 31, 2019	Dec. 31, 2020
Number of inactive employees entitled to but not yet receiving benefits:	457	489
Number of active employees:	373	375
Average monthly salary:	\$2,652	\$3,128
Average age:	42.86	43.04
Average length of service in years:	7.36	7.91
Inactive Employees (or their Beneficiaries) Receiving Benefits		
Number of benefit recipients:	124	128
Average monthly benefit:	\$1,087	\$1,086

Appendix B - Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial methods and assumptions used for this GASB analysis were the same as those used in the December 31, 2020 funding valuation (see Appendix C, following, for details), except as noted below and throughout this report. Please see the Maverick County December 31, 2020 Summary Valuation Report for further details.

The following are key assumptions and methods used in the GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	Same as funding valuation: See Appendix C
Salary Increases	Same as funding valuation: See Appendix C
Investment Rate of Return	7.60% (Gross of administrative expenses)
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Lavaca County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Same as funding valuation
Turnover	Same as funding valuation
Mortality	Same as funding valuation

Appendix C - Actuarial Methods and Assumptions Used for Funding Valuation

Except where indicated in the section of this GASB 68 report entitled "Actuarial Methods and Assumptions Used for GASB Calculations", the assumptions used in this analysis for the December 31, 2020 financial reporting metrics are the same as those used in the December 31, 2020 actuarial valuation analysis for Maverick County.

The following is a description of the assumptions used in the December 31, 2020 actuarial valuation analysis for Maverick County. This information may also be found in the Maverick County December 31, 2020 Summary Valuation Report.

Economic Assumptions

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.

Appendix D-Contributions Made Subsequent to Measurement Date

GASB Statement No. 71 ("GASB 71"), Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68, requires employer contributions made between the measurement date, which is the date used to determine an employer's net pension liability ("NPL"), and the employer's fiscal year end be reported as a deferred outflow of resources ("DOoR"). The statement "requires a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability."

For GASB valuation purposes, TCDRS' consulting actuary will compute each participating employer's NPL as of Dec. 31 of each year. Employers will need to account for pension contributions (employer; not employee contributions or group term life premiums) made between the measurement date and the employer's fiscal year end as a DOoR. These contributions will not be reported to you as part of this GASB report; employers can access their monthly employer activity statements, which display employer contributions to the retirement plan via the TCDRS Employer Portal.

Appendix E-Summary of TCDRS Funding Policy

Texas County & District Retirement System Funding Policy

In Effect for the Dec. 31, 2020 Actuarial Valuation

Introduction

The funding policy governs how the Texas County & District Retirement System (TCDRS) determines the employer contributions required to ensure that benefits provided to TCDRS members are funded in a reasonable and equitable manner. The goals of TCDRS' funding policy are to fully fund benefits over the course of employees' careers to ensure intergenerational equity, and to balance rate and benefit stability with the need for the plan funding to be reflective of current plan conditions.

This policy documents the current funding policies in effect for the Dec. 31, 2020 actuarial valuation as established by state law, administrative rule and action by the TCDRS Board of Trustees (the board). The policy serves as a comprehensive funding overview and complies with the GASB reporting requirements for an agent multiple-employer plan.

TCDRS funding overview

TCDRS is a model for responsible, disciplined funding. TCDRS does not receive any state funding. As an agent, multiple-employer plan, each participating employer in the system funds its plan independently. A combination of three elements funds each employer's plan: employee deposits, employer contributions and investment income.

- The deposit rate for employees is 4%, 5%, 6% or 7% of compensation, as adopted by the employer's governing body.
- Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Employer contribution rates are determined annually and approved by the TCDRS Board of Trustees.
- Investment income funds a large part of the benefits employees earn.

Pursuant to state law, employers participating in the system must pay 100% of their actuarially determined required contributions on an annual basis.

Each employer has the opportunity to make additional contributions in excess of its annual required contribution rate either by adopting an elected rate that is higher than the required rate or by making additional contributions on an ad hoc basis. Employers may make additional contributions to pay down their liabilities faster, pre-fund benefit enhancements and/or buffer against future adverse experience.

In addition, employers annually review their plans and may adjust benefits and costs based on their local needs and budgets. Although accrued benefits may not be reduced, employers may reduce future benefit accruals and immediately reduce costs.

Methodology for determining employer contribution rates

The board hires independent outside consulting actuaries to conduct an annual valuation to measure the funding status and to determine the required employer contribution rate for each employer plan. In order to calculate the employer contribution rate, the actuary does the following:

- Studies each employer's adopted plan of benefits and the profile of its plan participants, and uses assumptions established by the board to estimate future benefit payments.
- Discounts the estimate of future benefit payments to the present based on the long-term rate of investment return to determine the present value of future benefits.
- Compares the present value of future benefits with the plan's assets to determine the difference that needs to be funded based on the funding policy.

The valuation of each employer plan is based on the system funding policy and the assets, benefits and participant profile of each participating employer plan. The four key components in the determination of employer contribution rates are: the actuarial cost method, amortization policy, the asset valuation method and the actuarial assumptions.

Actuarial cost method

TCDRS has adopted the replacement life entry age cost method, a conservative cost method and an industry standard. The goal of this cost method is to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin. Under this approach, benefits are funded in advance as a level percentage of pay. This portion of the contribution rate is called the normal cost rate and generally remains stable from year to year.

Amortization policy

The portion of the contribution rate that funds any remaining unfunded amounts for benefits that are not covered by the normal cost is called the unfunded actuarial accrued liability (UAAL) rate. UAAL amounts occur when benefit enhancements are adopted that have not been funded in advance, or when actual investment or demographic experience varies from the actuarial assumptions (actuarial gains and losses). UAAL amounts are amortized on a level-percentage-of-covered-payroll basis over a closed period with a layered approach. The closed periods ensure all unfunded liabilities are financed over no more than 20 years from the time they occur. Each year new layers are established to amortize changes in the UAAL due to actuarial gains or losses, as well as any plan benefit changes elected by an employer for that year.

Benefit enhancements are amortized over a 15-year closed period. All other changes in the UAAL are amortized over 20-year closed periods. These amortization periods are generally more conservative than those of most other public retirement plans and are stricter than the minimum amortization period required under state law.

For newly participating districts that have five or fewer employees who are all within five years of retirement eligibility, any initial UAAL and any subsequent adoption of prior service credits are amortized over a five-year closed amortization period. This ensures that benefits are appropriately funded over the current generation of employees.

Notwithstanding the layered approach, the total UAAL payment may not be less than the required payment obtained by amortizing the entire UAAL over a 20-year period.

If a plan is overfunded, the overfunded actuarial accrued liability (OAAL) is calculated annually using a 30-year open amortization period.

Asset valuation method

When determining the actuarial value of assets used for measuring a plan's funded status, TCDRS smooths each year's actuarial investment gains and losses and recognizes them over a five-year period to better reflect the system's long-term investment horizons and to keep employer contribution rates more stable. As actuarial asset investment gains and losses are recognized, they become part of the actuarial gains and losses for the year and are funded according to the amortization policy. The five-year period helps stabilize employer rates while still ensuring that rates are reflective of current market conditions.

In addition, the board has the ability to set aside reserves from investment earnings that are used to help offset future negative economic cycles. These reserves are held separately and are not counted as part of a participating employer's plan assets until they are passed through to employers when determined necessary by the board. Reserves help maintain rate stability for employers. In addition, reserves ensure that employers do not adopt benefit increases based on a temporarily lower plan cost at a high point in a market cycle and, conversely, are not as pressured to immediately reduce benefit levels during a low point in a market cycle.

Actuarial assumptions

Demographic and economic assumptions are used to estimate employer liabilities and to determine the amount of funding required from employer contributions as opposed to investment earnings. These assumptions reflect a long-term perspective of 30 years or more. Examples of key economic assumptions include long-term investment return, long-term inflation and annual payroll increase.

Demographic assumptions are the actuary's best estimate of what will happen to TCDRS members and retirees. Examples of demographic assumptions are employment termination rates, retirement rates and retiree mortality rates. A complete listing of all actuarial assumptions can be found in the annual system-wide valuation report.

Oversight

The board has established review policies to ensure that actuarial assumptions are appropriate and that the methodology for determining employer contribution rates is being correctly applied.

Review of actuarial assumptions

TCDRS' actuarial assumptions are periodically reviewed and revised as deemed necessary to reflect best estimates of future experience. Every four years, the TCDRS consulting actuary conducts an investigation of experience. TCDRS assumptions are compared to plan experience and future expectations, and changes to the assumptions are recommended as needed. The board adopts actuarial assumptions to be used in the valuation based on the results of this study.

An actuarial audit of every investigation of experience is required and must be performed by an independent auditing actuary to review the consulting actuary's analysis, conclusions and recommendations for accuracy, appropriateness and reasonableness. These audits alternate between a peer review and a full replication audit of the investigation of experience. In a peer review audit of the investigation, the reviewing actuary uses the raw results of the investigation for demographic assumptions as calculated by the consulting actuary to test the conclusions and recommendations. In addition, the reviewing actuary independently analyzes economic assumptions to test the results and recommendations of the consulting actuary. The reviewing actuary also examines the consulting actuary's methods and assumptions for reasonableness and internal consistency. In a full replication audit of the investigation, in addition to performing all of the steps of a peer review, the auditing actuary fully replicates the calculation of the investigation's raw results.

Review of employer contribution rates

In order to test accuracy and ensure that the actuarial methods and assumptions are being correctly applied, an audit of the valuation is required every four years. These audits are conducted by an independent reviewing actuary and alternate between a peer review and a full replication audit of the valuation. In the peer review audit of the valuation, the actuary uses a sample of participant data and TCDRS plans to test the results of the valuation. The reviewing actuary also examines the consulting actuary's methods and assumptions for reasonableness and internal consistency. In a full replication audit of the valuation, the auditing actuary performs all the steps of a peer review audit but instead of analyzing sample data and plans, the auditing actuary fully replicates the original actuarial valuation.

Review and modification of funding policy

The board will review this policy on a regular basis and may modify this policy at its discretion. Modifications to the policy may be submitted for consideration to the board by staff and/or outside consulting actuaries as circumstances warrant.

G. Summary of GASB 75 Group-Term Funding Policy

Overview of GASB 74 and GASB 75

The Governmental Accounting Standards Board (GASB) released new accounting standards for public postemployment benefit plans other than pension (OPEB) and participating employers in 2016. These standards, GASB Statements No. 74 and 75, have substantially revised the accounting requirements previously mandated under GASB Statements No. 43 and 45.

For the Texas County & District Retirement System (TCDRS), the retiree death benefit paid from the Group Term Life (GTL) program is an OPEB benefit. The OPEB program is treated as an unfunded trust, because the GTL trust covers both actives and retirees and is not segregated.

GASB 74 applies to financial reporting for the TCDRS and does not impact participating employers. GASB 75 governs the specifics of reporting public OPEB plan obligations for employers. Note that in general the requirements of GASB 75 are parallel to those of GASB 68 which relates to pensions.

GASB 75 governs the specifics of accounting for public OPEB plan obligations for participating employers and is required to be implemented for employer fiscal years beginning after June 15, 2017. GASB 75 requires a liability for OPEB obligations, known as the Net OPEB Liability (Total OPEB Liability for unfunded plans), to be recognized on the balance sheets of participating employers. Changes in the Net OPEB Liability (Total OPEB Liability for unfunded plans) will be immediately recognized as OPEB Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

The TCDRS Group Term Life program has been determined to be an unfunded OPEB plan as the GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, because the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan. For GASB 75 purposes, the OPEB plan is not a cost sharing plan, so the annual benefit payments are treated as being equal to the employer's actual retiree GTL contributions for the year.

Please refer to the Glossary shown in Appendix D of this report for more information on the relevant accounting terminology.

Total OPEB Liability

Total OPEB Liability	<u>December 31, 2019</u>	<u>December 31, 2020</u>
Total OPEB liability	\$631,803	\$740,521

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Discount Rate

Discount rate	2.74%	2.12%
Long-term expected rate of return, net of investment expense	Does not apply	Does not apply
Municipal bond rate	2.74%	2.12%

Other Key Actuarial Assumptions

All actuarial assumptions that determined the total OPEB 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 75. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

See Appendix B of this report (Actuarial Methods and Assumptions Used for GASB Calculations) for a listing of key assumptions used in the calculation of the total OPEB liability and other GASB 75 metrics.

	Beginning Date	Ending Date
Valuation date	December 31, 2019	December 31, 2020
Measurement date	December 31, 2019	December 31, 2020
Employer's fiscal year	October 1, 2020	September 30, 2021

GASB Discount Rate

The TCDRS GTL program is treated as an unfunded OPEB plan because the GTL trust covers both actives and retirees and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 2.12% based on the 20 Year Bond GO Index published by bondbuyer.com is used as of the measurement date of December 31, 2020.

Employer OPEB Contributions to the Plan

Employers in the TCDRS Group Term Life (GTL) Program make a combined contribution for both the active and retiree coverage; however, only the retiree coverage is considered an OPEB plan and therefore only the contributions associated with retiree coverage are included under GASB 75. For GASB 75 purposes, the employer's benefit payments for the year are treated as being equal to its annual retiree GTL contributions.

2020 Employer OPEB Contributions and Benefit Payments

The following table shows a breakdown of the employer's contributions to the GTL program for the calendar year 2020. The contributions for retiree GTL coverage are assigned to the OPEB plan under GASB 75 and are used to determine the benefit payments shown on the exhibit on the next page. The contributions for active coverage are not considered an OPEB benefit under GASB 75.

Coverage Type	2020 GTL Rate	Amount	Financial Reporting
Active Member GTL Benefit	0.15%	\$20,360	No change from prior year
Retiree GTL Benefit	0.11%	14,931	GASB 75

Employer OPEB Contributions made Subsequent to Measurement Date

Employer OPEB contributions made in the fiscal year, but subsequent to the measurement date of December 31, 2020 should be reflected as a deferred outflow as outlined in Appendix C of this report. As previously noted, only contributions to the GTL program for retiree coverage should be included under GASB 75. Therefore, once the total GTL contributions made subsequent to the measurement date have been determined, this amount should be multiplied by the portion attributable to retiree coverage to determine the OPEB contributions made subsequent to the measurement date that should be reported under GASB 75. This proportion is 44.44444%, allocated as follows:

Coverage Type	2020 GTL Rate	Proportion	Financial Reporting
Active Member GTL Benefit	0.15%	55.55556%	No change from prior year
Retiree GTL Benefit	0.12%	44.44444%	GASB 75

Changes in Total OPEB Liability

	Changes in Total OPEB Liability
Balances as of December 31, 2019	\$631,803
Changes for the year:	
Service cost	27,838
Interest on total OPEB liability	17,871
Changes of benefit terms	0
Effect of economic/demographic experience	(7,423)
Effect of assumptions changes or inputs	85,363
Benefit payments	(14,931)
Other	0
	\$740,521
Balance as of December 31, 2020	\$740,521

Sensitivity Analysis

The following table shows the Total OPEB Liability of the employer, calculated using the discount rate of 2.12%, as well as what the Maverick County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current rate. Note that the healthcare cost trend rate does not affect the Total OPEB Liability, so sensitivity to the healthcare cost trend rate is not shown.

	1% Decrease	Current Discount Rate	1% Increase
	1.12%	2.12%	3.12%
Total OPEB Liability	\$914,581	\$740,521	\$609,638

OPEB Expense / (Income)

OPEB Expense / (Income)	January 1, 2020 to December 31, 2020
Service cost	\$27,838
Interest on total OPEB liability	17,871
Effect of plan changes	0
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(112)
Recognition of assumption changes or inputs Other	30,743
	0
OPEB expense / (income)	\$76,340

As of December 31, 2020, the deferred inflows and outflows of resources are as follows:

Deferred Inflows / Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$10,725	\$7,744
Changes of assumptions	32,117	175,798
Contributions made subsequent to measurement date	N/A	Employer determined

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

Year ended December 31:	
2021	\$30,631
2022	30,631
2023	30,634
2024	26,539
2025	11,135
Thereafter	11,130

Schedule of Deferred Inflows and Outflows of Resources

Schedule of Deferred Inflows and Outflows of Resources				Balances of Deferred Inflows and Outflows as of 12/31/2020	
Expense / (Income) Calculation				Inflows	Outflows
Original Amount	Date Established	Original Recognition Period	Amount Recognized for 2019		
(a)	(b)	(c)	(a) / (c)		
<i>Economic/demographic (gains) or losses</i>					
(\$7,423)	12/31/2020	7.0	(\$1,060)	\$6,363	\$0
9,765	12/31/2019	6.0	1,628	0	6,509
(7,635)	12/31/2018	7.0	(1,091)	4,362	0
2,880	12/31/2017	7.0	411	0	1,235
<i>Assumption changes or inputs</i>					
85,363	12/31/2020	7.0	12,195	0	73,168
137,383	12/31/2019	6.0	22,897	0	91,589
(56,204)	12/31/2018	7.0	(8,029)	32,117	0
25,761	12/31/2017	7.0	3,680	0	11,041

Schedule of Changes in Total OPEB Liability and Related Ratios

	Year Ended December 31				2016 - 2011
	2020	2019	2018	2017	
Total OPEB Liability					
Service cost	\$27,838	\$18,585	\$21,047	\$19,649	N/A
Interest on total OPEB liability	17,871	19,372	17,659	17,315	N/A
Effect of plan changes	0	0	0	0	N/A
Effect of assumption changes or inputs	85,363	137,383	(56,204)	25,761	N/A
Effect of economic/demographic (gains) or losses	(7,423)	9,765	(7,635)	2,880	N/A
Benefit payments	<u>(14,931)</u>	<u>(14,281)</u>	<u>(12,243)</u>	<u>(11,261)</u>	<u>N/A</u>
Net change in total OPEB liability	108,718	170,824	(37,376)	<u>54,344</u>	<u>N/A</u>
Total OPEB liability, beginning	<u>631,803</u>	<u>460,979</u>	<u>498,355</u>	<u>444,011</u>	<u>N/A</u>
Total OPEB liability, ending (a)	<u>(\$740,521)</u>	<u>\$631,803</u>	<u>\$460,979</u>	<u>\$498,355</u>	<u>N/A</u>
Pensionable covered payroll	\$13,573,546	\$11,900,605	\$11,129,647	\$10,237,419	N/A
Net OPEB liability/(asset) as % of covered payroll	5.46%	5.31%	4.14%	4.87%	N/A

Appendix A - GASB 75 Plan Description for Maverick County

A description of the OPEB plan pursuant to Paragraph 50 of GASB Statement No. 75 is as follows:

- a. Maverick County participates in the retiree Group Term Life program for the Texas County & District Retirement System (TCDRS), which is a statewide, multiple-employer, public employee retirement system.
- b. A brief description of benefit terms:
 - 1) All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year and are eligible for the TCERS pension plan. Only employers that have elected participation in the retiree Group Term Life program are included in the OPEB plan.
 - 2) The plan provides a \$5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees of employers that have elected participation in the retiree GTL program.
 - 3) The OPEB benefit is a fixed \$5,000 lump-sum benefit.
 - 4) No future increases are assumed in the \$5,000 benefit amount.
 - 5) Benefit terms are established under the TCERS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of Jan. 1 each year.
- c. Membership information is shown in the chart below.
- d. Contributions made to the retiree GTL Program are held in the GTL Fund. The GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan.
- e. Benefit terms are established under the TCERS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of Jan. 1 each year. The county's contribution rate for the retiree GTL program is calculated annually on an actuarial basis, and is equal to the cost of providing a one-year death benefit equal to \$5,000.

Membership Information

Members	Dec. 31, 2019	Dec. 31, 2020
Number of inactive employees entitled to but not yet receiving benefits	63	66
Number of active employees:	373	375
Average age of active employees:	42.86	43.04
Average length of service in years for active employees:	7.36	7.91
Inactive Employees Receiving Benefits		
Number of benefit recipients	97	97

Appendix B - Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial assumptions and methods that determined the total OPEB 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 75.

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	Does not apply
Inflation	Does not apply
Salary Increases	Does not apply
Investment Rate of Return (Discount Rate)	2.12%
	20 Year Bond GO Index published by bondbuyer.com as of December 31, 2020.
Cost-of-Living Adjustment	Does not apply
Disability	See Table 1
Mortality	See Table 2
Retirement	See Table 3
Other Termination of Employment	See Table 4

Appendix C - Contributions Made Subsequent to Measurement Date

GASB Statement No. 75 requires employer contributions made between the measurement date, which is the date used to determine an employer's Total OPEB Liability (TOL) and the employer's fiscal year end be reported as a deferred outflow of resources ("DOoR"). The statement requires a beginning deferred outflow of resources for "amounts paid by the employer for OPEB as the benefits come due subsequent to the measurement date of the total OPEB liability and before the end of the reporting period."

For GASB valuation purposes, TCDRS' consulting actuary will compute each participating employer's TOL as of Dec. 31 of each year. Employers will need to account for OPEB contributions made between the measurement date and the employer's fiscal year end as a DOoR. These contributions will not be reported to you as part of this GASB report; employers can access their monthly employer activity statements, which display employer contributions to the GTL plan via the TCDRS Employer Portal. Note that only contributions for the retiree GTL benefit should be included in reporting under GASB 75. There should be no change in the financial reporting for the active GTL benefit. To determine the portion of the contribution related to retiree coverage, refer to the section of this report titled "Employer OPEB Contributions to the Plan."

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31							2013 - 2010
	2020	2019	2018	2017	2016	2015	2014	
Total Pension Liability								
Service cost	\$1,627,941	\$1,455,382	\$1,287,251	\$1,322,517	\$1,355,260	\$1,510,500	\$1,543,919	N/A
Interest on total pension liability	3,464,648	3,134,902	2,898,449	2,684,791	2,455,239	2,357,675	2,170,666	N/A
Effect of plan changes	0	1,225,723	0	0	0	-301,064	0	N/A
Effect of assumption changes or inputs	3046634	0	0	296,516	0	303,058	0	N/A
Effect of economic/demographic (gains) or losses	711,915	-183,149	162,991	-82,633	-121,441	-1,054,153	82,964	N/A
Benefit payments/refunds of contributions	<u>(1,757,165)</u>	<u>(1,712,646)</u>	<u>(1,487,055)</u>	<u>1,606,940</u>	<u>(1,422,968)</u>	<u>(1,641,645)</u>	<u>(1,311,566)</u>	<u>N/A</u>
Net change in total pension liability	7,093,974	3,920,211	2,861,636	2,614,251	2,266,090	1,174,371	2,485,983	<u>N/A</u>
Total pension liability, beginning	<u>42,006,974</u>	<u>38,086,762</u>	<u>35,225,126</u>	<u>32,610,875</u>	<u>30,344,785</u>	<u>29,170,414</u>	<u>26,684,432</u>	<u>N/A</u>
Total pension liability, ending (a)	<u>\$49,100,947</u>	<u>\$42,006,974</u>	<u>\$38,086,762</u>	<u>\$35,225,126</u>	<u>\$32,610,875</u>	<u>\$30,344,785</u>	<u>\$29,170,414</u>	<u>N/A</u>
Fiduciary Net Position								
Employer contributions	\$1,544,670	\$1,143,648	\$1,094,044	\$952,080	\$858,985	\$965,176	\$1,166,148	N/A
Member contributions	950,148	714,036	667,779	614,245	596,941	667,172	711,066	N/A
Investment income net of investment expenses	4,084,544	5,557,196	-634,369	4,365,798	2,054,541	-500,733	1,733,967	N/A
Benefit payments/refunds of contributions	(1,757,165)	(1,712,646)	(1,487,055)	(1,606,940)	(1,422,968)	(1,641,645)	(1,311,566)	N/A
Administrative expenses	(32,444)	(30,118)	(27,181)	(22,755)	(22,360)	(20,188)	(20,913)	N/A
Other	<u>25,745</u>	<u>10,472</u>	<u>11,623</u>	<u>-759</u>	<u>85,979</u>	<u>31,275</u>	<u>36,492</u>	<u>N/A</u>
Net change in fiduciary net position	4,815,499	5,682,587	-375,159	4,301,669	2,151,116	-498,942	2,315,193	N/A
Fiduciary net position, beginning	<u>39,523,446</u>	<u>33,840,859</u>	<u>34,216,018</u>	<u>29,914,349</u>	<u>27,763,233</u>	<u>28,262,175</u>	<u>25,946,981</u>	<u>N/A</u>
Fiduciary net position, ending (b)	<u>\$44,338,945</u>	<u>\$39,523,446</u>	<u>\$33,840,859</u>	<u>\$34,216,018</u>	<u>\$29,914,349</u>	<u>\$27,763,233</u>	<u>\$28,262,175</u>	<u>N/A</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$4,762,002</u>	<u>\$2,483,528</u>	<u>\$4,245,903</u>	<u>\$1,009,108</u>	<u>\$2,696,526</u>	<u>\$2,581,552</u>	<u>\$908,239</u>	<u>N/A</u>
Fiduciary net position as a % of total pension liability	90.30%	94.09%	88.85%	97.14%	91.73%	91.49%	96.89%	N/A
Pensionable covered payroll	\$13,573,546	\$11,900,605	\$11,129,647	\$10,237,419	\$9,949,012	\$11,119,540	\$11,851,093	N/A
Net pension liability/(asset) as % of covered payroll	35.08%	20.87%	38.15%	9.86%	27.10%	23.22%	7.66%	N/A

Schedule of Employer Contributions

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2011	\$818,693	\$818,693	\$0	\$10,974,032	7.5%
2012	857,707	857,707	0	9,363,609	9.2%
2013	892,836	892,836	0	9,408,177	9.5%
2014	1,166,148	1,166,148	0	11,851,093	98.0%
2015	965,176	965,176	0	11,119,540	8.7%
2016	857,605	858,985	(1,380)	9,949,012	8.6%
2017	952,080	952,080	0	10,237,419	9.3%
2018	1,094,044	1,094,044	0	11,129,647	9.8%
2019	1,143,648	1,143,648	0	11,900,605	9.6%
2020	1,544,670	1,544,670	0	13,573,546	11.4%

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 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: Employer contributions reflect that the member contribution rate was increased to 7%

Appendix B - Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial methods and assumptions used for this GASB analysis were the same as those used in the December 31, 2020 funding valuation (see Appendix C, following, for details), except as noted below and throughout this report. Please see the Maverick County December 31, 2020 Summary Valuation Report for further details.

The following are key assumptions and methods used in the GASB analysis.

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	Same as funding valuation: See Appendix C
Salary Increases	Same as funding valuation: See Appendix C
Investment Rate of Return	7.60% (Gross of administrative expenses)
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Lavaca County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Same as funding valuation
Turnover	Same as funding valuation
Mortality	Same as funding valuation

Schedule of Changes in Total OPEB Liability and Related Ratios

	Year Ended December 31				2016 - 2011
	2020	2019	2018	2017	
Total OPEB Liability					
Service cost	\$27,838	\$18,585	\$21,047	\$19,649	N/A
Interest on total OPEB liability	17,871	19,372	17,659	17,315	N/A
Effect of plan changes	0	0	0	0	N/A
Effect of assumption changes or inputs	85,363	137,383	(56,204)	25,761	N/A
Effect of economic/demographic (gains) or losses	(7,423)	9,765	(7,635)	2,880	N/A
Benefit payments	<u>(14,931)</u>	<u>(14,281)</u>	<u>(12,243)</u>	<u>(11,261)</u>	<u>N/A</u>
Net change in total OPEB liability	108,718	170,824	(37,376)	<u>54,344</u>	<u>N/A</u>
Total OPEB liability, beginning	<u>631,803</u>	<u>460,979</u>	<u>498,355</u>	<u>444,011</u>	<u>N/A</u>
Total OPEB liability, ending (a)	<u>(\$740,521)</u>	<u>\$631,803</u>	<u>\$460,979</u>	<u>\$498,355</u>	<u>N/A</u>
Pensionable covered payroll	\$13,573,546	\$11,900,605	\$11,129,647	\$10,237,419	N/A
Net OPEB liability/(asset) as % of covered payroll	5.46%	5.31%	4.14%	4.87%	N/A

Appendix B - Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial assumptions and methods that determined the total OPEB 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 75.

Valuation Timing

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

Actuarial Cost Method

Entry Age Normal

Amortization Method

Recognition of economic/demographic gains or losses

Straight-Line amortization over Expected Working Life

Recognition of assumptions changes or inputs

Straight-Line amortization over Expected Working Life

Asset Valuation Method

Does not apply

Inflation

Does not apply

Salary Increases

Does not apply

Investment Rate of Return (Discount Rate)

2.12%

20 Year Bond GO Index published by bondbuyer.com as of December 31, 2020.

Cost-of-Living Adjustment

Does not apply

Disability

See Table 1

Mortality

See Table 2

Retirement

See Table 3

Other Termination of Employment

See Table 4

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

MAVERICK COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2021

	SPECIAL REVENUE						
	911 RESTITU- TION	AIRPORT TXDOT AVIATION RAMP	ALCOHOL AND DRUG ABUSE GRANT	ARCHIVE FEE - COUNTY CLERK	ARCHIVE FEE - DISTRICT CLERK	CDPMP CARDIO- VASCULAR DISEASE	CENTER FOR TECH AND CIVIC LIFE
ASSETS							
Cash and Cash Equivalents	\$36,863		\$642	\$2,982	\$51,747	\$28,159	
Receivables (net of allowance for uncollectibles)		8,810		460		15,552	
Due from Other Funds							
TOTAL ASSETS	\$36,863	\$8,810	\$642	\$3,442	\$51,747	\$43,711	\$0
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable						\$7,466	
Due to Other Funds		8,810				3,295	
Accrued Wages							
Total Liabilities	0	8,810	0	0	0	10,761	0
Fund Balances							
Restricted							
Construction							
General Administration				3,442			
Health and Welfare			642			32,950	
Judicial					51,747		
Public Safety - Sheriff	36,863						
Public Transportation							
Records Management							
Unassigned							
Total Fund Balances	36,863	0	642	3,442	51,747	32,950	0
TOTAL LIABILITIES AND FUND BALANCES	\$36,863	\$8,810	\$642	\$3,442	\$51,747	\$43,711	\$0

(continued)

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

SPECIAL REVENUE

CESF G#4153401	CHILD WELFARE	CO. CLERK RECORDS MGMT & PRESER.	CONTINUING EDUCATION JUDGE & STAFF	CORONA- VIRUS RELIEF FUND	COUNTY & DISTRICT TECH- NOLOGY	COUNTY FAMILY PROTECTION	COUNTY RECORDS PRESER- VATION	COUNTY SPECIALTY COURT ACCOUNT	COURT- HOUSE SECURITY
\$44,429	\$2,069	\$295,726	\$2,144		\$2,278	\$13,633	\$83,649	\$543	\$147,977
		1,700 1	105	63,327	2		480		1,530 150,975
\$44,429	\$2,069	\$297,427	\$2,249	\$63,327	\$2,280	\$13,633	\$84,129	\$543	\$300,482

44,429

44,429	0	0	0	0	0	0	0	0	0
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297,427

84,129

2,069

2,249

63,327

2,280

543

13,633

300,482

0	2,069	297,427	2,249	63,327	2,280	13,633	84,129	543	300,482
\$44,429	\$2,069	\$297,427	\$2,249	\$63,327	\$2,280	\$13,633	\$84,129	\$543	\$300,482

MAVERICK COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2021

(continued)

	SPECIAL REVENUE					
	COURT INITIATED GUARDIAN SHIP	COURT REPORTER SERVICE	CRIMINAL JUSTICE PRO G#4061501	CTIF COUNTY TRANSPOR- TATION	D.A. BORDER PROSECU- TION	DISTRICT REC. MGMT. & PRESER- VATION
ASSETS						
Cash and Cash Equivalents	\$4,275	\$28		\$41,368	\$24,547	\$46,059
Receivables (net of allowance for uncollectibles)	300			11,725	44,048	
Due from Other Funds						
TOTAL ASSETS	\$4,575	\$28	\$0	\$53,093	\$68,595	\$46,059
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable				\$41,268	\$68,799	
Due to Other Funds		8				
Accrued Wages					8,135	
Total Liabilities	0	8	0	41,268	76,934	0
Fund Balances						
Restricted						
Construction						
General Administration						
Health and Welfare						
Judicial	4,575	20				46,059
Public Safety - Sheriff						
Public Transportation				11,825		
Records Management						
Unassigned					(8,339)	
Total Fund Balances	4,575	20	0	11,825	(8,339)	46,059
TOTAL LIABILITIES AND FUND BALANCES	\$4,575	\$28	\$0	\$53,093	\$68,595	\$46,059

(continued)

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

SPECIAL REVENUE

E-FILE RECOVERY DISTRICT CLERK #2	ELDERLY NUTRI- TION	ER SRVCS HELP COLONIA	HIDTA DA'S OFFICE	HOTEL TAX	JUDICIAL EFFICIENCY OF COURTS	JURY FUND	LANDFILL/WASTE CRIMINAL DETENTION CTR. FUND	LAW LIBRARY
\$29,957	\$294,822	\$129,592	\$100	\$100	\$1,149	\$111	\$9,336	\$409,366
	204,487					11		1,680
							2,400,000	121,971
\$29,957	\$499,309	\$129,592	\$100	\$100	\$1,149	\$122	\$2,409,336	\$533,017

	\$18,286	\$116,915						
			100	100			2,400,000	
	10,710							
0	28,996	116,915	100	100	0	0	2,400,000	0

29,957	470,313	12,677			1,149	122		533,017
							9,336	
29,957	470,313	12,677	0	0	1,149	122	9,336	533,017
\$29,957	\$499,309	\$129,592	\$100	\$100	\$1,149	\$122	\$2,409,336	\$533,017

MAVERICK COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2021

(continued)

	SPECIAL REVENUE					
	LBSB 2014	LOCAL CONSOL- IDATED COURT COST	LOCAL TRAFFIC FINE	LOCAL TRUANCY PREV & DIVERSION	MC JUVENILE PROBATION SERVICE	PARKLAND FEES
ASSETS						
Cash and Cash Equivalents	\$17,706	\$1,052	\$2,849	\$6,873	\$4,011	\$520
Receivables (net of allowance for uncollectibles)	5,716		125	441	8,022	
Due from Other Funds						
TOTAL ASSETS	\$23,422	\$1,052	\$2,974	\$7,314	\$12,033	\$520
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable					\$12,033	
Due to Other Funds						
Accrued Wages	1,297					
Total Liabilities	1,297	0	0	0	12,033	0
Fund Balances						
Restricted						
Construction						
General Administration						520
Health and Welfare						
Judicial						
Public Safety - Sheriff	22,125	1,052	2,974	7,314		
Public Transportation						
Records Management						
Unassigned						
Total Fund Balances	22,125	1,052	2,974	7,314	0	520
TOTAL LIABILITIES AND FUND BALANCES	\$23,422	\$1,052	\$2,974	\$7,314	\$12,033	\$520

(continued)

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

SPECIAL REVENUE

PROSECUTOR FUND	PUBLIC ASSIST- ANCE PROGRAM	RECORDS MANAGE- MENT	SELF HELP CENTER C#7219003	SHERIFF CONFISCATED FUNDS	SNAP-ED HEALTHY COMMUNITIES	STONE GARDEN 2009	STONE GARDEN 2011	STONE GARDEN 2018
\$455	\$22,987	\$84,203	\$233,273	\$110,747	\$297,991		\$41,098	\$116,373
	176,067	241	15,535		148,209			63,755
	240,624	12						1,060
\$455	\$439,678	\$84,456	\$248,808	\$110,747	\$446,200	\$0	\$41,098	\$181,188
	\$5,929	\$1,059			\$125,575	\$44,157	\$39,324	
	37,644				18,437			
		3,562			6,441			6,276
0	43,573	4,621	0	0	150,453	44,157	39,324	6,276
455	396,105		248,808		295,747			
				110,747			1,774	174,912
		79,835				(44,157)		
455	396,105	79,835	248,808	110,747	295,747	(44,157)	1,774	174,912
\$455	\$439,678	\$84,456	\$248,808	\$110,747	\$446,200	\$0	\$41,098	\$181,188

MAVERICK COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2021
 (continued)

	SPECIAL REVENUE					
	TIME PAYMENT	TOBACCO GRANT CONSTR- UCTION	TOWER LEASE	TRAVELERS HEALTH INITIATIVE	TRINATIONAL EPIDEM- IOLOGY	VITAL STATISTICS
ASSETS						
Cash and Cash Equivalents	\$3,488	\$100	\$29,701	\$34,499	\$9,520	\$35,279
Receivables (net of allowance for uncollectibles)	57		9,600	31,424	1,680	56
Due from Other Funds	45					
TOTAL ASSETS	\$3,590	\$100	\$39,301	\$65,923	\$11,200	\$35,335
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable				\$15,972		
Due to Other Funds		100	100	11,201		
Accrued Wages						
Total Liabilities	0	100	100	27,173	0	0
Fund Balances						
Restricted						
Construction						
General Administration	3,590					35,335
Health and Welfare			39,201	38,750	11,200	
Judicial						
Public Safety - Sheriff						
Public Transportation						
Records Management						
Unassigned						
Total Fund Balances	3,590	0	39,201	38,750	11,200	35,335
TOTAL LIABILITIES AND FUND BALANCES	\$3,590	\$100	\$39,301	\$65,923	\$11,200	\$35,335

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

SPECIAL REVENUE		CAPITAL PROJECTS				NON-MAJOR
TECH- NOLOGY FUND	ZIKA PROJECT	CDBG NO. 7217299	CDBG NO. 7218065	CDBG NO. 7218115	TAX NOTES 2019	GOVERN- MENTAL FUNDS
\$15,784			\$111,774	\$100	\$24,420	\$2,908,454
487			39,155	388,361		1,243,146 2,914,690
\$16,271	\$0	\$0	\$150,929	\$388,461	\$24,420	\$7,066,290
\$107			\$42,705	100		\$539,595 2,524,324 36,421
107	0	0	42,705	100	0	3,100,340
16,164			108,224	388,361	24,420	496,585 424,443 1,609,720 690,406 671,876 36,245 79,835 (43,160)
16,164	0	0	108,224	388,361	24,420	3,965,950
\$16,271	\$0	\$0	\$150,929	\$388,461	\$24,420	\$7,066,290

MAVERICK COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

	SPECIAL REVENUE						
	911 RESTITU- TION	AIRPORT TXDOT AVIATION RAMP	ALCOHOL AND DRUG ABUSE GRANT	ARCHIVE FEE - COUNTY CLERK	ARCHIVE FEE - DISTRICT CLERK	CDPMP CARDIO- VASCULAR DISEASE	CENTER FOR TECH AND CIVIC LIFE
<i>REVENUES</i>							
Sales Tax							
Intergovernmental		8,810				19,841	47,075
Charges for Services				1,140	11,400		
Interest							
Miscellaneous				28			
Total Revenues	0	8,810	0	1,168	11,400	19,841	47,075
<i>EXPENDITURES</i>							
Current:							
General Administration							
General Administration							
Records Management							
Judicial							
Judicial					72		
Public Safety							
Public Safety							
Probation							
Sheriff							
Public Transportation							
Public Transportation		17,620					
Health and Welfare							
Health			50			19,841	47,075
Capital Projects -							
Capital Outlay and Other							
Total Expenditures	0	17,620	50	0	72	19,841	47,075
Excess (Deficiency) of Revenues Over (Under)							
Expenditures	0	(8,810)	(50)	1,168	11,328	0	0
<i>OTHER FINANCING SOURCES (USES):</i>							
Operating Transfers In		8,810				32,950	
Operating Transfers Out							
Total Other Financing Sources (Uses)	0	8,810	0	0	0	32,950	0
Net Changes in Fund Balances	0	0	(50)	1,168	11,328	32,950	0
Fund Balances - Beginning - Restated	36,863	0	692	2,274	40,419	0	0
Fund Balances - Ending	\$36,863	\$0	\$642	\$3,442	\$51,747	\$32,950	\$0

(continued)

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

SPECIAL REVENUE

CESF G#4153401	CHILD WELFARE	CO. CLERK RECORDS MGMT & PRESER.	CONTINUING EDUCATION JUDGE & STAFF	CORONA- VIRUS RELIEF FUND	COUNTY & DISTRICT TECH- NOLOGY	COUNTY FAMILY PROTECTION	COUNTY RECORDS PRESER- VATION	COUNTY SPECIALTY COURT ACCOUNT	COURT- HOUSE SECURITY
2,194	500	112,345	385	1,317,448	180	1,485	11,529	648	35,786
2,194	500	112,345	385	1,317,448	180	1,485	11,529	648	35,786
		182					144		
			73		72			105	
						72			36,108
2,194	963								
2,194	963	182	73	0	72	72	144	105	36,108
0	(463)	112,163	312	1,317,448	108	1,413	11,385	543	(322)
				(1,317,448)					
0	0	0	0	(1,317,448)	0	0	0	0	0
0	(463)	112,163	312	0	108	1,413	11,385	543	(322)
0	2,532	185,264	1,937	63,327	2,172	12,220	72,744	0	300,804
\$0	\$2,069	\$297,427	\$2,249	\$63,327	\$2,280	\$13,633	\$84,129	\$543	\$300,482

MAVERICK COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021
 (continued)

	SPECIAL REVENUE					
	COURT INITIATED GUARDIAN SHIP	COURT REPORTER SERVICE	CRIMINAL JUSTICE PRO G#4061501	CTIF COUNTY TRANSPOR- TATION	D.A. BORDER PROSECU- TION	DISTRICT REC. MGMT. & PRESER- VATION
<i>REVENUES</i>						
Intergovernmental			31,685		312,272	
Charges for Services	1,160	97				6,735
Interest						
Miscellaneous						
Total Revenues	1,160	97	31,685	0	312,272	6,735
<i>EXPENDITURES</i>						
Current:						
General Administration						
General Administration						
Records Management						
Judicial						
Judicial	72	77			320,406	182
Public Safety						
Public Safety			31,685			
Probation						
Sheriff						
Public Transportation						
Public Transportation				44,590		
Health and Welfare						
Health						
Capital Projects -						
Capital Outlay and Other						
Total Expenditures	72	77	31,685	44,590	320,406	182
Excess (Deficiency) of Revenues Over (Under)						
Expenditures	1,088	20	0	(44,590)	(8,134)	6,553
<i>OTHER FINANCING SOURCES (USES):</i>						
Operating Transfers In				56,415		
Operating Transfers Out						
Total Other Financing Sources (Uses)	0	0	0	56,415	0	0
Net Changes in Fund Balances	1,088	20	0	11,825	(8,134)	6,553
Fund Balances - Beginning - Restated	3,487	0	0	0	(205)	39,506
Fund Balances - Ending	\$4,575	\$20	\$0	\$11,825	(\$8,339)	\$46,059

(continued)

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

SPECIAL REVENUE

E-FILE RECOVERY DISTRICT CLERK #2	ELDERLY NUTRI- TION	ER SRVCS HELP COLONIA	HIDTA DA'S OFFICE	HOTEL TAX	JUDICIAL EFFICIENCY OF COURTS	JURY FUND	LANDFILL/WASTE CRIMINAL DETENTION CTR. FUND	LAW LIBRARY
							\$2,932,430	
1,341	505,596 13,330 1	209,866			92	172	383	36,155 321
1,341	518,927	209,866	0	0	92	172	2,932,813	36,476
92					72	87		72
	752,402	209,871						
92	752,402	209,871	0	0	72	87	0	72
1,249	(233,475)	(5)	0	0	20	85	2,932,813	36,404
	341,114	2,682					(5,773,010)	
0	341,114	2,682	0	0	0	0	(5,773,010)	0
1,249	107,639	2,677	0	0	20	85	(2,840,197)	36,404
28,708	362,674	10,000	0	0	1,129	37	2,849,533	496,613
\$29,957	\$470,313	\$12,677	\$0	\$0	\$1,149	\$122	\$9,336	\$533,017

MAVERICK COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021
 (continued)

	SPECIAL REVENUE					
		LOCAL		LOCAL	MC	
	LBSB 2014	CONSOL- IDATED COURT COST	LOCAL TRAFFIC FINE	LOCAL TRUANCY PREV & DIVERSION	MC JUVENILE PROBATION SERVICE	PARKLAND FEES
<i>REVENUES</i>						
Intergovernmental	17,798				16,044	
Charges for Services		1,295	2,500	5,168		
Interest						
Miscellaneous						
Total Revenues	17,798	1,295	2,500	5,168	16,044	0
<i>EXPENDITURES</i>						
Current:						
General Administration						
General Administration						45
Records Management						
Judicial						
Judicial						
Public Safety						
Public Safety	45,680	243	91	91		
Probation						
Sheriff					16,044	
Public Transportation						
Public Transportation						
Health and Welfare						
Health						
Capital Projects -						
Capital Outlay and Other						
Total Expenditures	45,680	243	91	91	16,044	45
Excess (Deficiency) of Revenues Over (Under)						
Expenditures	(27,882)	1,052	2,409	5,077	0	(45)
<i>OTHER FINANCING SOURCES (USES):</i>						
Operating Transfers In	26,759					
Operating Transfers Out						
Total Other Financing Sources (Uses)	26,759	0	0	0	0	0
Net Changes in Fund Balances	(1,123)	1,052	2,409	5,077	0	(45)
Fund Balances - Beginning - Restated	23,248	0	565	2,237	0	565
Fund Balances - Ending	\$22,125	\$1,052	\$2,974	\$7,314	\$0	\$520

(continued)

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

SPECIAL REVENUE

PROSECUTOR FUND	PUBLIC ASSIST- ANCE PROGRAM	RECORDS MANAGE- MENT	SELF HELP CENTER C#7219003	SHERIFF CONFISCATED FUNDS	SNAP-ED HEALTHY COMMUNITIES	STONE GARDEN 2009	STONE GARDEN 2011	STONE GARDEN 2018
648	207,402	8,200	319,118		211,537			157,624
			79		1			
				164,662				
648	207,402	8,200	319,197	164,662	211,538	0	0	157,624
193		148,230						
				77,977			15	157,712
	207,866				213,401			
			319,127					
193	207,866	148,230	319,127	77,977	213,401	0	15	157,712
455	(464)	(140,030)	70	86,685	(1,863)	0	(15)	(88)
	326,189	59,215	248,738		297,610			
0	326,189	59,215	248,738	0	297,610	0	0	0
455	325,725	(80,815)	248,808	86,685	295,747	0	(15)	(88)
0	70,380	160,650	0	24,062	0	(44,157)	1,789	175,000
\$455	\$396,105	\$79,835	\$248,808	\$110,747	\$295,747	(\$44,157)	\$1,774	\$174,912

MAVERICK COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021
 (continued)

	SPECIAL REVENUE					
	TIME PAYMENT	TOBACCO GRANT CONSTR- UCTION	TOWER LEASE	TRAVELERS HEALTH INITIATIVE	TRINATIONAL EPIDEM- IOLOGY	VITAL STATISTICS
<i>REVENUES</i>						
Intergovernmental		12,500		31,424		
Charges for Services	770					
Interest				3		
Miscellaneous			9,600		1,680	5,874
Total Revenues	<u>770</u>	<u>12,500</u>	<u>9,600</u>	<u>31,427</u>	<u>1,680</u>	<u>5,874</u>
<i>EXPENDITURES</i>						
Current:						
General Administration						
General Administration	158	12,500	5			144
Records Management						
Judicial						
Judicial						
Public Safety						
Public Safety						
Probation						
Sheriff						
Public Transportation						
Public Transportation						
Health and Welfare						
Health				31,424	1,680	
Capital Projects -						
Capital Outlay and Other						
Total Expenditures	<u>158</u>	<u>12,500</u>	<u>5</u>	<u>31,424</u>	<u>1,680</u>	<u>144</u>
Excess (Deficiency) of Revenues Over (Under)						
Expenditures	<u>612</u>	<u>0</u>	<u>9,595</u>	<u>3</u>	<u>0</u>	<u>5,730</u>
<i>OTHER FINANCING SOURCES (USES):</i>						
Operating Transfers In				38,747	11,200	
Operating Transfers Out						
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>38,747</u>	<u>11,200</u>	<u>0</u>
Net Changes in Fund Balances	<u>612</u>	<u>0</u>	<u>9,595</u>	<u>38,750</u>	<u>11,200</u>	<u>5,730</u>
Fund Balances - Beginning - Restated	2,978	0	29,606	0	0	29,605
Fund Balances - Ending	<u>\$3,590</u>	<u>\$0</u>	<u>\$39,201</u>	<u>\$38,750</u>	<u>\$11,200</u>	<u>\$35,335</u>

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

SPECIAL REVENUE		CAPITAL PROJECTS				NON-MAJOR GOVERNMENTAL FUNDS
ZIKA PROJECT	ZIKA PROJECT	CDBG NO. 7217299	CDBG NO. 7218065	CDBG NO. 7218115	TAX NOTES 2019	
				388,361		\$2,932,430
5,801			39,155			3,605,558
		5				469,899
						39,943
						181,849
5,801	0	5	39,155	388,361	0	7,229,679
	10					13,006
						148,412
39,559						361,134
						77,790
						0
						287,928
					48	62,258
			39,525	405,121		1,931,413
					391,122	710,249
39,559	10	0	39,525	405,121	391,170	3,592,190
(33,758)	(10)	5	(370)	(16,760)	(391,170)	3,637,489
			3,085	343,361		1,796,875
	(142,831)					(7,233,289)
0	(142,831)	0	3,085	343,361	0	(5,436,414)
(33,758)	(142,841)	5	2,715	326,601	(391,170)	(1,798,925)
49,922	142,841	(5)	105,509	61,760	415,590	5,764,875
\$16,164	\$0	\$0	\$108,224	\$388,361	\$24,420	\$3,965,950

SINGLE AUDIT SECTION

MAVERICK COUNTY, TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

SOURCE AND TITLE OF GRANT	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PASS- THROUGH TO SUB- RECIPIENTS	TOTAL FEDERAL EXPENDI- TURES
FEDERAL ASSISTANCE				
U.S. Department of Justice				
Passed-Through:				
Criminal Justice Division - Office of the Governor	16.588			
Violence Against Women Formula Grants		2930006	None	\$36,463
Violent Crimes against Women Justice-Maverick County Project		2930007	None	2,515
Violent Crimes against Women Justice-Maverick County Project				<u>38,978</u>
Passed Through:				
Texas Division of Emergency Management (TDEM)	16.034	4153401	NONE	2,194
Coronavirus Emergency Supplemental Funding Program - Decontamination Equipment				
<i>Total U.S. Department of Justice</i>				<u>41,172</u>
U.S. Department of the Treasury				
Passed Through:				
Texas Division of Emergency Management (TDEM)	21.019		None	1,317,448
Coronavirus Relief Fund				
Direct:				
Coronavirus State and Local Fiscal Recovery Funds	21.027		None	2,732,986
<i>Total U.S. Department of the Treasury (TREAS)</i>				<u>4,050,434</u>
U.S. Department of Health and Human Services				
Passed-Through:				
Middle Rio Grande Development Council:				
Special Programs for the Aging - Title III, Part B	93.044	AAA-2011-024-03	None	189,131
Grants for Supportive Services and Senior Centers				
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045		None	161,883
TITLE III-C				
Passed-Through:				
Texas Health and Human Services Commission	93.435			
Innovative State and Local Public Health Strategies to prevent and Manage Diabetes and Heart Disease and Stroke		HHS001012700001	None	19,841
Trinational Epidemiology		HHS000526000001	None	1,680
				<u>21,521</u>
Passed Through:				
Office of the Attorney General	93.563	NONE	NONE	12,898
Child Support Enforcement-Title IV-D Fiscal Year 2021				
Passed-Through:				
Texas Health and Human Services Commission	93.323	HHS001066400001	None	31,424
Centers for Disease Control and Prevention				
Passed-Through:				
Texas Health and Human Services Commission	93.994	1001465	None	0
Maternal and Child Health Services Block Grant to the States				
Passed-Through:				
Texas Department of Human Services	93.667	1001465	None	126,490
Social Services Block Grant Title XX/XIX				
<i>Total U.S. Department of Health and Human Services</i>				<u>543,347</u>
Executive Office of the President				
Passed-Through:				
District Attorney	95.001			
High Intensity Drug Trafficking Areas Program		G18SS0013A	None	51,679
Eagle Pass HIDTA Task Force		G19SS0013A	None	13,223
Eagle Pass HIDTA Task Force				<u>64,902</u>
<i>Total Executive Office of the President</i>				<u>64,902</u>
United States Department of Homeland Security (DHS)				
Direct:				
Homeland Security Grant Program	97.067			
Maverick-2018 OPSG		3594003	None	53,546
Maverick-2019 OPSG		3594004	None	104,078
				<u>157,624</u>
Passed Through:				
Texas Division of Emergency Management	97.036		NONE	207,403
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
<i>Total United States Department of Homeland Security</i>				<u>365,027</u>
United States Department of Housing and Urban Development (HUD)				
Passed-Through:				
Texas Department of Agriculture	14.228			
Community Development Block Grants/State's program		7218065	None	20,835
Sanitary Sewer & Lift Station Improvements		7218115	None	388,361
The Colonia Fund: Construction		7219143	None	209,866
Emergency Services - Help For Colonias Program		7219003	None	319,117
Colonia County Self-Help Center				<u>938,179</u>
<i>Total United States Department of Housing and Urban Development (HUD)</i>				<u>938,179</u>
United States Department of Agriculture (USDA)				
Passed-Through:				
Texas Department of Agriculture	10.760			
Water & Waste Disposal Systems for Rural Communities - Grant		None	None	1,850,001
Water & Waste Disposal Systems for Rural Communities - Grant				
<i>Note: The balance of the Water & Waste Disposal Systems for Rural Communities - Loan as September 30, 2021 is \$2,028,000. All the proceeds have been received as September 30, 2021.</i>				
Passed-Through:				
Texas Health and Human Services Commission	10.561			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		None	None	211,537
SNAP 2YR Nut Ed Obesity				
<i>Total United States Department of Agriculture (USDA)</i>				<u>2,061,538</u>
TOTAL FEDERAL ASSISTANCE:				<u>\$8,064,599</u>

See Accompanying Notes to Schedule of Federal Financial Assistance

MAVERICK COUNTY, TEXAS
 BUDGET COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Agriculture
 CFDA Number: 14.228
 Project Number: 7218065
 Contract Period: April 23, 2018 to April 22, 2020

	FEDERAL		VARIANCE
	PRIOR YEAR	CURRENT YEAR	
BUDGET			
REVENUE			
Federal	\$419,149	\$183,199	\$215,115
Local	136,150	69,550	47,920
TOTAL REVENUE:	555,299	252,749	263,035
EXPENSES			
Federal			
Sewer Improvements-Construction	359,232	183,199	155,198
Rehab: Single-Unit Sewer Service-Construction	59,917		59,917
Local			
Sewer Improvements-Engineering	91,150	40,300	32,170
General Program Administration	45,000	29,250	15,750
TOTAL EXPENSES	555,299	252,749	263,035
Excess Revenue over Expenditures	\$0	\$0	\$0

MAVERICK COUNTY, TEXAS
 BUDGET COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Agriculture
 CFDA Number: 14.228
 Project Number: 7218115
 Contract Period: February 15, 2019 to February 10, 2021

	FEDERAL		VARIANCE
	PRIOR	CURRENT	
	BUDGET	YEAR	YEAR
REVENUE			
Federal	\$500,000	\$0	\$388,361
Local	100,000		16,760
TOTAL REVENUE:	600,000	0	405,121
EXPENSES			
Federal			
Sewer Improvements-Construction	463,800		388,361
Rehab: Single-Unit Sewer Service-Construction	36,200		36,200
Local			
Sewer Improvements-Engineering	55,000		16,760
General Program Administration	45,000		45,000
TOTAL EXPENSES	600,000	0	405,121
Excess Revenue over Expenditures	\$0	\$0	\$0

MAVERICK COUNTY, TEXAS
 BUDGET COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Agriculture
 CFDA Number: 14.228
 Project Number: 7219143
 Contract Period: July 16, 2020 to January 15, 2021

	FEDERAL		VARIANCE
	PRIOR	CURRENT	
	BUDGET	YEAR	YEAR
REVENUE			
Federal	\$344,732	\$134,866	\$209,866
TOTAL REVENUE:	344,732	134,866	209,866
EXPENSES			
Federal			
Econ DevOSQ	317,914	124,866	193,048
General Program Administration	26,818	10,000	16,818
TOTAL EXPENSES	344,732	134,866	209,866
Excess Revenue over Expenditures	\$0	\$0	\$0

MAVERICK COUNTY, TEXAS
 BUDGET COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Agriculture
 CFDA Number: 14.228
 Project Number: 7219003
 Contract Period: April 1, 2020 to April 1, 2024

	BUDGET	FEDERAL		VARIANCE	
		PRIOR YEAR	CURRENT YEAR		
REVENUE					
Federal	\$1,500,000	\$0	\$320,933	\$1,179,067	
TOTAL REVENUE:	1,500,000	0	320,933	1,179,067	
EXPENSES					
Federal					
General Program Administration	225,000		75,000	150,000	
Public Services	150,000		2,136	147,864	
Rehab Single Unit Res	470,000		243,797	226,203	
Construction of Houslng	655,000			655,000	
TOTAL EXPENSES	1,500,000	0	320,933	1,179,067	**
Excess Revenue over Expenditures	\$0	\$0	\$0	\$0	

** Note: Includes 2020 expenditures of \$1,816.

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INDEPENDENT AUDITOR'S 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*

To the Judge and Commissioner's Court
Maverick County, Texas

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 Maverick County, Texas, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Maverick County, Texas's basic financial statements, and have issued our report thereon dated March 29, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Maverick County, Texas's internal control over financial reporting (internal control) as a basis for designing 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 Maverick County, Texas's internal control. Accordingly, we do not express an opinion on the effectiveness of Maverick County, Texas's 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Maverick County, Texas's 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 financial statements. 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*.

Maverick County, Texas' Response to Findings

Maverick County, Texas' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Maverick County, Texas' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



BEYER & COMPANY
Certified Public Accountants
March 29, 2022

BEYER & Co.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Judge and Commissioner's Court
Maverick County, Texas

Report on Compliance for Each Major Federal Program

We have audited Maverick County, Texas's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Maverick County, Texas's major federal programs for the year ended September 30, 2021. Maverick County, Texas's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Maverick County, Texas's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Maverick County, Texas's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Maverick County, Texas's compliance.

Opinion on Each Major Federal Program

In our opinion, Maverick County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs.

Report on Internal Control over Compliance

Management of Maverick County, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Maverick County, Texas's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Maverick County, Texas's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



BEYER & COMPANY
Certified Public Accountants
March 29, 2022

MAVERICK COUNTY, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE A-BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Maverick County, Texas under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Maverick County, Texas, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Maverick County, Texas.

NOTE B-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C-INDIRECT COST RATE

Maverick County, Texas has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D- LOAN BALANCE

The balance of the Water & Waste Disposal Systems for Rural Communities loan at September 30, 2021 is \$2,028,000. All the proceeds have been received at September 30, 2021.

MAVERICK COUNTY, TEXAS
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

NO PRIOR AUDIT FINDINGS

MAVERICK COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Section I Summary of Auditors Results

Financial Statements Section

1. The auditor's report expresses an unmodified opinion on the financial statements of the Maverick County, Texas.
2. There was one significant deficiency disclosed during the audit. There were no material weakness disclosed during the audit.

Federal Awards Section

3. There were no instances of noncompliance material to the financial statements of the Maverick County, Texas, which would be required to be reported in accordance with Government Auditing Standards.
4. There were no significant deficiencies over major Federal award programs disclosed during the audit. There were no material weakness over major Federal award programs disclosed during the audit.
5. The auditor's report on compliance for the major Federal award programs for Maverick County, Texas expresses an unmodified opinion on all major Federal programs.
6. There were no audit findings that are required to be reported in accordance with the Uniform Guidance.
7. The programs tested as major programs: Coronavirus Relief Fund - CFDA 21.019, Coronavirus State and Local Fiscal Recovery Funds – CFDA 21.027, and Disaster Grants - Public Assistance (Presidentially Declared Disasters) – CFDA 97.036.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Maverick County did not qualify as a low-risk auditee.

Section II-Financial Statement Findings

Material Weaknesses:

None

Significant Deficiencies:

2021-001 County Clerk

Condition: County Clerk – The County Clerk is not remitting their money in a timely manner.

Criteria: Internal controls should be in place that provide reasonable assurance that that all monies be remitted in a timely manner.

Effect: Because the County does not have proper internal controls in place that provide reasonable assurance that all monies be remitted in a timely manner, the financial statements could be materially misstated either through mistake, error, or fraud.

Cause of Condition: This condition exists because the County Clerk has not had a chance to implement such a system of controls.

Recommendation: The County Clerk should install internal controls to provide reasonable assurance that all monies be remitted in a timely manner; to avoid the possibility of the financial statements being materially misstated either through mistake, error, or fraud.

Other Matters:

None

Section II- Federal Awards Findings

None

MAVERICK COUNTY, TEXAS
CORRECTIVE ACTION for ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Corrective action:

Significant Deficiencies 2021-001 County Clerk

Condition: County Clerk is not remitting their money in a timely manner.

Corrective action:

- Upon further investigation is the reconciliation of credit card payments that were not being deposited in a timely matter mainly due to the fact that the person in charge of reconciling the credit card statement was out on maternity leave.
- County Clerk will train an additional back up so that the duty of reconciling and transferring credit card balances is not left with one single person avoiding this in the future.
- Audit department will check on a three-month basis to make sure that all deposits including credit cards are being reconciled and transferred into general fund on a timely basis.